

## **ARTICLE I MEMBERSHIP**

### **Section 1. Requirements for Membership**

Any person, partnership, association, corporation, or other entity, including governmental entities and political subdivisions thereof, may become a member of Peninsula Light Company (hereinafter called the "mutual corporation"), provided that the mutual corporation is able to provide electrical service and the person or entity has first:

(a) Made a written application for membership therein on a form prescribed by the mutual corporation; provided, regardless of whether an applicant for service has signed a written application for service or membership agreement, a request for service and/or the acceptance of service from Peninsula Light Company by any person or entity shall constitute acknowledgement by the person or entity requesting and/or accepting service that the terms and provisions of the articles of incorporation, bylaws, tariffs and rules of Peninsula Light Company and any future amendments thereof, shall constitute and be a contract between Peninsula Light Company and such person or entity, and both Peninsula Light Company and such person or entity are bound by such contract, as fully as though each such person or entity had individually signed a separate instrument containing such terms and provisions. The provisions of this article of the bylaws shall be called to the attention of each member of Peninsula Light Company by posting on Peninsula's website.

(b) Agreed to purchase from the mutual corporation electric energy within its service area and to be responsible for all charges for such services;

(c) Agreed to comply with and be bound by the Articles of Incorporation and Bylaws of the mutual corporation and any and all rules, regulations, policies and resolutions adopted by its Board of Directors (hereinafter called the "Board");

(d) Paid the membership fee hereinafter specified and any outstanding indebtedness to the mutual corporation arising from prior membership therein; and

(e) Received approval of the Board of the mutual corporation.

(f) All members shall provide Peninsula Light Company with a current address.

(g) When electric service is requested at a residence, office, building, premise, structure, or other facility ("Location"), an account for electric service to the Location shall be established in the name of the owner of the Location. In addition, a membership may also be established in the name of the tenant or other occupant at the Location. In all cases, the person in whose name an active electric service account is established or maintained shall be a member of Peninsula Light Company and shall be responsible for all charges to the account for electric services provided to the Location. If a Location is occupied by a tenant, or by any person other than the owner, the owner may elect to maintain the account under the owner's membership. In that case, Peninsula

shall hold the owner solely responsible and will bill the owner directly for all charges for electric services rendered to the Location during the occupancy of the tenant or other occupant. If the account remains under the owner's membership, Peninsula shall have no obligation or responsibility to bill the tenant or other occupant, or to make any effort to collect or attempt to collect any amount due from the tenant or other occupant. Provided, if the owner consents to the tenant or other occupant establishing a membership and an account under the tenant or other occupant's name, Peninsula shall hold the tenant or other occupant solely responsible for all charges and will bill the tenant or other occupant directly for all charges for electric services rendered to the Location during the occupancy of the tenant or other occupant. In that case, Peninsula shall look solely to the tenant/occupant for payment and shall have no right to bill the owner or to collect or attempt to collect any amount due from the owner.

(h) Peninsula may, in its sole discretion, require that persons requesting water only utility service becomes a member or it may elect to provide water service on a non-member patron basis.

## **Section 2. Membership Certificates**

Membership in the mutual corporation shall be evidenced by a membership certificate which shall be in such form as shall be determined by the Board. Such certificate shall be signed originally or in facsimile by the President and by the Secretary of the mutual corporation and the corporate seal shall be affixed thereto. No membership certificate shall be issued unless the membership fee fixed in these Bylaws has been fully paid. In case a certificate is lost, destroyed, or mutilated, a new certificate may be issued therefore upon providing an indemnity to the mutual corporation in such form as determined by the Board.

## **Section 3. Joint Membership**

A husband and wife, or co-occupants or co-owners (hereinafter referred to as "joint members"), of a serviced facility may apply for a joint membership, and subject to their compliance with the requirements set forth in Section 1 of this Article, may be accepted for such membership. The term "member" as used in these Bylaws shall be deemed to include such persons holding a joint membership, and any provisions relating to the rights and obligations of a membership shall apply equally with respect to the holders of a joint membership. Without limiting the foregoing, the effect of a joint membership shall be as follows:

(a) The presence at a meeting of a joint member shall be regarded as the presence of the membership and shall constitute a waiver by the membership of notice of the meeting;

(b) A joint membership may only cast one vote;

(c) A waiver of notice signed by a joint member shall constitute a waiver on behalf of the joint membership;

(d) Notice to any joint member shall constitute notice to the joint membership;

- (e) Expulsion or termination of any joint member shall terminate the joint membership;
- (f) Withdrawal of any joint member shall terminate the joint membership;
- (g) Only one member of a joint membership may be elected or appointed to the Board;
- (h) Each joint member shall be jointly and severally liable for any and all debts owed by the joint membership to the mutual corporation;
- (i) Only one member may receive electrical service under a joint membership. If the parties are unable to agree which of them shall receive such service, the membership shall be terminated and any payment or refund shall be distributed to the joint members equally, unless otherwise directed by a court order.

#### **Section 4. Conversion of Membership**

- (a) A membership may be converted to a joint membership upon the written request of the holder thereof and the agreement by such holder and his or her co-owner to comply with the Articles of Incorporation, Bylaws, and rules and regulations adopted by the Board. In case of conversion, the outstanding membership certificate shall be surrendered and shall be reissued in joint form by the mutual corporation.
- (b) Upon the death of any co-owner who is a party to the joint membership, such membership shall be held solely by the survivor(s), i.e., joint memberships shall be held with the right of survivorship. Upon the death of any co-owner, the survivor(s) shall surrender the membership certificate and it shall be reissued in the name(s) of the survivor(s), provided, however, that the estate of the deceased joint member shall not be released from any debts due the mutual corporation at the time of death.
- (c) The mutual corporation may require a member to sign an affidavit and provide an indemnification when a membership is converted.

#### **Section 5. Membership Fees**

The membership fee shall be \$100.00, or such other sum as shall be fixed by the Board. The membership fee may be paid in installments as follows: 50% of the fee to be presented with the application for membership, 25% within thirty (30) days from the date of application, and the remaining 25% within sixty (60) days from the date of application. Any applicant electing to pay the fee in installments shall be designated as a "subscriber" until the entire fee is paid. In the event the "subscriber" shall neglect or refuse to pay any installments due on the membership fee after formal demand in writing, the Board may declare all rights and privileges of the "subscriber" to be forfeited for nonpayment. Upon such forfeiture, the mutual corporation shall be entitled to retain all membership fees paid by the "subscriber." Such forfeiture shall be deemed to be liquidated damages.

## **Section 6. Termination of Membership**

(a) Any member may withdraw from membership upon compliance with the terms and conditions as may be prescribed by the Board. The Board may cancel any membership and terminate service, upon at least ten days' prior written notice, in the event:

(1) such member fails to comply with any of the provisions of the Articles of Incorporation, Bylaws, or rules or regulations adopted by the Board, or fails to pay for electricity, materials, or services; or

(2) Peninsula Light Company is unable to contact the member at the address provided and a current address cannot be ascertained after Peninsula Light Company has reasonably attempted to locate such members' current address; or

(3) a member no longer receives power from Peninsula Light Company at his residence or property which the member either owns, has an ownership interest, or management authority; or

(4) a member commits a violent act or threatens to commit a violent act against any employee or agent of the mutual corporation.

(b) When memberships are canceled and service terminated pursuant to Article I, Section 6 (a) (2) or 6 (a) (3), the fee paid pursuant to Article I, Section 5 of the Bylaws shall be classified as donated capital to Peninsula Light Company.

## **Section 7. Provision of Services**

As a condition of receiving and continuing to receive electric service or other cooperative services from the mutual corporation, each member, patron, or person using a cooperative service at a Location served by the mutual corporation agrees as follows:

(a) The mutual corporation shall not be liable for any loss, injury, or damage resulting from the interruption, restoration, or reduction of electric, water service or any other cooperative service from any cause, including, but not limited to the: failure of generation and distribution systems, inadequacy of energy or water supply, implementation of emergency plans, or failure to pay for service rendered. During an emergency declared by appropriate civil authority, the mutual corporation may curtail utility services without liability.

(b) The mutual corporation shall provide electric services and other cooperative services to members, patrons and persons using such services at a Location served by the mutual corporation in a reasonable manner. The mutual corporation shall not be liable to any member, patron or person using its services at a Location served by the mutual corporation for damages in tort or contract resulting from its reasonable provision of electric and other cooperative services or for events beyond the reasonable control of the mutual corporation. The mutual corporation

does not guarantee or warrant the continuous or flawless provision of services, or warrant or guarantee that events beyond the reasonable control of the mutual corporation will not cause interruption of service or the availability or expansion of service. For purposes of this subparagraph 2, events beyond the reasonable control of the mutual corporation include any events which by the exercise of reasonable efforts and reasonable foresight, the corporation could not be expected to avoid and was unable to avoid, including, but not limited to:

- (1) Strikes or work stoppage;
- (2) Storms, floods, earthquakes or other natural events or disasters; and
- (3) Compliance with orders or injunctions issued by any court or by any administrative officer or agency with jurisdiction.

(c) When it is necessary for the mutual corporation to perform maintenance or make repairs to or to change its facilities, it may, without incurring any liability, suspend service for such periods as may be reasonably necessary and in such a manner as to reasonably minimize the inconvenience or loss to members, patrons and persons using services at Locations served by the mutual corporation. For purposes of this paragraph, the mutual corporation may reasonably minimize inconvenience of any member affected by a scheduled interruption associated with facilities other than electric meters, by notification given through a newspaper of general circulation in the mutual corporation's service territory, by a notice posted on the door of the member, or by other reasonable means at least one day in advance of the scheduled interruption.

(d) In no case shall the mutual corporation be liable to any member, patron or person using cooperative services at a Location served by the mutual corporation for any loss, injury, or damage in common law or statutory tort, or in contract, arising out of the provision of cooperative services, or resulting from the operation of the equipment and facilities of the mutual corporation, whether negligent or not, in an amount excess of the reasonable liability insurance coverage limit maintained by the mutual corporation. Nor shall the mutual corporation be liable in the aggregate to such persons for claims or damages arising out of the provision of cooperative services, or resulting from the operation of the equipment and facilities of the mutual corporation, or for the actions of mutual corporation personnel, whether negligent or not, and whether related to the provision of a cooperative service to the claimant or not, in an amount excess of a reasonable liability insurance coverage limit maintained by the mutual corporation. For purposes of this paragraph limiting the liability of the mutual corporation, the limit of the liability insurance coverage maintained by the mutual corporation shall be deemed to be reasonable in any case in which such limits on coverage are comparable to the limits on coverage maintained by similarly situated utilities of comparable size and service responsibilities.

(e) The limitations on liability described in each subparagraph of this Section 7 are intended to be independent, and the limitations on liability are intended to be cumulative and to all apply. Except as expressly provided, any provision conditioning or limiting the limitation on liability in one subparagraph does not apply to the other paragraphs.

## **Section 8. Member Grant of Property Rights**

As reasonably determined to be necessary for the provision of utility services by the mutual corporation, each member shall provide the mutual corporation temporary, or permanent, safe and reliable access to, and use of, any portion of any real or personal property in which the member possesses any legal right.

In addition, each member shall, without charge to the mutual corporation, execute any document reasonably requested by the corporation, to grant and convey to the corporation any written or oral easement, right-of-way, license, or other property interest in any real or personal property in which member possesses any legal right and which the corporation determines are reasonably necessary to:

(a) Purchase, install, construct, inspect, monitor, operate, repair, maintain, remove, or relocate any equipment of the mutual corporation;

(b) Provide, monitor, measure, or maintain any utility service provided by the mutual corporation; or

(c) Satisfy or facilitate any obligation incurred, or right granted, by the mutual corporation regarding the use of equipment of the corporation; or

(d) Safely, reliably, and efficiently:

(1) operate the mutual corporation; or

(2) provide any cooperative service.

## **Section 9. Damaging or Interfering with Mutual Corporation Equipment**

No member shall tamper or interfere with, damage, or impair any equipment or property owned by the mutual corporation or used by the mutual corporation to provide utility services, including, without limitation, any equipment used to meter electric or water service. Each member shall protect all equipment owned by the mutual corporation and shall install, implement, and maintain any protective device or procedure reasonably required by the mutual corporation or by law. The corporation shall have the right to inspect any equipment used to provide utility services whether or not owned by the corporation.

Reviewed 05/05/14