

ORDINANCE 672-AC
AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF NEEDLES, CALIFORNIA, DELETING CHAPTER 6C, ADDING A NEW CHAPTER 6C
CONSISTING OF ARTICLES I, II, III, AND RESCINDING ORDINANCE 404-AC WHICH
ESTABLISHED TERMS AND CONDITIONS FOR THE SALE OF ELECTRIC SERVICES

SECTION 1. CEQA. The City Council finds that the actions contemplated by this Ordinance are exempt from the California Environmental Quality Act ("CEQA") pursuant to 15061(b)(3), CEQA review is not required because there is no possibility that this Ordinance may have a significant effect upon the environment and the proposed text amendments constitute a minor alteration in a land use limitation under CEQA Guidelines Section 15305.

SECTION 2. Severability. The City Council hereby declares that if any provision, section, paragraph, sentence, or word of this Ordinance is rendered or declared to be invalid or unconstitutional by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, such invalidity shall not affect the other provisions, sections, paragraphs, sentences, or words of this Ordinance, and to this end the provisions of this Ordinance are severable. The City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance enforced.

SECTION 3. Prosecution of Prior Ordinances. Neither the adoption of this Ordinance nor the repeal of any other ordinance of this District shall in any manner affect the prosecution of any violation of any District ordinance or provision of the District ordinances, committed prior to the effective date hereof, nor be construed as a waiver of any penalty or the penal provisions applicable to any violation thereof.

SECTION 4. The City Council hereby deletes Chapter 6C Electric Rates and rescinds Ordinance 404-AC, adding a new Chapter 6C Electric Rates regarding the Terms And Conditions for the sale of Electric Services

SECTION 5. Effective Date and Publication. The Mayor shall sign and the City Clerk shall certify to the passage of this Ordinance and cause the same or a summary thereof to be published within 15 days after adoption in accordance with Government Code Section 36933. This Ordinance shall take effect 30 days after adoption in accordance with Government Code Section 36937.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NEEDLES, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

CHAPTER 6C
ELECTRIC RATES

Sections

Article I

6C-1-1 Terms and conditions for the sale of electric services.

Article II.

6C-2-1 Conditions governing the extension of electric distribution and services.

Article III.

6C-3-1 Rate history.
6C-3-2A Rate One -- Residential service.
6C-3-2B Rate Two -- General service.
6C-3-2C Rate Three -- Multifamily service -- Submetered.
6C-3-2D Rate Four -- Multifamily service -- Not submetered.

6C-3-2E	Rate Five -- General power service.
6C-3-2F	Rate Six -- Agricultural irrigation power service.
6C-3-2G	Rate Seven -- Outdoor are lighting service.
6C-3-2H	Rate Eight -- Street and highway lighting -- City-owned.
6C-3-2I	Rate Nine -- Street and highway lighting -- Customer-owned.
6C-3-J	Rate Ten -- Power access charge.

Article I.

Sec. 6C-1-1. Terms and conditions for the sale of electric services. The following terms and conditions and any changes authorized by the city council or law will apply to the sale of electric services under the established rate or rates authorized by the city council and currently applicable at time of sale. The rates included in this Chapter 6C may be amendment by resolution of the city council after a duly noticed public hearing, which amended rates shall supersede the rates included in this Chapter 6C to the extent inconsistent therewith.

1. General.

- 1.1 Electric service will be supplied in accordance with these terms and conditions and any changes required by the city or law, and such applicable rate or rates as may from time to time be authorized by the city. However, in the case of a customer whose service requirements are of unusual size or characteristics, additional or special rate and contract arrangements may be required.
- 1.2 These terms and conditions shall be considered a part of all of the city rate schedules, except where specifically changed by written agreement by the city.
- 1.3 In case of conflict between any provision of a rate schedule and the terms and conditions, the provisions of the rate schedule shall apply.
- 1.4 The failure of the city to insist upon strict performance of any of the provisions in the terms and conditions, or to exercise any of the rights or remedies provided in the terms and conditions, or any delay in the exercise of any of the rights or remedies, shall not release the customer from any responsibilities or obligations imposed by law or by the terms and conditions, and shall not be deemed a waiver of any rights of the city to insist upon strict performance of the terms and conditions.

2. Establishment of service.

- 2.1 Application for service. Customer requesting electric service may be required to appear at city's place of business to produce proof of identity and sign city's standard form of application for service or a contract before service is supplied by city.
 - 2.1.1 In the absence of a signed application or contract for service the supplying of electric service by the city and acceptance thereof by customer shall be deemed to constitute a service agreement by and between the city and customer for delivery, acceptance of and payment for service, subject to city's applicable rates and rules and regulations.
 - 2.1.2 Where service is requested by two or more individuals, city shall have the right to collect the full amount owed city from any one of the applicants.
- 2.2 Service establishment charge. A service establishment is determined by the cost of services residential and nonresidential electric service will be assessed each time city is requested to establish, reconnect or reestablish electric service to customer's delivery point. Billing for the service establishment charge may be rendered as a part of the customer's first bill.
 - 2.2.1 Customer will be required to pay the above appropriate service establishment charge and an after-hours charge as established by the cost of services, should

customer request service be established during a period other than regular working hours.

2.3 Grounds for refusal of service. City may refuse to establish or reestablish service if any of the following conditions exist:

- 2.3.1 Applicant has an outstanding amount due with the city and is unwilling to make payment.
- 2.3.2 A condition exists which in city's judgment is unsafe or hazardous.
- 2.3.3 Application has failed to make the security deposit requirements set forth by city as specified under 2.6.
- 2.3.4 Applicant is known to be in violation of city's rate schedule.
- 2.3.5 Applicant fails to furnish to city funds service entrance equipment, and/or right-of-way required to serve applicant and which have been specified as a condition for providing service.
- 2.3.6 Applicant falsifies his or her identity for the purpose of obtaining service.
- 2.3.7 Service is already being provided at the address for which applicant is requesting service.
- 2.3.8 Service in the name of another customer currently living with the applicant at the same address for which service is being requested has been terminated for nonpayment and a delinquent balance is still outstanding.
- 2.3.9 Prior customer was terminated for any of the below reasons and continues to reside on the premises for which applicant requests service.
 - a) City has evidence of meter tampering or fraud.
 - b) Failure to pay a delinquent bill for utility service.
 - c) Failure to maintain deposit requirements.
 - d) Failure to pay for a bill to correct a previous underbilling.
 - e) Failure to comply with curtailment procedures imposed by the city during supply shortages.
 - f) Failure to provide reasonable and safe access to city's equipment and property.
 - g) Breach of written contract between city and customer.
- 2.3.10 Applicant has failed to obtain all required permits and/or inspections indicating that applicant's facilities comply with local construction and safety codes.

2.4 Establishment of residential credit or security deposit.

- 2.4.1 Residential establishment of credit. City shall not require a security deposit from a new applicant for residential electric service if applicant is able to meet any of the following requirements:
 - 2.4.1.1 Applicant has had service of a comparable nature with city at another service location within past two years and was not delinquent in payment to any utility during the last twelve consecutive months, or disconnected for nonpayment, or has not had an unpaid final bill.
 - 2.4.1.2 Applicant can provide a letter regarding credit or verification from an electric utility where service of a comparable nature was received within the last two years, and the letter states that the applicant had a satisfactory payment history at time of service discontinuation, and such service was for at least twelve consecutive months.
 - 2.4.1.3 Applicant provides a guarantor, satisfactory to the city, to secure payment of bills for the service being requested.

- 2.4.2 Residential establishment of security deposit. When credit cannot be established as provided for in Section 2.4.1 hereof or when it is determined that applicant left an unpaid final bill owing to another utility, applicant may be required to place a cash deposit to secure payment of bills for service.
- 2.5 Establishment of nonresidential credit or security deposit.
- 2.5.1 Nonresidential establishment of credit. City shall not require a security deposit from a new applicant for nonresidential electric service if applicant is able to meet any of the following requirements:
- 2.5.1.1 Applicant has had service for at least one year of a comparable nature with city or another service location within the past two years, and was not delinquent in payment to any utility during the last twelve consecutive months, or disconnected for nonpayment, or has had an unpaid final bill.
- 2.5.1.2 Applicant can provide a letter regarding credit or verification from an electric utility where service of a comparable nature was last received which states applicant had a satisfactory payment history at time of service discontinuance, and such service was for at least twelve consecutive months.
- 2.5.2 Nonresidential establishment of security deposit. All nonresidential customers may be required to:
- 2.5.2.1 Place a cash deposit to secure the payment of bills for service as prescribed herein, or
- 2.5.2.2 Provide a noncash security deposit in the form of a surety bond, irrevocable letter of credit or assignment of moneys in an amount equal to the required security deposit.
- 2.6 Re-establishment of security deposit.
- 2.6.1 Residential. City may require a residential customer to establish or reestablish a security deposit if customer becomes delinquent or if the customer has been disconnected for nonpayment during the last twelve months, or when customer's financial condition may jeopardize the payment of their bill as determined by a bankruptcy filing.
- 2.6.2 Nonresidential. City may require a nonresidential customer to establish or reestablish a security deposit if the customer becomes delinquent or if the customer has been disconnected for nonpayment during the last twelve months, or when the customer's financial condition may jeopardize the payment of their bill, as determined by a credit investigation, financial reorganization notice or bankruptcy filing.
- 2.7 Security deposits.
- 2.7.1 Residential security deposits must be a cash deposit in the amount of one and one-half times the previous customer's highest monthly bill (June through September) at the residence where the account is to be established or \$150.00, whichever amount is higher.
- 2.7.1.1 Deposits will automatically be refunded after 12 months of service provided Customer has not been delinquent in the payment of bills or disconnected for nonpayment during the previous twelve (12) consecutive months, unless Customer has filed bankruptcy.
- 2.7.2 Nonresidential security deposits may be either cash or noncash, as described in 2.7.2.1, and shall be in the amount of two and one-half times the previous

customer's highest monthly bill (June through September) at the non-residential location where the new account is established.

2.7.2.1. Deposits and noncash deposits on file with the City will be reviewed after twenty-four (24) months of service and will be refunded or released provided the Customer has not been delinquent in the payment of bills or disconnected for nonpayment during the previous twelve (12) consecutive months unless the Customer's financial condition warrants extension of the security deposit. Deposits not returned within the first twenty-four-month period, shall be reviewed annually to determine if Customer qualifies for return of the deposit.

2.7.3 Large commercial account deposits may be either cash or noncash, and shall be set at \$80,000 per 20,000 sq ft building. Large commercial account deposits must be on file for a minimum of three years and thereafter can be replaced with a security bond. All security bonds must be renewed, and assurance provided to the Needles Public Utility Authority.

2.7.4 City reserves the right to increase or decrease the security deposit amount when the Customer's average consumption changes by more than ten (10) percent for residential accounts within the twelve (12) consecutive month period and five (5) percent for nonresidential accounts within the twelve (12) consecutive month period. Separate security deposits may be required for each location.

2.7.5 Customer security deposits shall not preclude the City from terminating an agreement for service or suspending service for any failure in the performance of Customer obligations under an agreement for service.

2.7.6 Cash deposits held by the City shall not earn interest. Deposits on inactive accounts may be applied to the final bill and the balance, if any, will be refunded to the Customer of record within sixty (60) days.

2.7.7 If Customer terminates service with City, the security deposit may be credited to Customer's final bill.

2.7.8 In implementing the foregoing provisions, the NPUA/City Council shall not discriminate on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations.

2.8 Line extensions. Installations requiring the city to extend its facilities in order to establish service will be made in accordance with city's conditions governing extensions of electric distribution lines and services.

3. Rates.

3.1 Rate information. City shall provide a copy of the rate schedule to the customer, when requested. In addition, city shall notify customers of any change in rate schedules affecting those customers.

3.2 Rate selection. Customer's service characteristics and service requirements determine the selection of the applicable rate schedule. City will use reasonable care in initially establishing service to the customer under the most advantageous rate schedule applicable to the customer. However, because of varying customer usage patterns and other reasons, city cannot guarantee that the most economic applicable rate will be applied. City will not make any refunds in any instances where it is determined that customer would have paid less for service had customer been billed on an alternate applicable rate or provision of a rate.

4. Billing and collection.

- 4.1 Customer service installation and billing. Service billing periods normally consists of approximately thirty days unless designated otherwise under the rate schedules or at city option.
- 4.1.1 Customer service installations will normally be arranged to accept only one type of standard service at one point of delivery to enable service measurement through one meter. If customer requires more than one type of service, or total service cannot be measured through one meter according to city's normal practice, separate meters will be used and separate billing rendered for the service measured by each meter.
- 4.1.2 The city normally meters and bills each premise separately; however, adjacent and contiguous premises not separated by private or public property or right-of-way and operated as one integral unit under the same name and as a part of the same business, will be considered a single premise.
- 4.1.3 When regular, accurate meter readings are not available or the electric usage has not been accurately measured, the city may estimate the customer's energy usage for billing purposes on the basis of information including, but not limited to, the physical condition of the metering equipment, available meter readings, records of historical use, and general characteristics of the customer's load and operation.
- 4.1.4 Where a meter error is discovered as a result of a meter test, the city may render an adjusted bill to the customer for the amount of the undercharge, and shall issue a refund or credit to the customer's account for the amount of the overcharge. Such adjustment bill shall be computed as follows:
- 4.1.4.1 Fast meter. If a meter is registering more than two percent fast, the city shall refund to the customer the amount of the overcharge based on the corrected meter readings or the utility's estimate of the energy usage either for the known period of the meter error or, if the period of error is not known, for the period during which the meter was in use, in either situation for a period not exceeding one year.
- 4.1.4.2 Slow meter. If a meter for residential service is registering more than twenty-five percent slow, or a meter for any other class of service is registering more than two percent slow, the city may bill the customer for the amount of the undercharge based on corrected meter readings or the city's estimate of the energy usage either for the known period of meter error or, if the period of the meter error is not known, for the period the meter was in use, in either situation the billing shall not exceed three months for residential service and one year for any other class of service.
- 4.1.4.3 Nonregistering meter. If a meter is found to be nonregistering, the city may bill the customer for the amount of the underbillings based on the city's estimate of the electric service used but not registered, for a period not exceeding one year. .
- 4.1.5 Adjustment of bills for billing error.
- 4.1.5.1 A billing error is an error by the city which results in incorrect billing charges to the customer. Billing errors may include incorrect meter reads or clerical errors by a city representative such as applying the wrong rate, wrong billing factor or an incorrect calculation. Billing error does not include a meter error or unauthorized use, nor any error in billing resulting from the meter dial "pegging" or being over if caused by other than the city, switched or mismarked meters by other than

the city, improper customer wiring, blown fuse in one energized conductor, inaccessible meter, failure of the customer to notify the city of changes in customer's equipment or operation, or failure of the customer to take advantage of a rate or condition of service which the customer is eligible.

- 4.1.5.2 Where the city overcharges or undercharges a customer as the result of a billing error, the city may render an adjusted bill for the amount of the undercharge, and shall issue a refund or credit to the customer for the amount of the overcharge, for the period of the billing error, but not to exceed three years in the case of an overcharge, and, in the case of an undercharge not to exceed three months for residential service and one year for any other class of service.

4.2 Collection policy. The following collection policy shall apply to all customer accounts:

- 4.2.1 All bills rendered by the city are due and payable no later than nineteen days from the billing date. Any payment not received within this time frame shall be considered past due. Bills for which payment has not been received within ten days of the past due date will be considered delinquent. All delinquent bills shall be subject to the provisions of the city's termination procedure. The city reserves the right to suspend or terminate customer's service for:

- a) Nonpayment of delinquent service bills;
- b) Nonpayment of service establishment charges;
- c) Nonpayment of security deposits;
- d) Nonpayment of meter test charges;
- e) Nonpayment of returned check charges;
- f) Nonpayment of late charges;
- g) Nonpayment of collection charges;
- h) And/or to declare past due service bill amounts, past due service establishment charges, past due security deposits, past due meter test charges, past due returned check charges, and past due collection charges subject to a late charge at the rate of eighteen percent per annum.

- 4.2.2 If customer has one or more utility services with city and one or more of such services is terminated for nonpayment and customer is unwilling to make arrangements with city for payment, city shall be entitled to transfer the balance due on the terminated service(s) to any other active account of customer. The failure of the customer to pay the active account shall result in the suspension or termination of service thereunder. However residential electric service shall be discontinued, because of nonpayment of other classes or types of electric service.

4.3 Responsibility for payment of bills. Customer is responsible for the payment of bills for energy use recorded by the meter or estimated by city, until service is ordered discontinued, and the city has had two working day's time to secure a final meter reading.

- 4.3.1 When an error is found to exist in the billing rendered to the customer, city will correct such an error to recover or refund the difference between the original billing and the correct billing. Such adjusted billings will not be rendered for periods in excess of three years from the date the error is discovered. Any refunds to customers resulting in adjusted billings will be made promptly upon discovery by city. Underbillings by city shall be billed to customer who may be given up to one year to pay if the underbilling is less than one thousand dollars,

and up to year and half years to pay if underbilling is more than one thousand dollars, without late payment penalties.

4.3.2 BUDGET BILLING

Every October customers except for solar customers who have been at their location for a 12-month period can enroll in the budget bill plan, which spreads out the costs of the utility bill evenly over a 12-month period, customers must be at a zero balance and not on a payment arrangement. Budget bills will settle-up every September, if the customer has used over their budget bill allotment and cannot pay their overage, they will be taken off the budget bill and put on a 12-month long-term payment arrangement, once the payment arrangement is fulfilled the customer can go back on the budget bill the next October. Budget bills will be recalculated every September to the amount the customer has used the year before the budget bill amount will either be higher or lower than the customer was paying the year before. Customers must sign a document of understanding when they enroll in the budget bill plan.

4.4 Returned checks. If city is notified by the customer's bank that the bank will not honor a check tendered by customer for payment in cash, by money order, certified check or other means which guarantee the customer's payment to the city.

4.4.1 Customer shall be charged a fee of twenty five dollars for the 1st occurrence and thirty-five for any occurrence thereafter for each instance where customer tenders payment of a bill with a check which is not honored by customer's bank.

4.4.2 The tender of a dishonored check shall in no way:

- a) Relieve customer of the obligation to render payment to city under the original terms of the bill; or
- b) Defer city's right to terminate service for nonpayment of bills.

4.5 Collection charge.

4.5.1 If a termination is required at equipment other than the meter, a reconnection charge established by the city's cost of services fee schedule must be paid before service re-establishment. The customer shall be billed the normal service establishment charge in addition to the above reconnect charge on the next month's billing.

4.5.2 To avoid discontinuation of service, customer may make payment in full, including any necessary deposit in accordance with Section 2.5 or, at city option, may make acceptable payment arrangements.

4.6 Payment assistance and counseling. The city will provide the following services to customers unable to pay their bills.

4.6.1 The city will offer installment payment plans to allow customers to amortize past due and current amounts over a reasonable period of time. Customers who default on installment payment plans may not qualify for future installment payment arrangements. If payment arrangement is not kept by the customer, services will be automatically terminated. In order to reconnect, the full amount owed must be paid.

4.6.2 Customer making payments on an installment payment plan must keep the account current as charges for service accrue.

4.6.3 City will furnish customer upon request, information on the availability of alternate sources of financial assistance.

4.7 "STOP LOSS / MAXIMUM DELINQUENCY/COLLECTION POLICY"

- 4.7.1 Stop-Loss Maximum. A "stop-loss" maximum amount equal to one (1) month's billing period is hereby established. Once a customer account reaches the stop-loss maximum amount, the NPUA or the City shall provide the customer with a warning as set forth in the "Terms and Conditions" for the various utilities established by the City and as may be amended from time to time. The warning notice shall provide the customer with ten (10) days to pay the past due amount. If payment of the delinquent amount cannot be made in full within the ten (10) day period, the customer shall have the ability within that period to sign an amortization agreement ("Payment Agreement"), agreeing and acknowledging that the customer's account must be kept current and that the past due amount must be paid in equal monthly installments over a period of six (6) months – twelve (12) months dependent on the customer's ability to pay. If payment installments are not paid as set forth in the Payment Agreement, the customer's utilities will be disconnected immediately and without notice. A Payment Agreement shall only be offered to a customer if the customer has not defaulted on a prior Payment Agreement within the previous twelve (12) month period. If a customer is on an active Payment Agreement and defaults a new Payment Agreement cannot be authorized and the full amount past due must be paid before services can be restored.
- 4.7.2 Restoring Services. Before the utilities may be restored, the customer shall be required to pay one-half (1/2) of the amount in arrears; however, in the event the account is in the "final status" (the final bill has been prepared and the customer's deposit(s) have been applied to the outstanding balance), the customer shall be required to pay a new deposit in an amount as set forth in the Terms and Conditions. The customer shall also execute a separate Payment Agreement agreeing and acknowledging that the customer's account must be kept current and that the balance (the remaining one-half (1/2) of the amount in arrears) shall be paid in equal monthly installments over a period set in section 4.7.1. The customer shall further acknowledge and agree that service may be discontinued immediately, without further notice, if payment installments are not paid as set forth in the Payment Agreement and/or the current bill is not paid timely.
- 4.7.3 Collections. If services have been disconnected as a result of non-payment, and (1) the customer does not reactivate said services, and (2) the bill is in the final status, the final bill will be sent to a collections agency. Collection accounts are sent every six (6) months to the city's collection agency.
- 4.7.4 Deposits. A deposit or a letter of credit is required when a customer is initiating service with the NPUA as set forth in the Terms and Conditions except for "Large Users", defined below. In the event the customer receives two (2) late notices within a twelve (12) month period, a deposit will be required for continuation of service. The NPUA will provide the customer with written notice that a deposit, in the amount equal to two (2) times customer's highest monthly bill during the previous twelve (12) month period, is due. The amount of the deposit due will be added to customer's next utility bill. NPUA will refund the deposit to the customer after it has received twelve (12) months of timely payments from the customer.
- "A Large User is defined as a customer whose monthly utility bills exceed, or are expected to exceed, \$20,000 on average. A cash deposit shall be required of Large Users."
- 4.7.5 Subsequent Deposit. In the event that, after the deposit has been refunded to the customer, the customer receives two (2) late notices within a twelve (12)

month period, a subsequent/new deposit will be required for continuation of service. The NPUA will provide the customer with written notice that a new deposit, in the amount equal to two (2) times customer's highest monthly bill during the previous twelve (12) month period, is due. The amount of the new deposit due will be added to customer's next utility bill. NPUA will refund the deposit to the customer after the NPUA has received twelve (12) months of timely payments from the customer.

5. Service responsibility of city and customer.

- 5.1 Responsibility -- Use of service or apparatus. City and customer assume all responsibility on their respective sides of the point of delivery for the electric service supplied and taken, as well as for any apparatus used in connection therewith.
 - 5.1.1 Customer and city each shall save the other harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from the electric service or the use thereof on their respective sides of the point of delivery. City shall, however, have the right to suspend or terminate service in the event city should learn of service use by customer under hazardous conditions or for illegal purposes.
 - 5.1.2 Customer shall exercise all reasonable care to prevent loss or damage to city property installed on customer's premises for the purpose of supplying service to customer.
 - 5.1.3 Customer shall be responsible for payment of loss or damage to city property on customer's premises arising from neglect, carelessness or misuse, and shall reimburse city for the cost of necessary repairs or replacement.
 - 5.1.4 Customer shall be responsible for payment for any equipment damage and/or estimated unmetered usage resulting from unauthorized breaking of seals, interfering, tampering or by-passing city's meter.
 - 5.1.5 Customer shall be responsible for notifying city of any failure in city's equipment.
- 5.2 Service interruptions -- Limitations on liability of city. City shall not be liable to customer for any damages occasioned by fluctuations, interruptions or curtailment of electric service except where caused by city's willful misconduct or gross negligence. City may, without incurring any liability therefore, suspend customer's electric service for periods reasonably required to permit city to accomplish repairs to or changes in any of city's facilities.
 - 5.2.1 In the event of a national emergency or local disaster resulting in disruption of normal service, city may, in the public interest, interrupt service to other customer to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.
- 5.3 City access to customer premises. City's authorized agents shall have safe access to customer's premise at all reasonable hours to install, inspect, read, repair or remove its meters; to install, operate or maintain other city property, and to inspect and determine the connected electrical load. Neglect or refusal on the part of the customer to provide such access shall be sufficient cause for discontinuance of service by city, and assurance of access may be required before service is restored.
- 5.4 Easements. All suitable easements and right-of-way required by the city for any portion of the extension which is on premises owned, leased or otherwise controlled by customer shall be furnished in city's name by the customer without cost to city and in reasonable time to meet proposed service requirements. All easements and right-of-

way obtained on behalf of city shall contain such terms and conditions as are acceptable to the city.

- 5.5 Load characteristics. Customer shall exercise reasonable care to assure that the electrical characteristics of its load, such as unusual short interval fluctuations in demand, shall not be such as to result in impairment of service to other customers or interference with operation of telephone, television or other communication facilities. The deviation from phase balance shall not be greater than ten percent at any time. The power factor of the load shall not be less than ninety percent lagging, but in no event leading, unless agreed to by city. In the event that customer does not maintain such power factor, at the option of city, kva shall be substituted for kW in determining the applicable charge for billing purposes for each month in which such failure occurs.

6. Metering and metering equipment.

- 6.1 Customer equipment. Customer shall install and maintain all wiring and equipment beyond the point of delivery. Except for city's meters and special equipment, customer's entire installation must conform to all applicable construction standards and safety codes, and if an inspection or permit is required by law or by city, the same must be furnished by customer.
- 6.1.1 Customer shall provide in accordance with city's current service standards, at no expense to city, and close to the point of delivery, a sufficient and suitable space acceptable to city's representative for the installation of city's metering equipment.
- 6.1.2 Customer shall provide and maintain a clear and unobstructed work space that extends a minimum radius of three feet from the face of the electrical entrance section, and a clear and unobstructed walkway to the meter location of a minimum width of three feet. The electric entrance section work space shall have a level floor surface and a height minimum of six feet six inches to any overhead obstruction.
- 6.1.3 Customer shall, at his own expense, relocate meter or meters to a new and approved location whenever the existing meter or meters become inaccessible or work space cannot be maintained.
- 6.2 Service connections. City will not install and maintain any lines and equipment on customer's side of the point of delivery except its meter. For the mutual protection of the customer and city, only authorized employees of city are permitted to make and energize the connection between the city's service wire and customer's service entrance conductors. Such employees carry credentials which they will show upon request.
- 6.3 Measuring customer service. All the energy sold to the customer will be measured by a commercially acceptable measuring device owned and maintained by the city, except where it is impractical to meter loads such as street lighting, security lighting, or special installations in which case the consumption may be calculated.
- 6.3.1 The readings of city's meters will be conclusive as to the amount of electric power supplied to customer unless, there is evidence of meter tampering or energy diversion, or unless a test reveals city's meter is in error by more than plus or minus two percent.
- 6.3.2 If there is evidence of meter tampering or energy diversion, customer will be billed for the estimated energy consumption that would have been registered had all energy usage been properly metered.
- 6.3.3 If any meter after testing is found to be more than two percent in error, either fast or slow, proper correction shall be made of previous readings and an

adjusted bill shall be rendered per Section 4.1.4. Customer will be billed for the estimated energy consumption that would have been registered had the meter been operating properly.

- 6.3.4 City shall, at the request of customer, reread customer's meter within ten working days after such request by customer. The cost of such rereads, which is ten dollars, may be charged to customer, provided the original reading was not in error.

6.4 Meter testing.

- 6.4.1 City shall test its meters regularly in accordance with a meter testing and maintenance program.
- 6.4.2 City will individually test a meter upon customer's request. If meter is found to be within the two percent limit, city may charge customer twenty-five dollars for the cost of the meter test. The results of the test will be furnished to the customer within a reasonable time after the test.
- 6.4.3 Customer shall have the right to observe any individual meter test he has requested, or to have present an expert or other representative appointed by him.

6.5 Master metering.

- 6.5.1 Resale of electricity. Customer shall not resell electricity from the city to any person except,
- a) Where energy is purchased at rates specifically applicable to resale service, or
 - b) Where the charge to the tenants is absorbed in the rental for the premises or space occupied, or
 - c) Where the customer is owner, lessee or operator of a multi-family housing or similar facility, and submeters and resells electricity to tenants at the same rates and charges that the city would charge for the service if supplied by it directly, or
 - d) Qualifies for submeter resale under the criteria identified in Section 6.5.4.
- 6.5.2 Mobile home parks. City shall refuse service to all new construction and/or expansion of existing permanent residential mobile home parks unless construction and/or expansion is individually metered by the city.
- 6.5.3 Residential -- Apartment complexes -- Condominiums and other multiunit residential buildings. City shall refuse service to all new construction of apartment complexes and condominiums which are master metered unless the building(s) will be served by a centralized heating, ventilation and/or air conditioning system and the contractor can provide to the city an analysis demonstrating that the central unit will result in a favorable cost/benefit relationship for the residents.
- 6.5.4 RV parks, marinas, small craft harbors and similar type service. Master metering will be allowed at RV parks, marinas, small craft harbors and similar type of services. The master meter customer may submeter individual spaces, slips or berths. An "extended stay" or permanent residential, commercial, recreational or similar facilities shall be individually metered by the city. Existing master metered facilities shall be exempt from these requirements, except for any new facilities that are added to the RV park, marina, small craft harbor, etc. after the effective date of these terms and conditions. The rates and charges to the

submeter user must not exceed those that would be applied if user was purchasing electricity directly from the city.

7. Termination of service.

- 7.1 Customer initiated termination. A customer requesting termination of electric service must provide the city with at least two working days notice and a disconnect date. The customer shall remain responsible for all energy use until two working days after the disconnect notice or the requested disconnect date, whichever is later.
- 7.2 Termination of residential service to ill, elderly or handicapped customers.
 - 7.2.1 Residential customers that are ill, elderly (over sixty-five years of age) or handicapped persons who have an inability to pay will not be terminated until all of the following have been attempted.
 - a) The customer has been made aware of the availability of funds from various governmental and social assistance agencies which the city is aware of.
 - b) City has made a diligent effort to notify a third party previously designated by the customer.
 - c) City has attempted to make satisfactory payment arrangements with customer and/or previously designated third party.
 - 7.2.2 Residential service shall not be terminated where the customer has an inability to pay and has established through medical documentation that, in the opinion of a licensed medical physician, termination would be especially dangerous to the customer's or a permanent resident residing on the customer's premises health, or where life support equipment used in the home is dependent upon electric service for operation.
 - 7.2.3 A customer utilizing the provisions of Section 7.2.2 shall be required to enter into a deferred payment agreement with the utility within ten days after the scheduled termination date, or service may be terminated with two days' notice. The city will notify the correct agencies.
- 7.3 With notice. City may without liability for injury or damage disconnect service to any customer for any of the reasons stated below, provided city has met the termination notification requirements.
 - 7.3.1 The city may disconnect service after written notification for the following reasons:
 - a) Customer violation of any city rate schedules.
 - b) Failure of customer to pay a delinquent bill for service.
 - c) Failure of customer to meet or maintain deposit requirements.
 - d) Failure of customer to provide reasonable access to city's equipment and property.
 - e) Customer breach of contract for service between city and customer.
 - f) Failure of prior customer to pay a delinquent bill for service where the prior customer continues to reside on premises.
 - g) When necessary for city to comply with an order of any governmental agency having such jurisdiction.
 - h) Customer fails to establish credit, after city, for customer convenience, provided service before credit is established or continued service to a customer when credit was to be re-established.
 - i) The city shall have the right to (but not the obligation) to remove any and all of its property installed on the customer's premises upon termination of service.

7.3.2 Termination notice requirements.

- a) Ten-day advance written notice of intent to terminate for nonpayment and reasons other than nonpayment, which can be included or be a part of monthly billing notices.
- b) 24 hour advance written notice of intent to terminate for dishonored checks (NSF).
- c) Notice shall state reason for termination.
- d) Notice shall be considered given to the customer when a copy thereof is delivered to the service location or posted first class in the United States mail, addressed to the customer's last known address.
- e) Service may be terminated on or after the day specified in the notice without giving further notice, if the violation has not been satisfied.
- f) Service may only be disconnected in conjunction with a person visit to the premises by an authorized representative of the city.
- g) The city shall have the right (but not the obligation) to remove any and all of its property.

7.4 Without notice. City may without liability for injury or damage disconnect service to any customer without notice under any of the following conditions:

- a) The existence of an obvious hazard to the health or safety of persons or property.
- b) City has evidence of meter tampering or fraud.
- c) Failure of customer to comply with curtailment procedures imposed by city during a supply shortage.
- d) Failure of customer to comply with the terms of any payment agreement or contract.
- e) City has evidence of unauthorized resale or use of electric services.
- f) The city shall have the right (but not the obligation) to remove any and all of its property.

7.5 Restoration of service. City shall not be required to restore service until the conditions which resulted in the termination have been corrected to the satisfaction of the city.

7.6 Master meter customers. When master metered accounts are being terminated with notice, the city will make a good faith effort to notify actual users prior to the termination. The notice may be posted in a common area of the complex or building, mailed to individual apartments, spaces or suites, or hand delivered. The notice shall provide the user the right to become a city customer without being required to pay the amount due on the account. However, any conversion of service entrance equipment required to accept city service will be the user's responsibility.

8. Disputed bills and complaints.

8.1 Bill inquires and complaint investigations. A customer may request a bill inquiry or complaint investigation by contacting the city's utilities office. An investigation will be completed by the city, and the customer will be advised of the investigation's results and any action taken. If the customer is seeking to set up an extended payment arrangement, the city will attempt to assist by offering an amortized payment schedule, and provided the customer has not defaulted on a previous payment agreement.

8.2 Unresolved bill inquires and complaint investigation. If a customer is not satisfied with the investigation and/or action completed by the city's utilities office, the customer

should elevate the inquiry or complaint to the next level within the city staff, in the order recommended below:

(a) Utility business manager or supervisor.

(b) Utility Manager.

(c) City Manager

8.3 Appeal to the city utility board. A customer who is not satisfied or believes the staff investigation results are incorrect or unfair, may appeal to the Needles Board of Public Utilities. The board will hear only appeals that have not been resolved to the customer's satisfaction, after the city manager has finalized his review. A form to request an appeal is available at the utilities office, and must be submitted at least two weeks prior to a regularly scheduled board meeting to ensure placement on the agenda. The customer is encouraged to be present at the board hearing, or to have a representative present.

8.4 Appeal to the city council. A customer who remains unsatisfied after appealing their concerns to the Needles Board of Public Utilities, may appeal to the city council for final resolution. The city clerk will assist the customer with scheduling the appeal. The customer or his representative must be present at the council meeting for the appeal to be heard and/or acted upon.

8.5 Payment of disputed bills. A customer who has requested an investigation or who is appealing a determination shall not have the electric service disconnected for nonpayment of the disputed bill. If the customer is disputing multiple months of billing, payment for one of the months being disputed may be withheld pending determination, but all remaining months being disputed must be paid to avoid being disconnected for nonpayment. A customer must pay subsequent bills to a disputed bill, to avoid being disconnected for nonpayment.

9. Removal of facilities. Upon the termination of service, city may without liability for injury or damage, dismantle and remove its facilities installed for the purpose of supplying service to the customer, and city shall be under no further obligation to serve customer. If, however, city has not removed its facilities within one year after termination of service, city shall thereafter give customer thirty days' written notice before removing its facilities, or else waive any re-establishment charge within the next year for the same service to the same customer at the same location.

For purpose of this section, notice to the customer shall be deemed given at the time such notice is deposited at the U.S. Postal Service, first class mail, postage prepaid, to the customer at his/her last known address.

10. Prohibited service uses. Customer shall not use electric service for the following uses or activities. This prohibition is necessary to prevent electric shortages, and to avoid supplier penalties for excess demand requirements.

10.1 Outdoor advertising signs and lighting.

10.1.1 Illuminated billboards, signs or similar advertising or identifying signs or equipment shall not be illuminated with city electric service during daylight hours.

10.1.2 Mechanized billboards, signs or similar advertising or identifying signs or equipment shall not be operated with city service during daylight hours.

10.1.3 A commercial/industrial customer may, without restricted hours of use, illuminate with city service a time and temperature sign, and two business signs on its premises.

10.2 Decorative and functional outdoor lighting.

- 10.2.1 Outdoor lighting necessary for public safety, security, or required by law shall be exempt from the below restrictions. However, customer shall minimize the number of lighting fixtures, and shall use energy efficient lighting for all outdoor lighting applications.
- 10.2.2 Commercial/industrial customer shall not operate any outdoor decorative, architectural or advertising "highlighting" or floodlighting, area, spot or other similar lighting during daylight hours.
- 10.3 Indoor business lighting.
- 10.3.1 Indoor lighting necessary for public safety, security, or required by law shall be exempt from the below restrictions. However, customer shall limit the number of fixtures used, and shall use energy efficient lighting for all indoor lighting.
- 10.3.2 Commercial/industrial customer shall reduce lighting levels to minimum required for security at all times building is not occupied.
- 10.3.3 Customer shall not operate window display lighting during daylight hours.
- 10.4 Electric heating and cooling.
- 10.4.1 Businesses where temperatures exceeding the below recommendations are required for physician-certified medical reasons, or by law, or whose principal business involves the preservation of perishable foods shall be exempt from the below restrictions.
- 10.4.2 Commercial/industrial customer shall not use service for heating/cooling during non-business hours, unless the building is occupied, or customer can establish, and the city agrees, that a net energy savings can be achieved by operating the space conditioning equipment during non-business hours.
- 10.4.3 Commercial/industrial customer shall not heat or cool unoccupied hotel, motel or similar guest accommodation facilities in vacant guest rooms.
- 10.4.4 Commercial/industrial customer whose building is equipped with a system that both heats and cools simultaneously, or that depends on electric lighting for total or partial heating shall operate the system to minimize electric energy use, and as close to the above guidelines as practical.
- 10.5 Swimming pool/spa pumps and filtration.
- 10.5.1 Timers shall be installed on all swimming pool pumps and filtration equipment.
- 10.5.2 Customer shall set the timer to between the hours of 9:00 P.M. and 9:00 A.M.
- 10.5.3 Customer may operate circulating pumps for solar pool heating equipment during daylight hours without restriction, except for the motor size limitations below.
- | <u>Pool or Spa
Sq. Ft. of Surface Area</u> | <u>Maximum Allowed
Motor Size</u> |
|--|---------------------------------------|
| 520 or less | ¾ H.P. |
| 521 -- 800 | 1 H.P. |
| 801 -- 1200 | 1-1/2 H.P. |
| Over 1201 | Max. 1 H.P./800 sq. ft. |
- 10.6 Noncompliance. The city shall discontinue service to a customer for noncompliance with the prohibited uses of electric energy, if after notice the customer does not correct the violation within five days. Service will not be reestablished until after customer has complied.

10.7 Exemption procedure. A customer may request a special use exemption for a prohibited activity. The request must be in writing and shall be submitted to the Needles Board of Public Utilities. The request must explain why the exemption is being sought, the benefits the customer will receive from such use, the approximate amount of energy required and the desired time period. Board approval must be received prior to customer using service for a prohibited activity.

11. Curtailment. When the availability of service is restricted and a reduction of service is required to maintain the integrity of part or the total electric system, the customer will be notified by the city to reduce or terminate use of service. Such notifications may be made by mail, phone, or in person. The city will curtail service on a proportionate basis, where possible, and will give service priority to customers and/or customer classes where health, safety and welfare will be adversely affected, when possible. Customers, who refuse or do not comply with curtailment requirements, may be terminated by the city. A service re-establishment charge of two hundred dollars will be assessed for a first-time violation, five hundred dollars for second violation, and one thousand dollars for a third violation. A customer who violates curtailment requirements more than three times will not be allowed to reestablish service.
12. Successors and assigns. Agreements for service shall be binding upon and for the benefit of the successors and assigns of customer and city, but no assignments by customer shall be effective until customer's assignee agrees in writing to be bound and until such assignment is accepted in writing by the city.
13. Warranty. There are no understandings, agreements, representations or warranties, expressed or implied (including warranties regarding merchantability or fitness for a particular purpose), not specified herein concerning the sale and delivery of electricity by the city to the customer. These terms and conditions state the entire obligation of the city in connection with such sales and deliveries.

Article II.

Sec. 6C-2-1. Conditions governing the extension of electric distribution and services. Application for city's electric service often involves construction of new facilities for various distances and costs depending upon customer's location, load size and load characteristics. With such variations, it is necessary to establish conditions under which the city will extend its facilities.

All extensions are subject to the availability of adequate capacity, voltage and city facilities at the beginning point of an extension. These rules shall govern extensions of both overhead and underground electric facilities to customers whose requirements are deemed by the city to be usual and reasonable in nature.

1. Basis for extensions.

- 1.1 Temporary power basis: all classes of service.
- 1.2 Footage basis: residential only.
- 1.3 Economic feasibility basis: all classes of service.
- 1.4 Responsible resource development basis: residential service only.
- 1.5 Economic development basis: specific applications only.
- 1.6 Doubtful permanency basis: all classes of service.
- 1.7 Seasonal customer basis: all classes of service.

2. Extension conditions.

- 2.1 Underground construction required. All new electric extensions shall be underground construction, and must comply with the requirements of Section 4. At city option, underground construction variances may be allowed for the following conditions.

- 2.1.1 Overhead single or three phase service lines may be constructed, if the distribution system the service line is connected to is overhead. Service lines are defined as those lines that connect directly to a transformer or secondary voltage delivery system, and are the lines extended to the customer's electric entrance equipment. However, overhead service lines may not be constructed when the customer is located in an existing or proposed overhead to underground conversion area, or in an existing or proposed underground development.
- 2.1.2 At city option, twelve Kv feeder lines (as defined by the city), and lines of voltages higher than twelve Kv may be constructed overhead, even though such lines are being constructed in an underground development. The construction of such lines shall not exempt the customer from undergrounding all other facilities, including any services being extended from such overhead lines.
- 2.1.3 At city option, an overhead line may remain as part of a new extension, if there is an existing distribution pole line(s) on or across a recorded subdivision or development at the time of application, and the line will be utilized in the extension. However, this condition shall not apply if the pole line were serving a building or group of buildings or any other type of service which would be removed before the development is completed.
- 2.1.4 An overhead extension may be constructed when, in city's opinion, an underground extension is not feasible from either an engineering, operation or economic standpoint.
- 2.2 Irrigation customers. Customers requiring construction of electric facilities for service to irrigation pumping will advance the total cost of construction, which may include a portion of the cost from designated irrigation substations. Advances are subject to refund as specified in Section 3.
- 2.3 Temporary customers.
 - 2.3.1 General. Service to be rendered to a customer for a period of less than twelve consecutive calendar months shall be extended as a temporary service. The city, at its option, may classify any facilities that are known to be removed after a specific period, or upon completion of a project as temporary, even though service may be rendered beyond twelve consecutive months.
 - 2.3.2 Where a temporary meter or construction meter is required to provide service to a customer, then customer in advance of installation or construction shall make a nonrefundable contribution equal to the cost of installing and removing the facilities required to furnish service, less the salvage value of such facilities. When the use of the service is discontinued or agreement for service is terminated, city may dismantle its facilities, and the materials and equipment provided by the city will be salvaged and remain its property.
 - 2.3.3 Construction meters which are positioned in the permanent customer's meter location, and that require no change in the service conductor size or length to serve the permanent customer's facilities, shall be considered permanent.
- 2.4 Real estate development. Extensions of electric facilities within real estate developments including residential subdivisions, industrial parks, mobile home parks, apartment complexes, planned area developments, etc., may be made in advance of application for service by permanent customers. These extensions

are eligible to qualify for either the economic feasibility, responsible resource development, or the economic development extension bases, depending upon development type. Anticipated revenues for real estate development extensions shall be calculated by the city based upon the estimated electric energy to be used at each customer location. Revenue estimates shall be made from comparable development revenue histories, and/or load information provided by the developer. Only city determined estimated revenues shall be used for economic feasibility studies.

2.4.1 Mobile home parks. City shall refuse service to all new construction and/or expansion of existing permanent residential mobile home parks unless the construction and/or expansion is individually metered by the city.

2.4.2 Apartment complexes, condominiums and other multiunit residential buildings. City shall refuse service to all new construction and/or expansion of apartment complexes and condominiums unless the construction or expansion is individually metered by the city.

2.5 Seasonal customers. Extensions of electric facilities to customer's premises which will be continuously occupied less than nine months out of each twelve-month period may be made only on an economic feasibility basis.

4. Underground construction.

4.1 General policy.

4.1.1 Customer or developer shall provide all earthwork including, but not limited to trench, boring or punching, conduits, vaults, pull boxes, manholes, cabinet pad sites, shoring, bedding, backfill, compaction and surface restoration, in accordance with city specifications.

4.1.2 Customer or developer shall conform to city's underground installation and utility facility placement specifications and standards.

4.1.3 Customer or developer shall provide and install conduit, manholes, vaults, pull boxes, and sweeps at all proposed equipment locations. All materials and installation shall meet city specifications.

4.1.4 Customers or developers requesting underground extensions may be required to sign an underground electric extension agreement.

4.1.5 If, after construction of the extension, final clearance or grade is changed in such a way as to require relocation of the underground facilities, or results in damage to such facilities, the cost of such relocation and/or resulting repairs shall be borne by the customer or developer.

4.2 Inspection and city acceptance of trench and conduit.

4.2.1 The city shall inspect the customer/developer installed trench and conduit on a mutually agreed upon date prior to the customer/developer shading and backfilling the trenching and conduit. Phased inspection may be required, and the completion and inspection dates for each phase shall be agreed to by the customer/developer and the city.

4.2.2 When the city has approved the trenching and conduit installation, a second inspection date shall be mutually agreed to for inspection of the trench and conduit after shading and prior to backfill.

4.2.3 When the trench and conduit shading has been approved, the customer/developer shall complete backfilling and compaction of the trench. The city shall inspect final trench backfill and compaction, and approve prior to final surface restoration.

- 4.2.4 When the backfill and compaction has been approved, the customer/developer must complete final surface restoration of existing roadways, sidewalks, bike paths, etc. as specified by the city. If the final surface of the trench is in a new development, actual surfacing can be completed as required, the city will complete the restoration and bill the customer/developer for actual costs plus appropriate overheads and/or administrative fees.

4.3 Customer owned entrance and service vault and/or space requirements.

- 4.3.1 City must have immediate operating access to electrical equipment at all times. Immediate access, for city approved inside building installation, is intended to mean:
 - 4.3.1.1 Access from outside by either a door (city to have key), manhole or vault lid with no obstructions;
 - 4.3.1.2 A security guard on location, available on a twenty-four-hour basis, with keys and access to buildings and vaults;
 - 4.3.1.3 Disconnecting switches that can be operated outside the building or vault that will allow disconnect of the load under emergency conditions. The cost of such switches shall be paid by customer, and shall be a nonrefundable contribution to the city's extension construction. Design of such equipment must be approved by city prior to installation.
- 4.3.2 Padmounted transformers and similar equipment locations must have vehicle access acceptable to city, with the construction and clearances of customer installed traffic or decorative barriers subject to city approval. Access shall include a permanent unobstructed path of sufficient size and surface to accommodate trucks and crews necessary for equipment replacement. All equipment locations must be approved by the city.
- 4.3.3 Vaults and transformer locations inside of buildings shall have access to the outside in such a way that the electrical equipment can be directly set by a crane in the equipment cell or on the same level as the vault.
- 4.3.4 There shall be permanently flat and unobstructed access from this point to the equipment cell location. Exterior equipment access to the subsurface vaults shall be through unobstructed lift slabs at or above finish grade with vehicle access acceptable to city. Access shall include a permanent unobstructed path of sufficient size and surface to support trucks and cranes necessary for equipment replacement. All vault designs and locations must be approved by city.
- 4.3.5 In all vaults, internal to a building, customer will provide, at no charge to the city, a telephone either inside the vault or near the entrance to the vault.
- 4.3.6 Customer shall not store equipment or other items in equipment rooms or vaults where electric utility equipment is located.

4.4 New underground services. Customer will supply and install service conduit, per city specifications, from service stub-outs to service entrance section riser(s).

- 4.4.1 Single phase services. Customer shall pay a nonrefundable contribution of four dollars and forty-five cents per foot for service extension footage in excess of one hundred fifty feet. Excess footage service extensions will only be allowed, if such extension conforms to all city service requirements.

- 4.4.2 Three phase services. Customer shall pay a nonrefundable contribution of five dollars and sixty-five cents per foot for service extension footage in excess of forth feet. Excess footage service extensions will only be allowed, if such extension conforms to all city service requirements.
- 5. Alternate electric feeds. The city will provide an alternate or loop feed to a customer as part of an extension, if requested, and provided the following requirements are met.
 - 5.1 General requirements.
 - 5.1.1 The customer load must be essential to public health and/or safety, as determined by the city.
 - 5.1.2 All costs for an alternate feed shall be included in the extension cost and feasibility studies.
 - 5.2 A nonrefundable contribution shall be aid by customer/developer for any additional construction expenses required for the alternate feed.
 - 5.3 Customer/developer shall conform to city's underground installation and utility facility placement specifications and standards.
- 6. General conditions.
 - 6.1 Voltage.
 - 6.1.1 The extension must be designed and constructed for the operation at standard voltages used by city in the area in which the extension is located.
 - 6.1.2 Only one voltage and one service line will be supplied to each customer, unless the serving of multiple voltages or service lines is beneficial to the city.
 - 6.1.3 The city will provide voltages other than the nearest standard distribution voltage when one or more of the following conditions exist.
 - 6.1.3.1 The requested voltage is more beneficial to the city than additions to the standard distribution voltage in the area, such as:
 - 6.1.3.1.1 Loads that exceed the overhead or underground design limitations for the standard distribution voltage, as determined by the city;
 - 6.1.3.1.2 The voltage and subsequent line distribution equipment is more economical for the city, as determined by the city.
 - 6.1.3.2 The customer's load requirement (demand) is greater than on hundred KVA "Y" (120/208 or 277/480 volts).
 - 6.1.3.3 Customer agrees to pay a nonrefundable contribution for the special equipment, and any facility charges, if required for economic feasibility.
 - 6.2 Three phase. Extensions of three phase service are available when a customer has installed a single piece of equipment with a seven and one-half HP (horsepower) motor or a single air conditioning unit of six tons or more, or where total connected HP of all connected three phase motors exceed twelve HP or customer's total load exceeds on hundred KVA. If less than the above HP or connect KVA is installed, city may at its option, when requested by the customer, serve three-phase and require a nonrefundable contribution equal to the difference in cost between single phase and three phase construction, but in no case less than one hundred dollars.
 - 6.3 Easements. All suitable easements or rights-of-way required by city for any portion of the extension shall be furnished in city's name by customer without cost to or condemnation by city, and in reasonable time to meet proposed service requirements. All easements

and rights-of-way obtained on behalf of city shall contain such terms and conditions as are acceptable to the city.

- 6.4 Ownership. Except for customer-owned facilities, all construction, including that for which customers have made advances and/or contributions, will be owned, operated and maintained by city.
- 6.5 Measurement and location.
 - 6.5.1 Any measurements used for costing of facilities must be along the proposed route of construction, as determined by the city.
 - 6.5.2 Construction is to be on public streets, roadways, highways, alleys or easements acceptable to city.
 - 6.5.3 The extension must be a branch from, the continuation of, or an addition to, one of city's existing distribution lines.
- 6.6 Unusual circumstances. In unusual circumstances, as determined by the city, when the application and provisions of this policy appear impractical, or in case of extensions of lines to be operated on voltages other than specified in the applicable rate structure, or in case customer's requirements exceed two thousand kW, city will make a special study of the conditions to determine the basis on which service may be provided.
- 6.7 Nonstandard construction. Where extensions of electric facilities require construction that is in any way nonstandard, as determined by city, or if unusual obstructions are encountered, customer will make a nonrefundable contribution equal to the difference in cost between standard and nonstandard construction.
- 6.8 Abnormal loads. City, at its option, may make extensions to serve certain abnormal loads (such as: transformer type welders, x-ray machines, wind machines, excess capacity for test purposes and loads of unusual characteristics), provided customer makes a nonrefundable contribution equal to the total cost of such extensions, including transformers and services.
- 6.9 Relocation and/or overhead to underground conversions.
 - 6.9.1 City will, when practical, relocate or convert its facilities for customer's convenience or aesthetics, provided customer make a nonrefundable contribution equal to the total cost of relocation or conversion, including any residual value for the remove overhead facilities.
 - 6.9.2 When the relocation or conversion is in conjunction with added revenue, as determined by the city, and is not for customer's convenience or aesthetics, then the city may consider the cost of such relocation or conversion in its economic feasibility studies.
- 6.10 Changing a master meter to individual meters. City will convert its facilities from a master metered system to a permanent individually metered system at customer's request, provided customer make a nonrefundable contribution equal to the residual value, plus the removal costs less salvage of the master meter facilities. The new facilities to serve the individual meters will be extended on an economic feasibility basis.
- 6.11 Change in customer's service requirements. City will rebuild or revamp existing facilities to meet customer's added load or change in service requirements based on upon an economic feasibility study. If the estimated additional revenue from such upgrades or changes pays the city's total construction costs within five years for residential customers, and two years for commercial customers, then such upgrades or changes shall be completed free of charge for the customer. If the upgrades or changes do not provide adequate revenues, then the customer shall make a nonrefundable contribution to the city for the total cost of construction. The city reserves the right to refuse such rebuild or revamp requests, when such requests are not consistent with the terms and

conditions for the sale of electric services, or the city's electrical engineering standards. Residential service entrance equipment upgrades or rebuilds are exempt from these requirements.

- 6.12 Design deposit. Any applicant requesting city to prepare detailed plans, specifications or cost estimates may be required to deposit with city an amount equal to the estimated costs of preparation. Where the applicant authorizes city, within twelve months of the completed estimate, to proceed with construction of the extension, the deposit shall be credited to the cost of construction; otherwise the deposit shall be nonrefundable.

7. Footage basis extensions.

- 7.1 General policy. Footage basis extensions may be made only if all of the following conditions exist:
- 7.1.1 Applicant shall be a new permanent residential customer or group of new permanent residential customers. A customer shall be considered permanent when:
- a) Service will be rendered to the customer for a period greater than twelve months;
 - b) Removal of the electric facilities is not being planned after a specific period or upon completion of the project;
 - c) Customer has completed an application for service; and
 - d) The meter will be installed within thirty days after completion of the extension.
- 7.1.2 The extension cannot exceed seven hundred fifty feet per customer to be connected, not a total extension distance of two thousand five hundred feet.
- 7.1.3 The extension must be along the shortest practical route to the nearest practical point of delivery on each customer premises, as determined by city.
- 7.1.4 The estimated construction cost, including transformers and services, cannot exceed fifteen thousand dollars.
- 7.2 Free extensions. The extension, (if the conditions specified in Section 7.1 are met and the total extension does not exceed seven hundred fifty feet per new permanent residential customer, or a maximum of two thousand five hundred feet for the entire extension, or fifteen thousand dollars), will be constructed at no cost by the city.
- 7.3 Extensions over the free distance. Extensions over the free distance. Extensions which meet the conditions specified in Section 7.1, but which exceed the free distance in Section 7.2, may still qualify for a footage basis extension provided the customer or customers sign an extension agreement and advance the cost of such additional footage.
- 7.4 Advances are subject to refund.
- 7.5 Real estate developments are not eligible for this footage basis extensions.

8. Economic feasibility basis extensions.

- 8.1 General policy. Economic feasibility basis extensions may be made only if all of the following conditions exist:
- 8.1.1 Extension shall be for a new permanent customer or group of new permanent customers. A customer shall be considered permanent when:
- a) Service will be rendered to the customer for a period greater than twelve months;
 - b) Removal of the electric facilities is not being planned after a specific period or upon completion of the project;
 - c) Customer has completed an application for service;
 - d) The meter will be installed within thirty days after completion of the extension.
- 8.1.2 The total extension is determined to be economically feasible for the city, as defined in Section 8.2.

- 8.1.3 Customer pays total extension costs in advance of scheduling construction, including transformers, metering and services.
- 8.2 Extension qualifications. Extensions shall be allowed, when the conditions in Section 8.1 are met and the extension is determined to be economically feasible by the city. Economic feasibility shall mean that the estimated revenues from the completed project, less the extension and electric line and metering costs, provide an adequate rate of return on investment to the city.
- 8.3 Extensions not qualifying. City, at its option, may extend its facilities to customers whose use does not satisfy the economic feasibility requirements of Section 8.2, provided such customers sign an extension agreement and agree to pay a special rate or an annual facilities charge to make the facilities economically feasible.
- 8.4 Advances are subject to refund.

9. Responsible resource development basis (residential real estate developments only).

- 9.1 General policy. The responsible resource development basis extension is structured to encourage total resource management and conservation equipment, applications and appliances in residential real estate developments being served by the city. The qualifications for the responsible resource development basis are periodically modified to ensure that the criteria being used represent the current energy, water and wastewater standards and technologies within the utility and home building industries. Since the responsible resource development extension involves city financial participation, the developer may be required to provide additional development and/or financial information prior to the approval of the extension. Responsible resource development basis extensions are available only if all of the following conditions exist:
 - 9.1.1 The residential development being developed is for new permanent residential customers: A customer shall be considered permanent when:
 - a) Service will be rendered to the customer for a period greater than twelve months;
 - b) Removal of the electric facilities is not being planned after a specific period or upon completion of the project;
 - c) Customer has completed an application for service;
 - d) The meter will be installed within thirty days after completion of the extension.
 - 9.1.2 When fully developed, the electric extension(s) inside the development, shall not exceed five hundred feet per permanent customer, including service line footage.
 - 9.1.3 The final development and/or phase of the development is determined to be economically feasible by the city. "Economic feasibility" shall mean that the estimated revenues from the completed project, less the extension and electric line and metering costs, provide an adequate rate of return on investment to the city.
 - 9.1.4 The developer agrees to meet the responsible resource development basis equipment, appliance and application requirements for electric , water and wastewater in each residence and common area or amenity facilities.
 - 9.1.5 The developer agrees to provide, if requested, any information needed to assess the project's feasibility, developer's financial ability, developer's business or development history, and/or the developer's plans for the project.
 - 9.1.6 Developer pays a nonrefundable contribution for the construction of the electric, water, wastewater facilities to the property line of the development, and for any unusual or nonstandard construction requirements inside the development.
 - 9.1.7 The development is total electric, except for alternate energy services which may be provided or approved by the city.

- 9.1.8 The developer agrees to advertise the development with point of purchase displays, and to include the city's responsible resource development program name and logo on all signs and other advertising materials at developer's cost.
- 9.2 Extension qualifications. An extension shall be qualified when the conditions in Section 9.1 have been met and agreements executed.
- 9.3 Extensions not qualifying. If an extension does not qualify or is not accepted, it may be evaluated at developer's request to determine if it qualifies for the economic feasibility basis.
- 9.4 Benefits provided developers who qualify for a responsible resource development basis extension.
- 9.4.1 Developer will not be required to advance construction money for the installation of electric facilities within the development, except as required in Section 9.5 and 9.6.
- 9.4.2 The city will respond to requests for installation of extensions, service and/or meters to homes, condominiums, apartments and/or mobile homes within the development with priority service.
- 9.4.3 The city may provide advertising materials, incentives and/or other support to the developer, if the developer agrees to use the promotional materials to help explain and promote the advantages of buying a home or lot that has been approved for a responsible resource development basis extension.
- 9.5 Extensions to developer built home, condominium, apartment and mobile home developments.
- 9.5.1 Developer shall submit individual home, condominium, apartment and/or mobile home constructions plans, appliances and insulation details to the city for review and approval. If the plans meet the responsible resource development basis criteria, the city will prepare the electric extension design and an agreement to construct electric distribution facilities, which must be executed prior to extension construction.
- 9.5.2 The developer shall make a nonrefundable construction advance for the installation of electric facilities to the property line of the development . the ending point of this extension shall be the beginning point for the extension within the development. The developer will not be required to advance construction money for the installation of electric facilities within the development, if the following conditions exist:
- 9.5.2.1 A development construction plan has been submitted to and accepted by the city. The plan may request the development be built in phases or stages. If phases or stages are approved, the developer must agree to any required construction to ensure proper termination of electric facilities, even if such construction is beyond phase boundaries.
- 9.5.2.2 The construction of homes, condominiums, apartments and/or mobile homes must be planned to begin no further than five hundred feet from the beginning point of the extension within the development, and shall continue to be constructed so no extension to serve an individual home, condominium, apartment or mobile home shall be further than five hundred feet from the existing electric equipment or facilities from which the extension begins. If the extension is further than five hundred feet from the existing electric facilities, the developer shall pay a nonrefundable per foot charge of five dollars and eighty-five cents, for the additional footage.
- 9.5.2.3 Developer shall install and maintain electric conduit, equipment pads, vaults and similar equipment until electric facilities are installed by the utility. Maintenance shall include replacement of damaged or "plugged" conduits, equipment pads, vaults and similar equipment. The developer shall reimburse the city for any repairs or replacements made by the city during construction because of damage or "plugged"

equipment. The city may, but shall not be obligated to make such repairs or replacement while installing facilities.

9.5.2.4 The construction of the underground conduit system must be completed, inspected and approved prior to installation of electric facilities to serve any home, condominium, apartment or mobile home.

9.5.2.5 All installations must be according to city specifications and requirements.

9.6 Extensions to lot sales only subdivision.

9.6.1 Developer shall require lot purchasers to meet or exceed the responsible resource development basis criteria, in effect at time of residence is constructed, for equipment, appliances and applications by establishing such criteria as part of the development conditions, covenants and restrictions. The developer shall also provide each individual purchaser with information on the equipment, appliance and application criteria required for building on the lot prior to close of escrow.

9.6.2 The developer shall make a nonrefundable contribution for the installation of electric facilities to the property line of the development. The ending point of this extension shall be the beginning point for the extension within the development. The developer will not be required to advance construction money for the installation of electric facilities within the development, if the following conditions exist:

9.6.2.1 A development construction plan has been submitted to and accepted by the city. The plan may request the development be built in phases or stages. If phases or stages are approved, the developer must agree to any required construction to ensure proper termination of electric facilities, even if such construction is beyond phase boundaries.

9.6.2.2 The construction of homes, condominiums, apartments and/or mobile homes must be planned to begin no further than five hundred feet from the beginning point of the extension within the development, and shall continued to be constructed so no extension to serve an individual home, condominium, apartment or mobile home shall be further than five hundred feet from the existing electric equipment/facilities form which the extension begins. If the extension is further than five hundred feet from the existing electric facilities, the developer shall pay a nonrefundable per foot charge of five dollars and sixty-five cents, for additional footage.

9.6.2.3 Developer shall install and maintain electric conduit, equipment pads, vaults and similar equipment until electric facilities are installed by the utility. Maintenance shall include replacement of damaged or "plugged" conduits, equipment pads, vaults and similar equipment. The developer shall reimburse the city for any repairs or replacements made by the city during construction because of damage or "plugged" equipment. The city may, but shall not be obligated to make such repairs or replacement while installing facilities.

9.6.2.4 The construction of the underground conduit system must be completed, inspected and approved prior to installation of the electric facilities to serve any home, condominium, apartment or mobile home.

9.6.2.5 All installations must be according to city specifications.

10. Economic development basis.

10.1 General policy. The economic development basis is structured to encourage business development in areas being served by the city. The qualifications for economic development extensions are periodically modified to ensure the general economic development philosophies of the community are being maintained. Since economic development extensions usually involve city financial participation, the developer may be

required to provide additional information prior to the approval of the extension. Economic development extensions are available only if all of the following conditions exist:

- 10.1.1 Applicant will be new permanent customer or group of new permanent customers. A customer shall be considered permanent when:
 - a) Service will be rendered to the customer for a period greater than twelve months;
 - b) Removal of the electric facilities is not being planned after a specific period or upon completion of the project;
 - c) Customer has completed an application for service;
 - d) The meter will be installed within thirty days after completion of the extension.
 - 10.1.2 The total extension is determined to be economically feasible for the city. "Economic feasibility" shall mean that the estimated revenues from the completed project, less the extension and electric line and metering costs, provide an adequate rate of return on investment to the city.
 - 10.1.3 The development meets the economic development basis qualifications, as determined by the board of public utilities and city council.
 - 10.1.4 The customer/developer requests the extension be completed using the economic development basis.
 - 10.1.5 The customer/developer agrees to provide, if requested by either the council or the utility board, any information needed to assess the project's feasibility, customer's/developer's financial ability, customer's/developer's business or development history, and/or the customer's/developer's plans for the project.
 - 10.1.6 Customer/developer pays any required advance for construction.
 - 10.2 Extension qualifications. Extensions shall be allowed when the conditions in Section 10.1 have been met and approval for an economic extension is granted by the board of public utilities and city council.
 - 10.3 The benefits provided to a customer/developer from the economic development basis shall be determined on an individual application basis by the board of public utilities and city council.
 - 10.4 Extensions not qualifying. If an extension does not qualify or is not accepted by the board of public utilities or the city council, the customer/developer may request an economic feasibility basis extension.
11. Doubtful permanency basis.
- 11.1 Extensions shall be made on a doubtful permanency basis, when in the city's opinion the customer's application for service is not expected to be permanent, but is expected to be an active customer for more than twelve consecutive months. Doubtful permanency customers will be required to advance the total construction and removal cost, less any salvage value of the extension. Refunds of such advances will be calculated using the economic feasibility refund criteria.
 - 11.2 Extensions to mobile or modular housing shall be completed on the doubtful permanency basis, unless the customer has:
 - 11.2.1 Sewer or septic system installed;
 - 11.2.2 Permanent water system installed;
 - 11.2.3 Electric service entrance equipment installed.

12. Settlement of disputes. Any dispute between customer or prospective customer and city regarding the interpretation of these conditions governing extensions of electric distribution lines and services may, by either party, be referred to the board of public utilities for determination.
13. Interest. All advances made by customer to city in aid of construction shall be noninterest bearing.
14. Extension agreements. All line extensions requiring payment by customer shall be in writing and signed by both the customer and city.

Article III.

Terms and conditions. Subject to City of Needles terms and conditions for the sale of electric services.

Sec. 6C-3-2B. Rate Two--General service.

Availability. In all territory saved by the city at all points where facilities of adequate capacity and the required phase and suitable voltages are adjacent to the premises served.

Application. To all electric service required when such service is supplied at one point of delivery and measure through one meter. For those service locations where electric service has historically been measured through two meters, when one of the meters was installed pursuant to a City of Needles rate schedule no longer in effect, the electric service measures by such meters shall be combined for billing purposes.

No applicable to breakdown, standby, supplementary, single family residential or resale service nor to service for which general service rate schedule is not applicable.

Type of service. Single or three phase, sixty hertz, at one standard voltage as may be selected by customer subject to availability at the customer's premises. Three phase service is furnished under city's standard rules covering line extensions. Three phase service is not furnished for motors of an individual rated capacity of less than seven and one-half HP, except for existing facilities or where total aggregate HP of all connected three phase motors exceed twelve HP. Three phase service is required for motors of an individual rated capacity of more than seven and one-half HP. Transformation equipment is included in cost of extension.

Monthly bill. The monthly bill shall be the greater of the amount computed under A or B, below, including the applicable adjustments.

C. Adjustments. Plus the applicable proportionate part of any taxes, or governmental impositions which are or may in the future be assessed on the basis of gross electric service revenues of the city and/or the price or revenue from the electric energy or service sold and/or the volume of energy generated or purchased for sale and/or sold hereunder.

Special conditions. (1) The connected load for electric service will be the total rated capacity of all of the customer's electrical equipment. For motors, the nameplate rating in horsepower (HP) will be used to determine the connected load. One horsepower (HP) will equal one Kw. Total connected load may also be a computed value based upon service entrance section equipment and/or industry averages or similar type of information.

Power factor rate adjustment. Where customers have a connected load of fifty horsepower or more, charges for energy shall be adjusted based upon a weighted monthly average power factor.

(1) If the customer's connected loads consists of fifty horsepower or more, then the city shall set a meter to measure the reactive kilovolt-ampere (Kva) hours, in addition to the kilowatt hour (Kwh) meter. The power factor ration shall be computed form the ratio of the Kva hours to the monthly Kwh hours and rounded to the nearest whole percentage. In a case, where the power factor is likely to be leading, the Kva meter shall be ratcheted to prevent reversal.

- (2) If the power factor exceeds eighty percent, bills will be reduced by 0.3 percent for each one percent of such excess up to and including ninety percent power factor, and by 0.2 percent for each one percent of such excess over ninety percent power factor. However, the total charge after power factor adjustment shall never be less than the minimum bill.
- (3) If the power factor is less than sixty-five percent, bills shall be increased by 0.5 percent for each one percent of such deficiency in power factor. The maximum increase shall not exceed five percent.

The total charge after power actor adjustment shall never be less than the minimum bill.

Terms and conditions. Subject to City of Needles terms and conditions for the sale of electric service.

BE IT FURTHER ORDAINED that the aforesaid amendments and additions shall be and are hereby made to the City Code of the City of Needles, California to the extent stated only, but no further.

INTRODUCED AND READ for the first time and ordered posted at a regular meeting of the City Council of the City of Needles, California held on the 28th day of January 2025, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Janet Jernigan, Mayor

(Seal)

ATTEST: _____
Candace Clark, Interim City Clerk

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 11th day of February 2025, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Janet Jernigan, Mayor

(Seal)

ATTEST: _____
Candace Clark, Interim City Clerk

Approved as to form:

City Attorney John Pinkney