

CLEARWATER POWER COMPANY
Lewiston, Idaho 83501

POLICY BULLETIN NO. 87

SUBJECT: Collecting for Electrical Service and Miscellaneous Accounts Receivable

POLICY:

I. General:

A. Collection Office Location: Bills or monies owed the Cooperative may be paid at the Headquarters office of Clearwater Power Company, 4230 Hatwai Road, P.O. Box 997, Lewiston, Idaho 83501.

B. Payments by Cash: Bills or monies due the Cooperative may be paid by mail, using a money order, or check made payable to Clearwater Power Company. The Cooperative shall not be held responsible for the loss of any currency which may have been dispatched through the mail, deposited in the Cooperative's night drop boxes, or paid to a Cooperative employee unless a receipt has been issued by the Cooperative.

C. Payments by Credit/Debit Cards: Bills or monies due the Cooperative may be paid with an acceptable credit/debit card. A processing fee may be charged to the Member's credit/debit card by a third-party company.

D. Payments by Electronic Funds Transfer, E-Check, etc.: Bills or monies due the Cooperative may be paid electronically. The Member must sign an authorization form or submit an authorization via the Cooperative's webpage to initiate electronic funds transfer. The Cooperative shall not be held responsible for rejected transfers.

II. Collecting for Electrical Service:

A. Due Date: Monthly bills for electrical service are due and payable in full within twenty (20) days from their date and, if not so paid, shall be in default.

B. Nonpayment of Electrical Service Bills: If a Member fails to pay any bill on or before the twentieth (20th) day following the billing date, such bill will be considered delinquent. A "Past Due Notice" will appear on the next month's statement stating that on or about a date not less than ten (10) days from the billing date, the delinquent amount must be paid or service can be disconnected without further notice.

C. Late Charge: All unpaid balances will be charged a late charge in accordance with Policy Bulletin No. 68A (Fee Schedule).

D. Disconnection for Nonpayment: If the delinquent amount is unpaid or if no satisfactory payment arrangements have been made for payment thereof by the date specified on the "Past Due Notice", a "Disconnect Order" will be issued and a fee, in accordance with Policy Bulletin No. 68A (Fee Schedule), will be charged to the Member's account and the service will be issued for collection or disconnect.

E. Disconnection for Unpaid Checks: If a check is returned unpaid, the amount will be added to the Member's account along with a fee, in accordance with Policy Bulletin No. 68A (Fee Schedule). If no satisfactory payment arrangements have been made, a "Disconnect Order" will be issued and a fee, in accordance with Policy Bulletin No. 68A (Fee Schedule), charged to the Member's account and the service issued for collection or disconnect.

F. Disconnection for Rejected Electronic Funds Transfers or E-Check: If a Member has insufficient funds and the Cooperative is unable to debit the Member's bank account for electronic funds transfer or E-Check the amount will be added back to the Member's account along with a fee, in accordance with Policy Bulletin No. 68A (Fee Schedule). If the account is delinquent and no satisfactory payment arrangements have been made, a "Disconnect Order" will be issued and a fee in accordance with Policy Bulletin No. 68A (Fee Schedule), charged to the Member's account and the service issued for collection or disconnect.

G. Unpaid Accounts-Active Members: Any amounts owed by a Member on any disconnected account of such Member may be transferred to and added to any active account of such Member. The amount transferred shall become a part of such active account and will be collected in accordance with this policy.

For nonpayment of any account billed to the Member for services rendered, and if the Member receives service at more than one service location and is separately billed for any such service location, service to all service locations billed to the Member may be discontinued for nonpayment of any one or more of the accounts billed to the Member whether or not billed under any separate account or contract.

H. Bills, Delinquent and Final: All bills unpaid two (2) months from the date of disconnect, if no satisfactory arrangements have been made for payment thereof, shall be referred to the Cooperative's Attorney or collection agency for processing and collection.

III. Collecting for Miscellaneous Accounts Receivable:

A. Due Date: Bills for miscellaneous accounts receivable are due and payable in full upon receipt and, if not so paid, shall be in default.

B. Delinquent and Final: All bills unpaid two (2) months from the date of original invoice, if no satisfactory arrangements have been made for payment thereof, shall be referred to the Cooperative's Attorney or collection agency for processing and collection.

C. Late Charge: All unpaid balances will be charged a late charge in accordance with Policy Bulletin No. 68A (Fee Schedule) unless payment arrangements have been made.

IV. Uncollectible Accounts: Provisions for the write-off of uncollectible accounts are as follows:

A. Following efforts to collect as outlined above and after an account has been deemed uncollectible for a period of one (1) year, the account shall be written off. Quarterly, the Credit Representative will review accounts older than one (1) year and a list will be presented to the Board of Directors of accounts to approve for write off. Within one (1) week following Board approval, the accounts shall be written off.

B. If the Member wishes to reactivate their membership, the entire amount of their outstanding balance, including penalties, for electrical service shall be paid prior to reactivation.

a) Effective March 18, 2014, at the time of write-off, the Cooperative shall apply the outstanding balance(s) in the inactive Members' capital credit account(s) to the outstanding balance(s) that have been deemed uncollectible. The amount of capital credits applied to the outstanding balance(s) will not be discounted. Any remaining capital credits in the Member's name will be paid to the Member at such time that they are declared payable by the Board of Directors. If the bad debt is fully satisfied by applying the Member's capital credits, collection activity shall cease.

b) If the former Member pays the Cooperative any amounts in excess of any debt owed, the Cooperative shall refund the payment to the former Member.

V. Subsequent Payments:

A. The act of writing a debt off in the accounting records does not cancel the legal obligation of the debtor to pay the debt, unless the debt has been discharged in a bankruptcy or other legal action. Accounts written off remain debts to the Cooperative until collected.

B. If a payment against a written-off receivable is made to the Cooperative, the receivable record shall be reestablished and the payment posted against that record and the funds deposited to the appropriate account(s).

RESPONSIBILITY:

General Manager, Manager of Financial and Office Services, Director of Accounting, Manager of Member Services, Director of Member Services, and Credit Representative

PROCEDURE:

As outlined in the above written policy.

SOURCE: Adopted by Board Resolution - November 13, 1961.
Amended in Part - June 18, 1975; February 20, 1980; October 17, 1984;
February 20, 1985; February 21, 1990; September 15, 1993;
September 21, 1994; September 22, 1999; November 23, 1999;
November 28, 2007; January 20, 2010; February 28, 2012; January 16, 2013;
March 18, 2014.