



Your Touchstone Energy® Partner 

## Budget Payment Agreement

The typical family's usage varies from month to month resulting in a wide range of electric bills. As a convenience to members/customers (hereinafter referred to as "Customer") who so desire, Medina Electric Cooperative., Inc., (hereinafter referred to as the "Cooperative") offers two Budget Payment Plans (hereinafter referred to as the "Agreement" or the "Budget Payment Plan"). If you would like to participate in such, please indicate your desired payment plan by marking an "X" on the line provided and fill-in the required information. What follows is a brief explanation of each plan:

\_\_\_\_\_ **Levelized Payment (carry-over) Type Mixed** – The Customer's kWh usage history indicated on the billing records of the Cooperative for the Customer's account requesting the Budget Payment Plan will be used to calculate the Levelized Payment. The preceding 12 (twelve) months usage and charges will be totaled and divided by 12 (twelve) to determine the monthly levelized kWh usage and monthly levelized charge per month. The monthly levelized charge will be used as the Levelized Payment for the following 12 (twelve) months. The monthly levelized kWh usage will be charged to the Customer's account per month for the following 12 (twelve) months. On a monthly basis the Customer's bill will indicate the actual usage for the month (based on the Customer's meter reading), accumulated over/under recovery for the account (Previous Balance) and the Levelized Monthly Payment amount due (Budget Amount Due). The Customer's account on this payment plan will be settled as described below. See Item 6 "Carry-over Calculation".

\_\_\_\_\_ **Average Monthly Payment Type Variable** – The Customer's kWh usage history indicated on the billing records of the Cooperative for the Customer's account requesting the Budget Payment Plan will be used to calculate the Average Monthly Payment. On a monthly basis the Customer's current usage will be calculated based on the current reading provided by the Customer. The current usage will be added to the previous 11 (eleven) months usage and divided by 12 (twelve) to calculate the Average Monthly Payment for the current month. On a monthly basis the Customer's bill will indicate the actual usage for the month (based on the Customer's meter reading), accumulated over/under recovery for the account (Previous Balance) and the Average Monthly Payment amount due (Budget Amount Due).

Additional requirements for entering this Agreement are hereby agreed upon and as follows:

**1. Billing Procedures** – The Customer will be billed monthly. All other billing procedures apply. All amounts due under this Budget Payment Plan shall be paid by Customer when due in accordance with the Cooperative's standard billing practices.

**2. Late Payment** – Payments are due upon issuance of each month's bill and is to be paid no later than 16 (sixteen) days after issuance, or if such day falls on a weekend or holiday, by the next working day. If payment is not received by the due date, a late payment fee will be charged to the account based on the Budget Amount Due and the Cooperative has the right to: (i) declare the total amount owed to the Cooperative according to actual electric usage immediately due and payable, (ii) terminate this Agreement, and/or (iii) initiate its normal collection activities.

**3. Discontinuation of Agreement** – This Agreement may be discontinued by either the Customer or the Cooperative upon 10 (ten) days written notice. If the Customer moves, or if electric service is discontinued for any other reason, the total amount owed to the Cooperative according to actual electric usage shall become due and payable immediately. The Cooperative shall refund any over-recovered amounts to Customers upon termination of service to the Customer.

**4. Contract Limitations** – The account entering into this Agreement shall be limited to Customers with membership in their name taking service under the Cooperative’s General Service Tariff. Customer must have received service in their name for the previous 12 (twelve) months.

**5. Statement Balance** – Each Customer’s account must have a zero balance before a Budget Payment Plan can begin.

**6. Carry-over Calculation** – In order to determine the new budget payment amount, 12 (twelve) months from the date of the first billing of the plan or last carry-over calculation, a carry-over calculation will be made as follows:

- A. Over recovery - Customer’s total monthly levelized payments for the preceding 11 (eleven) months are greater than actual charges for the preceding 11 (eleven) months based on current meter readings.
- B. Under recovery - Customer’s total monthly levelized payments for the preceding 11 months are less than actual charges for the preceding 11 (eleven) months based on current meter readings.
- C. Carry-over – The accumulated over/under recovery for the preceding 11 (eleven) months will be added to the most recent 11 (eleven) months charges and divided by 12 (twelve) to determine the new levelized payment.
- D. Interest will not accrue on over/under recovery under this payment plan.

The Cooperative reserves the right to revise this Agreement at any time.

This Agreement will continue until it is discontinued or terminated by either party. If a Customer breaches a provision of this Agreement and the Agreement is terminated for such, the Customer will not be eligible for participation in any Budget Payment Plan with the Cooperative for a period of one (1) calendar year from the relevant termination date.

By their signature below the Customer certifies that: (i) they have read the terms of this Agreement, (ii) they meet and agree with all of the listed requirements, and (iii) they would like their account to be billed under the Budget Payment Plan indicated above.

This Agreement is invalid if not signed and returned to the Cooperative within 30 (thirty) days from its date of issuance.

Medina Electric Cooperative, Inc.

Cooperative’s Approval	Customer’s Signature
Date	Account Number
	Date