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Residential Non-Standard Meter Optional Rate No. 32 - Voluntary Not a Rate Increase Frequently Asked Questions – Final 8/15/2019

1. Who is eligible to Opt-Out from having a Radio Frequency (RF) "Smart" Utility Meter?

The Opt-Out program applies to residential individually metered members of KCEC who <u>Volunteer</u> for this program and do not want an RF Smart utility meter. Multi family dwellings such as apartment complexes, condominiums and a residence with multiple meter packs are not eligible for this rate.

2. Are there costs associated with electing to Opt-Out?

A one-time, initial setup charge per residence of \$155.00 to cover the cost of changing and reconfiguring the electric meter. This may be paid over six months if the member chooses.

A system charge of \$40.50 per billing period will be assessed to cover the cost of monthly meter reads. Note: The current system charge for all members is \$20.50; the additional charge for those electing to Opt-Out is \$20.00 per month.

3. Why do I have to pay to Opt-Out?

It is standard practice in utilities around the country that the costs for a non-standard meter service be paid by those consumers or members who choose the non-standard service by electing to Opt-Out. The additional cost covers the administrative and operational costs associated to obtaining and processing manual reads.

4. Are other utility companies offering this option?

Yes. We have researched the Opt-Out practices of other utilities and have observed that KCEC is the first electric utility in New Mexico to offer this voluntary program to electric consumers.

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5. Will the rates of members who choose not to Opt-Out be affected by this program?

No, that is why there is an additional monthly charge of \$20 and a one-time charge of \$155 which covers the administrative and operational costs to manually read the meter.

6. Why is this a temporary program available to a maximum of 300 members on a first-come first-serve basis?

The development of this program is a response to member requests. KCEC is taking a leadership role on this issue among rural electric cooperatives. Because this is a new program, KCEC is piloting this program during its first year of implementation and limiting participation to the first eligible 300 members to gather data on the actual costs. The program will be reevaluated after the first 12 months to determine if the additional monthly and one-time charges are adequate.

7. Once a customer Opts-Out, can they opt back into automated meter reading?

If you Opt-Out, you are responsible for the associated fees incurred. If you Opt-Out of the AMI program and then change your mind, the fees are not refundable.

Any member that Opts-Out, but subsequently elects to opt back in, will incur a \$15.00 connect fee to have the AMI equipment placed back in service.

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