

**Central Electric Membership Corporation**  
**Service Rules & Regulations for Large Loads**  
**(As found in Central EMC Service Rules & Regulations 200 Page 9)**

**212 Large Loads**

The following are Central Electric Membership Corporation's ("Central EMC") service rules and regulations which define the terms and conditions for electric service applicable to large loads ("Large Load member") requesting electric service from Central EMC.

- The Large Load member must provide Central EMC with a non-refundable cash deposit, in an amount determined by Central EMC based on factors that include the size of the Large Load member, complexity of the requested service, and counterparty risks to Central EMC. Central EMC shall require that such deposits be replenished from time to time.
- Central EMC shall consider requests for electric service in good faith and in accordance with prudent utility practices; however, Central EMC makes no guarantee that it can provide the level or quantity of electric service requested by the Large Load member. A request for electrical service and associated discussions will not result in any reservation, whether of service capacity or a queue, on Central EMC's electrical system until a definitive agreement is executed and approved by Central EMC's Board. Central EMC shall not incur any conflicts or undue risks in considering or in agreeing to provide retail electric service to the Large Load member, as the foregoing are determined in the sole discretion of Central EMC.
- To receive bundled retail electric services from Central EMC, the Large Load member must apply for Membership and must agree to become a Member of Central EMC and comply with the terms and conditions of the Central EMC Bylaws, Service Rules & Regulations and Rate Schedule as those now exist and as they may hereinafter be amended or revised in the sole discretion of the Central EMC Board. The corporate purpose of each Cooperative incorporated pursuant to NCGS 117-16 is to render service to its Members only, and no person shall become or remain a Member unless such person uses the energy supplied by such Cooperative and complies with the terms and conditions of membership. Central EMC is a Rural Electric Cooperative pursuant to the North Carolina General Statutes set forth in NCGS Chapter 117.
- The Large Load member must be accepted into Membership by the Central EMC Board of Directors. Central EMC owns and operates electric distribution facilities and is the exclusive electric provider of electric services to its Members pursuant to NCGS 117-16 in five (5) counties in the State of North Carolina (Lee, Moore, Harnett, Chatham and Randolph Counties). Central EMC's exclusive service territory is assigned to Central EMC by the North Carolina Utilities Commission ("NCUC") pursuant to NCGS 62-110.2(c), as more specifically defined in the NC Territorial Assignment Act (NCGS 62-110.2 and NCGS 160A-331 through 160A-338). Copies

of the maps specifically designating Central EMC's exclusive service territory are on file at the NCUC, as may be amended from time to time.

- Large Load member must enter into Central EMC's standard confidentiality agreement, as may be required by Central EMC.
- Large Load member must enter into Central EMC's standard agreement providing for make-whole cost recovery for costs, charges, and expenses to be incurred by Central EMC and, as applicable, a contribution in aid of construction agreement to prepay Central EMC for all electric facilities and infrastructure required for Central EMC to provide electric service to the Large Load member, in advance of Central EMC incurring such costs, charges, and expenses (collectively, a "Cost Recovery and CIAC"). The Cost Recovery and CIAC will provide for all cost recovery, including all costs, charges, and expenses for equipment, labor, in-house personnel, and third-party services retained by Central EMC in connection with the Large Load member request for services.
- Large Load member must comply with and provide written approvals from all applicable governmental entities, municipalities, county government, state government, and federal agencies to demonstrate compliance with all applicable permitting, unified development ordinances, zoning, and environmental requirements.
- All equipment and facilities connected to Central EMC's electric system, including Central EMC's retail delivery point, substations, meters, and electric system upgrades or modifications, will be owned, operated, and maintained solely by Central EMC or on behalf of Central EMC. Large Load member will have no ownership or control of such equipment or facilities by virtue of any payment under the Cost Recovery and CIAC or any other reimbursement of costs. Central EMC expressly retains the right to use such equipment and facilities for any purpose, including electric service to its other Members.
- Large Load member will, as applicable to the size of the load requested to be served, be responsible for and be required to prepay for, provide deposits, or post collateral assurances in response to the requirements of the transmission system operator for all studies, network upgrades, transmission system infrastructure build-out, meters, or modifications to enable transmission service and delivery of electricity at the applicable wholesale delivery point(s) for Central EMC to potentially provide retail electric services to the Large Load member.
- Central EMC shall create, and Central EMC's Board shall adopt, a Rate Schedule for the applicable Large Load member, providing for full cost recovery and other operational, credit, risk, true-up and invoicing provisions as needed. Such terms and conditions shall be included and provided for in the agreements between Central EMC and the member. Such Rate Schedule shall be reviewed periodically to ensure that the rate is equitable and provides for full cost recovery. Further, the Rate Schedule may be amended and revised from time to time in the sole discretion of the Central EMC Board. Central EMC shall adopt policy provisions for purposes of allocation and payment of capital credits for the Large Load member.

- Large Load member shall execute appropriate agreements required by Central EMC to provide bundled retail electric services to the Large Load member and provide for service delivery period, performance assurances, insurance, collateral, reservation charges, take-or-pay minimum payments, conditions of assignment, conditions of change in control, liquidated damages, termination costs, make-whole requirements, capital credit allocation and distribution, community benefits, and such other provisions that may be deemed necessary or prudent by Central EMC on a case-by-case basis. Such agreements may include Central EMC's retail electric service and facilities agreements, transmission provider agreements for transmission upgrades or network service, and agreements to affect delivery of wholesale power to the wholesale delivery point.
- Central EMC is a rural not-for-profit electric distribution cooperative, and service to a Large Load member will not shift risks, costs, or burdens to or receive subsidies from the other members of Central EMC. Large Load member's exclusive remedy shall be specific performance by Central EMC. Large Load member shall indemnify, make whole, and hold Central EMC harmless from all claims and liabilities.
- As determined by Central EMC on a case-by-case basis, Central EMC shall require advance pre-payment for electric service. Large Load member shall pay Central EMC, as advance cash prepayment, for at least six (6) months of estimated invoices. Central EMC will exercise commercially reasonable care to assure safe custody of the funds, exercising at least the same degree of care as it would exercise with respect to its own property. Central EMC has no obligation to earn any interest on the cash pre-payment or to otherwise invest the cash to achieve any return. Central EMC is not assuming any fiduciary duty with respect to earning or maximizing interest or a return on the cash or the investment of such funds. All advance prepayments will be held by Central EMC without any obligation to pay any interest. Advance payments shall be used to offset any obligation of the Large Load member, including non-payment or late payment of invoices. Invoices may be due on a weekly basis and Central EMC shall use the advance pre-payment for the payment of invoiced amounts payable to Central EMC on a weekly basis. Upon Central EMC's use of the advance pre-payment, the Large Load member will be required to replenish the advance pre-payment as required by Central EMC.
- Central EMC will monitor the Large Load member's creditworthiness and performance risk on an ongoing basis. Central EMC will determine in its sole discretion whether there is a reason to request additional cash prepayment or other performance assurances based on the performance and creditworthiness of Large Load member.
- If the Large Load member defaults or fails to make timely payment, then Central EMC shall be entitled to suspend electric services. If the default or failure to make payment is not timely cured, Central EMC shall be entitled to terminate electric services to the Large Load member.

- Central EMC does not guarantee continuous service to the Large Load member. Central EMC shall not materially, adversely distinguish between similarly-situated end-users; provided, however, electric service to certain human needs members (for example, residential, health and human services, emergency, safety, critical infrastructure, public service, and other such human-needs facilities and customers) shall be at a higher priority than electric service to the Large Load member and otherwise in accordance with requirements of law that prioritize health and human safety. Central EMC may interrupt service to the Large Load member to maintain adequate electric service to such higher-priority human needs members, and in accordance with the oversight of and priorities established by Central EMC's Board. Delivery of electric service will also be subject to system operator instructions of affected electric utilities, emergency condition operations, load shedding, transmission operator curtailment processes and procedures, and bulk electric system operations.