

CHAPTER 6C ELECTRIC RATES

Sections

Article 6C-1 TERMS AND CONDITIONS FOR THE SALE OF ELECTRIC SERVICES

Article 6C-2 CONDITIONS GOVERNING THE EXTENSION OF ELECTRIC
DISTRIBUTION AND SERVICES

Article 6C-1

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 of Needles 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 amended 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. For purposes of Chapter 6C, City of Needles and the Needles Public Utilities Authority ("NPUA") are sometimes collectively referred to as "City".

1. General.

1.1 Electric service will be supplied in accordance with these terms and conditions, any changes required by City or law, and such applicable rate or rates as may from time to time be authorized by 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 City rate schedules except where specifically changed by written agreement by City.

1.3 In case of conflict between any provision of a rate schedule and these terms and conditions, the provisions of the rate schedule shall apply.

1.4 The failure of 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 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 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. Customers must provide a lease or Grant Deed to have service established.

2.1.1 In the absence of a signed application or contract for service, the supplying of electric service by City and acceptance thereof by Customer shall be deemed to constitute a service agreement by and between City and Customer for delivery, acceptance of, and payment for service, subject to City's applicable rates and rules and regulations.

2.1.2 For purposes of any amount owed to City that is not more than four (4) years old, City shall have the right to collect the full amount owed City by any or all of the applicants prior to establishment of service.

2.2 Service establishment charge. A service establishment charge, determined by the cost of providing residential or 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 part of 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 to City that is not more than four (4) years old and is unwilling to make payment.

2.3.2 A condition exists, which in City's judgment, is unsafe or hazardous.

2.3.3 Applicant has failed to satisfy the security deposit requirements set forth by City as specified in section 2.6.

2.3.4 If Applicant has previously engaged in conduct that constitutes, but not limited to, a material violation of City's applicable rate schedules, rules, or regulations.

2.3.5 If Applicant does not furnish the necessary funds, service entrance equipment, easements, or rights-of-way that have been specified by City 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 If service at the same address has previously been terminated for nonpayment, and a delinquent balance on that account less than four (4) years old remains outstanding. This restriction applies when the prior account holder continues to reside at the premises with Applicant.

2.3.9 A 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 (2) years and was not delinquent in

payment to any utility during the last twelve (12) 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 (2) years. The letter must state that: (i) the Applicant maintained a satisfactory payment history at the time service was discontinued; and (ii) the service was provided for a continuous period of at least twelve (12) consecutive months. Satisfactory payment history shall mean no delinquent payments during the last twelve (12) consecutive months of service.

2.4.1.3 Applicant provides a guarantor, satisfactory to the City, to secure payment of bills for the service being requested. Guarantor must be a City of Needles resident with no delinquent payments during the last twenty-four (24) months.

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. Customer(s) must provide a lease or Grant Deed to have service established. 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 shall have maintained service of a comparable nature with City, or with another service provider, for a minimum period of one (1) year within the preceding two (2) years, and shall not, during the twelve (12) consecutive months immediately preceding application, have been delinquent in the payment of any utility charges, disconnected for nonpayment, or subject to an unpaid final bill.

2.5.1.2 Applicant shall provide a letter of credit or verification from the electric utility with which service of a comparable nature was most recently maintained, which letter shall state that the Applicant had a satisfactory payment history at the time of discontinuance of such service, and that such service was maintained for a minimum of twelve (12) 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 non-cash security deposit in the form of a surety bond, an irrevocable letter of credit, or an assignment of funds, in an amount equal to the required security deposit. Large Commercial Customers shall be subject to section 2.7.3 and shall maintain a security deposit on file with City at all times during the term of service. For purposes of Chapter 6C, a Large Commercial Customer shall mean a nonresidential Customer occupying a building or service space of twenty thousand (20,000) or more in the City of Needles.

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 (12) 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 under any of the following circumstances: (i) Customer has become delinquent in payment; (ii) Customer has been disconnected for nonpayment within the preceding twelve (12) months; or (iii) Customer's financial condition is determined, on the basis of a credit investigation, notice of financial reorganization, or bankruptcy filing, to jeopardize the timely payment of amounts due. Large Commercial Customers shall be subject to section 2.7.3 and shall maintain a security deposit on file with City at all times during the term of service.

2.7 Security deposits.

2.7.1 A residential Customer shall be required to provide a cash security deposit in an amount equal to one and one-half (1.5) times the highest monthly bill incurred by the prior customer at the residence during the months of June through September, or one hundred fifty dollars (\$150.00), whichever amount is greater.

2.7.1.1 Deposits will automatically be refunded after twelve (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 (2.5) 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. All cash and noncash security deposits held for non residential customers, excluding Large Commercial Customers which are addressed in section 2.7.3 below, by City shall be reviewed upon Customer's completion of twenty-four

(24) months of service. Such deposits shall be refunded or released, provided that Customer has not been delinquent in the payment of bills or disconnected for nonpayment during the preceding twelve (12) consecutive months, unless Customer's financial condition, as determined by City, warrants the continued retention of the security deposit. Deposits not refunded or released at the conclusion of the initial twenty-four (24) month period shall be reviewed annually thereafter to determine whether Customer qualifies for the return or release of the deposit.

2.7.3 Deposits for Large Commercial Customers may be provided in cash or noncash, in a form acceptable by City, and shall be in the amount of eighty thousand dollars (\$80,000) for each twenty thousand (20,000) square feet of building space. Such deposits shall remain on file for a minimum period of three (3) years, after which they may be replaced with a security bond. All security bonds shall be subject to renewal, with satisfactory assurance of renewal provided to City. The cash or noncash security deposits for Large Commercial Customers shall be on file with City during the term of service.

2.7.4 City reserves the right to increase or decrease the security deposit amount when Customer's average consumption changes by more than ten percent (10%) for residential accounts within the twelve (12) consecutive month period and five percent (5%) 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 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 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 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, City 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 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 (30) 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 City shall ordinarily install a separate meter and issue a separate bill for each individual premise. However, adjacent and contiguous premises that are not separated by private or public property or right-of-way, and that are operated as a single, integrated unit under the same name and as part of the same business enterprise, shall be deemed a single premise for purposes of metering and billing.

4.1.3 When regular, accurate meter readings are not available or the electric usage has not been accurately measured, City may estimate 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 Customer's load and operation.

4.1.4 In the event a meter error is discovered through a meter test, City may issue an adjusted bill to Customer for the amount of any undercharge and shall provide Customer with a refund or credit for the amount of any overcharge. Such adjustment bill shall be computed as follows:

4.1.4.1 Fast meter. If a meter is registering more than two percent (2%) fast, City shall refund to 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 (1) year.

4.1.4.2 Slow meter. If a meter for residential service is registering more than twenty-five percent (25%) slow, or a meter for any other class of service is registering more than two percent (2%) slow, City may bill Customer for the amount of the undercharge based on corrected meter readings or 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 (3) months for residential service and one (1) year for any other class of service.

4.1.4.3 Nonregistering meter. If a meter is found to be nonregistering, City may bill Customer for the amount of the underbillings based on 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 City which results in incorrect billing charges to Customer. Billing errors may include incorrect meter readings 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 City, switched or mismarked meters by other than City, improper Customer wiring, blown fuse in one energized conductor, inaccessible meter, failure of Customer to notify City of changes in Customer's equipment or operation, or failure of Customer to take advantage of a rate or condition of service which Customer is eligible.

4.1.5.2 Where City overcharges or undercharges a Customer as the result of a billing error, City may render an adjusted bill for the amount of the undercharge, and shall issue a refund or credit to Customer for the amount of the overcharge, for the period of the billing error, but not to exceed three (3) years in the case of an overcharge, and, in the case of an undercharge not to exceed three (3) months for residential service and one (1) 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 City are due and payable no later than nineteen (19) 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

(10) days of the past due date will be considered delinquent. All delinquent bills shall be subject to the provisions of City's termination procedure. 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; and/or
- (h) 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 (18%) per annum.

4.2.2 If a Customer maintains one (1) or more utility services with City and any such service is terminated for nonpayment, and Customer fails or refuses to make satisfactory payment arrangements with City, City shall be entitled to transfer, without notice to Customer, the unpaid balance of the terminated service(s) to any other active account of Customer. In addition, unpaid balances on active accounts may be transferred, without notice to Customer, to any other active account of Customer if Customer refuses to pay. Failure to pay the active account following such transfer shall result in the suspension or termination of service under that account. Notwithstanding the foregoing, residential electric service shall not be discontinued solely due to 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 City has had two (2) working days' time to secure a final meter reading.

4.3.1 When an error is found to exist in the billing rendered to 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 (3) years from the date the error is discovered. Any refunds to Customers resulting in adjusted billings will be made promptly upon discovery by City. Under billings by City shall be billed to Customer who may be given up to one (1) year to pay if the underbilling is less than One Thousand Dollars (\$1,000.00), and up to one (1) year and six (6) months to pay if underbilling is more than One Thousand Dollars (\$1,000.00), without late payment penalties.

4.4 Returned checks. If City is notified by Customer's bank that a check tendered by Customer will not be honored, Customer shall be required to remit payment

in cash, by money order, certified check, or by such other means as will guarantee payment to City.

4.4.1 Customer shall be charged a fee of Twenty-Five Dollars (\$25.00) for the 1st occurrence and Thirty-Five Dollars (\$35.00) 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 of service is required at the site of the equipment other than the meter, a reconnection charge established by City's cost of services fee schedule must be paid before service re-establishment. 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 City, at its sole option, may make acceptable payment arrangements.

4.6 Payment assistance and counseling. City will provide the following services to residential Customers unable to pay their bills.

4.6.1 City will offer an installment payment plan to allow Customer to amortize past due and current amounts over a reasonable period of time. A Customer who defaults on an installment payment plan may not qualify for future installment payment arrangements. If a Customer does not comply with the terms of a payment arrangement, services will be automatically terminated without further notice. In order to reconnect service, 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.

4.6.4 A permanent payment due date shall be offered to residential Customers only. Residential Customers may elect a permanent payment date, which extends the utility bill due date beyond the standard nineteen (19) days from issuance.

All nonresidential Customers shall remain subject to the standard nineteen (19) day due date for payment of their utility bills.

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's account reaches the stop-loss maximum amount, City shall provide the Customer with a warning as set forth in the Terms and Conditions for the various utilities established by City and as may be amended from time to time. The warning notice shall provide 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, Customer shall have the ability within that period to enter into an amortization agreement ("Payment Agreement") with City, agreeing and acknowledging that 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) to twelve (12) month period dependent on Customer's ability to pay. If payment installments are not paid as set forth in the Payment Agreement, Customer's utilities will be disconnected immediately and without further notice. A Payment Agreement shall only be offered to a Customer if such 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 thereon, 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, 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), Customer shall be required to pay a new deposit in an amount as set forth in the Terms and Conditions. Customer shall also execute a separate Payment Agreement in which Customer agrees and acknowledges that 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. 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) 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. City refers customarily refers delinquent accounts to a collection agency every six (6) months.

4.7.4 Deposits. A deposit or a letter of credit is required when a Customer is initiating electric service as set forth in the Terms and Conditions. In the event Customer receives two (2) late notices within a twelve (12) month period, a deposit will be required for continuation of service. City will provide 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. City will refund the deposit to the Customer after it has received twelve (12) months of timely payments from the Customer. City will refund the deposit to the residential Customer after it has received twelve (12) months of timely payments, and two (2) years for all other nonresidential Customers. The security deposit for Large Commercial Customers as set forth in section 2.7.3 shall be on file with City during the term of service.

4.7.5 Subsequent Deposit. In the event that, after the deposit has been refunded to Customer, Customer receives two (2) late notices within a twelve (12) month period, a subsequent/new deposit will be required for continuation of service. City will provide 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. City will refund the deposit to Customer after City has received twelve (12) months of timely payments from Customer. (596-AC)

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 received, 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 rights-of-way required by 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 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 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 (10%) at any time. The power factor of the load shall not be less than ninety percent (90%) 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/her 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 Customer and City, only authorized employees of City are permitted to make and energize the connection between 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 (2%).

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 (10) working days after such request by Customer. The cost of such rereads, which is Ten Dollars (\$10), 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 (2%) limit, City may charge Customer Twenty-Five Dollars (\$25) 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/she 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 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 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 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 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 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 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 City.

7. Termination of service.

7.1 Customer initiated termination. A Customer requesting termination of electric service must provide City with at least two working days' notice and a disconnect date. 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 who are ill, elderly (over sixty-five years of age) or handicapped persons who have an inability to pay for their service will not be terminated until all of the following have been attempted.

(a) Customer has been made aware of the availability of funds from various governmental and social assistance agencies of which City is aware.

(b) City has made a diligent effort to notify a third party previously designated by 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 for nonpayment if Customer or a household member depends on life-support equipment or has a life-threatening condition certified by a licensed physician, provided Customer is financially unable to pay and is willing to enter into an amortization agreement for the unpaid charges.

7.2.3 A Customer relying on the provisions of section 7.2.2 shall notify City prior to the termination date set forth in the notice that Customer or a household member depends on life-support equipment or has a life-threatening condition that would be compromised by termination of services. Further, Customer shall (i) provide certification of a licensed physician as required in section 7.2.2, and (ii) enter into a deferred payment agreement with City within ten (10) days after the scheduled termination date or service may be terminated with two (2) days' notice.

7.3 Termination 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 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 Customer when credit was to be re-established.
- (i) 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) A ten (10) day advance notice of intent to terminate service for nonpayment and reasons other than nonpayment shall be provided. Customers are solely responsible for monitoring and paying past due balances reflected in their utility bills. Such notice may be included with, or issued as part of, Customer's monthly billing statement. All ten (10) day notices shall be mailed to Customer's last known address. The failure of a Customer to receive such notice shall not exempt Customer from disconnection of service for nonpayment. Upon request, Customers may obtain a copy of the mailed ten (10) day notice.

b) A twenty-four (24) hour advance written notice shall be provided for termination of service due to dishonored checks (NSF). If a check tendered for payment of a deposit is dishonored, utility services shall be disconnected until payment in cash is received. Any Customer whose check is returned for insufficient funds shall be required to make all subsequent payments by cash, money order, or credit/debit card for a period of six (6) months.

c) Notice shall state the reason for termination.

d) Notice shall be considered given to Customer when a copy thereof is delivered to the service location or posted first class in the United States Postal Service addressed to Customer's last known address. These notices are provided as a courtesy.

f) If the violation identified in the notice has not been remedied, service may be terminated on or after the date specified in the notice without the issuance of further notice.

g) Service may only be terminated in conjunction with a personal visit to the premises by an authorized representative of City.

h) City shall have the right, but not the obligation, to remove any of its property from the premises upon termination of service.

i) When an account is terminated for nonpayment, the disconnection notice delivered to the premises shall reflect both (i) the amount stated in the ten (10) day notice, and (ii) the current bill, to reflect the total amount due. Full payment of the total amount shall be required to restore service.

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 City.

7.6 Master meter Customers. When master metered accounts are being terminated with notice, 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 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 inquiries and complaint investigations. A Customer may request a bill inquiry or complaint investigation by contacting City's utilities office. An investigation will be completed by City, and Customer will be advised of the investigation's results and any action taken. If Customer is seeking to set up an extended payment arrangement, City will attempt to assist by offering an amortized payment schedule, provided 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 may elevate the inquiry or complaint to the next level within 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's Board of Public Utilities. A Customer who is not satisfied or believes the staff investigation results are incorrect or unfair, may appeal to the City's Board of Public Utilities ("Utilities Board"). The Utilities Board will hear only appeals that have not been resolved to Customer's satisfaction after the City Manager has finalized his/her review. A form to request an appeal is available at the utilities office and must be submitted at least two (2) weeks prior to a regularly scheduled Utilities Board meeting to ensure placement on the agenda. Customer is encouraged to be present at the Utilities Board hearing or have a representative present.

8.4 Appeal to the City Council. A Customer who remains unsatisfied after appealing their concerns to the Utilities Board, may appeal to the City Council for final resolution within fourteen (14) days of the date of the Utilities Board's decision. The City Clerk will assist Customer with scheduling the appeal. The Customer or his representative must be present at the City 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. 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 Customer and City shall be under no further obligation to serve Customer. If, however, City has not removed its facilities within one (1) year after termination of service, City shall thereafter give Customer thirty (30) 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 Customer shall be deemed given at the time such notice is deposited at the U.S. Postal Service, first class mail, postage prepaid, to Customer at his/her last known address.

10. Prohibited service uses. Customer shall not use electric service for the following uses or activities. These prohibitions are 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 nonresidential Customer may, without restricted hours of use, illuminate with City service a time and temperature sign, and two (2) 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 Nonresidential Customers 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 restrictions below. However, such Customer shall limit the number of fixtures used and shall use energy efficient lighting for all indoor lighting.

10.3.2 Nonresidential Customers shall reduce lighting levels to the minimum required for security at all times the 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 Nonresidential Customers shall be exempt from the following restrictions if higher temperatures are required for physician-certified medical reasons, mandated by law, or necessary for the preservation of perishable foods as part of their principal operations.

10.4.3 Nonresidential Customers shall not use electric services for heating/cooling during non-business hours, unless the building is occupied, or Customer can establish, and City agrees, that a net energy savings can be achieved by operating the space conditioning equipment during non-business hours.

10.4.4 Nonresidential Customers shall not heat or cool unoccupied hotel, motel or similar guest accommodation facilities in vacant guest rooms.

10.4.5 Nonresidential Customers 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. City shall discontinue service to a Customer for noncompliance with the prohibited uses of electric energy, if after notice Customer does not correct the violation within five (5) 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 Utilities Board. The request must explain why the exemption is being sought, the benefits 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, Customer will be notified by City to reduce or terminate use of service. Such notifications may be made by mail, phone, or in person. 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 (\$200.00) will be assessed for a first-time violation, Five Hundred Dollars (\$500.00) for second violation, and One Thousand Dollars (\$1,000.00) 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 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 City to Customer. These terms and conditions state the entire obligation of City in connection with such sales and deliveries. (Ord. 404-AC; Ord. 463-AC.)

Article 6C-2

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 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 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 below. 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 Customer's electric entrance equipment. However, overhead service lines may not be constructed when 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's option, twelve Kv feeder lines (as defined by 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 Customer from undergrounding all other facilities, including any services being extended from such overhead lines.

2.1.3 At City's 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 below.

2.3 Temporary Customers.

2.3.1 General. Service to be rendered to a Customer for a period of less than twelve (12) consecutive calendar months shall be extended as a temporary service. 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 (12) 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 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 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 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 City.

2.5 Seasonal Customers. Extensions of electric facilities to Customer's premises, which will be continuously occupied less than nine (9) months out of each twelve (12) month period may be made only on an economic feasibility basis.

3. Refunds.

3.1 General policy.

3.1.1 Revenues from Customers being served by an extension connected to the extension being surveyed, shall be considered only if the connected extension was made under the footage, economic feasibility, responsible resource development, or economic development basis. Such connected extensions, to be qualified for refund consideration, must have at least one active Customer within five hundred feet from the interconnection point of the extension being surveyed.

3.1.2 City shall conduct a refund survey on the annual anniversary of the execution date of the extension agreement. The survey shall use the extension basis criteria in force at the time the extension was installed to calculate any refunds. City reserves the right to apply any extension refunds to Customer's account(s), if any account(s) are delinquent or past due. Refunds shall never exceed the amount originally advanced.

3.1.3 Refunds can only be made to Customer, developer or developer's company, whoever executed the extension agreement. If development or property ownership or control changes during the refund period, it is Customer/developer's responsibility to form a refund resolution agreement between the parties of such a transaction. City will not honor any contractual or other arrangement that transfers the refund from the original Customer/developer, who executed the extension agreement to another party, even if a refund resolution agreement exists between the parties.

3.2 In lieu of revenue surveys, City may determine the number of permanent Customers connected to the extension for a residential real estate development, and a refund may be made on a "per" Customer basis. Refunds for each permanent Customer shall only be refunded one time. A permanent Customer must have service installed and be an active account at the time of the refund survey to be qualified for the refund study. The City shall specify in the extension agreement, the amount of refund per permanent Customer connected and may require a number of "qualified" Customers be connected to an extension prior to the extension qualifying for a refund survey. Once a permanent Customer has been included in a refund survey. Once a permanent Customer has been included in a refund survey, Customer shall not be counted in future surveys, regardless if such Customer is active or inactive at the time of the survey.

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 Customer or developer.

4.2 Inspection and City acceptance of trench and conduit.

4.2.1 City shall inspect Customer/developer installed trench and conduit on a mutually agreed upon date prior to 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 Customer/developer and City.

4.2.2 When 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, Customer/developer shall complete backfilling and compaction of the trench. 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, Customer/developer must complete final surface restoration of existing roadways, sidewalks, bike paths, etc. as specified by City. If the final surface of the trench is in a new development, actual surfacing can be completed as required, City will complete the restoration and bill 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 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 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 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. 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 Customer load must be essential to public health and/or safety, as determined by 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 City.

6.1.3 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 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 City;

6.1.3.1.2 The voltage and subsequent line distribution equipment is more economical for City, as determined by City.

6.1.3.2 Customer's load requirement (demand) is greater than one 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 one 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 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 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 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 as determined by City in its sole and absolute discretion, 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 City, and is not for Customer's convenience or aesthetics, then 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 City's total construction costs within five (5) years for residential Customers, and two (2) years for nonresidential 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 (12) 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. City will prepare without charge, a preliminary sketch and rough estimate of the costs to extend electric service to a project upon request.

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 Customer for a period greater than twelve (12) 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 (30) days after completion of the extension.

7.1.2 The extension cannot exceed seven hundred fifty (750) 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 (\$15,000).

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 (750) feet per new permanent residential Customer, or a maximum of two thousand five hundred (2,500) feet for the entire extension, or Fifteen Thousand Dollars (\$15,000)), will be constructed at no cost by 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 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 Customer for a period greater than twelve (12) 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 (30) days after completion of the extension.

8.1.2 The total extension is determined to be economically feasible for 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 City. Economic feasibility shall mean that the estimated revenues from the completed project, less the extension and electric line and metering costs, provide and adequate rate of return on investment to 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 (12) 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 (30) days after completion of the extension.

9.1.2 When fully developed, the electric extension(s) inside the development, shall not exceed five hundred (500) 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 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 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 City.

9.1.8 The developer agrees to advertise the development with point of purchase displays, and to include 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 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 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 City for review and approval. If the plans meet the responsible resource development basis criteria, 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 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 (500) 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 (500) feet from the existing electric equipment or facilities from which the extension begins. If the extension is further than five hundred (500) feet from the existing electric facilities, the developer shall pay a nonrefundable per foot charge of Five Dollars and Eighty-Five Cents (\$5.85), 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 City for any repairs or replacements made by the City during construction because of damage or "plugged" equipment. 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 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 (500) 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 (500) feet from the existing electric equipment/facilities from which the extension begins. If the extension is further than five hundred (500) feet from the existing electric facilities, the developer shall pay a nonrefundable per foot charge of Five Dollars and Eighty-Five Cents (\$5.85), 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 City for any repairs or replacements made by City during construction because of damage or "plugged" equipment. 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 (30) days after completion of the extension.

10.1.2 The total extension is determined to be economically feasible for 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 City.

10.1.3 The development meets the economic development basis qualifications, as determined by the Utilities Board and City Council.

10.1.4 Customer/developer requests the extension be completed using the economic development basis.

10.1.5 Customer/developer agrees to provide, if requested by either the City Council or the Utilities 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 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 Utilities Board 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, 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 City's opinion 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 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 Customer and City. (Ord. 404-AC.)