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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS
MIKE GLEASON - CHAIRMAN
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KRISTIN K. MAYES
GARY PIERCE

IN THE MATTER OF THE APPLICATION OF UNS ELECTRIC, INC. FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES AND CHARGES DESIGNED TO REALIZE A REASONABLE RATE OF RETURN ON THE FAIR VALUE OF THE PROPERTIES OF UNS ELECTRIC, INC. DEVOTED TO ITS OPERATIONS THROUGHOUT THE STATE OF ARIZONA AND REQUEST FOR APPROVAL OF RELATED FINANCING.	)	DOCKET NO. E-04204A-06-0783

Arizona Corporation Commission
DOCKETED
JUN 26 2008
DOCKETED BY

NOTICE OF FILING REVISED UNS ELECTRIC, INC. RULES AND REGULATIONS, INCLUDING A REVISED LINE EXTENSION TARIFF, IN COMPLIANCE WITH DECISION NO. 70360

UNS Electric, Inc. ("UNS Electric" or the "Company"), through undersigned counsel, hereby files its Rules and Regulations, including a revised line extension tariff, a transition plan, and other revisions, in accordance with and in compliance with Decision No. 70360 (May 27, 2008). UNS Electric will provide a redlined copy of the Rules and Regulations to Commission Staff either electronically or by CD upon request.

RESPECTFULLY SUBMITTED this 26th day of June, 2008.

UNS Electric, Inc.

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Original and thirteen copies of the foregoing filed this 26th day of June, 2008, with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Copy of the foregoing hand-delivered this 26th day of June, 2008, to:

Compliance Section, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

By Mary Ippolito

TABLE OF CONTENTS

SECTION	TITLE	PAGE
1	APPLICABILITY OF RULES AND REGULATIONS AND DESCRIPTION OF SERVICE	2
2	DEFINITIONS	3
3	ESTABLISHMENT OF SERVICE	8
4	MINIMUM CUSTOMER INFORMATION REQUIREMENTS	15
5	MASTER METERING	17
6	SERVICE LINES AND ESTABLISHMENTS	19
7	PROVISION OF SERVICE	23
8	CHARACTER OF SERVICE – VOLTAGE, FREQUENCY AND PHASE	28
9	LINE EXTENSIONS	30
10	METER READING	39
11	BILLING AND COLLECTIONS	42
12	TERMINATION OF SERVICE	49
13	ADMINISTRATIVE AND HEARING REQUIREMENTS	54
14	STATEMENT OF ADDITIONAL CHARGES	57
15	CURTAILMENT PROCEDURES	58

SECTION 1
APPLICABILITY OF RULES AND REGULATIONS AND DESCRIPTION OF SERVICE

A. Company is an electric utility operating within portions of the state of Arizona. The Company will provide service to any person, institution or business located within its service area in accordance with the provisions of its Pricing Plans and the terms and conditions of these Rules and Regulations.

B. All electricity delivered to any Customer is for the sole use of that Customer on that Customer's premises only. Electricity delivered by the Company will not be redelivered or resold, or the use thereof by others permitted unless otherwise expressly agreed to in writing by the Company. However, those Customers purchasing electricity for redistribution to the Customer's own tenants (only on the Customer's premises) may separately meter each tenant distribution point for the purpose of prorating the Customer's actual purchase price of electricity delivered among the various tenants on a per unit basis.

C. These Rules and Regulations will apply to all electricity service furnished by the Company to its Customers.

D. These Rules and Regulations are part of the Company's Pricing Plans on file with, and duly approved by, the ACC. These Rules and Regulations will remain in effect until modified, amended, or deleted by order of the ACC. No employee, agent or representative of the Company is authorized to modify the Company rules.

E. These Rules and Regulations will be applied uniformly to all similarly situated Customers.

F. In case of any conflict between these Rules and Regulations and the ACC's rules, these Rules and Regulations will apply.

G. Whenever the Company and an Applicant or a Customer are unable to agree on the terms and conditions under which the Applicant or Customer is to be served, or are unable to agree on the proper interpretation of these Rules and Regulations, either party may request assistance from the Consumer Services Section of the Utilities Division of the ACC. The Applicant or Customer also has the option to file an application with the ACC for a proper order, after notice and hearing.

H. The Company's supplying electric service to the Customer and the acceptance thereof by the Customer will be deemed to constitute an agreement by and between the Company and the Customer for delivery, acceptance of and payment for electric service under the Company's Rules and Regulations and applicable Pricing Plans.

SECTION 2
DEFINITIONS

A. In these Rules and Regulations, the following definitions will apply unless the context requires otherwise:

1. "Actual Cost" – The cost incurred by the Company for labor, materials and equipment including the cost of overheads.
2. "Applicant" – A person requesting the Company to supply electric service.
3. "Application" – A request to the Company for electric service, as distinguished from an inquiry as to the availability or charges for such service.
4. "Arizona Corporation Commission ("ACC") – The regulatory authority of the State of Arizona having jurisdiction over public service corporations operating in Arizona.
5. "Billing Month" – The period between any two (2) regular readings of the Company's meters at approximately thirty (30) day intervals.
6. "Billing Period" – The time interval between two (2) consecutive meter readings that are taken for billing purposes.
7. "Company" – UNS Electric, Inc.
8. "Contributions in Aid of Construction" or "Contribution" – Funds provided to the Company by the Applicant under the terms of a line extension agreement and/or service connections tariff, the value of which is not refundable.
9. "Curtailment Priority" – The order in which electric service is to be curtailed to various classifications of customers, as set forth in the Company's filed Pricing Plans.
10. "Customer" – The person or entity in whose name service is rendered, as evidenced by the signature on the application or contract for that service, or by the receipt and/or payment of bills regularly issued in the customer's name regardless of the identity of the actual user of the service.
11. "Customer Charge" – The amount the Customers must pay the Company for the availability of electric service, excluding any electricity used, as specified in the Company's Pricing Plans.
12. "Day" – Calendar day.
13. "Demand" – The rate at which power is delivered during any specified period of time. Demand may be expressed in kilowatts, kilovolt-amperes, or other suitable units.

SECTION 2
DEFINITIONS
(continued)

14. "Distribution Lines" – The Company lines operated at distribution voltage which is constructed along public roadways or other bona fide rights-of-way, including easements on customer's property.

15. "Elderly" – A person who is sixty-two (62) years of age or older.

16. "Energy" – Electric energy, expressed in kilowatt-hours.

17. "Handicapped" – A person with a physical or mental condition which substantially contributes to the person's inability to manage his or her own resources, carry out activities of daily living, or protect oneself from neglect of hazardous situations without assistance from others.

18. "Illness" – A medical ailment or sickness for which a residential customer obtains a verified document from a licensed medical physician stating the nature of the illness and that discontinuance of service would be especially dangerous to the customer's health.

19. "Inability to Pay" – Circumstances where a residential customer:

    a. Is not gainfully employed and unable to pay; or

    b. Qualifies for government welfare assistance, but has not begun to receive assistance on the date that he receives his bill and can obtain verification of that fact from the government welfare assistance agency;

    c. Has an annual income below the published federal poverty level and can produce evidence of this; and

    d. Signs a declaration verifying that the customer meets one of the above criteria and is either elderly, handicapped, or suffers from illness.

20. "Interruptible Electric Service" – Electric service that is subject to interruption as specified in the Company's Pricing Plan.

21. "Kilowatt ("kW")" – A unit of power equal to 1,000 watts.

22. "Kilowatt-hour ("kWh")" – Electric energy equivalent to the amount of electric energy delivered in one hour when delivery is at a constant rate of one (1) kilowatt.

23. "Law" – Any statute, rule, order or requirement established and enforced by government authorities.

24. "Line Extension" – The lines and equipment necessary to extend the electric distribution system of the Company to provide service to additional customers.

SECTION 2
DEFINITIONS
(continued)

25. "Master Meter" – A meter for measuring or recording the flow of electricity that has passed through it at a single location where said electricity is distributed to tenants or occupants for their usage.

26. "Megawatt ("MW")" – A unit of power equal to 1,000,000 watts.

27. "Meter" – The instrument for measuring and indicating or recording the flow of electricity that has passed through it.

28. "Meter Tampering" – A situation where a meter has been illegally altered. Common examples are meter bypassing, use of magnets to slow the meter recording, and broken meter seals.

29. "Minimum Charge" – The amount the Customer must pay for the availability of electric service, including an amount of usage, as specified in the Company's Pricing Plans.

30. "On-Site Generation" – Any and all power production generated on or adjacent to a Customer's property that is controlled, utilized, sold, or consumed by that Customer or its agent.

31. "Permanent Customer" – A Customer who is a tenant or owner of a service location who applies for and receives permanent electric service.

32. "Permanent Service" – Service which, in the opinion of the Company, is of a permanent and established character. The use of electricity may be continuous, intermittent, or seasonal in nature.

33. "Person" – Any individual, partnership, corporation, governmental agency, or other organization operating as a single entity.

34. "Point of Delivery" – The point where facilities owned, leased, or under license by a Customer connect to the Company's facilities.

35. "Power" – The rate of generating, transferring and/or using electric energy, usually expressed in kilowatts.

36. "Power Factor" – The ratio of active to reactive power.

37. "Premises" – All of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided by public streets, alleys or railways.

38. "Pricing Plan" – A part of the Company's Tariffs which sets forth the rates and charges related to specific categories of Customers, and related terms and conditions.

SECTION 2
DEFINITIONS
(continued)

39. "Prorate" – To divide, distribute, or assess proportionately.

40. "Residential subdivision development" – Any tract of land which has been divided into four or more contiguous lots with an average size of one acre or less for use for the construction of residential buildings or permanent mobile homes for either single or multiple occupancy.

41. "Residential Use" – Service to Customers using electricity for domestic purposes such as space heating, air conditioning, water heating, cooking, clothes drying, and other residential uses and includes use in apartment buildings, mobile home parks, and other multiunit residential buildings.

42. "Rules and Regulations" or "Company rules" – These Rules and Regulations, which are a part of the Company's Tariffs and Pricing Plans.

43. "Secondary Service" – Service supplied at secondary voltage levels from the load side of step-down transformers connected to the Company's high voltage distribution lines.

44. "Service Area" – The territory in which the Company has been granted a certificate of convenience and necessity and is authorized by the ACC to provide electric service.

45. "Service Drop" – The overhead service conductors from the last Company-owned pole or other aerial support to and including the splices, if any, connecting to the customer's service entrance conductors at a building or other structure.

46. "Service Establishment charge" – The charge as specified in the Company's Pricing Plans which covers the cost of establishing a new account.

47. "Service Line" – The line extending from a distribution line or transformer to the Customer's premises or point of delivery.

48. "Service Reconnection charge" – The charge as specified in the Company's Pricing Plans which must be paid by the Customer prior to reestablishment of electric service each time the electricity is disconnected for nonpayment or whenever service is discontinued for failure otherwise to comply with the Company's Pricing Plans or Rules.

49. "Service Reestablishment charge" – A charge as specified in the Company's Pricing Plans for service in the same location where the same Customer had ordered a service disconnection within the preceding twelve (12) month period.

50. "Single Family Dwelling" – A house, an apartment, or a mobile home permanently affixed to a lot, or other permanent residential unit which is used as a permanent home.

SECTION 2
DEFINITIONS
(continued)

51. "Tariffs" – The documents filed with the ACC which list the services and products offered by the Company and which set forth the terms and conditions and a schedule of the rates and charges for those services and products.

52. "Temporary Service" – Service to premises or enterprises which are temporary in character, or where it is known in advance that the service will be of limited duration. Service which, in the opinion of the Company, is for operations of a speculative character is also considered temporary service.

53. "Third-Party Notification" – A notice sent to an individual or a public entity willing to receive notification of the pending discontinuance of service of a Customer of record in order to make arrangements on behalf of said Customer satisfactory to the Company.

54. "Utility" – A public service corporation providing electric service to the public in compliance with state law.

55. "Weather Especially Dangerous to Health" – That period of time commencing with the scheduled termination date when the local weather forecast, as predicted by the National Oceanographic and Administration Service, indicates that the temperature will not exceed thirty-two (32) degrees Fahrenheit for the next day's forecast. The ACC may determine that other weather conditions are especially dangerous to health as the need arises.

SECTION 3
ESTABLISHMENT OF SERVICE

A. Information from Applicants

1. The Company may obtain the following minimum information from each Applicant:

   a. Name or names of Applicant(s);

   b. Service address or location and telephone number;

   c. Billing address/telephone number, if different than service address;

   d. Address where service was provided previously;

   e. Date applicant will be ready for service;

   f. Statement of whether premises have been supplied with electric service previously;

   g. Purpose for which service is to be used;

   h. Statement of whether Applicant is owner or tenant of or agent for the premises;

   i. Information concerning the energy and demand requirements of the Customer; and

   j. Type and kind of life-support equipment, if any, used by the Customer or at the service address.

2. The Company may require a new Applicant for service to appear at the Company's designated place of business to produce proof of identity and sign the Company's application form.

3. Where service is requested by two or more individuals, the Company will have the right to collect the full amount owed to the Company from any one of the Applicants.

4. The supplying of electric service by the Company and the Customer's acceptance of that electric service will be deemed to constitute an agreement by and between the Company and the Customer for delivery, acceptance of and payment for electric service under the Company's applicable Pricing Plans, and Rules and Regulations.

5. The term of any agreement not otherwise specified will become operative on the day the Customer's installation is connected to the Company's facilities for the purpose of taking electric energy.

SECTION 3
ESTABLISHMENT OF SERVICE
(continued)

6. The Company may require a written contract with special guarantees from Applicants whose unusual characteristics of load or location would require excessive investment in facilities or whose requirements for service are of a special nature.

7. Signed contracts may be required for service to commercial and industrial establishments. No contract or any modification of the contract will be binding upon the Company until executed by a duly authorized representative of the Company.

B. Deposits

1. The Company may require from any present or prospective Customer a deposit to guarantee payment of all bills. This deposit may be retained by the Company until service is discontinued and all bills have been paid; except as provided in Subsection B.3. below. Upon proper application by the Customer, the Company will then return said deposit, together with any unpaid interest accrued thereon from the date of commencement of service or the date of making the deposit, whichever is later. The Company will be entitled to apply said deposit together with any unpaid interest accrued thereon, to any indebtedness for the same class of service owed to the Company for electric service furnished to the Customer making the deposit. When said deposit has been applied to any such indebtedness, the Customer's electric service may be discontinued until all such indebtedness of the Customer is paid and a like deposit is again made with the Company by the Customer. No interest will accrue on any deposit after discontinuance of the service to which the deposit relates.

   The Company will not require a deposit from a new Applicant for residential service if the Applicant is able to meet any of the following requirements:

   a. The Applicant has had service of a comparable nature with the Company within the past two (2) years and was not delinquent in payment more than twice during the last twelve (12) consecutive months of service or was not disconnected for nonpayment; or

   b. The Applicant can produce a letter regarding credit or verification from an electric utility where service of a comparable nature was last received by Applicant, which states Applicant had a timely payment history at time of service discontinuation; or

   c. Instead of a deposit, the Company receives deposit guarantee notification from a social or governmental agency acceptable to the Company. A surety bond may be provided as security for the Company in an amount equal to the required deposit.

SECTION 3
ESTABLISHMENT OF SERVICE
(continued)

2. The Company may issue a non-assignable, non-negotiable receipt to the Applicant for the deposit. The inability of the Customer to produce his or her receipt will in no way impair the Customer's right to receive a refund of the deposit which is reflected on the Company records.

3. Cash deposits held by the Company twelve (12) months or longer will earn interest at the established one-year Treasury Constant Maturities rates, effective on the first business day of each year, as published in the Federal Reserve website.

   a. Residential Customers – Deposits or other instruments of credit will automatically expire or be refunded or credited to the Customer's account, after twelve (12) consecutive months of service during which time the Customer has not been delinquent more than two (2) times in a twelve (12) month period.

   b. All Customers – Upon final discontinuance of the use of the service and full settlement of all bills by the Customer, any deposit, not previously refunded, with accrued interest, if any, in accordance with the provisions of these Rules and Regulations will be returned to the Customer or, at the Company election, it may be applied to the payment of any unpaid accounts of the Customer and the balance, if any, returned to the Customer.

4. The Company may require a Customer to establish or reestablish a deposit if the Customer became delinquent in the payment of three (3) or more bills within a twelve (12) consecutive month period, or has been disconnected from service during the last twelve (12) months.

5. The Company may review the Customer's usage after service has been connected and adjust the deposit amount based upon the Customer's actual usage.

6. A separate deposit may be required for each meter installed.

7. Residential Customer deposits will not exceed two (2) times that Customer's estimated average monthly bill. Non-residential Customer deposits will not exceed two and one-half (2.5) times that Customer's maximum estimated monthly bill. If actual usage history is available, then that usage, adjusted for normal weather, will be the basis for the estimate.

8. The posting of a deposit will not preclude the Company from terminating service when the termination is due to the Customer's failure to perform any obligation under the agreement for service or any of these Rules and Regulations.

SECTION 3
ESTABLISHMENT OF SERVICE
(continued)

C. Conditions for Supplying Service

The Company reserves the right to determine the conditions under which service will be provided. Conditions for service and extending service to the Customer will be based upon the following:

1. Customer has wired his premises in accordance with the National Electric Code, City, County and/or State codes, whichever are applicable.

2. Customer has installed the meter loop in a suitable location approved by the Company.

3. In the case of a mobile home, the meter loop must be attached to a meter pole or to an approved support.

4. In case of temporary construction service, the meter loop must be attached to an approved support.

5. All meter loop installations must be in accordance with the Company's specifications and located at an outdoor location accessible to the Company.

6. Individual Customers may be required to have their property corner pins and/or markers installed to establish proper right-of-way locations.

7. Developers must have all property corner pins and/or markers installed necessary to establish proper locations to supply electric service to individual lots within subdivisions.

8. Where the installation requires more than one meter for service to the premises, each meter panel must be permanently marked (not painted) by the contractor or Customer to properly identify the portion of the premises being served.

9. The identification will be the same as the apartment, office, etc., served by that meter socket. The identifying marking placed on each meter panel will be impressed into or raised from a tab of aluminum, brass or other approved non-ferrous metal with minimum one-fourth (l/4) inch-high letters. This tag must be riveted to the meter panel. The impression must be deep enough to prevent the identification(s) from being obscured by subsequent painting of the building and attached service equipment.

10. The Company may require the assistance of the Customer and/or the Customer's contractor to open the apartments or offices at the time the meters are set, in order to verify that each meter socket actually serves the apartment or office indicated by the marking tag. In the case of multiple buildings the building or unit number and street address will be identified on the pull section in the manner described above.

SECTION 3
ESTABLISHMENT OF SERVICE
(continued)

D. Grounds for Refusal of Service

The Company may refuse to establish service if any of the following conditions exist:

1. The Applicant has an outstanding amount due for the same class of electric service with the Company and the Applicant is unwilling to make arrangements with the Company for payment;

2. A condition exists which, in the Company's judgment, is unsafe or hazardous to the Applicant, the general population, or the Company's personnel or facilities;

3. The Applicant refuses to provide the Company with a deposit when the Customer has failed to meet the credit criteria for waiver of deposit requirements;

4. Customer is known to be in violation of the Company's Pricing Plans or Rules and Regulations;

5. Customer fails to furnish the funds, service, equipment, and/or rights-of-way necessary to serve the Customer and which have been specified by the Company as a condition for providing service;

6. Customer fails to provide access to the meter that would be serving the customer; or

7. Applicant falsifies his or her identity for the purpose of obtaining service.

E. Service Establishments, Reestablishment or Reconnection Charge

1. The Company may make a charge as approved by the ACC for the establishment, reestablishment, or reconnection of service. The charge for establishment, reestablishment or reconnection of service during normal business hours is set forth in the Statement of Additional Charges.

2. Should service be established during a period other than the Company's regular business hours at the Customer's request, the Customer may be required to pay an after-hour charge for the service connection. Where the Company's scheduling will not permit service establishment on the same day as requested, the Customer can elect to pay the after-hour charge for establishment that day, or his service will be established on the next available working day. The after-hour charge is set forth in the Statement of Additional Charges at Section 14. Even so, a Customer's request to have the Company establish service after-hours is subject to the Company having Staff available; there is no guarantee that the Company will have the staffing available for service establishment or reestablishment outside of regular business hours.

3. For the purpose of this Rule, the definition of service establishment is where the Customer's facilities are ready and acceptable to the Company, and the Company needs only to install a meter, read a meter, or turn the service on.

SECTION 3
ESTABLISHMENT OF SERVICE
(continued)

4. Reconnection Charge

Whenever the Company has discontinued service under its usual operating procedures because of any default by the Customer as provided herein, a reconnection charge, not to exceed the charge for the reestablishment of service as set forth in the Statement of Additional Charges, shall be made and may be collected by the Company before service is restored. When, due to the behavior of the Customer, it has been necessary to discontinue service utilizing other than usual operating procedures, the Company shall be entitled to charge and collect actual costs to restore service.

F. Temporary Service

1. Applicants for temporary service will be required to pay to the Company, in advance of service establishment, the estimated cost of installing and removing the facilities necessary for furnishing the desired service.

2. Where the duration of service is to be less than one (1) month, the Applicant will also be required to advance a sum of money equal to the estimated bill for service.

3. Where the duration of service is to exceed one (1) month, the Applicant may also be required to meet the deposit requirements of the Company, as outlined in Subsection B.1. above.

4. If at any time during the term of the agreement for service the character of a temporary Customer's operations changes so that, in the opinion of the Company, the Customer is classified as permanent, the terms of the Company's line extension rules will apply.

G. Identification of Load and Premises

Upon request of the Company, the electric load and premises to be served by the Company must be clearly identified by the Customer at the time of application. If the service address is not recognized in terms of commonly used identification system, the Customer may be required to provide specific written directions and/or legal descriptions before the Company will be required to act upon a request for electric service.

H. Identification of Responsible Party

Any person applying on behalf of another Customer for service to be connected in the name of or in care of another Customer must furnish to the Company written approval from that Customer guaranteeing payment of all bills under the account. The Customer is responsible in all cases for service supplied to the premises until the Company has received proper notice of the effective date of any change. The Customer shall also promptly notify the Company of any change in billing address.

SECTION 3
ESTABLISHMENT OF SERVICE
(continued)

I. Tampering With or Damaging Company Equipment

1. The Customer agrees, when accepting service, that no one except authorized Company employees or agent of the Company will be allowed to remove or replace any Company owned equipment installed on Customer's property.

2. No person, except an employee or agent acting on behalf of the Company shall alter, remove or make any connection to the Company's meter or service equipment.

3. No meter seal may be broken or removed by anyone other than an employee or agent acting on behalf of the Company, however the Company may give its prior consent to break the seal by an approved electrician employed by a Customer when deemed necessary by the Company.

4. The Customer will be held responsible for any broken seals, tampering, or interfering with the Company's meter(s) or any other Company owned equipment installed on the Customer's premises. In cases of tampering with meter installations, interfering with the proper working thereof, or any tampering, interfering, theft, or service diversion, including the falsification of Customer read-meter readings, Customer will be subject to immediate discontinuance of service. The Company will be entitled to collect from the Customer whose name the service is in, under the appropriate rate, for all power and energy not recorded on the meter as the result of such tampering, or other theft of service, and also additional security deposits as well as all expenses incurred by the Company for property damages, investigation of the illegal act, and all legal expenses and court costs incurred by the Company.

5. The Customer will be held liable for any loss or damage occasioned or caused by the Customer's negligence, want of proper care or wrongful act or omission on the part of any Customer's agents, employees, licensees or contractors.

SECTION 4
MINIMUM CUSTOMER INFORMATION REQUIREMENTS

A. Information for Residential Customers

1. The Company will make available upon Customer request not later than sixty (60) days from the date of request a concise summary of the rate schedule applied for by the Customer. The summary will include the following:

   a. The monthly minimum Customer charge, identifying the amount of the charge and the specific amount of usage included in the minimum charge, where applicable;

   b. Rate blocks, where applicable;

   c. Any adjustment factor(s) and method of calculation; and

   d. Demand charge, where applicable.

2. Upon application or upon request, the Applicant or the Customer will elect the applicable Pricing Plan best suited to their requirements. The Company may assist in making this election, but will not be held responsible for notifying the Customer of the most favorable Pricing Plan, and will not be required to refund the difference in charges under different Pricing Plans.

3. Upon written notification of any material changes in the Customer's installation or load conditions, the Company will assist in determining if a change in rate schedules is desirable, but not more than one (1) such change at the Customer's request will be made within any twelve (12) month period.

4. The supply of electric service under a residential rate schedule to a dwelling involving some business or professional activity will be permitted only where this activity is only occurring occasionally at the dwelling, where the electricity used in connection with this activity is small in amount, and where the electricity is used only by equipment that would normally be in use if the space were used as living quarters. Where a portion of the dwelling is used regularly for business, professional and other gainful purposes, and any considerable amount of electricity is used for other than domestic purposes, or for electrical equipment not normally used in living quarters is installed in connection with the activities referenced above, then the entire premises will be classified as non-residential and the appropriate general service Pricing Plan will be applied. The Customer, may, at his option, provide separate wiring so that the residential uses can be metered and billed separately under the appropriate residential service rate schedule, and the other uses under the appropriate general service rate schedule.

SECTION 4
MINIMUM CUSTOMER INFORMATION REQUIREMENTS
(continued)

5. In addition, the Company will make available upon Customer request, not later than sixty (60) days from date of service commencement, a concise summary of the Company's Pricing Plan or the ACC's Rules and Regulations concerning:

   a. Deposits;

   b. Termination of service;

   c. Billing and collection; and

   d. Complaint handling.

6. The Company, upon request of a Customer, will transmit a written statement of actual consumption by the Customer for each billing period during the prior twelve (12) months, unless this data is not reasonably ascertainable. But the Company will not be required to accept more than one such request from each Customer in a calendar year.

B. Information Required Due to Changes in Pricing Plans:

   1. The Company will transmit to affected Customers a concise summary of any change in the Pricing Plans affecting those Customers.

   2. This information will be transmitted to the affected Customer within sixty (60) days of the effective date of the change.

SECTION 5
MASTER METERING

A. Mobile Home Parks – New Construction/Expansion

1. The Company will refuse service to all new construction or expansion of existing permanent residential mobil home parks unless the construction or expansion is individually metered by the Company. Line extensions and service connections to serve this expansion will be governed by the Company's line extension and/or service connection policies of these Rules and Regulations.

2. Permanent residential mobile home parks for the purpose of this rule will mean mobile home parks where the average length of stay for an occupant is a minimum of six (6) months.

3. For the purposes of this rule, expansion means the acquisition of additional real property for permanent residential spaces in excess of that existing at the effective date of this rule.

B. Residential Apartment Complexes, Condominiums and other Multiunit Residential Buildings

1. Master metering will not be allowed for new construction of apartment complexes and condominiums unless the building or buildings will be served by a centralized heating, ventilation, or air conditioning system and the contractor can provide to the Company an analysis demonstrating that the central unit will result in a favorable cost/benefit relationship.

2. At a minimum, the cost/benefit analysis should consider the following elements for a central unit as compared to individual units:

   a. Equipment and labor costs;

   b. Financing costs;

   c. Maintenance costs;

   d. Estimated kWh usage;

   e. Estimated kW demand on a coincident demand and non-coincident demand basis (for individual units);

   f. Cost of meters and installation; and

   g. Customer accounting cost (one account vs. several accounts).

3. A Customer of any residential apartment complex, condomium, or other multiunit residential building taking service through a master meter is responsible for determining his or her own usage beyond the Company's meter.

SECTION 6
SERVICE LINES AND ESTABLISHMENTS

A. Priority and Timing of Service Establishments

1. After the Applicant has complied with the Company's application requirements and has been accepted for service by the Company, and obtained all required permits and/or inspections indicating that the Customer's facilities comply with local construction, safety and governmental standards or regulations,the Company will schedule that Customer for service establishment.

2. All charges are due and payable before the Company will schedule the Customer for service establishment.

3. Service establishments will be scheduled for completion within five (5) business days of the date the Customer has been accepted for service, except in those instances when the Customer requests service establishment beyond the five (5) business day limitation.

4. When the Company has made arrangements to meet with a Customer for service establishment purposes and the Company or the Customer cannot make the appointment during the prearranged time, the Company will reschedule the service establishment to the satisfaction of both parties.

5. The Company will schedule service establishment appointments within a maximum range of four (4) hours during nomal business hours, unless another timeframe is mutually acceptable to both the Company and the Customer.

6. Service establishments will be made only by the Company.

7. For the purposes of the rule, service establishments are where the Customer's facilities are ready and acceptable to the Company and the Company needs only to install or read a meter or turn the service on.

8. A fee for service establishment, reestablishment, or reconnection of service may be charged at a rate on file with and approved by the ACC. Whenever the Applicant requests after-hours handling of his request, the Company will charge an additional fee on file with and approved by the ACC, unless a special call-out is required. If a special call-out is required the charge will be for a minimum of two (2) hours at the Company's then-prevailing after-hours rate for the service work on the Customer's premises. Special handling of calls and the related charges will be made only on request of the Applicant.

SECTION 6
SERVICE LINES AND ESTABLISHMENTS
(continued)

B. Service Lines

1. Customer provided facilities

   a. Each Applicant for services will be responsible for all inside wiring including the service entrance and meter socket. For three-phase service, the Customer will provide, at the Customer's expense, all facilities including conductors and conduit, beyond the Company-designated point of delivery.

   b. Meters and service switches in conjunction with the meter will be installed in a location where the meters will be readily and safely accessible for reading, testing and inspection, where these activities will cause the least interference and inconvenience to the Customer. Location of metering facilities will be determined by the Company and may or may not be at the same location as the point of delivery. However, the meter locations will not be on the front exterior wall of the home, or in the carport or garage unless mutually agreed to between the Customer or homebuilder and the Company. Without cost to the Company, the Customer must provide, at a suitable and easily accessible location, sufficient and proper space for the installation of meters.

   c. Where the meter or service line location on the Customer's premises is changed at the request of the Customer or due to alterations on the Customer's premises, the Customer must provide and have installed, at the Customer's expense, all wiring and equipment necessary for relocating the meter and service line connection. The Company will charge the Customer for moving the meter and/or service lines.

   d. Customer will provide access to a main switch or breaker for disconnecting load to enable safe installation and removal of Company meters.

2. Overhead Service Connection – Secondary Service

   a. The estimated costs of extending Secondary Service shall be paid by the Customer prior to the Company extending service.

   b. Whenever any of the clearances required by the applicable laws, ordinances, rules or regulations of public authorities or standards of the Company from the service drops to the ground or any object become impaired by reason of any changes made by the owner or tenant of the premises, the Customer will, at his own expense, provide a new and approved support, in a location approved by the Company, for the termination of the Company's service drop wires and will also provide all service entrance corridors and equipment necessitated by the change of location.

SECTION 6
SERVICE LINES AND ESTABLISHMENTS
(continued)

c. For each overhead service connection, the Customer will furnish at his own expense a set of service entrance conductors that will extend from the point of service delivery at the point of termnation of the Company's service drop on the Customer's support to the Customer's main disconnect switch. These service entrance conductors will be of a type and be in an enclosure that meets with the approval of the Company and any inspection authorities having jurisdiction.

3. Underground Service Connections – Secondary Service

a. In areas where the Company maintains an underground distribution system, individual services will be underground and be paid for by the Customer.

b. A Customer requesting an underground service line in an area served by overhead facilities will pay the estimated costs of extending the underground Secondary prior to the Company extending service.

c. For single-phase service, the Company will install a service lateral from its distribution line to the Customer's Company-approved termination facilities under the following conditions (unless otherwise agreed to by the Company and the Applicant):

(i) The Customer, at his expense, will provide the necessary trenching, conduit, conduit installation, backfill, landscape restoration and paving or the Customer can pay the Company to do so. The Customer will also furnish, install, own and maintain termination facilities on or within the building to be served.

(ii) The Company will furnish, install, own and maintain the underground single-phase cables to Customer's Company-approved termination facilities.

(iii) The Company will determine the minimum size and type of conduit and conductor for the single-phase service. Where separately installed conduit or duct is required for single-phase service, the Customer will furnish and install the conduit system, including suitable pull ropes as specified by the Company. The ownership of this conduit or duct will be conveyed to the Company, and the Company will then maintain the conduit or duct. By mutual agreement and upon payment by the Customer of the estimated installed cost, the Company may funish, own, install and maintain this conduit or duct. The maximum length of any lateral conductor will be determined by the Company in accordance with accepted engineering practice in determining voltage drop, voltage flicker, and other relevant considerations.

d. For three-phase service, the Customer will provide, at the Customer's expense, all facilities, including conductors and conduit, beyond the Company-designated point of delivery.

SECTION 6
SERVICE LINES AND ESTABLISHMENTS
(continued)

C. Easements and Rights-of-Way

1. At no cost to the Company, each Customer will grant adequate easements and rights-of-way that are satisfactory to ensure proper service connection and any additional easements and rights-of-way as may be necessary for electric system reliability. Failure on the part of the Customer to grant adequate easement and right-of-way will be grounds for the Company to refuse service.

2. When the Company discovers that a Customer or the Customer's Agent is performing work, has constructed facilities or has allowed vegetation to grow adjacent to or within an easement or right-of-way and this work, construction, vegetation or facility poses a hazard or is in violation of federal, state or local laws, ordinances, statutes, Rules or Regulations, or significantly interferes with the Company's access to equipment, the Company will notify the Customer or the Customer's Agent and will take whatever actions are necessary to eliminate the hazard, obstruction or violation at the Customer's expense.

D. Number of Services to be Installed

The Company will not install more than one service, either overhead or underground, for any one building or group of buildings on a single premises, except as separate services may be installed for separate buildings or group of buildings where necessary for the operating convenience of the Company, where provided for in the tariff schedules, or where required by law or local ordinance.

E. Multiple Service Points

Any person, firm, corporation, agency or other organization or governmental body receiving service from the Company at more than one location or for more than one separately operated business will be considered as a separate Customer at each location and for each business. If several buildings are occupied and used by a Customer in the operation of a single business, the Company, upon proper application, will furnish service for the entire group of buildings through one service connection at one point of delivery, provided these buildings are all at one location on the same lot or tract, or on adjoining lots or tracts that form a contiguous plot that is not separated by any public streets. This plot or location will be wholly owned or controlled and occupied by the Customer in the operation of this single business. Dwelling units will be served, metered and billed separately, except at the Company's option.

F. Temporary Service

For service that is temporary in nature or for operations of a speculative character or questionable permenancy the Customer will be charged the Company's estimated cost of installing the service.

SECTION 7
PROVISION OF SERVICE

A. Company Responsibility

1. The Company will be responsible for the safe transmission and distribution of electricity until it passes the point of delivery to the Customer.

2. The Company will be responsible for maintaining in safe operating condition all meters, equipment and fixtures installed on the Customer's premises by the Company for the purpose of delivering electric service to the Customer. However, the Company will not be responsible for the condition of meters, equipment, and fixtures damaged or altered by the Customer.

3. The Company may, at its option, refuse service until the Customer has obtained all required permits and/or inspections indicating that the Customer's facilities comply with local construction standards, applicable safety standards, and applicable Company specifications.

B. Customer Responsibility

1. Each Customer will be responsible for maintaining all Customer facilities on the Customer's side of the point of delivery in safe operating condition.

2. Each Customer will be responsible for safeguarding all Company property installed in or on the Customer's premises for the purpose of supplying electric service to that Customer.

3. Each Customer will exercise all reasonable care to prevent loss or damage to Company property, excluding ordinary wear and tear. The Customer will be responsible for loss of or damage to Company property on the Customer's premises arising from neglect, carelessness, or misuse and will reimburse the Company for the cost of necessary repairs or replacements.

4. Each Customer, regardless of who owns the meter, will be responsible for payment for any equipment damage and/or estimated unmetered usage and all reasonable costs resulting from unauthorized breaking of seals, interfering, tampering or bypassing the Company meter.

5. Each Customer will be responsible for notifying the Company of any equipment failure identified by the Customer in the Company's equipment.

6. Each Customer will be responsible for informing the Company of, and meeting the Company's requirements regarding On-Site Generation that the Customer or the Customer's agent intends to interconnect to the Company's transmission and distribution system.

SECTION 7
PROVISION OF SERVICE
(continued)

7. The Customer, at his expense, may install, maintain and operate check-measuring equipment as desired and of a type approved by the Company, provided that this equipment will be installed so as not to interfere with operation of the Company's equipment. This is also provided that no electric energy will be remetered or submetered for resale to another or to others, except where such remetering will be done in accordance with the applicable orders of the Commission.

C. Continuity of Service

The Company will make reasonable efforts to supply a satisfactory and continuous level of service. However, the Company will not be responsible for any damage or claim of damage attributable to any interruption or discontinuation of service resulting from:

1. Any cause against which the Company could not have reasonably foreseen, or made provision for (see Subsection 7.E.);

2. Intentional service interruptions to make repairs or perform routine maintenance; or

3. Curtailment, including brownouts or blackouts.

D. Service Interruptions

1. The Company will make reasonable efforts to reestablish service within the shortest possible time when service interruptions occur.

2. The Company will make reasonable provisions to meet emergencies resulting from failure of service and will issue instructions to its employees covering procedures to be followed in the event of emergencies in order to prevent or mitigate interruption or impairment of service.

3. In the event of a national emergency or local disaster resulting in disruption of normal service, the Company may, in the public interest, interrupt service to other Customers 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.

4. When the Company plans to interrupt service for more than four (4) hours to perform necessary repairs or maintenance, the Company will attempt to inform affected Customers at least twenty-four (24) hours in advance of the scheduled date and estimated duration of the service interruption. These repairs will be completed in the shortest possible time to minimize the inconvenience to the Customers of the Company.

SECTION 7
PROVISION OF SERVICE
(continued)

5. The ACC will be notified of interruption in service affecting the entire system or any significant portion thereof. The interruption of service and cause will be reported by telephone to the ACC within two (2) hours after the responsible Company representative becomes aware of said interruption. The Company will then issue a written report to the ACC.

E. Interruption of Service and Force Majeure

1. The Company will make reasonable provision to supply a satisfactory and continuous electric service, but does not guarantee a constant or uninterrupted supply of electricity. The Company will not be liable for any damage or claim of damage attributable to any temporary, partial or complete interruption or discontinuance of electric service attributable to a force majeure condition as set forth in Subsections 7.E.4. or 7.E.5., or to any other cause that the Company could not have reasonably foreseen and made provision against. Further, the Company will not be liable for any of the above-described interruptions if, in the Company's judgement, it is necessary to permit repairs or changes to be made in the Company's electric generating, transmission, or distribution equipment, or to eliminate the possibility of damage to the Company's property or to the person or property of others.

2. Whenever the Company deems a condition exists that warrants interruption or limitation in the service being rendered, this limitation or interruption will not constitute a breach of contract and will not render the Company liable for damages suffered by the Customer. Further, the Customer will not be excused from further fulfillment of the contract.

3. The use of electric energy upon the Customer's premises is at the risk of the Customer. The Company's liability will cease at the point where its facilities are connected to the Customer's wiring.

4. Neither the Company nor the Customer will be liable to the other for any act, omission, or circumstances (including, but not limited to, the Company's inability to provide electric service) due to the following:

   a. flood, rain, wind, storm, lightning, earthquake, fire landslide, washout or other acts of the elements;

   b. accident or explosion;

   c. war, rebellion, civil disturbance, mobs, riot, blockade or other act of the public enemy;

   d. acts of God;

   e. interference of civil and/or military authorities;

   f. strikes, lockouts, or other labor difficulties;

SECTION 7
PROVISION OF SERVICE
(continued)

g. vandalism, sabotage, or malicious mischief;

h. usurpation of power, or the laws, rules, regulations, or orders made or adopted by any regulatory or other governmental agency or body (federal, state or local) having jurisdiction of any of the business or affairs of the Company or the Customer, direct or indirect;

i. breakage or accidents to equipment or facilities;

j. lack, limitation or loss of electrical or fuel supply; or

k. any other casuality or cause beyond the reasonable control of the Company or the Customer, whether or not specifically provided herein and without limitation to the types enumerated, and which by exercise of due diligence the Company or the Customer is unable to overcome.

5. A failure to settle or prevent any strike or other controversy with employees or with anyone purporting or seeking to represent employees will not be considered to be a matter within the control of the Company.

6. Nothing contained in this Section will excuse the Customer from the obligation of paying for electricity delivered or services rendered.

F. General Liability

1. Company will not be responsible for any third-party claims against Company that arise from Customer's use of Company's electricity.

2. Customer will indemnify, defend and hold harmless the Company (including the costs of reasonable attorney's fees) against all claims (including, without limitation, claims for damages to any business or property, or injury to, or death of, any person) arising out of any act or omission of the Customer, or the Customer's agents, in connection with the Company's service or facilities.

3. The liability of the Company for damages of any nature arising from errors, mistakes, omissions, interruptions, or delays of the Company, its agents, servants, or employees, in the course of establishing, furnishing, rearranging, moving, terminating, or changing the service or facilities or equipment shall not exceed an amount equal to the charges applicable under the Company's Pricing Plans (calculated on a proportionate basis where appropriate) to the period during which the error, mistake, omission, interruption or delay occurs.

SECTION 7
PROVISION OF SERVICE
(continued)

4. In no event will the Company be liable for any incidental, indirect, special, or consequential damages (including lost revenue or profits) of any kind whatsoever regardless of the cause or foreseeability thereof.

5. The Company will not be responsible in an occasion for any loss or damage caused by the negligence or wrongful act of the Customer or any of his agents, employees or licensees in installing, maintaining, using, operating or interfering with any electric facilities.

G. Construction Standards and Safety

The Company will construct all facilities in accordance with the provisions of the ANSI C2 Standards (National Electric Safety Code, 1997 edition, and other amended editions as are adopted by the ACC), the 1995 ANSI B31.1 Standards, the ASME Boiler and Pressure Vessel Code, and other applicable American National Standards Institute Codes and Standards, except for those changes the ACC makes or permits from time to time. In the case of conflict between codes and standards, the more rigid code or standard will apply.

SECTION 8
CHARACTER OF SERVICE – VOLTAGE, FREQUENCY AND PHASE

A. For Residential, Lighting and Miscellaneous Service – Energy supplied will be sixty (60) Hertz, single phase, alternating current, three-wire service, 120/240 volts for new service applications. The Company will provide 120 volts, two-wire for those Customers currently receiving that service.

B. Commercial and Industrial Service – Electric energy furnished under these Rules and Regulations will be sixty (60) Hertz alternating current energy, single or three (3) phase at the standard nominal votages specified by the Company.

C. All electric energy supplied will be in accordance with ANSI voltage ratings for electric power systems and equipment.

D. All voltages referred to above are nominal voltages and may vary somewhat due to local conditions. The Company does not guarantee the constancy of its voltage or frequency, nor does it guarantee against its loss of one or more phases in a three-phase service. The Company will not be responsible for any damage to the Customer's equipment caused by any or all of these occurrences brought about by circumstances beyond its control.

E. Motor Protection

The following protective apparatus, to be provided by the Customer, is required on all motor installations:

1. No Voltage Protection: Motors that cannot be safely subjected to full voltage at starting must be provided with a device to insure that upon failure of voltage, the motors will be disconnected from the line. Said device should be provided with a suitable time delay relay;

2. Overload Protection: All motors whose voltage does not exceed 750 volts are to be provided with approved fuses of proper rating. Where the voltage exceeds 750 volts, protective devices are to be provided. In these cases it will be found desirable to install standard switching equipment. The installation of overload relays and no-voltage releases is recommended on all motors, not only as additional protection, but as a means of reducing the cost of refusing; and

3. Phase Reversal: Reverse phase relays and circuit breakers or equivalent devices are recommended on all polyphase installations to protect the installation in case of phase reversal or loss of one phase.

SECTION 8
CHARACTER OF SERVICE – VOLTAGE, FREQUENCY AND PHASE
(continued)

F. Miscellaneous

1. Interference with Service: The Company reserves the right to refuse to supply loads of a character that may seriously impair service to any other Customers. In the case of hoist or elevator motors, welding machines, furnaces and other installations of like character where the use of electricity is intermittent or subject to violent fluctuations, the Company may require the Customer to provide at the Customer's own expense suitable equipment to reasonably limit those fluctuations.

2. The Company has the right to discontinue electric service to any Customer who continues to use appliances or other devices, equipment and apparati detrimental to the service after the Company notifies the Customer of his or her causing detriment to the service.

3. Allowable Instantaneous Starting Current Values: The instantaneous starting current (determined by tests or based on limits guaranteed by manufacturers) drawn from the line by any motor must not exceed a value (as determined by the Company) that may be deemed detrimental to the normal operation of the system. If the starting current of the motor exceeds that value, a starter must be used or other means employed to limit the current to the value specified. A reduced voltage starter may be required for polyphase motors.

G. Customer Responsibility for Equipment Used in Receiving Electric Energy

No statement or requirement in these Rules and Regulations can be construed as the assumption of any liability by the Company for any wiring of electrical equipment or the operation of same, installed in, upon, or about the Customer's premises, nor will the Company be responsible for any loss or damage occasioned or caused by the negligence, want of proper care or wrongful act of the Customer, or any of the Customer's agents or employees or licenses on the part of the Customer in installing, maintaining, using, operating, or interfering with any such wiring, machinery or apparatus.

SECTION 9
LINE EXTENSIONS

Introduction

A request for electric service often requires the construction of new distribution lines of varying distances. The distances and cost vary widely depending upon Customer's location and load size. With such a wide variation in extension requirements, it is necessary to establish conditions under which the Company will extend its electric facilities.

All extensions are subject to the availability of adequate capacity, voltage and Company facilities at the beginning point of an extension, as determined by the Company.

A standard policy has been adopted to provide service to Customers whose requirements are deemed by the Company to be economical and ordinary in nature.

A. General Requirements

1. Upon request by an Applicant for a line extension, the Company will prepare without charge, a preliminary electric design and a rough estimate of the cost of installation to be paid by said Applicant.

2. Any Applicant for a line extension requesting the Company to prepare detailed plans, specifications, or cost estimates will be required to deposit with the Company an amount equal to the estimated cost of preparation. The Company will, upon request, make available within ninety (90) days after receipt of the deposit referred to above, those plans, specifications, or cost estimates of the proposed line extension. Where the applicant authorizes the Company to proceed with construction of the extension, the deposit will be credited to the cost of construction, the deposit will be non-refundable. If the extension is to include over sizing of facilities to be done at the Customer's expense, appropriate details will be set forth in the plans, specifications and cost estimates. Subdividers providing the Company with approved plats will be provided with plans, specifications, or cost estimates within ninety (90) days after receipt of the deposit referred to above.

3. The Company will provide the Applicant with the estimated costs of extending service prior to the Applicant's acceptance of the Company's line extension agreement.

SECTION 9
LINE EXTENSIONS
(continued)

4. All line extension agreements requiring payment by the Applicant will be in writing and signed by each party.

5. All charges are due and payable at the time the line extension agreement is executed.

6. The provisions of this rule apply only to those Applicants who, in the Company's judgment, will be permanent Customers. Extension of facilities will not begin until the satisfactory completion of required site improvements, as determined by the Company, and an approved service entrance to accept electric service has been installed.

B. Minimum Written Agreement Requirements

1. Each line extension agreement must, at a minimum, include the following information:

   a. Name and address of applicant(s);

   b. Proposed service address(es) or location(s);

   c. Description of requested service;

   d. Description and sketch of the requested line extension;

   e. A cost estimate to include materials, labor, and other costs as necessary; and

   f. The Company's estimated start date and completion date for construction of the line extension.

2. Each Applicant will be provided with a copy of the written line extension agreement.

SECTION 9
LINE EXTENSIONS
(continued)

C. Line Extension Costs

1. Calculations of estimated line extension costs will include the following:

   a. Material cost;

   b. Direct labor cost; and

   c. Overhead cost;

Overhead costs are represented by all the costs which are proper capital charges in connection with construction, other than direct material and labor costs including but not limited to:

Indirect labor
Engineering
Transportation
Taxes (e.g. FICA, State & Federal Unemployment which are properly allocated to construction)
Insurance
Stores expense
General office expenses allocated to costs of construction
Power operated equipment
Employee Pension and Benefits
Vacations and Holidays
Miscellaneous expenses properly chargeable to construction

D. Conditions Governing Extensions of Electric Distribution Lines and Services

Line extension measurements will be along the route of construction required. This measurement will include primary, secondary and service lines.

SECTION 9
LINE EXTENSIONS
(continued)

1. Overhead Extensions

Except as otherwise provided herein, overhead extensions will be made as follows:

a. Rates for Overhead Extensions

The Company will install, own, and maintain the distribution facilities necessary to provide permanent service to the Customer. Prior to the installation of facilities, the Customer will be required to pay the estimated cost of the construction of the distribution facilities.

b. Extensions to Large Light and Power Customers

The Company will install, own and maintain, on an individual project basis, the distribution facilities necessary to provide permanent service to a large light and power Customer. Prior to the installation of facilities, the Customer will be required to pay the estimated cost of the construction of the distribution facilities. Upon completion of construction the Company will compare actual cost to the estimated cost and any difference will be either billed or refunded to the Customer.

2. Underground Construction

a. Installation of single phase underground electric lines to furnish permanent electric service to a duly recorded Residential Subdivision Development, in which facilities for electric service have not been constructed, for which applications are made by a developer, will be installed underground provided the following conditions are met:

(i) A line extension agreement has been signed by developer(s) and the Company;

(ii) The total of the Company's estimated cost of construction has been received by the Company;

(iii) The Customer will provide the trenching, bedding, backfill (including any imported backfill required), compaction, repaving and any earthwork for pull boxes and transformer pad sites required in accordance with the specifications and schedules of the Company;

SECTION 9
LINE EXTENSIONS
(continued)

(iv) Right-of-way and easements satisfactory to the Company will be furnished by the developer at no cost to the Company and in reasonable time to meet service requirements. No underground electric facilities will be installed by the Company until the final grades have been established and furnished to the Company. In addition the easements, alleys and/or streets must be graded to within six (6) inches of final grade by the developer before the Company will commence construction. This clearance and grading must be maintained by the developer. If, subsequent to construction, the clearance or grade is changed in such a way as to require relocation of underground facilities or results in damage to those facilities, the cost of the relocation and/or resulting repairs will be borne by the developer;

(v) If armored cable or special cable covering is required, the Customer or developer will make a non-refundable contribution equal to the additional cost of such cable or covering;

(vi) Underground service lines to Customers will be installed, owned, operated, and maintained by the Company. The Customer will be required to provide, at the Customer's expense, all necessary conduit, trenching, backfilling, compaction, and concrete work, if required, in accordance with Company specifications and other local codes; and

(vii) Underground service lines not installed in accordance with Company specifications will be repaired and/or replaced by the Company at the Customer's expense.

b. Three-Phase underground construction: Where three-phase underground service is requested by a Customer, the Company will install required facilities provided:

(i) A line extension agreement has been signed by each party;

(ii) The total of the Company's estimated cost of construction has been received by the Company;

(iii) Conditions specified in subsections 9.D.2.a.(iii) through (v) are met;

(iv) The Customer will provide and install transformer and/or switchgear pads and conduit in accordance with Company specifications.

c. The Customer will retain ownership of all non-residential single phase service lines and three phase service lines and will maintain these lines at no cost to the Company. Any work performed by the Company on Customer-owned facilities will be at actual cost. Non-residential properties include, but are not limited to master-metered apartment buildings and duplexes.

SECTION 9
LINE EXTENSIONS
(continued)

3. Other Customers

   a. Irrigation Customers - Customers requiring construction of electric facilities for service to irrigation pumping will pay, in the form of a contribution, the total estimated construction cost, which may include a portion of the shared backbone cost from designated irrigation substations.

   b. Temporary Customers - Where a temporary meter or construction is required to provide service to a Customer, then the Customer, in advance of installation or construction, will make a contribution equal to the cost of installing and removing the facilities required to furnish service, less the salvage value of those facilities. When the use of service is discontinued or agreement for service is terminated, the Company may dismantle its facilities and the materials and equipment provided by the Company will be salvaged and remain its property.

      Each applicant for temporary service shall be required to deposit with the Company a sum of money equal to the estimated amount of the Company's bill for such service, or to otherwise secure in a manner satisfactory to the Company, the payment of any bill which may accrue by reason of such service so furnished or supplied. Contributions for temporary service are not refundable.

   c. Speculative Customers - Service to mining and milling installations and similar speculative businesses, where special conditions prevail as to service requirements and/or construction cost for line extension, will be furnished under special contract.

4. Other Conditions

   a. Three Phase Service - Where a Customer requests three phase service and it is necessary to convert all or a portion of an existing overhead or underground distribution system from single phase to three phase in order to furnish this service, the entire cost of the conversion will be paid by the Customer.

   b. Request for Additional Facilities - Where the Customer requests facilities which are in addition to, or in substitution for existing facilities, the extra cost thereof will be paid by the Customer.

   c. Primary Service and Metering - The Company will provide primary service to a point of delivery and that point of delivery will be determined by the Company. The Customer will provide the entire distribution system (including transformers) from the point of delivery to the load. The system will be treated as primary service for the purposes of billing. The Company reserves the right to accept or require modification to the Customer's distribution system prior to its connection, and the Company will determine the voltage available for primary service. Instrument transformers, metering riser poles and associated equipment to be installed and maintained by the Company will be at the Customer's expense.

SECTION 9
LINE EXTENSIONS
(continued)

d. Rights-of-Way - All necessary easements or rights-of-way required by the Company for any portion of the extension which is either on premises owned, leased or otherwise controlled by the Customer, developer, or others will be furnished in the Company's name by the Customer without cost to or condemnation by the Company and in reasonable time to meet proposed service requirements. All easements or rights-of-way obtained on behalf of the Company will contain only those terms and conditions that are acceptable to the Company.

e. Change of Grade - If subsequent to construction of electric distribution and/or transmission lines and services, the final grade established by the Customer or developer is changed in such a way as to require relocation of the Company facilities or results in damage to those same facilities, the cost of relocation and/or resulting repairs will be borne by the Customer or developer.

f. Relocation - When the Company is requested to relocate its facilities for the benefit and/or convenience of a Customer, the Customer will pay the Company for the total cost of the work to be performed prior to the start of construction.

g. Connecting or Disconnecting Customer's Service - Only duly authorized employees of the Company are allowed to connect the Customer's service to, or disconnect the same from, the Company's electric lines.

h. Maintenance of Customer's Equipment - The Customer will, at the Customer's own risk and expense, furnish, install and keep in good and safe condition all electrical wires, lines, machinery and apparatus which may be required for receiving electric energy from the Company, and for applying and utilizing that energy, including all necessary protective appliances and suitable building therefore, and the Company will not be responsible for any loss or damage occasioned or caused by the negligence, want of proper care, or wrongful act of the Customer or any of the Customer's agents, employees or licensees on the part of the Customer in installing, maintaining, using, operating or interfering with any such wires, lines, machinery or apparatus.

i. Entering Customers Premises - The Company will, at all times, have the right of ingress to and egress from the Customer's premises at all reasonable hours for any purpose reasonably connected with the furnishing of electric energy and the exercise of any and all rights secured to it by law or these Rules and Regulations.

j. Removal of Company Property - As provided for in these Rules and Regulations, the Company will have the right to remove any and all of its property installed on the Customer's premises at the termination of service.

SECTION 9
LINE EXTENSIONS
(continued)

k. Resale of Energy - Unless specifically agreed upon, the Customer must not resell any of the electric energy received by the Customer from the Company to any other person, or for any other purpose or on other premises than specified in the Customer's application for service.

l. Supply of Electric - The Company will exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of electric energy to the Customer, and to avoid any shortage or interruption of delivery of same. The Company will not be liable for interruption or shortage or insufficiency of supply, or any loss or damage occasioned thereby, if same is caused by inevitable accident, act of God, fire, strikes, riots, war, or any other cause not within its control. The Company, whenever it must find it necessary for the purpose of making repairs or improvements to its system, will have the right to suspend, temporarily, the delivery of electric energy, but in all such cases as reasonable notice thereof as circumstances will permit will be given to the Customers. The making of these repairs or improvements will proceed as rapidly as may be practicable, and, if practicable, at those times that will cause the least inconvenience to the Customers. In case of shortage of supply, the Company will have the right to give preference in the matter of furnishing electric service to the United States and the State of Arizona, and cities, cities and counties, counties and towns, their inhabitants for lighting and for public purposes and to other public utilities and those engaged in public or quasi-public service if necessary.

m. Change of Customer's Requirements - In the event that the Customer must make any material change either in the amount or character of the appliances or apparatus installed upon the Customers premises to be supplied with electric energy by the Company, the Customer must immediately give the Company written notice to this effect.

n. Power Factor - In the case of apparatus and devices having low power factor, now in service, which may hereafter be replaced, and all similar equipment hereafter installed or replaced, served under general commercial schedules, the Company may require the Customer to provide, at the Customer's own expense, power factor corrective equipment to increase the power factor of any such devices to not less than ninety percent (90%).

o. Collections - Nothing in these Rules and Regulations will be construed as limiting or in any way affecting the right of the Company to collect from the Customer any other additional sum of money which may become due and payable.

SECTION 9
LINE EXTENSIONS
(continued)

E. Construction / Facilities Related Income Taxes

Any federal, state or local income taxes resulting from the receipt of a contribution in aid of construction in compliance with this rule is the responsibility of the Company and will be recorded as a deferred tax asset and reflected in the Company's rate base.

However, if the estimated cost of facilities for any line extension exceeds $500,000, the Company shall require the Applicant to include in the contribution an amount (the "gross up amount") equal to the estimated federal, state or local income tax liability of the Company resulting from the contribution, computed as follows:

$$\text{Gross Up Amount} = \frac{\text{Estimated Construction Cost}}{(1 - \text{Combined Federal-State-Local Income Tax Rate})}$$

After the Company's tax returns are completed, and actual tax liability is known, to the extent that the computed gross up amount exceeds the actual tax liability resulting from the contribution, the Company shall refund to the Applicant an amount equal to such excess, or collect the additional amount from the Applicant. When a gross-up amount is to be obtained in connection with an extension agreement, the contract will state the tax rate used to compute the gross up amount, and will also disclose the gross-up amount separately from the estimated cost of facilities. In subsequent years, as tax depreciation deductions are taken by the Company on its tax returns for the constructed assets with tax bases that have been grossed-up, a refund will be made to the Applicant in an amount equal to the related tax benefit. In lieu of scheduling such refunds over the remaining tax life of the constructed assets, a reduced lump sum refund may be made at the end of five (5) years at the election of either the Company or the Applicant. This lump sum payment shall reflect the net present value of remaining tax depreciation deductions discounted at the Company's authorized rate of return.

F. Transition Period for Elimination of Free Footage

From the effective date of these Rules and Regulations, there is a six (6) month grace period for Customers, developers and subdividers to execute a line extension agreement or receive approval on a new service application from the Company in order to be eligible for the line extension policy in effect between August 11, 2003 and May 31, 2008. Those new applicants must make provisions for the Company to install and energize the extension and service facilities within eighteen (18) months from the date of their respective agreement and/or application. In addition, all existing approved line extension agreements and service applications will be grandfathered in under the policy in effect from August 11, 2003 to May 31, 2008. Grandfathered Customers must make provisions for the Company to install and energize the extension and service facilities within eighteen (18) months from the effective date of these Rules and Regulations or they will be subject to the new line extension policy.

SECTION 10
METER READING

A. Company or Customer Meter Reading

1. The Company may at its discretion permit Customer reading of meters.
2. It will be the Company's responsibility to inform the Customer how to properly read his or her meter.
3. Where a Customer reads his or her own meter the Company will read the Customer's meter at least once every six (6) months.
4. The Company will provide the Customer with postage-paid cards or other methods to report the monthly meter reading to the Company.
5. The Company will specify the timing requirements for the Customer to submit his or her monthly meter reading to conform with the Company's billing cycle.
6. In the event the Customer fails to submit the reading on time, the Company may issue the Customer an estimated bill.
7. Meters will be read monthly on as close to the same day as practical.

B. Measuring of Service

1. All energy sold to Customers and all energy consumed by the Company – except that sold according to fixed charge schedules – will be measured by commercially acceptable measuring devices owned and maintained by the Company. This provision will not apply where it is impractical to install meters, such as street lighting or security lighting, or where otherwise authorized by the ACC.
2. When there is more than one meter at a location, the metering equipment will be so tagged or plainly marked as to indicate the circuit metered or metering equipment in accordance with Subsection 3.C.8.
3. Meters which are not direct reading will have the multiplier plainly marked on the meter.
4. All charts taken from recording meters will be marked with the date of the record, the meter number, customer and chart multiplier.
5. Metering equipment will not be set "fast" or "slow" to compensate for supply transformer or line losses.

SECTION 10
METER READING
(continued)

C. Customer - Requested Rereads

1. The Company will at the request of a Customer reread that Customer's meter within ten (10) business days after that request by the Customer.

2. Any reread may be charged to the Customer at a rate set forth in the Statement of Additional Charges, if the original reading was not in error.

3. When a reading is found to be in error, the Company will not charge the Customer for the reread.

D. Access to Customer Premises

The Company will at all times have the right of safe ingress to and egress from the Customer's premises at all reasonable hours for any purpose reasonably connected with the Company's property used in furnishing service and the exercise of any and all rights secured to it by law or these rules.

E. Meter Testing and Maintenance

1. The Company will replace any meter found to be damaged or associated with an inquiry into its accuracy, whether initiated by the Customer or Company, and which has been in service for more than sixteen years. Replaced meters will be tested for accuracy and will be acceptable if found to have an error margin within plus or minus three percent (±3%).

2. The Company will file an annual report with the Commission summarizing the results of meter maintenance and testing program for that year. At a minimum, the report should include the following data:

   a. Total number of meters tested at Company intitiative or upon customer request; and

   b. Number of meters tested that were outside the acceptable error allowance of ± 3%.

SECTION 10
METER READING
(continued)

F. Customer – Requested Meter Tests

1. The Company will test a meter upon Customer request and the Company will be authorized to charge the Customer for the meter test. The charge for the meter test is set forth in the Statement of Additional Charges. However, if the meter is found to be in error by more than three percent (3%), no meter testing fee will be charged to the Customer.

G. Demands

1. The Customers demand may be measured by a demand meter, under all Pricing Plans involving billings based on demand, unless appropriate investigation or tests indicate that the Customer's demand will not be such as to require a demand meter for correct application of the rate schedule. In cases where billings under a rate schedule requiring determination of the Customer's demand must be made before a demand meter can be installed, these billings may be made on an estimated demand basis pending installation of the demand meter. Billings made on the basis of estimated demands, however, will be appropriately adjusted, if actual demands recorded after demand meter is installed are greater or less than those estimated demands.

2. Demand meters may be installed at any metering location if the nature of the Customer's equipment and operation indicates that a demand meter is required for correct applicaton of the rate schedule.

3. All demands used for billing purposes will be recorded or computed to the nearest whole kW.

SECTION 11
BILLING AND COLLECTIONS

A. Frequency and Estimated Bills

For more information on the Company's bill estimating methodologies see the Bill Estimation Methodologies Tariff included in the Company's Pricing Plans.

1. The Company will bill monthly for services rendered. Meter readings will be scheduled for periods of not less than twenty-five (25) days or more than thirty-five (35) days.

2. If the Company is unable to read the meter on the scheduled meter read date, the Company will estimate the consumption for the billing period giving consideration to the following factors where applicable.

   a. The Customer's usage during the same period of the previous year; or

   b. The amount of usage during the preceding billing period.

3. Estimated bills will be issued only under the following conditions:

   a. Failure of a Customer – who reads his or her own meter – to deliver his or her meter reading card to the Company in accordance with the requirements of the billing cycle;

   b. Severe weather conditions which prevent the Company from reading the meter; or

   c. Circumstances that make it dangerous or unnecessarily difficult to read the meter. These circumstances include, but are not limited to, locked gates, blocked meters, vicious or dangerous animals, or any force majeure condition as listed in Subsection 7.E.4.

4. After the second consecutive month of estimating the Customer's bill for reasons other than severe weather the Company will attempt to secure an accurate reading of the meter.

5. Failure on the part of the Customer to comply with a reasonable request by the Company for access to its meter may lead to the discontinuance of service.

6. Each bill based on estimated usage will indicate that it is an estimated bill.

SECTION 11
BILLING AND COLLECTIONS
(continued)

B. Combining Meters, Minimum Bill Information

1. Each meter at a Customer's premises will be considered separately for billing purposes, and the readings of two (2) or more meters will not be combined unless otherwise provided for in the Company's Pricing Plans.

2. Each bill for residential service will contain the following minimum information:

   a. Date and meter reading at the start of billing period or number of days in the billing period;

   b. Date and meter reading at the end of the billing period;

   c. Billing usage and demand (if applicable);

   d. Rate schedule number;

   e. Company's telephone number;

   f. Customer's name;

   g. Service account number;

   h. Amount due and due date;

   i. Past due amount;

   j. Purchased Power Fuel Adjuster Clause cost, where applicable;

   k. All applicable taxes; and

   l. The address for the ACC.

SECTION 11
BILLING AND COLLECTIONS
(continued)

C. Billing Terms

1. All bills for electric service are due and payable no later than ten (10) days from the date the bill is rendered. Any payment not received within this time frame will be considered past due.

2. For purposes of this rule, the date a bill is rendered may be evidenced by:

   a. The postmark date;

   b. The mailing date; or

   c. The billing date shown on the bill (however, the billing date will not differ from the postmark or mailing date by more than two (2) days).

3. All past due bills for electric service are due and payable within fifteen (15) days. Any payment not received within this timeframe will be considered delinquent and will be issued a suspension of service notice. For Customers under the jurisidiction of a bankruptcy court, a more stringent payment or prepayment schedule may be required, if allowed by that court.

4. All delinquent bills for which payment has not been received within five (5) days will be subject to the provisions of the Company's termination procedures.

5. The amount of the late payment penalty will not exceed one and one-half percent (1.5%) of the delinquent bill, applied on a monthly basis.

6. All payments must be made at or mailed to the Company's duly authorized representative.

D. Applicable Tariffs, Prepayment, Failure to Receive, Commencement Date, Taxes

1. Each Customer will be billed under the applicable tariff indicated in the Customer's application for service.

2. Customers may pay for electrical service by making advance payments.

3. Failure to receive bills or notices that have been properly placed in the United States mail will not prevent those bills from becoming delinquent nor relieve the Customer of his obligations therein.

4. Charges for service commence when the service is installed and connection made, whether used or not.

SECTION 11
BILLING AND COLLECTIONS
(continued)

E. Meter Error Corrections

1. If any meter after testing is found to be more than three percent (3%) in error, either fast or slow, proper correction of the error will be made of previous readings and adjusted bills will be rendered according to the following terms:

   a. For the period of three (3) months immediately preceding the removal of such meter from service for test or from the time the meter was in service since last tested, but not exceeding three (3) months since the meter has been shown to be in error by the test; or

   b. From the date the error occurred, if the date of the cause can be definitely fixed.

2. No adjustment will be made by the Company except to the Customer last served by the meter tested.

F. Nonsufficient Funds ("NSF") Checks

1. The Company will be allowed to recover a fee, as set forth in the Statement of Additional Charges, for each instance where a Customer tenders payment for electric service with an insufficient funds check. This fee will also apply when an electronic funds transfer ("EFT") is denied for any reason, including for lack of sufficient funds.

2. When the Company is notified by the Customer's bank or other financial institution that there are insufficient funds to cover the check, EFT or other financial instrument for electric service has been denied for any reason, the Company may require the Customer to make payment in cash, by money order, certified check, or other means which guarantee the Customer's payment to the Company.

3. A Customer who tenders an insufficient funds check, or for whom an EFT or other financial instrument has been denied will not be relieved of the obligation to render payment to the Company under the original terms of the bill nor defer the Company's provision for termination of service for nonpayment of bills.

4. No personal checks will be accepted if two (2) NSF checks have been received by the Company within a twelve-month period in payment of any billing.

SECTION 11
BILLING AND COLLECTIONS
(continued)

G. Levelized Billing Plan

1. The Company may, at its option, offer Residential and Small General Service Customers a levelized billing plan.

2. The Company will develop upon Customer request an estimate of the Customer's levelized billing for a twelve-month period based upon:

   a. Customer's actual consumption history, which may be adjusted for abnormal conditions such as weather variations;

   b. For new Customers, the Company will estimate consumption based on the Customer's anticipated load requirements; or

   c. The Company's tariff schedules approved by the ACC applicable to that Customer's class of service.

3. The Company will provide the Customer a concise explanation of how the levelized billing estimate was developed, the impact of levelized billing on a Customer's monthly bill, and the Company's right to adjust the Customer's billing for any variation between the Company's estimated billing and actual billing.

4. For those Customers being billed under a levelized billing plan, the Company will show, at a minimum, the following information on the Customer's monthly bill:

   a. Actual consumption;

   b. Amount due for actual consumption;

   c. Levelized billing amount due; and

   d. Accumulated variation in actual versus levelized billing amount.

5. The Company may adjust the Customer's levelized billing in the event the Company's estimate of the Customer's usage and/or cost should vary significantly from the Customer's actual usage and/or cost; such review to adjust the amount of the levelized billing may be initiated by the Company or upon Customer request.

SECTION 11
BILLING AND COLLECTIONS
(continued)

H. Deferred Payment Plan

1. The Company may, prior to termination, offer to qualifying Customers a deferred payment plan for the Customer to retire unpaid bills for electric service.

2. Each deferred payment agreement entered into between the Company and the Customer – due to the Customer's inability to pay an outstanding bill in full – will specify that service will not be discontinued if:

   a. Customer agrees to pay a reasonable amount of the outstanding bill at the time the parties enter into the deferred payment agreement;

   b. Customer agrees to pay all future bills for electric service in accordance with the Company's Pricing Plans; and

   c. Customer agrees to pay a reasonable portion of the remaining outstanding balance in installments over a period not to exceed six (6) months.

3. For the purpose of determining a reasonable installment payment schedule, under these rules, the Company and the Customer will give consideration to the following conditions:

   a. The size of the delinquent account;

   b. The Customer's ability to pay;

   c. The Customer's payment history;

   d. The length of time that the debt has been outstanding;

   e. The circumstances that resulted in the debt being outstanding; and

   f. Any other relevant factors related to the circumstances of the Customer.

4. Any Customer who desires to enter into a deferred payment agreement must do so before the Company's scheduled termination date for nonpayment of bills. The Customer's failure to execute a deferred payment agreement prior to the scheduled service termination date will not prevent the Company from terminating service for nonpayment.

SECTION 11
BILLING AND COLLECTIONS
(continued)

5. Deferred payment agreements may be in writing and may be signed by the Customer and an authorized Company representative.

6. A deferred payment agreement may include a finance charge of one and one-half percent (1.5%).

7. If a Customer has not fulfilled the terms of a deferred payment agreement, the Company will have the right to disconnect service pursuant to the Company's Termination of Service Rules (Section 12) and, under these circumstances, it will not be required to offer subsequent negotiation of a deferred payment agreement prior to disconnection.

I. Change of Occupancy

1. To order service to be discontinued or to change occupancy, the Customer must give the Company at least three (3) business days advance notice in person, in writing or by telephone.

2. The outgoing Customer willl be responsible for all electric services provided and/or consumed up to the scheduled turn-off-date.

3. The outgoing Customer is responsible for providing access to the meter so that the Company may obtain a final meter reading.

J. Electronic Billing

1. Electronic Billing is an optional billing service whereby Customers may elect to receive, view, and pay their bills electronically. Electronic Billing includes the "UES e-bill" service and the "Sure No Hassle Automatic Payment ("SNAP") service. The Company may modify its Electronic Billing services from time to time. A Customer electing an electronic billing service may receive an electronic bill in lieu of a paper bill. Customers electing an electronic billing service may be required to complete additional forms and agreements. Electronic Billing may be discontinued at any time by the Company or the Customer. An Electronic Bill will be considered rendered at the time it is electronically sent to the Customer. Failure to receive bills or notices which have been properly sent by an Electronic Billing system does not prevent these bills from becoming delinquent and does not relieve the Customer of the Customer's obligations therein. Any notices which Company is required to send to a Customer who has elected an Electronic Billing service may be sent by electronic means at the option of the Company. Except as otherwise provided in this subsection, all other provisions of the Company's Rules and Regulations and other applicable Pricing Plans are applicable to Electronic Billing. The Customer must provide the Company with a current email address for electronic bill delivery. If the Electronic Bill is electronically sent to the Customer at the email address that Customer provided to the Company, then the Electronic Bill will be considered properly sent. Further, the Customer will be responsible for updating the Company with any changes to this email address. Failure to do so will not excuse the Customer from timely paying the Company for electric service.

SECTION 12
TERMINATION OF SERVICE

A. Nonpermissible Reasons to Disconnect Service

1. The Company will not disconnect service for any of the reasons stated below:

   a. Delinquency in payment for service rendered to a prior Customer at the premises where service is being provided, except in the instance where the prior Customer continues to reside on the premises;

   b. Failure of the Customer to pay for services or equipment which are not regulated by the ACC;

   c. Nonpayment of a bill related to another class of service; or

   d. Failure to pay a bill to correct a previous underbilling due to an inaccurate meter or meter failure if the Customer agrees to pay over a reasonable period of time.

2. The Company will not terminate residential service where the Customer has an inability to pay and:

   a. The Customer can establish through medical documentation that, in the opinion of a licensed medical physician, termination would be especially dangerous to the Customer's health or the health of a permanent resident residing on the Customer's premises;

   b. Life supporting equipment used in the home that depends on electric service for its operation; or

   c. Where weather will be especially dangerous to health as defined herein or as determined by the ACC.

3. Residential service to ill, elderly, or handicapped persons who have an inability to pay will not be terminated until all of the following have been attempted:

   a. The Customer has been informed of the possible availability of funds from various government and social assistance agencies of which the Company is aware; and

   b. A third party previously designated by the Customer has been notified and has not made arrangements to pay the outstanding electric bill.

4. A Customer utilizing the provisions of subsections 2 or 3 above may be required to enter into a deferred payment agreement with the Company within ten (10) days after the scheduled termination date.

5. Failure to pay the bill of another Customer as guarantor thereof.

6. Disputed bills where the Customer has complied with the ACC's rules on Customer bill disputes.

SECTION 12
TERMINATION OF SERVICE
(continued)

B. Termination of Service Without Notice

1. The Company may disconnect electric service without advance written notice under the following conditions:

   a. The existence of an obvious hazard to the safety or health of the Customer or the general population or the Company's personnel or facilities;

   b. The Company has evidence of meter tampering or fraud;

   c. Failure of a Customer to comply with the curtailment procedures imposed by the Company during supply shortages; or

2. The Company will not be required to restore service until the conditions that led to the termination have been corrected to the satisfaction of the Company.

3. The Company will maintain a record of all terminations of service without notice. This record will be maintained for a minimum of one (1) year and will be available for inspection by the ACC.

C. Termination of Service With Notice

1. The Company may disconnect service to any Customer for any reason stated below, provided that the Company has met the notice requirements described in subsection 12.D. below:

   a. Customer violation of any of the Company's Pricing Plans;

   b. Failure of the Customer to pay a delinquent bill for electric service;

   c. Failure of the Customer to meet agreed-upon deferred payment arrangements;

   d. Failure to meet or maintain the Company's deposit requirements;

   e. Failure of the Customer to provide the Company reasonable access to its equipment and property;

   f. Customer breach of a written contract for service between the Company and Customer;

   g. NSF checks, EFTs or other financial instruments that have not been made good. Under this provision electric service will be subject to disconnect following the procedures set forth in subsection 11.F.

SECTION 12
TERMINATION OF SERVICE
(continued)

h. When necessary for the Company to comply with an order of any governmental agency having jurisdiction;

i. When a hazard exists which is not imminent, but in the opinion of the Company, it may cause property damage; or

j. Customer facilities that do not comply with Company requirements or specifications.

2. The Company will maintain a record of all terminations of service with notice. This record will be maintained for one (1) year and be available for ACC inspection.

D. Termination Notice Requirements

1. The Company will not terminate service to any of its Customers without providing advance written notice to the Customer of the Company's intent to disconnect service, except under these conditions specified in subsection 12.B. where advance written notice is not required.

2. This advance written notice will contain, at a minimum, the following information:

a. The name of the person whose service is to be terminated and the address where service is being rendered;

b. The Company's Pricing Plan(s) that was violated and explanation of the violation or the amount of the bill that the Customer has failed to pay in accordance with the payment policy of the Company, if applicable;

c. The date on or after which service may be terminated;

d. A statement advising the Customer to contact the Company at a specific address or phone number for information regarding any deferred payment or other procedures that the Company may offer or to work out some mutually agreeable solution to avoid termination of the Customer's service; and

SECTION 12
TERMINATION OF SERVICE
(continued)

e. A statement advising the Customer that the Company's stated reason(s) for the termination of services may be disputed by contacting the Company at a specific address or phone number, advising the Company of the dispute and making arrangements to discuss the cause for termination with a responsible employee of the Company in advance of the scheduled date of termination. The responsible employee will be empowered to resolve the dispute and the Company will retain the option to terminate service after affording this opportunity for a meeting and concluding that the reason for termination is just and advising the Customer of his or her right to file a complaint with the ACC.

3. Where applicable, a copy of the termination notice will be simultaneously forwarded to designated third parties.

E. Timing of Terminatons with Notice

1. The Company willl give at least five (5) days advance written notice prior to the termination date. For Customers under the jurisdiction of a bankruptcy court, a shorter notice may be provided, if permitted by the court.

2. This notice will be considered to be given to the Customer when a copy of the notice is left with the Customer or posted first class in the United States mail, addressed to the Customer's last known address.

3. If, after the period of time allowed by the notice has elapsed and the delinquent account has not been paid nor arrangements made with the Company for the payment of the bill – or in the case of a violation of the Company's rules the Customer has not satisfied the Company that this violation has ceased – then the Company may terminate service on or after the day specified in the notice without giving further notice.

4. Service may only be disconnected in conjunction with a personal visit to the premises by an authorized representative of the Company.

5. The Company will have the right (but not the obligation) to remove any or all of its property installed on the Customer's premises upon the termination of service.

SECTION 12
TERMINATION OF SERVICE
(continued)

F. Landlord/Tenant Rule

In situations where service is rendered at an address different from the mailing address of the bill or where the Company knows that a landlord/tenant relationship exists and that the landlord is the Customer of the Company, and where the landlord as a Customer would otherwise be subject to disconnection of service, the Company will not disconnect service until the following actions have been taken:

1. Where it is feasible to so provide service, the Company will offer the occupant the opportunity to subscribe for service in the occupant's own name. The Company will provide the occupant forty-eight (48) hours notice to subscribe for service in the occupant's own name. If the occupant then declines to so subscribe, the Company may disconnect service pursuant to the rules.

2. The Company will not attempt to recover from a tenant or condition service to a tenant with the payment of any outstanding bills or other charges due upon the outstanding account of the landlord.

SECTION 13
ADMINISTRATIVE AND HEARING REQUIREMENTS

A. Customer Service Complaints

1. The Company will make a full and prompt investigation of all service complaints made by its Customers, either directly or through the ACC.

2. The Company will respond to the complainant and/or the ACC representative within five (5) business days as to the status of the Company's investigation of the complaint.

3. The Company will notify the complainant and/or the ACC representative of the final disposition of each complaint. Upon request of the complainant or the ACC representative, the Company will report the findings of its investigation in writing.

4. The Company will inform the Customer of his right of appeal to the ACC.

5. The Company will keep a record of all written service complaints received that must contain, at a minimum, the following data:

   a. Name and address of complainant;

   b. Date and nature of the complaint;

   c. Disposition of the complaint; and

   d. A copy of any correspondence between the Company, the Customer, and/or the ACC.

6. This record will be maintained for a minimum period of one (1) year and will be available for inspection by the ACC.

B. Customer Bill Disputes

1. Any Customer who disputes a portion of a bill rendered for electric service must pay the undisputed portion of the bill and notify the Company's designated representative that any unpaid amount is in dispute prior to the delinquent date of the bill.

SECTION 13
ADMINISTRATIVE AND HEARING REQUIREMENTS
(continued)

2. Upon receipt of the Customer notice of dispute, the Company will:

   a. Notify the Customer within five (5) business days of the receipt of a written dispute notice;

   b. Initiate a prompt investigation as to the source of the dispute;

   c. Withhold disconnection of service until the investigation is completed and the Customer is informed of the results;

   d. Upon request of the Customer the Company will report the results of the investigation in writing; and

   e. Inform the Customer of his right of appeal to the ACC.

3. Once the Customer has received the results of the Company's investigation, the Customer will submit payment within five (5) business days to the Company for any disputed amounts. Failure to make full payment will be grounds for termination of service.

C. ACC Resolution of Service and/or Bill Disputes

1. In the event a Customer and the Company cannot resolve a service and/or bill dispute, the Customer will file a written statement of dissatisfaction with the ACC. By doing this, the Customer will be deemed to have filed an informal complaint against the Company.

2. Within thirty (30) days of the receipt of a written statement of Customer dissatisfaction related to a service or bill dispute, a designated representative of the ACC will attempt to resolve the dispute by correspondence and/or telephone with the Company and the Customer. If resolution of the dispute is not achieved within twenty (20) days of the ACC representative's initial effort, the ACC will then hold an informal hearing to arbitrate the resolution of the dispute. The informal hearing will be governed by the following rules:

   a. Each party may be represented by legal counsel, if desired;

   b. Every informal hearing may be recorded or held in the presence of a stenographer;

   c. All parties will have the opportunity to present written or oral evidentiary material to support the positions of the individual parties;

   d. All parties and the ACC's representative will be given the opportunity for cross-examination of the various parties; and

SECTION 13
ADMINISTRATIVE AND HEARING REQUIREMENTS
(continued)

e. The ACC's representative will render a written decision to all parties within five (5) business days after the date of the informal hearing. This written decision of the ACC's representative is not binding on any of the parties and the parties will still have the right to make a formal complaint to the ACC.

3. The Company may implement normal termination procedures if the Customer fails to pay all bills rendered during the resolution of the dispute by the ACC.

4. The Company will maintain a record of written statements of dissatisfaction and their resolution for a minimum of one (1) year and make these records available for ACC inspection.

SECTION 14
STATEMENT OF ADDITIONAL CHARGES

A.	Service Establishment and Reestablishment During Normal Business Hours	$30.00
B.	Service Establishment and Reestablishment After Normal Business Hours (Includes Saturdays, Sundays and Holidays)	$75.00
C.	Service Reconnection During Normal Business Hours	$30.00
D.	Service Reconnection After Normal Business Hours (Includes Saturdays, Sundays and Holidays)	$75.00
E.	Meter Reread	$20.00
F.	Meter Test	$60.00
G.	Charge for NSF Check	$10.00
H.	Deferred Payment Finance Charge, per Month	1.50%
I.	Late Payment Finance Charge	1.50%
J.	Customer Deposit	One Year Treasury Rate

SECTION 15
CURTAILMENT PROCEDURES

A. Purchased Shortage of Power

ACC General Order U-57 establishes electric curtailment and interruption procedures to meet electric power and energy supply deficiencies. General Order U-57 is to be complied with in the event of these deficiencies.

Step 1, 2 and 3 Levels of these procedures deal with educational campaigns and appeals through the news media and personal customer contacts, to obtain customer voluntary load curtailment. In the event power and energy supply is judged to be deficient, even after customer voluntary load curtailment, the ACC may declare that an electric supply emergency condition exists and that the situation has entered Step 4 level. Upon receipt of notice of this emergency condition, the Company would, in accordance with General Order U-57, immediately implement an electric emergency curtailment program in accordance with procedures provided for in the Electric Curtailment Guidelines, contained in General Order U-57.

B. Sudden Shortage of Power

In the event that a shortage of electricity should suddenly occur without advance warning, so that there is insufficient time for normal implementation of the Step 1, 2 and 3 Levels, then the Company may resort immediately to the emergency procedures described in the Electric Curtailment Guidelines. To the extent practicable, notice of the situation will be given to the customers through the news media. Notice will be given immediately to the ACC.

Electric emergency curtailment and service interruption will be administered in accordance with the Electric Curtailment Guidelines established by ACC General Order U-57.

C. General Steps

1. Company-Use Curtailment

   The Company itself will initiate, if not already done, a program to reduce the use of lighting, electrical equipment and air-conditioning.

2. Interruptible Load

   Remove all those loads on the system that are on the interruptible rate.

SECTION 15
CURTAILMENT PROCEDURES
(continued)

3. Intermediate Generation

   Put all available intermediate generation on line which is owned by or available under contract to the Company.

4. Neighboring Utility Support

   Request all available capacity from neighboring utilities.

5. Peaking Generation

   Put all available peaking generation on line which is owned by or available under contract to the Company.

6. Voluntary Curtailment

   Request voluntary curtailment of load from the general public through radio announcements.

7. Customer-Owned Generation

   Put all available Customer-owned generation on line which is owned by or available under contract to the Company.

8. Voltage Reduction

   Reduce nominal voltage on distribution circuits by up to 5 percent. This will be accomplished by appropriate operation of transformer taps at certain designated Substations and where necessary the blocking of voltage regulators so as to prevent automatic voltage boost operations.

9. Large Customer Curtailment

   Contact per designated large usage Customers, if not already done, and request them to curtail usage according to particular plans or procedures applicable to each such Customer.

SECTION 15
CURTAILMENT PROCEDURES
(continued)

10. Sequential Interruption of Service

Sequential interruption of service will be accomplished by disconnecting groups of circuits for a limited number of hours in accordance with a prearranged schedule, generally two (2) hours. Circuits will be grouped for rotation purposes so as to achieve the desired load reduction.

The objective of this procedure is to achieve a proportional reduction of loads, exclusive of those essential and critical loads, which by their nature are essential to the public health and safety. It is recognized that essential and critical loads are connected on circuits which serve non-critical loads. However, in order to provide fair treatment to all Customers it is intended that additional steps will be taken to insure, to the extent practicable, that reductions in such non-critical loads will be achieved. These reductions should be substantially equivalent to that obtained from similar loads subject to circuit rotation and should be on a voluntary, or if necessary, on a non-voluntary basis.

All circuits within each group will be rotated in accordance with the rotation schedule, with switching being done in a manner so that the total load on the system will not be increased materially above that prior to the rotation.