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**FALL RIVER RURAL ELECTRIC COOPERATIVE, INC.**

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**GENERAL POLICY No. 423**  
**SUBJECT: SYSTEM INTEGRITY, POWER DIVERSION**

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**I. PURPOSE:**

Since the Cooperative loses revenue if a consumer obtains power without paying for that service, and since a potentially hazardous situation could result from unrestricted access to electrical services and current, prudent business practice would indicate a need to implement procedures to prevent those activities from occurring.

**II. POLICY:**

It shall be the policy of the Cooperative to implement and maintain a program of system integrity and to investigate all potential power diversions or unauthorized access to any service located on our system.

**III. RESPONSIBILITY:**

The CEO/General Manager is responsible for seeing that the provisions of this policy are carried out.

**IV. PROVISIONS:**

The following practices and procedures shall apply to the provisions of this policy:

**A. System Integrity:**

1. The CEO/General Manager will be responsible to ensure service meters are sealed with the appropriate device suitable to the particular situation.
2. A visual inspection will be made by authorized personnel who have occasion to be at the service location.
3. All field personnel will be conscious of and make an effort to inspect services they have occasion to work proximate to.

**B. Cut Seal/Tampered Service**

1. If upon normal inspection a cut seal is discovered or a service has otherwise been tampered with, and no prior notification was given to the Cooperative, then the consumer responsible for that service will be notified in writing of the violation of our system integrity policy. A copy of that notification will be kept in that consumer's file.
2. If an electrician is performing work for a consumer, that electrician will also be notified of the violation.
3. Upon the second occurrence of a cut seal and/or tampered service by the same consumer or electrician at the same or at a different service located on the Cooperative's system, the offending party or responsible consumer, will be charged a one hundred (\$100.00) fee. The service may be inspected to ascertain if an unlawful power diversion is in place and to insure the systems integrity. The costs of such an investigation may be charged to the responsible consumer or offending party. Service may be suspended pending a decision by the CEO/General Manager and Board of Directors.

C. Power Diversion

1. When a suspected illegal power diversion is discovered, it will receive priority attention in order to preserve evidence and minimize potential loss and hazard.
2. Upon discovery of a suspected power diversion the employee will:
  - a. Protect the scene from alteration or removal of evidence by whatever appropriate means necessary and available.
  - b. Notify the Ashton Office as soon as practicable, by telephone. Give the meter number, location, and brief description of the suspected diversion.
  - c. The office will notify the appropriate personnel and dispatch them to the service location.
  - d. The investigator will determine if an illegal diversion is in place and may at this time contact local law enforcement to

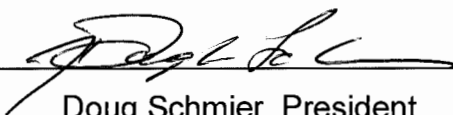
assist in the investigation.

- e. An estimate of the potential loss will be presented to either the consumer responsible for that service that received the benefit of the usage, or the prosecutor in the applicable jurisdiction.
- f. Collection of the estimated losses will be by the same method as other accounts receivable to the Cooperative, or according to terms and conditions outlined by the court, if applicable.
- g. Upon conviction or confession of power theft, diversion, or tampering with a service, the consumer in question may be denied further membership or service from the Cooperative. The offending consumer may also be asked to make their service available for inspection from time to time to insure the continued integrity of that service.

**V. PRIMACY OF POLICY**

This policy supersedes any existing policy that may be in conflict with the provisions of this policy.

APPROVED BY THE BOARD OF DIRECTORS

  
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Doug Schmier, President

DATE APPROVED: January 27, 2003

DATE REVISED: October 26, 2015

August 26, 2019