

**SHELBYVILLE POWER SYSTEM
P.O. BOX 530
308 SOUTH MAIN STREET
SHELBYVILLE, TN 37162**

SCHEDULE OF RULES AND REGULATIONS

Revised and Approved by Board in June 2015: Effective Date is October 1, 2015

Application for Service.

- (A) Each prospective customer desiring electric service may be required to sign Shelbyville Power System's standard form of application for service and/or contract before service is supplied, discontinued, or transferred by Shelbyville Power System.
- (B) Each applicant shall provide a valid driver's license or other valid photo identification card issued by any state or federal government of the United States. Each applicant shall also provide a valid social security number for themselves. If no social security number is made available, a second government issued document such as birth certificate, passport, green card, or consulate card is required.

Customer Deposits.

- (A) A cash deposit or suitable guarantee of \$200, but not exceeding twice the average monthly bill for the entire rate class if residential will be required; or twice the average monthly bill based on the previous 12 month history of the subject property if commercial or industrial will be required.
- (B) Commercial and Industrial customers may elect to substitute either a bank financial letter of credit or a surety bond provided by an approved insurance underwriter in lieu of a cash deposit.
- (C) Interest will accrue on the deposit held at the interest rate that the Distributor earns on its primary bank account. Interest shall accrue on deposits held longer than 12 months. The deposit balance plus any interest accrued will be credited to the customer's account upon termination of service, or in January of each year. The customer may inquire and review the deposit balance and earned interest at any time. (Item C will go into effect beginning January 1, 2016)

Point of Delivery. The point of delivery is the point, as designated by Shelbyville Power System, on Customer's premises where current is to be delivered to building or premises. All wiring and equipment beyond this point of delivery shall be provided and maintained by Customer at no expense to Shelbyville Power System.

Customer's Wiring - Standards. All wiring of Customer must conform to Shelbyville Power System's requirements, the Shelbyville Power System's Electrical Ordinances, and accepted modern standards as exemplified by the requirements of the National Electrical Safety Code and the National Electrical Code.

Inspections. Shelbyville Power System shall have the right, but shall not be obligated, to inspect any installation before utility service is introduced, or at any later time, and reserves the right to reject service to any facilities not in compliance with S.P.S.'s standards; but such inspection or failure to inspect or reject shall not be regarded as an assurance against defects in installation or an assurance of the quality or safety of appliances or their installation, and shall not render Shelbyville Power System liable or responsible for any loss or damage to person or property resulting from defects in the installation, or from appliances, or the installation thereof, or from violation of Shelbyville Power System's rules and regulations, or from accidents which may occur upon the applicant's premises, it being understood that utility installations and their safety shall be the sole responsibility of the applicant. The Applicant further agrees to claim no damage on account of interruption of electrical service, it being understood that the rates charged applicant do not contemplate uninterrupted service guarantees.

Underground Electric Distribution & Service Lines. Shelbyville Power System Customers desiring underground primary distribution lines from Shelbyville Power System's overhead service system must bear 100% of the cost difference between overhead and underground construction. Customers desiring underground service lines from the Shelbyville Power System's distribution system must bear 100% of the cost difference between overhead and underground construction. Specifications and terms for such construction will be furnished by Shelbyville Power System on request.

Customer's Responsibility for Shelbyville Power System's Property. All meters, service connections, and other equipment furnished by Shelbyville Power System shall be, and remain, the property of Shelbyville Power System. Customer shall provide a space for and shall exercise proper care to protect the property of Shelbyville Power System on Customer's premises, and, in the event of loss or damage to Shelbyville Power System's property arising from neglect of Customer to care for same, the cost of the necessary repairs or replacements shall be paid by Customer.

Customer shall in no way tamper with Shelbyville Power System's meter or electrical equipment. There will be a service charge of \$100 for cutting the meter seal or for known tampering of any meter. The customer shall also be responsible for any estimated lost revenue caused by such tampering. Criminal charges may also be filed.

Right of Access. Shelbyville Power System's identified employees shall have access to Customer's premises at all reasonable times for the purpose of reading meters, testing, inspection, repairing, removing, or exchanging any or all equipment belonging to Shelbyville Power System. Customer is also responsible for the protection of Shelbyville Power System's employees from Customer's pets and animals.

Billing. Bills will be rendered monthly and shall be payable on the designated due date which shall not be less than 15 days from the date of the bill. A late payment of 5% will be added to the **unpaid portion of the bill after the net payment period.**

Information to Customers.

- (A) The Distributor shall, at the time of customer application, make its current rate schedule available upon request.
- (B) The Distributor shall provide rates, rate change information, **and schedule of rules and regulations** on its website, www.shelbyvillepower.com.
- (C) The Distributor shall provide, upon request, customer's electric consumption data for the twelve months preceding the request.

Discontinuance of Service by Shelbyville Power System.

- (A) Shelbyville Power System may refuse to connect or may discontinue service for the violation of any of its Rules and Regulations, or for violation of any provision of the Schedule of Rates and Charges, or for violation of customer application/contract.
- (B) In the event that an account is unpaid at its due date, a **separate** notice that the account is past due will be mailed to the customer. **This notice will include rights and remedies available to the customer in the event of a bill dispute.** Shelbyville Power System reserves the right to discontinue the service at any time after the date stated on the late notice, **but not sooner than seven days past the due date.** Trip fees will be associated with the disconnect and reconnect when necessary. The fee is \$25.00 per trip.

- (C) In the event of an extreme weather forecast or event, the Distributor will temporarily postpone any cutoff activity. An extreme weather event shall be defined as a low temperature of 32 degrees Fahrenheit or lower, or 100 degrees Fahrenheit or higher. Forecast and temperature reading will take place at 7 AM on designated cutoff day. Weatherchannel.com will be used as the source of information for Shelbyville, TN 37160 location.
- (D) In the event of a documented medical hardship, a customer may request and be granted an extension of up to, but not exceeding, 30 days from what would have been the customary cutoff date. A licensed medical professional must provide, complete, and sign a medical hardship notice in order for it to be considered.
- (E) The Administrative Manager and/or the General Manager are available to hear disputes or complaints if they are not satisfactorily settled with Customer Service personnel.

Connection, Reconnection, and Disconnection Charges. Shelbyville Power System may establish and collect standard charges to cover the reasonable average cost, including administration, of connecting or reconnecting service, or disconnecting service as provided above. Higher charges may be established and collected when connections and reconnections are performed after normal office hours, or when special circumstances warrant.

Termination of Contract by Customer. Customers who have fulfilled their contract terms and wish to discontinue service must give at least three (3) days' written notice to that effect, unless contract specifies otherwise. Notice to discontinue service prior to expiration of contract term will not relieve Customer from any minimum or guaranteed payment under any applicable contract or prevailing rate.

Temporary Service Charges. Customers requiring electric service on a temporary basis may be required by Shelbyville Power System to pay all cost for connection and disconnection incidental to the supplying and removing of. This rule will apply to circuses, carnivals, fairs, temporary construction, etc.

Interruption of Service. Shelbyville Power System will use reasonable diligence in supplying current, but shall not be liable for breach of contract in the event of, or for loss, injury, or damage to persons or property resulting from, interruptions in service, excessive or inadequate voltage, single-phasing, or otherwise unsatisfactory service, whether or not caused by negligence.

Shortage of Electricity. In the event of an emergency or other condition causing a shortage in the amount of electricity for Shelbyville Power System to meet the demand on its system, Shelbyville Power System may, by an allocation method deemed equitable by Shelbyville Power System, fix the amount of electricity to be made available for use by Customer and/or may otherwise restrict the time during which Customer may make use of electricity and the uses which Customer may make of electricity. If such actions become necessary, Customer may request a variance because of unusual circumstances including matters adversely affecting the public health, safety and welfare. If Customer fails to comply with such allocation or restriction, Shelbyville Power System may take such remedial actions as it deems appropriate under the circumstances including temporarily disconnecting electric service and charging additional amounts because of the excess use of electricity. The provisions of the Section entitled Interruption of Service of this Schedule of Rules and Regulations are applicable to any such allocation or restriction.

Voltage Fluctuations Caused by Customer. Customer shall operate its facilities as not to cause unusual fluctuations or disturbances on Shelbyville Power System's system. Customer agrees to install and maintain, when requested by the Shelbyville Power System, necessary corrective devices approved by Shelbyville Power System to maintain power quality within reasonable limits as established by applicable ANSI STANDARDS. Harmonic voltage limits shall conform at minimum to the IEEE-519 Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems. Customer shall provide Shelbyville Power System with a suitable and acceptable plan to prevent unusual fluctuations caused by the Customer's utilization of disturbing loads. If Customer fails to implement corrective action after reasonable notice, Shelbyville Power System shall then make changes to its distribution system necessary to prevent unusual fluctuations caused by the Customer at the Customer's expense.

Additional Load. The service connection, transformers, meters, and equipment supplied by Shelbyville Power System for each Customer have definite capacity, and no addition to the equipment or load connected thereto will be allowed, except by consent of Shelbyville Power System. Failure to give notice of any additions or changes in load, and to obtain Shelbyville Power System's consent for same, shall render Customer liable for any damage to any of Shelbyville Power System's lines or equipment caused by the additional or changed installation.

Standby and Resale Service. All purchased electric service (other than emergency or standby service) used on the premises of Customer shall be supplied exclusively by Shelbyville Power System, and Customer shall not,

directly or indirectly, sell, sublet, assign, or otherwise dispose of the electric service or any part thereof.

Notice of Trouble. Customer shall notify Shelbyville Power System immediately should the service be unsatisfactory for any reason, or should there be any defects, trouble, or accidents affecting the supply of electricity. Such notices, if verbal, should be confirmed in writing.

Non-Standard Service. Customer shall pay a Facility Charge for any special installation necessary to meet Customer's requirements for service at other than standard service provided by Shelbyville Power System in accordance with existing rate schedule.

Meter Tests. Shelbyville Power System will, at its own expense, make periodic tests and inspections of its meters in order to maintain a high standard of accuracy.

Relocation of Shelbyville Power System-Owned Equipment. Shelbyville Power System shall, at the request of Customer, relocate or change existing Shelbyville Power System-owned equipment. Customer shall reimburse Shelbyville Power System for such changes at actual cost including appropriate overheads.

Billing Adjusted to Standard Periods. The demand charges and the blocks in the energy charges set forth in the rate schedules are based on billing periods of approximately one month. In the case of final billings where the period covered by the billing is over, or less than, a month, the demand charges and the blocks of the energy charge will be prorated for the period of time for which service was rendered.

Residential Energy Service Program. Shelbyville Power System as part of its electric service will arrange to offer available funds to eligible customers for electric Heat Pumps/Water Heaters. Eligible Customers must sign repayment agreements under which the funds will be repaid to the Shelbyville Power System. Monthly repayment amounts due for this service will be included as part of the electric bills from Shelbyville Power System.

Scope and Information. Shelbyville Power System will make available to Customer upon application for service, and anytime upon request, information concerning current service practice policies and current rates applicable to such Customer. Upon request a Customer will receive a statement of such Customer's monthly kWh consumption for the prior 12-month period.

Revisions. These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time, without notice. Such changes, when effective, shall have the same force as the present Rules and Regulations and will be kept open to inspection at the offices of Shelbyville Power System.

Conflict. In case of conflict between any provision of any rate schedule and the Schedule of Rules and Regulations, the rate schedule shall apply.

Policy of Non-Discrimination. Shelbyville Power System has and holds a policy of not discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, or age (provided that the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income is derived from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act.

Three Phase Load Limitations. Customer agrees to obtain approval from Shelbyville Power System prior to the installation of all electric furnaces of 200 kW and larger, and for three phase electric motors of 150 HP and larger for across the line starting.

Customers Communications Requirements for Metering. Customers with metering that requires telephone communications shall supply at Customer's expense a dedicated analog telephone line; this line cannot pass through the Customer's telephone switch.

Allowable Fixed Capacitors for Power Factor Correction. Customers are allowed to install fixed, un-switched, capacitors on the secondary side of Shelbyville Power System's transformers for correction of power factor at a KVAR rating not to exceed ten (10) percent of the installed transformer bank capacity in KVA.

Customer Use Of Generators. Utilizing generators for emergency power shall provide a disconnecting means to assure generated power and utility power cannot serve the same load simultaneously. Disconnecting means, such as a double-throw switch, must assure the generator power has no return path to Shelbyville Power System supplied meters, equipment or wires. Customer generated power represents an extreme danger to Shelbyville Power System employees working on lines.