PUBLIC UTILITY DISTRICT NO. 1
OF DOUGLAS COUNTY

Communication Service Policies and Rates

Effective August 18, 2026

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Section 1: PURPOSE
The District's mission is to provide the best possible utility services at the lowest possible cost consistent with sound business principles. It is the intent and purpose of the Communication Customer Service Policies to ensure all customers, both wholesale and retail, of the District receive uniform and equitable consideration.

Section 2: SCOPE
These Service Policies are a part of all oral or written contracts for delivery of communication service(s), hereinafter referred to as "communication service(s)" by the District to its customers. The furnishing of communication service(s) by the District and the use of such service(s) by the customer shall constitute a contract. The customer agrees to pay for such communication service(s) under the rates, terms and provisions of the District's Communication Customer Service Policies. These Service Policies are equally binding on the District and its customers. Copies of these Communication Customer Service Policies are available on the District's website at www.douglaspud.org.

Section 3: REVISION
These Service Policies may be revised, amended, deleted, or otherwise changed at any time by action of the District's Board of Commissioners. Such actions shall cancel and supersede all previous Rules and Regulations or Service Policies and be binding on both the District and the customer.

Section 4: APPLICATION FOR SERVICE
Wholesale
The District will provide wholesale communication service over its Douglas County Community Network (DCCN) to all Internet Service Provider (ISP) who sign and agree to the District's Master Service Agreement (MSA) for service.

Retail
Upon application for communication service the customer requesting communication service shall sign the District's standard application for service form and shall provide all required information, including but not limited to: Proof of identity; full name, mailing address, valid phone number; and valid photo identification. Valid photo identification includes, a passport, state driver's license, identification card issued by a state or foreign country or U.S. military ID.

Applicants with a prior outstanding debt to the District for any utility service provided the debt is still collectible under the applicable statute of limitations will be required to pay the debt in full prior to starting communication service.

In the absence of a signed agreement or application for service, the delivery of service by the District and its acceptance by the customer shall be deemed to constitute an agreement, and

acceptance of the District's Communication Service Policies. The customer shall sign the District's standard application for communication service form at their earliest convenience.

Section 5: DEPOSIT

Wholesale

At the time an ISP signs the District's MSA for communication service, the District may assess a $500 security deposit, and the ISP shall remit to the District, an initial cash security deposit before service is provided. The District may, at its discretion, waive collection of the security deposit for an ISP who have previously established appropriate credit as determined by the District.

Upon termination of the MSA, the District is expressly authorized to apply the security deposit balance to payment of all outstanding amounts due from the ISP to the District. Any remaining balance after such application will be refunded to the ISP.

Security deposits will not be maintained in a segregated account, and the District may commingle such deposits with other funds. Security deposits will not accrue interest to the ISP.

If an ISP files a bankruptcy petition, the ISP's existing account(s) will be closed and a new account(s) established. If any of the ISP's accounts are delinquent at the time of such bankruptcy filing, the District may require a new or increased security prepayment or other adequate assurance of future payment pursuant to 11 USC Section 366. Payment of the security prepayment or other assurance of future payment will be required within thirty (30) days of the date of the order for relief.

Section 6: BILLING

Wholesale

Bills will be issued every month or at the discretion of the District and are due and payable on receipt. Bills are delinquent if unpaid within thirty days. In computing bills, the charges outlined in Schedule 2 will be effective regardless of the number of days in the billing month, however, first and final bills will be prorated based on the number of days. It shall be the ISP's responsibility to notify the District of the failure to receive a bill. Failure to receive a bill will not release the ISP from obligation of payment.

Payments will be applied based on the aging priority of the account balance, therefore a balance in the 90-day category will always be paid before a balance in the 60-day category, and so forth.

Retail

Bills will be issued every month or at the discretion of the District and are due and payable on receipt. Bills are delinquent if unpaid within sixteen days. In computing bills, the charges outlined in Schedule 1 will be effective regardless of the number of days in the billing month, however, first and final bills will be prorated based on the number of days. All bills will be computed to the nearest whole dollar; if the amount ends in fifty cents or greater, the bill will be

rounded up to the whole dollar. If the amount ends with forty-nine cents or less, the bill will be rounded down to the whole dollar. It shall be the customer's responsibility to notify the District of the failure to receive a bill. Failure to receive a bill will not release the customer from obligation of payment.

Payments will be applied based on the aging priority of the account balance, therefore a balance in the 90-day category will always be paid before a balance in the 60-day category, and so forth.

The District will use reasonable diligence to provide adequate and uninterrupted internet service. When a major service interruption occurs as the result of a failure or condition within the District's communication system, and the customer is unable to reasonably use the service, the customer may receive a bill credit as described in this section.

A major service interruption is a continuous loss of internet service lasting more than 12 hours.

The credit will equal two (2) days of the customer's recurring monthly internet service charge or $3.00 or for longer outages as approved by the District. The credit applies to the recurring internet service charge only and will not apply to equipment charges, taxes, fees, or other non-recurring charges. One credit will be issued per account per interruption.

The District will apply credits automatically to accounts affected by an interruption the District designates as a major service interruption. For interruptions affecting an individual customer or a limited number of customers, the customer must contact the District's Customer Service Department to request a credit within thirty (30) days of the date service is restored.

Credits will not be provided for interruptions caused by customer-owned equipment or wiring, scheduled maintenance for which the District provided reasonable notice, power outages, third-party networks or providers, acts of nature, or other circumstances outside the District's reasonable control.

Section 7: CHANGE OF OCCUPANCY

Retail

It is the responsibility of the customer to notify the District when they have moved from the service location, are no longer using communication service at that location, or have experienced a change in legal responsibility for the account.

The customer will provide such notice to the District as soon as possible, when such change of occupancy or legal action affects service being provided by the District. Should the District become aware of a change in occupancy or legal responsibility, actions will be taken to confirm the change and begin the process of updating the District's account of record. The District may, at its discretion, require written notice from the owner, landlord or tenant before making such

change. If the District knows or has reason to believe service is being provided to a non-billed customer, the District may disconnect the non-paying internet customer immediately.

Disputes between landlords and tenants must be resolved between those parties. The District does not mediate such disputes.

Section 8: DISCONNECTION OF COMMUNICATION SERVICE

Wholesale

Refer to the MSA.

Retail

Disconnection by the District

The District may disconnect communication service to enforce its Customer Service Policies, including but not limited to the following:

- Violation of the District's service requirements or regulations (including this Policy), rate schedules or contracts.
- The customer fails to pay charges per this Policy;
- The customer fails to contact the Customer Service Department prior to the termination date indicated on the customer's termination notice;
- The customer issues a check that is not honored by the bank.
- The customer refuses to accept a certified letter regarding delinquent charges.

It is a general policy of the District that the Customer Service Department shall make every effort to arrange a reasonable and feasible payment arrangement for the customer prior to disconnecting internet service. Arrangements for deferred payment may not be available to customers who have not fully and satisfactorily complied with a previous payment arrangement or to customers who have repetitive credit problems with the District.

Customers who are disconnected for non-payment will not be reconnected outside of normal business hours.

Customer-Requested Disconnection

Customers requesting communication disconnection must contact the District. The District requires a minimum 24-hour notice for all customer-requested reconnections, disconnections, or transfers of internet service.

The District shall not terminate any customer's internet service on Friday, Saturday, Sunday, a national holiday, or the day before a national holiday.

Declaration of Customer Bankruptcy – The District will not alter, refuse or discontinue service to or discriminate against the customer solely on the basis of his or her commencement of a case under 11 USC 101, et seq., or solely on the basis that a debt owed by the customer to the District for service rendered before the order of relief was not paid when due. However, the

District, at its discretion, may alter, refuse, or discontinue service if neither the customer nor his or her representative, within twenty days after the date of the order for relief, furnishes adequate assurance of payment, in the form of a deposit or other security, for service after that date.

An administrative charge related to the disconnection of communication service is applicable and will be applied to the customer's bill (see Appendix A).

Section 9: TAX ADJUSTMENT

Wholesale

The amount of any tax levied by the county, city or town in accordance with the Laws of the State of Washington, will be added to the amount otherwise computed for communication sold within the limits of the county, city or town.

Retail

The amount of any tax levied by the county, city or town in accordance with the Laws of the State of Washington, will be added to the amount otherwise computed for internet sold within the limits of the county, city or town.

Section 10: CUSTOMER'S WIRING AND EQUIPMENT

It shall be the customer's responsibility to provide suitable protective equipment such as firewalls, fuses, circuit breakers, relays, and surge protectors to adequately protect his or her equipment. Customers shall have the responsibility to provide suitable devices adequate to protect their internet against Internet based threats.

The customer's wiring shall be in accordance with applicable wiring codes. The District reserves the right to refuse or discontinue service to customer's equipment or wiring where, in the opinion of the District, such equipment is in hazardous condition, or not in conformity with industry recommended practices, lawful codes, and/or local regulations.

The customer shall be solely responsible for the maintenance and safety the wiring and equipment, and the District shall not in any way be liable for accident or damage occurring to the customer or to third parties because of contact with or failure of any portion of the customer's installation. It is the customer's responsibility when utilizing the District's communication system to take reasonable precautions against unauthorized access to the network. The District is not responsible for any damage to customer computer systems or data caused by computer viruses or hackers that may access the customer's computer over the network.

Where the customer's use of communication equipment results in an interference with the quality of the customer's service or that of other customers, the District may require the customer to provide, at the customer's expense, such special or additional equipment as is required. Failure to install the necessary preventative equipment will result in disconnection of the service.

Nothing in this policy shall be construed as placing upon the District any responsibility for the condition, maintenance, or safety of customers' wiring or internet access equipment; and the District shall not be responsible for any loss or damage resulting from defects, failures, or malfunctions originating in any wiring, or other equipment which they may own or operate, install or maintain. The District shall not be responsible for damage to persons or property arising from the use of internet services on the premises of the customer.

Section 11: CUSTOMER'S RESPONSIBILITY FOR DISTRICT PROPERTY

Retail

It shall be the responsibility of the customer to take all reasonable and proper precautions to prevent damage to District property on the customer's premises. Unauthorized modifications or attempts to modify District provided internet service or facilities, or changes to the customer side of the service that results in damage to the District's equipment or threatens the safety of District employee's is extremely dangerous and is a violation of RCW 9A.61 (Defrauding a Public Utility) and is punishable by law. Unauthorized modifications or tampering shall include but not be limited to removal, reinstallation or bypassing of services, connections, electronics and any other equipment installed by and remaining the property of the District.

If modifications or tampering is identified, disconnection of internet service may immediately occur if the modifications or tampering has resulted in an unsafe condition of District or customer equipment. If disconnection occurs, the internet service will not be reconnected until repairs have been made and District staff have completed an inspection and determined it is safe to reconnect.

The account holder may be responsible for paying the actual costs of damage and costs incurred by the District to investigate and restore the internet service but at a minimum will be charged a tamper fee (see Appendix A.)

Section 12: RIGHT OF ACCESS

Retail

By receiving retail or wholesale internet service, the customer grants all necessary permission to enable the District to install and maintain its facilities on the customer premises. The District, through its authorized employees or designees, shall have access to District owned equipment on customer's premises at all reasonable times for the purpose of testing, repairing, inspecting or removing of such equipment and for pruning or removing trees/vegetation near District equipment. The District requires 24-hour access to all its facilities for emergency repairs and system operations.

Customers shall keep the communication service route from the District's lines to the customer's internet service free from structures and plantings, including trees, and shall permit access for any excavation or other work needed for maintenance of District's overhead or underground facilities without payment for any damage caused by such excavation or work.

When the District encounters an obstruction to District property or equipment, the District may notify the customer and request correction; however, the District may take the necessary steps to obtain immediate access to its equipment without providing prior notification to the customer.

If the obstruction is not corrected within the time specified in the notice, the District may correct the obstruction, and the customer may be obligated to reimburse the District for all costs and expenses incurred in correcting the obstruction. If the District is unable to correct the obstruction, it reserves the right to disconnect internet service until corrections are made.

Section 13: SYSTEM DISTURBANCES

Internet service(s) shall not be utilized in such a manner as to cause severe disturbances to other customers of the District.

Section 14: INTERRUPTION OF SERVICE

The District will use reasonable diligence to provide an adequate and uninterrupted supply of communication services at maximum speeds. However, if the supply is interrupted without notice for any cause, such failure shall not constitute a breach of the District's agreement for service.

The District shall have the right to temporarily suspend internet service(s) for the purpose of making repairs or improvements to the system, but in such cases, when practicable, public notice shall be given and every effort will be made to make such interruptions as short as possible.

The District shall not be liable for any consequential damages resulting from the interruption, restorations, or reduction of internet service(s) from any cause, including but not limited to maintenance or failure to pay for service rendered. During an emergency declared by appropriate civil authority the District may be required to curtail or disconnect internet service(s).

Section 15: NOTICE OF TROUBLE

If communication service is interrupted, is not satisfactory, or a hazardous condition related to District facilities is known by the customer to exist, the customer should notify the District of such existing condition.

Section 16: COMMUNICATION OUTAGE

<u>Wholesale</u>

If a customer's internet service fails, the customer shall endeavor to determine if there are problems with customer owned equipment before calling the District.

If Community Network Specialists from the District are sent out at the customer's or communication service provider's request, and it is determined that the customer's equipment or the service provider is at fault, the customer or the service provider may be billed for all costs associated with the work. If such a request is at a time other than regular working hours of the District the minimum charge will be equal to three (3) hours of labor including labor overhead and will be billed to the customer.

Retail

If a customer's internet service fails, the customer shall endeavor to determine if there are problems with customer owned equipment before calling the District.

If Community Network Specialists from the District are sent out at the customer's request, and it is determined that the customer's equipment is at fault, the customer may be billed for all costs associated with the work. If such a request is at a time other than regular working hours of the District the minimum charge will be equal to three (3) hours of labor including labor overhead and will be billed to the customer.

Section 17: COMMUNICATION LOCATIONS AND OTHER REQUIREMENTS

The customer shall provide an external location, subject to District approval, for installation of a communication box and any required mounting equipment. The customer shall also permit the District to install and maintain a connection between the communication box and the meter base.

Section 18: COMMUNICATION SYSTEM AND RV PARKS

No purchaser or end user of the District's communication service shall provide service from a single lit service connection to other locations located off-premise from the original connection point. This does not apply to DCCN connections for established ISP's, which are used to provide service to end users utilizing DCCN connections.

Established ISP's must be approved by the District and have a Master Service Agreement (MSA) with the District. If requested by the District, the ISP shall provide the District with a monthly report identifying the number of end-users served through each individual communication connection.

Section 19: RELOCATION/CONVERSION OF EXISTING COMMUNICATION FACILITIES AT CUSTOMER REQUEST

If a customer requests relocation of communication service, the District may at no cost to the customer, relocate the service, provided, no additional poles, or other equipment are required.

If additional poles or other equipment are required to be installed, the District will replace existing overhead communication facilities with an underground installation or an existing underground service with an overhead installation at no additional cost to the District.

If a customer requests their delivery point and/or other facilities be relocated to a new location (e.g., to clear an existing pole from a proposed new driveway, or to move a meter base), the District will do so provided there is an existing installation path and the revised location is feasible from an engineering standpoint.

Before relocation of any poles or equipment, the customer will provide the necessary signatures on easement forms prepared by the District and will furnish such easements to the District.

Section 20: COMMUNICATION SYSTEM

The communication system is engineered to meet the current and prospective needs of the District. Access to the system is provided through an Ethernet connection to the network. Typical of broadband networks, actual throughput will be "as available" up to the requested megabits per second. The District shall determine the availability of capacity on its communication system as requests are made for use of the communication system. Use of the communication system shall be billed at rates set forth in Schedule 6 or as set forth in separate agreements approved by the Board of Commissioners.

Section 21: COMMUNICATION SYSTEM EXTENSION POLICY

For customers desiring a connection to the communication system, the following criteria will apply:

- If the customer is in an area considered serviceable (e.g. on a planned route for distribution fiber or within a wireless service area) a CIAC may be charged to help offset the cost of connecting the end user.
- The District must determine that any such extension constitutes a viable and prudent use of the communication system and District resources.
- If the customer is located in a serviceable area, the District may extend the communication system underground to the customer premise, if, as determined by the District, a feasible, practical and open path can be created.

If this criterion are not met, then the customer must pay a CIAC calculated by the District at 100% of the estimated cost of the work required to provide the requested service outside an established communication distribution area. The CIAC must be paid prior to scheduling construction of the extension. The CIAC will not give the customer ownership rights in any facilities constructed with these funds

Section 22: COMMUNICATIONS ASSISTANCE FOR LAW ENFORCEMENT ACT (CALEA)
The District is committed to complying with the requirements of CALEA and other applicable federal and state laws governing lawful requests for communications assistance.

The District will respond to authorized requests from law enforcement agencies only when accompanied by appropriate legal authority and in accordance with applicable laws and regulations. The District will fully protect the privacy and confidentiality of customer information permitted by law while fulfilling its legal obligations.

Section 23: APPEALS AND INFORMAL CONFERENCE/HEARINGS
A customer has the right to appeal decisions made by the District concerning these policies and rate schedules. The informal conference may be conducted by telephone or in person with the District's Customer Service Supervisor. The customer may present any information which the customer deems relevant to the matter. If the issue at hand cannot be resolved via this discussion, the customer may request a hearing with the District's designated Hearing Officer (Auditor). The hearing may be conducted by telephone or in person and will be scheduled at a mutually convenient time and the Hearing Officer shall render his or her decision in writing as soon as practicable.

Appendix A – SCHEDULE OF ADMINISTRATIVE CHARGES

Service charges are based on District cost, and include, but are not limited to labor and labor overhead, transportation and transportation overhead, materials and materials overhead, and other costs normally incurred in performing services to the customer.

DESCRIPTION	CHARGE(S)
Non-Payment Disconnect	$ 15.00
Non-Sufficient Funds (NSF)	$ 20.00