

FORT LOUDOUN ELECTRIC COOPERATIVE
VONORE, TENNESSEE
Board Policy No. 334

SUBJECT: ERRORS IN BILLING

- I. **OBJECTIVE:** The purpose of this policy is to establish a procedure to be followed by all members so that they will receive equal consideration from the Cooperative in the event of an error in billing.
- II. **POLICY:** If any member owes the Cooperative, or if the Cooperative owes any member due to an error committed by Fort Loudoun Electric Cooperative or others, they shall pay or be paid the total amount due as per State Requirements, if the error is due to mechanical failure (i.e. meter failure or device failure). Generally (per State Requirements), the time period for consideration will be no more than 3 years.

If the error is found to be due to human error (i.e. mistakes made by persons reading metering devices or inputting information to be billed), the Cooperative will make refund by check or apply credit to FLEC accounts the member holds, back to the date of error. If the error would benefit the Cooperative, the time period for consideration will be no more than 3 years past billing records from the point of the error. No interest will be due in any error situation, if the member owes or the Cooperative owes.

If any member owes the Cooperative, they shall be given extra time to pay the total amount due. This time shall be one year plus the time from the beginning of the error to the correction of the error. The amount to be paid each month shall be the total amount due divided by the time period described above. (Example: \$240.00 is owed the Cooperative due to error. The error occurred over a period of 12 months. Therefore, the Member shall pay \$240.00 divided by 24 (12 months plus 12 months), or an amount of \$10.00 per month for 24 months.) Generally, the Cooperative will pay the full amount due, should the error be on the part of the Cooperative. Credits can be assessed, if this is agreed upon.

The Cooperative holds the right to evaluate errors in billing and may bring before the Board of Directors/Trustees errors that need further discussion to bring about resolution.

- III. **RESPONSIBILITY:** General Manager/CEO
Assistant General Manager
V.P. of Accounting and Office Services

**Manager of Office Services
Customer Service Department
Accounting Department**

IV. EFFECTIVE DATE: April 25, 1975

V. REVIEWED AND APPROVED: July 26, 2012
February 22, 2018
July 27, 2023