



**MERCED
IRRIGATION
DISTRICT**

WATER & POWER

ELECTRIC SERVICE RULES

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1. GENERAL RULES AND DEFINITIONS

A. Availability of Electric Service

1. The Merced Irrigation District (DISTRICT) supplies electric service in portions of Merced County as generally delineated on the Electric Service Area Map where lines and capacity exist and service is designated as available by the DISTRICT. Service may be provided elsewhere only by specific written agreement of the DISTRICT.
2. Electric service availability at any particular location should be ascertained by inquiry at the DISTRICT'S MAIN OFFICE, telephone (209) 722-5761.

B. The General Manager and Deputy General Manager Energy Resources are authorized to adopt departmental regulations and forms to implement these Electric Service Rules.

C. All rates, charges and fees under the Electric Service Rules shall be fixed from time to time by resolution of the Board of Directors of the DISTRICT and shall be based upon such factors as the Board of Directors deems relevant.

D. Definitions

APPLICANT: A person or corporation who, either individually or through an authorized agent, applies to the DISTRICT for electric service.

APPLICATION: A written request to the DISTRICT for electric service or other work to be performed by the DISTRICT.

BILLING DATE: The date bills are printed.

BUDGET BILLING: A voluntary balanced billing payment option that allows residential customers to pay balanced monthly payments for electric service.

CLOSING BILLS: Bills rendered to CUSTOMERS discontinuing service, vacating the PREMISES, or changing rate schedules.

CONNECTED LOAD: The sum of the load of all of the CUSTOMER'S equipment that may be operated from the DISTRICT'S lines.

CUSTOMER: The person, group of persons, firm, corporation, partnership, trust, company, municipality or other governmental entity, or other legal entity, in whose name service is rendered, as may be evidenced by the signature on the APPLICATION, contract, or agreement for that service or, in the absence of a signed instrument, by the receipt and payment of bills regularly issued in that name, regardless of the identity of the actual user of the service. (A CUSTOMER must take final delivery of electric power, and not resell that power.)

DELINQUENT BILL: A bill which is not paid by the DUE DATE.

DELINQUENT CHARGE: A monthly charge assessed to an account with any delinquent balance.

DELINQUENT NOTICE: Notification to the CUSTOMER by the DISTRICT that a bill is delinquent.

DEMAND: The amount of energy consumed by a CUSTOMER at a specific time; typically expressed in KILOWATTS (kW).

DEMAND CHARGE: One component of a CUSTOMER'S bill. This charge recovers some of the costs the DISTRICT incurs in providing sufficient operating capacity to meet CUSTOMER'S maximum DEMAND. The DEMAND CHARGE is based on the highest level of kW required by the CUSTOMER during a billing period.

DISCONNECT DATE: A date the DISTRICT disconnects, or will disconnect electric service to the CUSTOMER without further notice.

DISTRIBUTED GENERATION: Distributed generation (also known as distributed energy) refers to power generation at the point of consumption (i.e. solar, fuel cells, wind, etc.).

DISTRIBUTION SERVICE: The delivery of electrical supply and related services by the DISTRICT to a CUSTOMER over the DISTRICT'S DISTRIBUTION SYSTEM.

DISTRIBUTION SYSTEM: The transmission and distribution facilities owned, controlled and operated by the DISTRICT that are used to provide DISTRIBUTION SERVICE under these rules.

DISTRICT: The Merced Irrigation District.

DISTRICT'S MAIN OFFICE: The DISTRICT'S MAIN OFFICE is located at 744 West 20th Street, Merced, Merced County, California. The mailing address is P.O. Box 2288, Merced, CA 95344. The telephone number is (209) 722-5761.

DUE DATE: The date designated on the bill.

ELECTRIC SYSTEM: All properties and other assets without limitation, currently or hereafter existing or acquired, which are owned or controlled by the DISTRICT or its successor(s), and used for or directly associated with the transmission, distribution or sale of electric power, including but not limited to all additions, extensions, expansions, and improvements thereto.

FACILITY: An electric generation facility owned or operated by a CUSTOMER, including but not limited to all components and features thereto.

FEE SCHEDULE: A Board approved schedule of fees for services performed by the DISTRICT.

FINAL DISCONNECT NOTICE: Notification to the CUSTOMER of past due amounts and DISTRICT'S intent to disconnect service without further notice on the DISCONNECT DATE shown.

GENERATION CUSTOMER: Any DISTRICT electric CUSTOMER with electric generation facilities (including back-up generation in parallel with the DISTRICT) on the CUSTOMER'S side of the interconnection point.

INTERCONNECTION APPLICATION: Application for interconnecting CUSTOMER'S electric generation FACILITY.

KILOWATT: 1,000 watts; a watt is a unit of electrical power equal to a current of one ampere under one volt of pressure.

KILOWATT-HOUR: One (1) KILOWATT of electricity used for one (1) hour.

KILOVOLT-AMP: Is the electrical unit used for the apparent power in an electrical circuit equal to the product of root-mean square, root-mean square voltage and root-mean square current. Volt Amperes are useful only in the context of alternating current (AC circuits).

METER: The instrument that is used for measuring the electricity delivered to the CUSTOMER.

NET ENERGY METERING: Net energy metering is a type of distributed generation that allows customers with an eligible power generator to offset the cost of their electric usage with energy they generate.

NORMAL BUSINESS HOURS: The NORMAL BUSINESS HOURS of the DISTRICT are 7:30 A.M. to 4:30 P.M. of each NORMAL WORKING DAY. Hours subject to change.

NORMAL WORKING DAY: Monday through Friday, DISTRICT holidays excepted.

PAYMENT ARRANGEMENT: Requests for extension of bill payment period by CUSTOMER.

POWER FACTOR: The POWER FACTOR of an AC electrical power system is defined as the ratio of the real power in Kilowatts (KW's) flowing to the load, to the apparent power (KVA) in the circuit.

PREMISES: All of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided, excepting in the case of industrial, agricultural, or resort enterprises, and public or quasi-public institutions, by a dedicated street, highway, or public thoroughfare or railway. Automobile parking lots constituting a part of and adjacent to a single enterprise may be separated by an alley from the remainder of the PREMISES served.

PROJECT BOUNDARIES: Geographic boundaries, as determined by the DISTRICT, within which the CUSTOMER/APPLICANT is responsible for installation of sub-structures.

RED TAG: A red door hanger advising occupant to contact the DISTRICT.

RESIDENTIAL CUSTOMER: A class of CUSTOMERS taking electric service for residential use at dwellings which are single-family units, multi-family units, mobile homes or other similar living establishments.

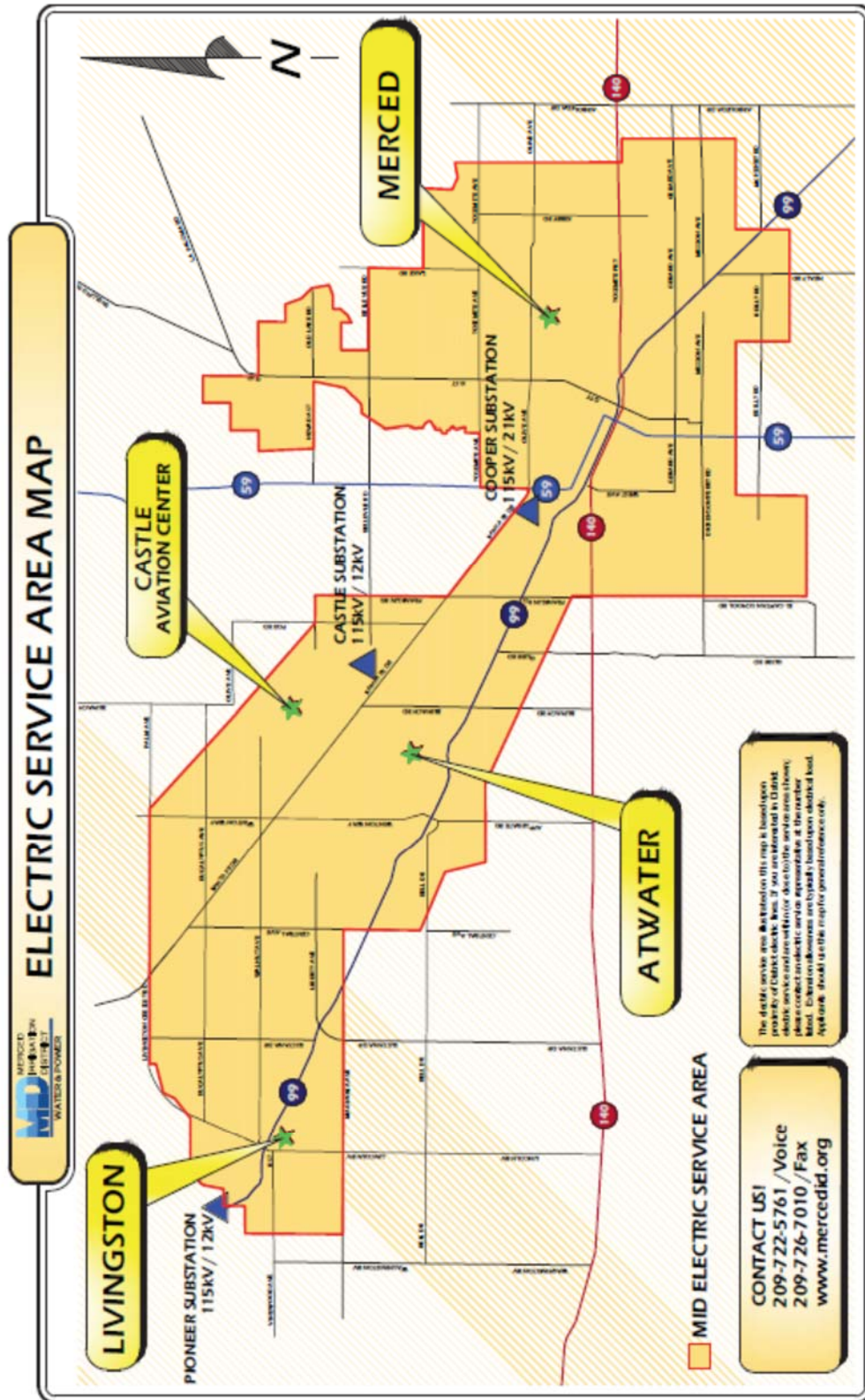
RESIDENTIAL DWELLING UNIT: A room or group of rooms, such as a house, a flat, or an apartment, which provides complete family living facilities in which the occupant(s) normally cooks meals, eats, sleeps, and carries on the household operations incidental to domestic life.

SPECIAL FACILITIES: The DISTRICT normally installs only those standard facilities which it deems are necessary to provide regular service in accordance with the Electric Service Rules. Where the APPLICANT requests the DISTRICT to install SPECIAL FACILITIES, and the DISTRICT agrees to make such an installation, the additional costs thereof shall be borne by the APPLICANT, including such continuing ownership costs as may be applicable.

TENDERED ITEM: An order upon any bank, depository, person, firm, or corporation for the payment of money.

TOTALIZED METERING: Totalized electric metering refers to the combining of two (2) or more separate METERS for a single business on one PREMISE to function as a single METER/account.

2. ELECTRIC AREA SERVICE MAP



3. SERVICE CONDITIONS

A. Frequency

1. Alternating current electric service at a nominal sixty (60) hertz will be supplied.
2. The DISTRICT will endeavor to maintain system frequency within limits, as defined by standard utility practice, but does not guarantee same.

B. Voltage

1. The following nominal voltages will be supplied:

Single-Phase:	120V 2-Wire (See 3.E.1), 120/240V 3-Wire and 120/208V 3-Wire (See 3.E.1)
Three-Phase:	120/208V 4-Wire, 120/240V, 3-Wire or 4-Wire (See 3.E.2.a), and 277/480V 4-Wire, 480V 3-wire
Primary:	12,000V and 21,000V (line to line volt) (See E.2.b)

2. Voltage supplied to CUSTOMER shall be determined by the DISTRICT.
3. The DISTRICT shall endeavor to deviate no more than 5% RMS voltage variation above or below the standard voltage at the point of service. This voltage limit does not apply to temporary service.
4. CUSTOMER shall provide, at CUSTOMER'S expense, any special or additional equipment where the CUSTOMER desires additional voltage control.

C. Service Continuity

1. The DISTRICT will endeavor to maintain reasonable continuity of electric service, but does not guarantee the same. The DISTRICT and the CUSTOMER are subject to electric interruptions.
2. CUSTOMER shall provide, at CUSTOMER'S expense, any special or additional equipment where the CUSTOMER desires uninterruptible service, or unusually high service continuity.
3. CUSTOMERS who have unusually high service continuity needs due to medical requirements should make provisions for onsite backup power and familiarize themselves with the equipment. See 3.K.1 for additional requirements.

D. Connected Load

1. The CONNECTED LOAD will be the sum of the capacities of all of the CUSTOMER'S equipment that may be operated from the DISTRICT'S facilities. Such capacities will be determined by equipment nameplate. Where nameplate is inaccurate or missing, test data will be used.

E. General Load Limitations

Unless otherwise approved by DISTRICT'S engineering staff:

1. Single-Phase Service

UNMETERED STREETLIGHT SERVICE LIMITS*			
Phase	Voltage	Type	Limits
1-phase	120V	2-wire	Limited to 20 Amp Service
1-phase	240V	2-wire	Limited to 10 Amp Service

*Unmetered service will not include outlet receptacles.

2. Three-Phase Service

a. 600 Volts and Under

- i. The DISTRICT reserves the right to use banks of single-phase or three-phase transformers or single three-phase transformers.
- ii. Three-phase service will be supplied on request for installations aggregating less than the minimums listed, but not less than 5 HP motor or 5 kVA, three-phase, only where existing transformer capacity is available. If three-phase service is not readily available, or for service to loads less than 5 HP or 5 kVA, service shall be provided as a "SPECIAL FACILITIES", and is subject to DISTRICT discretion.
- iii. Three-phase metering for one service voltage supplied to installations on one premise at one delivery location normally is limited to a maximum of a 4,000 ampere service rating. Metering for larger installations, or installations having two (2) or more service switches with a combined rating in excess of 4,000 amperes, or service for loads in excess of the maximum DEMAND load permitted, may be installed provided approval of the DISTRICT has been first obtained as to the number, size and location of switches, circuits, transformers and related facilities. Service supplied to such approved installations in excess of 4,000 ampere switch or breaker at one service delivery point may be totalized for billing purposes provided the installation meets other DISTRICT requirements.

Nominal Voltage	Minimum Load Requirements
120/208Y	15 kVA, 3-phase connected
240	15 kVA, 3-phase connected
120/240	15 kVA, 3-phase connected
277/480Y	15 kVA, 3-phase connected

If the CUSTOMER does not meet the minimum requirements for 3-phase service, the CUSTOMER can get 3-phase service by paying for the additional DISTRICT facilities to provide 3-phase service.

- iv. Existing three-phase, three-wire, 480 volt DISTRICT services will be maintained where existing, when it is practical for the DISTRICT to do so. If the DISTRICT has to change any of its facilities, it is done at the CUSTOMER'S expense. This section does not apply to new CUSTOMERS/installations.
 - v. All electrical services will be installed to DISTRICT, local authority and any other applicable codes (NEC, etc.).
- b. Over 600 Volts
- i. The following are standard primary voltages, one of which will be available without transformation from existing primary distribution lines in the area:

Nominal Voltage Line to Line	Minimum Size 3-Phase Connected Load	Special Facilities Threshold*
12,000	1,000 kVA	12,000 kVA
21,000	1,000 kVA	20,000 kVA

*Loads that exceed the amount shown are considered SPECIAL FACILITIES.

- ii. APPLICANTS may elect to take delivery at the available transmission voltage and provide their own substation facilities. The availability of transmission voltages shall be determined by the DISTRICT. Where a substation on an APPLICANT'S property is supplied from a transmission voltage source, the metering may be installed, at the DISTRICT'S option, on the primary side of the CUSTOMER'S transformers. Protection schemes for such installations will be subject to DISTRICT'S approval.
- iii. The DISTRICT reserves the right to change its primary or transmission voltage to another standard service voltage when, in its judgment, it is necessary or advisable for economic reasons or for proper service to its CUSTOMERS. Where a CUSTOMER is receiving service at the voltage being changed, the CUSTOMER then has one of three (3) options:
 - (a) Accept service at the new voltage.
 - (b) Accept service at the secondary side of an additional stage of transformation to be supplied by the DISTRICT at a location on the CUSTOMER'S PREMISES in accordance with the DISTRICT'S requirements.
 - (c) Contract with the DISTRICT for an additional stage of transformation to be installed as "SPECIAL FACILITIES". Metering not relocated to the primary side of the additional stage of transformation will be subject to a transformer loss adjustment.

F. Power Factor

1. CUSTOMERS whose loads consist of devices having low POWER FACTORS may be required to provide POWER FACTOR corrective equipment at their own expense to increase the POWER FACTOR of any such devices to not less than 85 percent lagging.

G. Welders

1. The DISTRICT will serve welding equipment provided that service to such welders is not detrimental to the DISTRICT or to the service of other DISTRICT CUSTOMERS.

H. Three-Phase Equipment

1. All motor installations shall have protective apparatus or construction within the motor, provided and installed by the CUSTOMER, to accomplish the following equivalent protection:
 - a. Loss of voltage protection shall be provided on all motors that cannot be safely subjected to full-rated voltage at starting, to insure disconnection from their source of power upon loss of voltage.
 - b. Suitable overload and over-current running protection shall be provided on all motors to insure disconnection from their source of power to protect against damage caused by overheating.
 - c. Phase reversal and loss of phase protection on all three phases is CUSTOMER'S responsibility and is recommended on all three-phase motor installations to insure disconnection from their source of power to protect against damage caused by phase reversal or the opening of one phase.

I. Motor Starting Limitations

1. Motors shall be installed and controlled by the CUSTOMER to prevent causing voltage fluctuations that are detrimental to the operation of the DISTRICT'S distribution and transmission system, or to the service of any DISTRICT CUSTOMER. If CUSTOMER'S load (motors, welders, etc.) causes excessive voltage drop or voltage flicker, the CUSTOMER will be required to install necessary corrective equipment at their expense. Voltage flicker must be limited to less than 3%.
2. MOTOR STARTING CURRENT is defined as the steady state current which would be drawn from the supply line if the rotor(s) of the motor(s) were locked, including the effects of any current reducing devices, with rated voltage and frequency applied at full load.
3. Motor starting current limitations are as follows:
 - a. Single-Phase
 - i. Single-phase motorized equipment (except as provided below) shall be equipped with motors having starting currents not in excess of the following:
 - (a) 50 amperes at 120 volts
 - (b) 80 amperes at 208 volts
 - (c) 100 amperes at 240 volts

- ii. The values listed above permit, in general, the installation of a single 50 horsepower NEMA standard motor without the use of starting current reduction devices.
 - iii. CUSTOMER is responsible for negative impacts to neighboring DISTRICT CUSTOMERS.
 - b. Three-Phase
 - i. Three-phase motors shall comply with all applicable NEMA standards and CUSTOMER is responsible for negative impacts to neighboring DISTRICT CUSTOMERS.
 - ii. Three-phase motors to be used where large loads or special conditions exist shall be approved in writing by the DISTRICT'S engineering staff.
 - 4. Where multiple motors are installed the motors must only be started non-simultaneously, with adequate time delay between starts.
 - 5. Loss of phase protection or reversal of phase sequence protection is the CUSTOMER'S responsibility and is recommended on each phase for all three phase motor installations to ensure disconnection from their utility power source before damage to their motors can occur caused by either the loss of one or more phases or phase sequence reversal.
 - 6. Motors with voltage ratings in excess of 480 volts shall require written approval by the DISTRICT'S engineering staff prior to installation.
 - 7. The DISTRICT is not responsible for voltage drops caused by CUSTOMER motor starting currents that exceed values listed in Electric Service Rule 3.
 - 8. Notwithstanding the foregoing, the DISTRICT will not serve, or continue to serve, motors with starting currents which are detrimental to the DISTRICT, or to the service of other DISTRICT CUSTOMERS, and may limit the maximum size and type of any motor that may be operated at any specific location on its system to that which, in the opinion of the DISTRICT, is acceptable.
 - 9. In addition to the requirements for motor starting, other operation of motorized devices, including stalling and jamming, must be controlled by the CUSTOMER to prevent currents in excess of those listed above, or which are detrimental to the DISTRICT, or to the service of other DISTRICT CUSTOMERS.
- J. Non-Sinusoidal or Harmful Wave Form
- 1. Where the DISTRICT determines that a CUSTOMER'S load causes a non-sinusoidal or harmful current or voltage waveform that is detrimental to DISTRICT or CUSTOMER facilities or operations, the DISTRICT may require such CUSTOMER load be modified or disconnected by and at the expense of the CUSTOMER. A CUSTOMER may be billed for damages as a result of CUSTOMER creation of a harmful current or voltage waveform. CUSTOMERS who refuse to comply with the requirements of this section will be subject to discontinuation of service in accordance with Electric Service Rule 12.
- K. CUSTOMER Emergency or Back-Up Generation (Non-Solar Installations)

1. The CUSTOMER is required to notify the DISTRICT before installation of CUSTOMER generating facilities. Any emergency standby or other generation equipment that can be operated to supply power to facilities that are also designed to be supplied from the DISTRICT'S system, shall be controlled with suitable protective devices provided and installed by the CUSTOMER to prevent parallel operation with the DISTRICT'S system in a fail-safe manner, such as the use of a double-throw switch to disconnect all conductors. DISTRICT'S engineering staff shall review CUSTOMER submittals, including single-line diagrams and equipment specification "cut-sheets", for protective devices and schemes. Approval by DISTRICT'S engineering staff is required before connection to the DISTRICT'S facilities.
2. The DISTRICT shall inspect all CUSTOMERS' generating facilities for Electric Service Rule compliance.

L. CUSTOMER Generation for Customer-Owned Facilities (Solar Installations)

1. The CUSTOMER must contact the DISTRICT for standards and requirements. Such installations shall be subject to approval by DISTRICT'S engineering staff including solar electrical generating facilities installations.

M. Totalized Metering

1. The DISTRICT will provide TOTALIZED METERING in accordance with the following conditions:
 - a. The CUSTOMER shall request TOTALIZED METERING in writing.
 - b. The existing METERS must service a single entity and/or business and be located on a single parcel of land, or contiguous parcels.
 - c. All individual accounts/METERS to be totalized must be eligible for the same DISTRICT electric rate schedule prior to totalizing.
 - d. Individual accounts/METERS to be totalized must have a peak DEMAND for the preceding twelve (12) months of greater than 250 KILOWATTS.
 - e. The distance between METERS to be totalized must not exceed 500 circuit feet, as determined by the DISTRICT.
 - f. The TOTALIZED METERING installation must be technically feasible, and must not cause the inefficient use of DISTRICT equipment and labor.
 - g. The CUSTOMER shall furnish and install all necessary conduit and pay facility charges for equipping and installing the totalizing hardware as determined by the DISTRICT.
 - h. The provisions of the Electric Service Rules shall apply to the totalizing hardware, and all individual METERS and associated equipment owned by the DISTRICT.
 - i. The DISTRICT in accordance with Electric Service Rule 5 may require a contract.
 - j. The TOTALIZED METERING will result in a single account and bill. This single bill will be subject to all the Electric Service Rules, including those rules regarding collection and payments, delinquency and deposits. Full payment of the totalized bill each month will be the responsibility of the CUSTOMER. The DISTRICT will not be obligated to provide segmented accounting on totalized accounts/METERS.

4. APPLICATION FOR SERVICE

A. Application for Service

1. The DISTRICT requires each APPLICANT, when applying for service, to sign a service APPLICATION and to furnish the following information:
 - a. Location of PREMISES.
 - b. Date CUSTOMER will be ready for service.
 - c. Purpose for which service is to be used, with description of the amount, type, and use of the electrical equipment installed upon the PREMISES to be supplied with electric energy by the DISTRICT.
 - d. Address to which bills are to be mailed or delivered.
 - e. Whether CUSTOMER is owner, owner's agent or tenant of PREMISES.
 - f. Phone number of CUSTOMER.
 - g. Such other information as the DISTRICT may require including, but not limited to, drawings, CAD files, and other documents that are deemed necessary to complete the engineering and design.

NOTE: The APPLICATION for service is not considered complete until all information requested from the CUSTOMER has been submitted.

2. The APPLICANT is required to establish credit pursuant to Electric Service Rule 6.
3. The APPLICATION is a request for service, and is non-binding until the DISTRICT accepts the APPLICATION. The DISTRICT will provide service as described in these Electric Service Rules under reasonable conditions, and the CUSTOMER must take service for a minimum period, if any, as required by the electric service APPLICATION.
4. If at the time of the APPLICATION for service, there is no service to the PREMISES because the service has been discontinued pursuant to Electric Service Rule 12, Section A, the APPLICANT may be required to pay all prior unpaid bills and charges for the PREMISES if:
 - a. The APPLICANT is a tenant or an agent of a tenant of the PREMISES and the PREMISES' landlord states that there has not been a change in tenants since the service was discontinued by the DISTRICT; or
 - b. The APPLICANT is an owner of the PREMISES and there has not been a legal change in ownership of the PREMISES since the service was discontinued by the DISTRICT; or
 - c. Notwithstanding "a" and "b" above, the DISTRICT has reasonable cause to believe the APPLICANT was an actual user of the electric service to the PREMISES at the time the service was discontinued by the DISTRICT.

In any of the above circumstances, the APPLICANT is deemed not to be a new CUSTOMER at the PREMISES in question. If “a,” “b” or “c” applies, the APPLICANT may also be required to pay all applicable reconnection charges (under Electric Service Rule 12, Section C).

B. Application for Connection

1. APPLICANTS requesting an electric service connection shall submit a signed service APPLICATION for each electric service, establish their credit as defined in Electric Service Rule 6, and furnish all necessary information pertaining to the installation. All necessary inspections required by public agencies shall be obtained and those agencies must place a final inspection tag on the new service panel or METER base before the DISTRICT will install an electric METER and/or energize service.

C. Activation of Existing Meters

1. Except as provided below, the DISTRICT will energize electric services, including the transfer of billing payment responsibility of active electric METERS, only during NORMAL BUSINESS HOURS.
2. Requests to energize electric services will be handled in the following manner:
 - a. If the APPLICANT has satisfied all of the applicable Electric Service Rules, then the DISTRICT will normally energize the electric service on the next NORMAL WORKING DAY.
 - b. After satisfying all of the applicable Electric Service Rules, APPLICANT may request the DISTRICT energize electric services the same day (before noon) or a future date at no charge. A connection fee will be charged for same day requests received after noon in accordance with the DISTRICT’S then current FEE SCHEDULE.

D. Individual Liability for Joint Service

1. In any case where two (2) or more parties join in one APPLICATION for service, such parties shall be jointly and severably liable hereunder, and only one bill will be rendered to the designated party for electric service supplied in accordance therewith.

E. Change of CUSTOMER’S Electrical Equipment

1. The CUSTOMER shall give written notice to the DISTRICT in the event the CUSTOMER intends to make any material change in the amount, type or use of the electrical equipment installed upon CUSTOMER’S PREMISES, prior to installation of any material change.
2. The DISTRICT will not be responsible for increased capacity or voltage due to increases in CUSTOMER loads of which the DISTRICT has not been notified.

F. Conditions of Service

1. By applying for or accepting service from the DISTRICT, a CUSTOMER agrees to abide by all of the electric service requirements, rate schedules, and the rules and regulations of the DISTRICT concerning such service, to provide any rights-of-way across CUSTOMER’S own property the DISTRICT may deem necessary to supply such service, and to cooperate with the DISTRICT in its construction and maintenance of the facilities needed for such service. The CUSTOMER shall be responsible for any additional costs caused by the CUSTOMER’S failure to comply with the provisions of this rule.

2. Facilities used or installed to provide electric service shall be constructed in accordance with the DISTRICT'S construction standards and the Electric Service Rules.

5. WRITTEN CONTRACTS

- A. A written contract may be required for the following:
1. As may be required by conditions set forth in the electric service rate schedule adopted by the DISTRICT.
 2. In the case of electric service of a temporary or speculative nature, a contract may be required for a period not to exceed three (3) years and a connection fee and removal fee will be paid by the CUSTOMER.
 3. Where the CUSTOMER desires and the DISTRICT agrees to connect to a customer-owned generation FACILITY.
 4. Where the CUSTOMER desires and the DISTRICT agrees to install load management equipment, a contract may be required for a period, which, in the DISTRICT'S judgment, is commensurate with the cost of the load management equipment involved.
 5. In such other cases where the DISTRICT determines that it is in the DISTRICT'S best interests for the CUSTOMER to sign a written contract.
 6. As required in Electric Service Rules 16 and 17.
- B. Upon approval of the General Manager, written contracts prepared pursuant to this Electric Service Rule, as stated therein, may supersede or preempt any other Electric Service Rules applying to that contract.

6. CREDIT

A. Applicant

1. An APPLICANT shall be required to establish credit before service will be provided.
2. APPLICANTS are subject to an online credit screening.
3. Credit is established by making a deposit in the amount prescribed in Electric Service Rule 7 for that purpose and by paying all prior unpaid bills.
4. The deposit may be waived at the option of the DISTRICT as follows:
 - a. RESIDENTIAL: A positive result from the DISTRICT'S credit reporting agency or recent payment history at another MID service location meeting the requirements specified under Electric Service Rule 7.D.2. (negative recent DISTRICT payment history will require a deposit regardless of credit reporting agency results).
 - b. NON-RESIDENTIAL: A positive result from the DISTRICT'S credit reporting agency or recent payment history at another MID service location meeting the requirements specified under Electric Service Rule 7.D.3. (negative recent DISTRICT payment history will require a deposit regardless of credit reporting agency results).
5. If the APPLICANT refuses or fails to establish credit, the DISTRICT may refuse electric service.

B. CUSTOMER

1. A CUSTOMER shall be required to reestablish credit when any of the following events occur:
 - a. The CUSTOMER'S service has been discontinued by the DISTRICT under Electric Service Rule 12; or
 - b. The conditions of service or basis on which credit was originally established have, in the opinion of the DISTRICT, materially changed.
2. Credit is reestablished by making a deposit in the amount prescribed in Electric Service Rule 7 for that purpose and by paying all prior unpaid bills.
3. If the CUSTOMER refuses or fails to reestablish credit, the DISTRICT will discontinue electric service.

7. BILLING DEPOSITS

A. When Required

1. A deposit shall be required as security for the payment of bills where an APPLICANT or a CUSTOMER for electric service does not satisfactorily establish or maintain credit in accordance with Electric Service Rule 6.

B. Amount of Deposit

1. RESIDENTIAL CUSTOMER AND/OR APPLICANT. An initial deposit equal to the minimum amount stated in the then current FEE SCHEDULE will be required. Upon disconnection for non-payment, the deposit will be reviewed and will increase to an amount equal to two (2) times the average monthly bill based on the CUSTOMER'S last twelve (12) months of billing. If the length of service is less than twelve (12) months, then the deposit shall equal two (2) times the average of all available months. The deposit shall not be less than the minimum deposit specified in the then current FEE SCHEDULE and will be rounded to the nearest fifty (\$50.00) dollars.
2. NON-RESIDENTIAL CUSTOMER AND/OR APPLICANT. A deposit equal to two (2) times the average monthly bill based on the CUSTOMER'S last twelve (12) months of billing, or for APPLICANT, based on the previous CUSTOMER'S last twelve (12) months of billing at the same PREMISES. If the length of service was less than twelve (12) months, the deposit shall equal two (2) times the average of all available months. If billing history is unavailable, the APPLICANT'S deposit may be estimated by the DISTRICT using data from a similar existing CUSTOMER. The deposit shall not be less than the minimum deposit specified in the then current FEE SCHEDULE and will be rounded to the nearest fifty (\$50.00) dollars.
3. The amount of the deposit established under Electric Service Rule 7.B.1 or 7.B.2 may be increased by the DISTRICT from time to time based upon a recalculation.
4. Under paragraphs B.1 and B.2 above, if the prior electric service provider was an entity other than the DISTRICT, the deposit may be calculated on the basis of energy usage and DEMAND applied to the DISTRICT'S (as opposed to other service providers) applicable rates.

C. Form of Deposit

1. A deposit shall be made by cash, personal check, cashier's check, money order, credit card or debit card.

D. Deposit Refund

1. Upon discontinuance of service, the CUSTOMER'S deposit will be applied to the final account balance. Any deposit balance in excess of the final account balance will be refunded by the DISTRICT.
2. After a RESIDENTIAL CUSTOMER has made on time payments for residential service for twelve (12) consecutive months without receiving a FINAL DISCONNECT NOTICE, being disconnected or presenting a dishonored TENDERED ITEM, the DISTRICT will refund the RESIDENTIAL CUSTOMER'S deposit to their account to be applied to future charges.

3. After a non-residential CUSTOMER has made on time payments for non-residential service for twenty-four (24) consecutive months without receiving a FINAL DISCONNECT NOTICE, being disconnected or presenting a dishonored TENDERED ITEM, the DISTRICT will refund the non-residential CUSTOMER'S deposit to their account to be applied to future charges.
4. Deposits are reviewed and processed periodically for the purpose of refunding or adjusting deposit amounts.

E. Interest

1. No interest will be paid on deposits held by the DISTRICT.

8. NOTICES AND COMMUNICATIONS

A. DISTRICT to CUSTOMER

1. Any billing, notice, deposit refund or other communication the DISTRICT may give to any CUSTOMER pursuant to the rates, rules, or regulations of the DISTRICT, may be given by written notice.

B. CUSTOMER to DISTRICT

1. Except where notice is specifically required by law or by the rates, rules, or regulations of the DISTRICT to be in writing, any notice from any CUSTOMER to the DISTRICT pursuant to the rates, rules, or regulations of the DISTRICT may be given to the DISTRICT by the CUSTOMER either (a) in person or by telephone to the DISTRICT'S MAIN OFFICE and the CUSTOMER must give his or her name, account number, mailing address, address of PREMISES where service is delivered, telephone number (if any), and must specifically state the required notice to the proper DISTRICT employee, (b) by written notice delivered to the DISTRICT'S MAIN OFFICE, (c) by facsimile or by email.

9. RENDERING AND PAYMENT OF ELECTRICAL SERVICE BILLS

A. Billing

1. Bills will normally be rendered for scheduled billing periods of approximately one month, but may be rendered more or less frequently at the option of the DISTRICT.
2. Except for service supplied under flat rate schedules, bills will be based on METER registration.
3. Where metering equipment fails or an accurate METER reading is not obtained, the DISTRICT may estimate DEMAND or energy, or both, for the period of service involved and use such estimate in computing a bill, in accordance with Electric Service Rule 18.G.2.
4. METER readings of two (2) or more METERS will not be combined for billing purposes unless the convenience of the DISTRICT is served thereby.
5. Except as hereinafter provided, opening and CLOSING BILLS rendered for periods of less than thirty (30) days will be computed in accordance with the rate schedule applicable to that service.
6. The non-return of bills, properly prepared and delivered pursuant to Electric Service Rule 8, will be regarded as proof of delivery and receipt of bills.

B. Payment

1. Bills are payable on the 5th of each month. If the 5th falls on a weekend or holiday, DUE DATE will be the next business day. Payment must be received on the DUE DATE during NORMAL BUSINESS HOURS, at the DISTRICT'S MAIN OFFICE or by any of the DISTRICT'S acceptable payment methods.
2. Bills become delinquent if not paid by the DUE DATE and are subject to a DELINQUENT CHARGE on the unpaid balance in accordance with the DISTRICT'S then current FEE SCHEDULE.
3. A CUSTOMER will be notified by the DISTRICT of a DELINQUENT BILL through the mailing of a DELINQUENT NOTICE.
4. If the total amount due remains unpaid approximately seven (7) days after date of mailing the DELINQUENT NOTICE, the CUSTOMER will receive a FINAL DISCONNECT NOTICE by mail.
5. If the total amount due remains unpaid at DISTRICT'S MAIN OFFICE close of business on the DUE DATE stated on the FINAL DISCONNECT NOTICE, the CUSTOMER will be placed on the disconnect list and a disconnection processing fee, a disconnection fee, and an additional deposit if applicable under Electric Service Rule 7.B will be charged to the CUSTOMER'S account in accordance with the DISTRICT'S then current FEE SCHEDULE. After disconnection, a service reconnection fee will also be assessed before service will be restored, in accordance with Electric Service Rule 12.
6. CLOSING BILLS are due and payable upon presentation.
7. Electric service may be refused or disconnected pursuant to Electric Service Rule 12 until all unpaid bills, including DELINQUENT CHARGES for electric service to a CUSTOMER at all locations, disconnection and service restoration fees, and any required billing deposits have been paid or have otherwise been discharged.

8. If a CUSTOMER is receiving electric service from the DISTRICT at more than one electric service location, unpaid CLOSING BILLS of one location may be transferred to other electric service accounts of the CUSTOMER. This section shall not apply to credit balances resulting from excess generation under a NET ENERGY METERING agreement.
9. The DISTRICT will not accept second party TENDERED ITEMS as payment for bills.
10. TENDERED ITEMS returned dishonored will be considered nonpayment.

C. Other Charges

1. TENDERED ITEMS received as payment for electric bills, deposits, or other charges that are subsequently returned dishonored, will be assessed the dishonored TENDERED ITEMS charge in accordance with the DISTRICT'S then current FEE SCHEDULE, in addition to the amount owing upon that TENDERED ITEM. If the DISTRICT exercises its rights under Civil Code Section 1719 or any other statute or law authorizing the imposition of damages in addition to the amount owing on the TENDERED ITEM, the DISTRICT shall be entitled to such additional damages in lieu of the dishonored TENDERED ITEM charge.
2. If a dishonored TENDERED ITEM is received on an account, the CUSTOMER will be notified that they must pay by cash or cash equivalent such as money order, credit card, or cashier's check for the next twelve (12) months.

D. BUDGET BILLING

1. Eligibility

- a. The account must be on the Electric Service Schedule RES-2, where the CUSTOMER has had electric service with the DISTRICT at the same location for at least twelve (12) consecutive months.
- b. The CUSTOMER will not be eligible for BUDGET BILLING if, during the last twelve (12) months:
 - i. The CUSTOMER has received a FINAL DISCONNECT NOTICE.
 - ii. The DISTRICT has discontinued the CUSTOMER'S service under Electric Service Rule 12.
 - iii. The CUSTOMER has tendered a dishonored item.
- c. A CUSTOMER will be removed from BUDGET BILLING if the CUSTOMER does not continue to make on time payments or meet the eligibility requirements in 1.b. The CUSTOMER will not be allowed to reapply for one year.

2. Billing

- a. The BUDGET BILLING payment will be calculated based on the average KILOWATT-HOURS used and the account balance during the last twelve (12) months and will be rounded to the nearest one dollar.
- b. The METER will be read and billed monthly.
- c. The amount of the BUDGET BILLING payment shall be stated on the monthly electric bill. CUSTOMER will be expected to pay the BUDGET BILLING amount shown.
- d. The BUDGET BILLING payment will be reviewed in May and November each year and adjusted as necessary to appropriately reflect the CUSTOMER'S energy use while minimizing payment fluctuations. The CUSTOMER will be notified of the new payment amount which will appear on bills received in June and December.
- e. The account will not be assessed a DELINQUENT CHARGE while it remains on BUDGET BILLING, provided the BUDGET BILLING amount of each bill is paid on or before the DUE DATE.
- f. The CUSTOMER may cancel BUDGET BILLING at any time.
- g. Accounts removed from BUDGET BILLING will immediately be under the current DISTRICT Rules and Regulations governing the monthly billing cycle.
- h. Any account closed will automatically be removed from BUDGET BILLING. The total amount of the account will be due and payable at the time the account is closed.

E. Public Assistance Programs

1. The DISTRICT receives funds for payment on electric accounts from organizations and agencies for low-income CUSTOMERS. These payments shall be processed within five (5) days of receipt.
2. Each agency is responsible for establishing eligibility and processing applications. Funds received from an agency will be applied according to the rules of that agency. At the CUSTOMER'S request, the DISTRICT will provide a list of organizations and agencies offering financial assistance to RESIDENTIAL CUSTOMERS who are unable to pay their bill.
3. When a payment creates a credit balance on a closed account as a result of a payment from an organization or agency, the credit amount is returned to the agency as required.

10. DISPUTED BILLS

A. Billing Complaints and Requests for Investigation

1. If a CUSTOMER questions or disputes a bill, the CUSTOMER must initiate a complaint or request for investigation of the questioned or disputed bill within twenty (20) calendar days of the BILLING DATE. A complaint or request for investigation is initiated by giving such to the Customer Service Department, located at 744 W. 20th Street. The request must state the specific reasons for the complaint or the request for investigation and such additional information as required under B.1 of Electric Service Rule 8. The review by the Customer Service Supervisor shall include consideration of whether the CUSTOMER, if a RESIDENTIAL CUSTOMER, should be permitted to amortize the unpaid balance of the account over a reasonable period of time, not to exceed twelve (12) months, under Section B below.
2. In investigating the disputed bill, the DISTRICT may make estimates by means of tests, analysis or inquiry if necessary information is not subject to exact determination.

B. Billing Adjustments

1. A bill that does not reflect the correct charges for electric service actually rendered to the CUSTOMER in accordance with these rules and the applicable DISTRICT rate schedules shall be adjusted to a correct basis as determined by the DISTRICT'S investigation and review.
2. Billing adjustments will cover the entire period of the error but not beyond twelve (12) months prior to the date error is brought to the attention of the DISTRICT.
3. Adjustments for METER error shall be made in accordance with Electric Service Rule 18.
4. After the adjustments are reviewed, and when the CUSTOMER and the DISTRICT agree on the amount of the bill, the Customer Service Supervisor will determine and advise the CUSTOMER of the date the unpaid balance of the CUSTOMER'S account must be paid.
5. The District will estimate the bill for consumption used when energy diversion and/or meter tampering (as defined in Cal. Civil Code section 1882) has occurred.

C. Billing Dispute Appeal Process

If, after review by the Customer Service Supervisor and the Controller, it is determined the bill is correct then the CUSTOMER may appeal as follows:

1. The CUSTOMER may appeal the initial determination to the Deputy General Manager Energy Resources within five (5) days of such initial determination upon (1) filing of a statement setting forth the basis for the dispute of the amount billed, and (2) payment of the deposit (if any) required to be made under Section 2, below.
2. The CUSTOMER may be required by the DISTRICT to deposit the full amount of the disputed bill with the DISTRICT.

3. Upon receipt of a properly filed appeal, the Deputy General Manager Energy Resources will review the basis of the billed amount, advise the CUSTOMER and the Customer Service Department of his/her findings and disburse any deposit in accordance with those findings.
4. Service will not be discontinued for nonpayment of the disputed bill when a deposit has been made in accordance with Section 2, above pending the outcome of the Deputy General Manager Energy Resources review.
5. Failure of the CUSTOMER to appeal the initial determination to the Deputy General Manager Energy Resources in accordance with Sections 1 and 2 above, and failure to pay such additional bills by their DUE DATES will warrant discontinuance of the CUSTOMER'S service in accordance with Electric Service Rule 12.
6. If, before completion of the Deputy General Manager Energy Resources review, additional bills become due which the CUSTOMER also wishes to dispute, CUSTOMER should follow the procedures set forth in Sections A, B, and if desired C, above with regard to the additional amounts claimed by the DISTRICT to be due. Failure to follow such procedures and failure to pay such additional bills by their DUE DATES will warrant discontinuance of the CUSTOMER'S service in accordance with Electric Service Rule 12.
7. Subsequent bills not in dispute, rendered prior to the settlement of the disputed bill, will be due and payable in accordance with Electric Service Rules 9, 11, and 12.
8. The CUSTOMER may appeal the decision of the Deputy General Manager Energy Resources to the General Manager within five (5) days of the decision of the Deputy General Manager Energy Resources.
9. The CUSTOMER may appeal the decision of the General Manager to the Board of Directors within five (5) days of the decision of the General Manager.
10. The Board of Directors will review the dispute and provide an appeal determination within thirty (30) days of receipt of appeal.

11. PAYMENT ARRANGEMENTS

A. Requests for Extension of Bill Payment Period by CUSTOMER

1. A CUSTOMER who wishes to extend the payment period of a bill on the grounds that the bill is beyond the means of the CUSTOMER to pay in full during the normal period for payment must initiate such request with a Customer Service Representative not later than six (6) days following the mailing of a FINAL DISCONNECT NOTICE under Section A.1 of Electric Service Rule 12. Such a request is initiated by giving a Customer Service Representative notice of the request and such additional information as required under Section B.1 of Electric Service Rule 8.
2. The review of the request shall include consideration of whether the CUSTOMER shall be permitted to pay the unpaid balance of the account over a reasonable period of time at a reasonable rate of interest.
3. A CUSTOMER may receive two (2) courtesy (no charge) PAYMENT ARRANGEMENTS per year. The CUSTOMER'S account will be assessed the PAYMENT ARRANGEMENT charge in accordance with the DISTRICT'S then current FEE SCHEDULE upon approval of the extended PAYMENT ARRANGEMENT, payable with the first payment under said PAYMENT ARRANGEMENT.
4. After review by the Customer Service Representative, when the CUSTOMER and the Customer Service Representative fail to agree as to whether the CUSTOMER should be allowed to extend the payment period of the bill, the CUSTOMER may appeal to the Customer Service Supervisor.
5. The review of the request by the Customer Service Supervisor shall include consideration of whether the CUSTOMER shall be permitted to pay the unpaid balance of the account over a reasonable period of time at a reasonable rate of interest.
6. No termination of service shall be effected for any CUSTOMER complying with a PAYMENT ARRANGEMENT, if the CUSTOMER keeps said PAYMENT ARRANGEMENT as agreed and also keeps the account current as charges accrue in each subsequent billing period.

12. DISCONTINUANCE AND RESTORATION OF SERVICE

A. Discontinuance of Service by DISTRICT

1. The DISTRICT may, after seven (7) days' notice, discontinue or refuse to establish or restore electric service for any of the following reasons.
 - a. The CUSTOMER has not paid bills for electric service in accordance with Electric Service Rules 9 and 10.
 - b. The CUSTOMER has not paid reconnection charges in accordance with this Electric Service Rule.
 - c. The CUSTOMER has not paid line extension charges in accordance with Electric Service Rule 17.
 - d. The CUSTOMER has not established or reestablished credit in accordance with Electric Service Rule 6.
 - e. The CUSTOMER does not provide permanent accessibility to the CUSTOMER'S PREMISES for purposes related to the furnishing of electric service in accordance with Electric Service Rule 17.
 - f. The CUSTOMER is not complying with the electric service requirements, rate schedules or rules and regulations of the DISTRICT.
 - g. The operation of the CUSTOMER'S electrical equipment is, or will be, detrimental to the service of other CUSTOMERS.
 - h. The CUSTOMER'S electrical equipment, or use thereof, is either unsafe or in violation of standards of the authority having jurisdiction.
 - i. The CUSTOMER has not made a deposit in accordance with Electric Service Rule 7.
2. The DISTRICT may, after placing a RED TAG on the CUSTOMER'S door, discontinue or refuse to establish or restore electric service for any of the following reasons.
 - a. A bill, delivered pursuant to Electric Service Rule 8, is returned as being undeliverable by the United States Post Office.
 - b. The CUSTOMER has not contacted the DISTRICT to have the electric service transferred into a new CUSTOMER'S name at those PREMISES.
 - c. The CUSTOMER fails to submit payment of a dishonored TENDERED ITEM and associated fees pursuant to Electric Service Rule 9.C.
3. The DISTRICT may, without notice, discontinue or refuse to establish or restore electric service for any of the following reasons:
 - a. The operation of the CUSTOMER'S electrical equipment constitutes a dangerous condition.

- b. The actions of the CUSTOMER or any other person or persons occupying the same PREMISES as the CUSTOMER or their agent, or the condition of the CUSTOMER'S electrical equipment at the PREMISES or the DISTRICT'S electrical equipment on or serving the PREMISES, or any other evidence reasonably indicates an intent to defraud the DISTRICT.
 - c. The CUSTOMER refuses or fails to establish or reestablish credit in accordance with Electric Service Rule 6.
 - d. The CUSTOMER refuses or fails to comply with the terms of a PAYMENT ARRANGEMENT with the DISTRICT as defined in Electric Service Rule 11 (including PAYMENT ARRANGEMENTS for restitution of dishonored TENDERED ITEMS).
4. The FINAL DISCONNECT NOTICE under Section A.1 above, when given to a RESIDENTIAL CUSTOMER under Section A.1.a, b, or i shall include all of the following information:
- a. The name and address of the RESIDENTIAL CUSTOMER whose account is delinquent.
 - b. The amount of the delinquency.
 - c. The date by which payment or arrangements for payment is required in order to avoid termination.
 - d. The telephone number of a representative of the DISTRICT who can provide additional information or institute arrangements for payment.
5. Medical Baseline and Life-Support Program CUSTOMERS
- a. Service will not be discontinued for Medical Baseline and Life-Support Program CUSTOMER for nonpayment where a licensed physician or surgeon certifies that discontinuance of service to a RESIDENTIAL CUSTOMER will be life threatening to the RESIDENTIAL CUSTOMER and the RESIDENTIAL CUSTOMER demonstrates that he or she is financially unable to pay for service within the normal payment period and enters into a PAYMENT ARRANGEMENT with the DISTRICT as defined in Electric Service Rule 11.
 - b. The purpose of this program is solely to reduce the cost of electric service provided by the DISTRICT and in no way guarantees continuous service. It is the CUSTOMER'S responsibility to keep their bill current to prevent any interruption of electric service due to non-payment.
 - c. The RESIDENTIAL CUSTOMER is responsible for backup power to operate any life support device(s) in the event of a power outage or disconnection due to non-payment. The DISTRICT cannot guarantee continuous service at any time.
6. Service will not be terminated for non-payment of bills or credit deposit requests on the day before or days the offices of the DISTRICT are closed to the public.

B. Discontinuance of Service at CUSTOMER Request

1. CUSTOMER shall notify the DISTRICT by 3:00 p.m. not less than one (1) NORMAL WORKING DAY in advance as to when they desire to terminate their responsibility for service. No termination will occur on weekends or holidays.
2. CUSTOMER notification to the DISTRICT shall state the date on which they wish the termination of responsibility for service to become effective.

3. CUSTOMER will be held responsible for all service furnished at their PREMISES until the date of termination specified in their notification.

C. Restoration of Service: Reconnection Charges

1. The DISTRICT shall require the CUSTOMER to pay a disconnection processing fee, and a service restoration fee in accordance with DISTRICT'S then current FEE SCHEDULE before restoring electric service that has been discontinued for non-payment of bills or failure otherwise to comply with the electric service requirements, rate schedules or rules and regulations of the DISTRICT. These fees shall be paid, during NORMAL BUSINESS HOURS, at the DISTRICT'S MAIN OFFICE no later than 3:00 p.m. for same day reconnect. An after-hours reconnection fee will be assessed for reconnection after 3:00 p.m. in accordance with the DISTRICT'S then current FEE SCHEDULE.
2. In addition to any other charges authorized by Electric Service Rule 12, the DISTRICT may require the CUSTOMER to pay any extraordinary costs incurred by the DISTRICT for discontinuance or restoration of service which costs were caused by the CUSTOMER or CUSTOMER'S employee(s) or agent(s) intentional act or negligence.
3. The DISTRICT will not guarantee restoration of service on the same day of discontinuance of service.

D. Electrical Equipment Tampering Charge

1. In addition to any other charges authorized by the Electric Service Rules, and any statutory damages allowed by California law, the DISTRICT may collect from the CUSTOMER all costs incurred by the DISTRICT (a) to repair or replace any DISTRICT-owned electrical equipment that has been altered, tampered with, bypassed or damaged so as to improperly monitor the amount of the electricity furnished the CUSTOMER, and (b) to remove from the CUSTOMER'S PREMISES any instrument, appliance, apparatus, device, wire, line, or cable used to obtain electricity without incurring proper charges there for.

13. APPLICATION OF RATE SCHEDULES

A. Application

1. Whenever the DISTRICT adopts new Electric Service Rate Schedules, the DISTRICT will take such measures as may be practicable to inform all affected CUSTOMERS of the new schedules. Copies of all current rate schedules are available for public inspection in the DISTRICT'S MAIN OFFICE, and on the DISTRICT'S website.
2. Bills for electric service will be computed in accordance with the rate schedules adopted by the DISTRICT and applicable to the class of service supplied to the CUSTOMER. When the DISTRICT adopts new rates between METER reading dates, the DISTRICT will prorate the bills for the period between the METER reading dates based upon average daily consumption in the monthly reading cycle. Days of consumption will be determined for both old and new rates and the CUSTOMER will be billed accordingly.
3. All rate schedules of the DISTRICT apply to service supplied entirely by the DISTRICT without interconnection of the CUSTOMER'S facilities with any other source of supply, unless CUSTOMER has DISTRICT'S consent for a NET ENERGY METERING installation pursuant to Electric Service Rule 23.
4. If the APPLICANT or CUSTOMER refuses to state the purpose for which the electric service is to be used or is being used, or refuses or fails to allow DISTRICT employees to inspect the APPLICANT'S/CUSTOMER'S PREMISES to determine the amount, type or use of the electrical equipment installed therein, the DISTRICT shall have the right to do any one of the following:
 - a. Apply an appropriate rate schedule to the electric service; or
 - b. Refuse electric service to the APPLICANT; or
 - c. Discontinue electric service pursuant to Electric Service Rule 12, Section A.1.f.
5. If a CUSTOMER is being provided service pursuant to a specific written contract with the DISTRICT which provides for particular rates or all rates to remain fixed for any term, or which provides for rates to be set other than by generally applicable rate schedules adopted by DISTRICT, the terms of such contract will control.
6. When a different rate schedule is applied to an existing electric service between METER reading dates, the new rate schedule will apply to bills issued to the CUSTOMER after the new rate schedule is applied, without proration for the period between reading dates.

14. TEMPORARY SERVICE

APPLICABILITY: Facilities installed for temporary service or for operations of speculative character or questionable permanency shall be made in accordance with the fundamental installation and ownership provisions of this rule.

A. Establishment of Temporary Service

1. The DISTRICT may, if no undue hardship to its existing CUSTOMERS will result there from, furnish temporary service under the following conditions;
 - a. The APPLICANT shall pay, in advance or otherwise as required by the DISTRICT, the estimated cost of installation plus the estimated cost of removal, less the estimated salvage value of the facilities necessary for furnishing service.
 - b. The APPLICANT shall establish credit as required in Electric Service Rule 6.
 - c. All construction is required to be installed and inspected per current DISTRICT engineering standards.
 - d. Nothing in this rule shall limit the right of the DISTRICT to require the temporary service CUSTOMER, as a condition precedent to the continuation of such service, to provide additional sums of money to cover costs which may result from such temporary service furnished hereunder, or to refuse service if such service would, in the DISTRICT'S judgment, prove an undue hardship to the DISTRICT or to its CUSTOMERS.

- B. Change to Permanent Status. In addition to the above charges, contractors' service for construction power, where the temporary service can be easily relocated to the permanent service, requires a non-refundable advance payment of the temporary service charge in accordance with DISTRICT'S current policy, to cover the cost of temporary service and the subsequent relocation of the service to the permanent service entrance. Contractors' service, whereby the contractor installs the service entrance in a permanent location, thus not requiring the DISTRICT to subsequently relocate the service, will not require said advance payment.

15. SHORTAGE OF SUPPLY & INTERRUPTION OF DELIVERY

A. Shortage of Supply

1. The DISTRICT will attempt to furnish and deliver a continuous and sufficient supply of electric energy to its CUSTOMERS but does not guarantee the continuity or sufficiency of the supply of electric energy. The DISTRICT complies with and the CUSTOMER is subject to potential electric interruptions imposed by the DISTRICT'S power supplier or due to emergency ELECTRIC SYSTEM conditions.
2. The DISTRICT shall not be liable for shortage or insufficiency of supply, or any loss or damage of any kind or character occasioned thereby.
3. In case of shortage of supply and during the period of such shortage, the DISTRICT will apportion its available supply of energy among all CUSTOMERS in the most reasonable manner possible at the DISTRICT'S sole discretion.

B. Interruption of Delivery

1. Whenever the DISTRICT deems it necessary to make repairs or improvements to the system, it will have the right to temporarily suspend the delivery of electric energy. As much prior notice will be given as circumstances permit. Repairs or improvement will be made as rapidly as practicable and, if practicable, they will be made at such times as will produce the least inconvenience to the CUSTOMERS.
2. The DISTRICT shall not be liable for the interruption of supply of electric energy, or any loss or damage of any kind or character occasioned thereby.

16. LINE EXTENSIONS

APPLICABILITY: This rule is applicable to extension of electric distribution lines at the DISTRICT'S standard voltages necessary to furnish electric service to APPLICANTS:

A. General

1. Distribution Line Extension Basis

- a. DESIGN. The DISTRICT will be responsible for planning, designing, and engineering distribution line extensions using DISTRICT standards for material, design, and construction.
- b. OWNERSHIP. The distribution line extension facilities installed under the provisions of this rule, shall be owned, operated, and maintained by the DISTRICT.
- c. PERMITS and EASEMENTS. All permits and easements within PROJECT BOUNDARIES shall be obtained by APPLICANT at no cost to the DISTRICT.

2. Distribution Line Extension Locations

- a. RIGHTS OF WAY. The DISTRICT will own, operate and maintain distribution line extension facilities only:
 - i. along public streets, alleys, roads, highways and other publicly dedicated ways and places which the DISTRICT has the legal right to occupy, and
 - ii. on public lands and private property across which rights of way and permits satisfactory to the DISTRICT have been obtained without cost to or condemnation by the DISTRICT.
- b. NORMAL ROUTE OF LINE. The length and normal route of a distribution line extension will be determined by the DISTRICT.

3. Underground Distribution Line Extensions

- a. UNDERGROUND REQUIRED. Underground distribution line extensions shall be installed where required to comply with applicable laws and ordinances or similar requirements of governmental authorities having jurisdiction and where the DISTRICT maintains or desires to maintain underground distribution facilities.
- b. UNDERGROUND OPTIONAL. When requested by an APPLICANT and agreed by the DISTRICT, underground distribution line extensions may be installed in areas where it is not required, as provided in Section A.3.a above.

4. OVERHEAD DISTRIBUTION LINE EXTENSIONS. Overhead extensions may be installed only where underground distribution line extensions are not required as provided in Section A.3.a above.

5. SPECIAL OR ADDED FACILITIES. Any special or added facilities the DISTRICT agrees to install at the request of APPLICANT will be installed at APPLICANT'S expense, in accordance with Electric Service Rule 1 Special Facilities.

6. SERVICES. Service facilities connected to the distribution lines to serve an APPLICANT'S PREMISES will be installed, owned and maintained as provided in Electric Service Rule 17.

B. Installation Responsibilities

1. Underground Distribution Line Extensions

- a. APPLICANT RESPONSIBILITY. In accordance with the DISTRICT'S design, specifications, and requirements, APPLICANT is responsible for the following (within the PROJECT BOUNDARIES):
 - i. EXCAVATION. All necessary trenching, backfilling, and other digging as required.
 - ii. SUBSTRUCTURE AND CONDUITS. Furnishing, installing, and upon acceptance by the DISTRICT, conveying to the DISTRICT ownership of all necessary installed substructures and conduits and related substructures required to extend to and within subdivisions and developments. References to final grade shall be made available at developer's expense.
 - iii. PROTECTIVE STRUCTURES. Furnishing, installing, and upon acceptance by the DISTRICT, conveying to the DISTRICT ownership of all necessary protective structures.
- b. DISTRICT RESPONSIBILITY. The DISTRICT is responsible for furnishing and installing cables, transformers and other distribution facilities required to complete the distribution line extension.

C. Distribution Line Extension Allowances

1. The DISTRICT will grant an extension allowance to the APPLICANT in accordance with the DISTRICT'S then current FEE SCHEDULE, which will be applied against the cost to the APPLICANT of the line extension. Should electric service be discontinued before the DISTRICT recovers its construction costs, the CUSTOMER will be responsible for paying the DISTRICT the balance of the installation and removal costs of the extension.
2. If a customer installs DISTRIBUTED GENERATION within the first five (5) years of service, the CUSTOMER will be responsible for paying the DISTRICT the remaining balance of the line extension allowance.

D. Overhead Distribution Line Extensions For Subdivisions Or Developments

1. Overhead extensions may be constructed in residential subdivisions or developments only where the following are found to exist:
 - a. Local ordinances do not require underground construction.
 - b. Exceptional circumstances do not exist which, in the DISTRICT'S opinion, warrant the installation of underground distribution facilities.
 - c. The DISTRICT does not elect to install the distribution line extension underground for its operating convenience.

- E. The APPLICANT must pay the total amount of the applicable DISTRICT charges of the project before the DISTRICT schedules construction of any electric service facilities.

- F. Line extensions shall be either single phase or three-phase as determined by the DISTRICT.

- G. The charges and Electric Service Rules in effect on the date of a completed APPLICATION for a line extension shall apply to that line extension.
- H. Cancellation of Application for Service
 - 1. The APPLICANT is responsible for all work performed by the DISTRICT and the costs incurred for all the APPLICATIONS for service including fees and permits. The DISTRICT may cancel the APPLICATION for service if the APPLICANT does not proceed with the project and it becomes inactive for a period of time specified on the APPLICATION.
 - 2. If the project is cancelled by either party, the APPLICANT shall reimburse the DISTRICT for all work and costs incurred by the DISTRICT. The DISTRICT'S costs may include, but are not limited to, engineering, labor, materials and supplies, transportation and other direct costs which the DISTRICT charges to such work.
 - 3. Upon cancellation of the project by either party, the costs incurred by the DISTRICT shall first be deducted from any payments made by APPLICANT for that APPLICATION. Any residual CUSTOMER payments shall be refunded to the APPLICANT.

17. SERVICE CONNECTIONS/FACILITIES ON PREMISES

APPLICABILITY: This rule is applicable to the DISTRICT'S service facilities that extend from the DISTRICT'S distribution line facilities to the service delivery point.

A. General

1. DESIGN. The DISTRICT will be responsible for planning, designing, and engineering its service extensions using DISTRICT standards for design, materials and construction.
2. SERVICE FACILITIES. The DISTRICT'S service facilities shall consist of (a) primary or secondary underground or overhead service conductors, (b) poles to support overhead service conductors, (c) service transformers, (d) the DISTRICT-owned metering equipment, and (e) other DISTRICT-owned service related structures and/or equipment.
3. PRIVATE LINES. The DISTRICT shall not be required to connect service facilities to or service any APPLICANT from electric facilities that are not owned, operated and maintained by the DISTRICT.
4. SPECIAL OR ADDED FACILITIES. Any special or added facilities the DISTRICT installs at the request of APPLICANT will be installed at APPLICANT'S expense in accordance with Electric Service Rule 1, Special Facilities.
5. CONTRACTS. Each APPLICANT requesting service may be required to execute a written contract prior to the DISTRICT performing its work to establish service.
6. RIGHTS-OF-WAY. Rights-of-way or easements may be required by the DISTRICT to install service facilities on APPLICANT'S property to serve APPLICANT.
 - a. SERVICE FACILITIES. If the service facilities must cross property owned by a third party to service APPLICANT, the DISTRICT may, at its option, install such service facilities after appropriate rights-of-way or easements satisfactory to the DISTRICT are obtained without cost to the DISTRICT.
 - b. CLEARANCES. Any necessary rights-of-way or easements for the DISTRICT'S facilities shall have provisions to maintain legal clearances from adjacent structures.
7. ACCESS TO APPLICANT'S/CUSTOMER'S PREMISES. The DISTRICT shall at all times have the right to enter and leave APPLICANT'S/CUSTOMER'S PREMISES for any purpose connected with the furnishing of electric service (METER reading, inspection, testing, routine repairs, replacement, maintenance, emergency work, etc.) and the exercise of any and all rights secured to it by law, or under the Electric Service Rules. These rights include, but are not limited to:
 - a. The use of a DISTRICT-approved locking device, if APPLICANT/CUSTOMER desires to prevent unauthorized access to the DISTRICT'S facilities;
 - b. Safe and ready access for the DISTRICT personnel free from unrestrained animals;
 - c. Unobstructed ready access for DISTRICT vehicles and equipment to install, remove, repair or maintain its facilities; and

- d. Removal of any and all of its property installed on a CUSTOMER'S PREMISES after the termination of service.
- e. The DISTRICT may refuse or discontinue service pursuant to Electric Service Rule 12 if the APPLICANT/CUSTOMER does not provide permanent right of access.
- f. The APPLICANT shall obtain in DISTRICT'S name, and provide the DISTRICT with all necessary Right of Access easements.

B. Unmetered Services

1. Unmetered streetlight services shall be allowed, and shall be billed in accordance with the Electric Service Schedule LSC or LSC-1 as appropriate.
2. Unmetered loads of 2,400 watts or less may be allowed subject to approval by the DISTRICT and shall be billed in accordance with the Electric Service Schedule MEF.

C. Metering Facilities

1. General

- a. METER ALL USAGE. Delivery of all electric power and energy will be metered, unless otherwise provided for in the Electric Service Rules or other applicable laws.
 - b. METER LOCATION. All METERS and associated metering equipment shall be located at some protected location on APPLICANT'S PREMISES as approved by the DISTRICT.
 - c. All METERS shall be installed by the DISTRICT upon the APPLICANT'S/CUSTOMER'S PREMISES in a CUSTOMER panel or service entrance which conforms to DISTRICT specifications and in a location approved by the DISTRICT.
 - d. The DISTRICT may require CUSTOMER to provide a new METER location at CUSTOMER'S expense if an existing METER location becomes inaccessible.
 - e. APPLICANT/CUSTOMER shall furnish a suitable means for the DISTRICT to place its seal on METERS.
 - f. All metering installations shall be sealed by the DISTRICT and no such seal shall be broken or tampered with except by a representative of the DISTRICT authorized to do so.
 - g. Where METER transformers are furnished by the DISTRICT as part of the METER installation, the DISTRICT will also furnish the means of safe testing; but where such transformers are not used and the means for safe testing are required, the CUSTOMER may be required to provide a type of service switch incorporating the same. The DISTRICT upon request will furnish detailed information.
2. NUMBER OF METERS. Normally only one METER will be installed for a single-family residence or a single non-residential enterprise on a single PREMISES except:
- a. When otherwise required or allowed under the Electric Service Rules.
 - b. Where a performance meter is installed for a solar installation.

- c. At the option of and as determined by the DISTRICT, for its operating convenience, consistent with its engineering design; or
 - d. When required by law or local ordinance; or
 - e. When additional services are granted by the DISTRICT.
 - i. A single METER is required for each single enterprise operating in one building or group of buildings or other development on a single PREMISES such as, but not limited to, a commercial business, school campus or industrial manufacturer, unless otherwise approved by the DISTRICT.
3. MULTIPLE OCCUPANCY - In a building with two (2) or more tenants, or where more than one METER is used on the same PREMISES, the METERS normally shall be grouped at one central location, or as otherwise specified by the DISTRICT, and each METER position or socket shall be clearly and permanently marked by APPLICANT, CUSTOMER, or owner of the PREMISES to indicate the particular unit, occupancy, or load supplied by it.

D. Ownership of Service Facilities

1. Underground

a. Underground Service Facilities Located on CUSTOMER PREMISES

- i. SERVICE SWITCHGEAR/METER CABINET - Service switchgear (main breaker/fuse) and metering cabinet at the CUSTOMER'S point-of-connection will be owned operated (except metering section) and maintained by the CUSTOMER. Metering sections will be operated by the DISTRICT. Any switchgear or sub-panels beyond CUSTOMER'S main breaker/fuse will be owned, operated and maintained by the CUSTOMER.
- ii. SUBSTRUCTURE - All electric service substructure (conduit, vaults, transformer pads, etc.) used solely for the purpose of providing electricity to the CUSTOMER'S point-of-connection (service switchgear/metering cabinet) located on a CUSTOMER'S PREMISES will be owned by the CUSTOMER, but operated and maintained by the DISTRICT.
- iii. EQUIPMENT - All electric service equipment (conductors, transformers, metering, etc.) used solely for the purpose of providing electricity to the CUSTOMER'S point-of-connection (service switchgear/metering cabinet) located on a CUSTOMER'S PREMISES will be owned, operated and maintained by the DISTRICT.

b. Underground Service Facilities Not Located on CUSTOMER'S PREMISES

- i. SUBSTRUCTURE AND EQUIPMENT - All electric service substructure (conduit, vaults, transformer pads, etc.) and equipment (conductors, transformers, metering, etc.) used solely for the purpose of providing electricity to the CUSTOMER'S point-of-connection (service switchgear/metering cabinet) not located on the CUSTOMER'S PREMISES will be owned, operated and maintained by the DISTRICT.

2. Overhead

a. Overhead Service Facilities Located on CUSTOMER PREMISES

- i. SERVICE SWITCHGEAR/METER CABINET - Service switchgear (main breaker/fuse) and metering cabinet at the CUSTOMER'S point-of-connection will be owned operated (except metering section) and maintained by the CUSTOMER. Metering sections will be operated by the DISTRICT. Any switchgear or sub-panels beyond CUSTOMER'S main breaker/fuse will be owned, operated and maintained by the CUSTOMER.
 - ii. SERVICE POLE/SERVICE MAST - Poles or masts used to receive overhead electric service at the CUSTOMER'S point-of-connection will be owned and maintained by the CUSTOMER and operated by the DISTRICT.
 - iii. STRUCTURES AND EQUIPMENT - Structures (poles, towers, etc.) and equipment (conductors, transformers, metering, etc.) used solely for the purpose of providing electricity to the CUSTOMER'S point-of-connection (service pole/service mast) located on a CUSTOMER'S PREMISES will be owned, operated and maintained by the DISTRICT.
 - b. Overhead Service Facilities Not Located on CUSTOMER PREMISES
 - i. STRUCTURES AND EQUIPMENT – Structures (poles, towers, etc.) and equipment (conductors, transformers, metering, etc.) used solely for the purpose of providing electricity to the CUSTOMER'S point-of-connection (service pole/service mast) not located on the CUSTOMER'S PREMISES will be owned, operated and maintained by the DISTRICT.
3. The APPLICANT/CUSTOMER shall not charge the DISTRICT rent or any other charge or fee for DISTRICT-owned facilities on the APPLICANT'S/CUSTOMER'S PREMISES.

E. Customer Responsibility for Facilities

1. The CUSTOMER shall not tamper or interfere with, damage or destroy any electric service facilities installed on CUSTOMER'S PREMISES and the CUSTOMER shall exercise reasonable care to prevent the tampering or interference with, damage or destruction of any such electric service facilities. The CUSTOMER shall promptly notify the DISTRICT if the CUSTOMER discovers any tampering, interference, damage or destruction of electric service facilities.
2. The CUSTOMER shall, at CUSTOMER'S sole risk and expense, furnish, install, inspect and keep in good and safe condition all electrical equipment required for receiving electric energy from the lines of the DISTRICT, regardless of the location of the transformers, METERS, or other equipment of the DISTRICT, and for utilizing such energy, including all necessary protective devices and suitable housing therefore, and the CUSTOMER shall be solely responsible for the transmission and delivery of all electric energy over or through the CUSTOMER'S electrical equipment, and the DISTRICT shall not be responsible for any loss or damage occasioned thereby.
3. All facilities installed by the CUSTOMER shall conform to DISTRICT standards and governing agencies having jurisdiction.
4. All CUSTOMERS with DEMANDS exceeding 300 KW shall, at their own expense, provide and maintain a direct phone line at the point of metering. A tap off an existing line satisfies this requirement.

F. Transformer Installations on Applicant's Premises

1. APPLICANTS shall furnish space on their PREMISES as approved by the DISTRICT for either a transformer pole structure, pad-mounted transformer or an outdoor transformer station enclosure where service to a CUSTOMER cannot properly be accommodated on a DISTRICT easement or right-of-way.
2. APPLICANTS shall furnish rights-of-way and easements for the DISTRICT'S facilities as are needed to maintain legal clearances from adjacent structures and which will provide for adequate continuing access to the DISTRICT'S facilities.
3. APPLICANTS shall furnish any necessary concrete pads, substructures, or enclosures to accommodate the DISTRICT'S facilities. The DISTRICT upon request will furnish detailed information.

G. Services

1. General

- a. Only personnel duly authorized by the DISTRICT are allowed to connect or disconnect service conductors to or from the DISTRICT'S DISTRIBUTION SYSTEM, remove the DISTRICT-owned service facilities and equipment, or perform any work upon the DISTRICT-owned existing facilities.

2. Overhead Service from Overhead Facilities

- a. In areas supplied by the DISTRICT'S overhead facilities, the DISTRICT will furnish and install a service drop provided all CUSTOMER-installed facilities are approved by the DISTRICT.

3. Underground Service from Overhead Facilities

- a. In areas supplied by the DISTRICT'S overhead facilities, the DISTRICT will furnish and install a service riser provided all CUSTOMER-installed facilities are approved by the DISTRICT.

4. Underground Service from Underground Facilities

- a. In areas supplied by the DISTRICT'S underground facilities, the DISTRICT will extend an underground service connection to the facilities provided by the CUSTOMER at a point designated and/or approved by the DISTRICT.

H. Cancellation of Application for Service

1. The APPLICANT is responsible for all work performed by the DISTRICT and the costs incurred for the APPLICATION of service. The DISTRICT may cancel the APPLICATION for service if the APPLICANT does not proceed with the project and it becomes inactive for the period of time specified on the APPLICATION.
2. If the project is cancelled by either party, the APPLICANT shall reimburse the DISTRICT for all work and costs incurred by the DISTRICT. The DISTRICT'S costs may include, but are not limited to, engineering, labor, materials and supplies, transportation and other direct costs which the DISTRICT charges to such work.
3. Upon cancellation of the project by either party, the costs incurred by the DISTRICT shall first be deducted from any payments made by APPLICANT for that APPLICATION. Any remaining APPLICANT funds held by the DISTRICT shall be refunded to the APPLICANT.

18. METER TESTS AND ADJUSTMENTS OF BILLS

A. Additional definitions for use in Electric Service Rule 18.

1. **METER ERROR:** The incorrect measurement of electricity by a METER, which is registering more than 2% fast or 2% slow under conditions of normal operation. This includes stuck METERS and faulty DEMAND registers.
2. **BILLING ERROR:** The incorrect billing of an account due to an error by the DISTRICT or the CUSTOMER, which results in incorrect charges to the CUSTOMER.
 - a. Billing error includes, but is not limited to, incorrect METER reads or clerical errors, wrong daily billing factor, incorrect voltage discount, wrong CONNECTED LOAD information, crossed METERS, an incorrect billing calculation, an incorrect METER multiplier or an inapplicable rate.
 - b. Field error, including, but not limited to, installing the METER incorrectly and failure to close the METER potential or test switches, is also considered billing error.
3. **UNAUTHORIZED USE:** Unauthorized use includes, but is not limited to:
 - a. Un-metered use of electricity resulting from unauthorized connections, alterations, or modifications to electric supply lines and/or electric METERS;
 - b. Placing conductive material in the METER socket to allow energy to flow from the line side of the service to the load side of the service without a METER (cut in flat), unless performed by an authorized DISTRICT employee;
 - c. Installing an unauthorized electric METER in place of the METER assigned to the account;
 - d. Inverting or otherwise repositioning the METER, thereby altering registration;
 - e. Damaging the METER to stop registration, thereby rendering it un-testable;
 - f. Using the DISTRICT'S electric service without compensation to the DISTRICT in violation of applicable rates and/or DISTRICT rules.

B. Meter Tests

1. Any CUSTOMER may request the DISTRICT test CUSTOMER'S electric METER.
2. A CUSTOMER will receive one METER test at no charge. A METER test charge will be collected on subsequent METER tests in accordance with the DISTRICT'S then current FEE SCHEDULE.
3. The METER test charge will be returned to the CUSTOMER if the METER is found, upon test, to register more than 2% fast or slow under conditions of normal operation.
4. A CUSTOMER shall have the right to require the DISTRICT to conduct the test in CUSTOMER'S presence or, if they so desire, in the presence of an expert or other representative appointed by CUSTOMER. A report giving the result of the test will be supplied to the CUSTOMER within a reasonable time after completion of the test.

5. No METER will be placed in service or allowed to remain in service that has an error in registration in excess of 2% under conditions of normal operation.

C. Adjustment of Bills for Meter Error

1. Fast Meter

a. RESIDENTIAL AND NONRESIDENTIAL SERVICE:

When, as the result of any test, a METER is found to be more than 2% fast, the DISTRICT shall refund to the CUSTOMER the overcharge based on the corrected METER readings for the period in which the METER was in use, not exceeding twelve (12) months, unless it can be shown that the error was due to some cause, the date of which can be fixed. In this case, the overcharge shall be computed back to such date but not beyond three (3) years prior to the date the error is brought to the attention of the DISTRICT.

2. Slow Meter

a. RESIDENTIAL SERVICE:

If the METER for residential service, as the result of any test, is found not to register or to register more than 2% slow, the DISTRICT may bill the CUSTOMER for the amount of the undercharge. The billing may be based on the CUSTOMER'S average bill, the corrected usage, or the DISTRICT'S calculated estimate of the energy usage for the entire period not covered by the bills previously rendered but not to exceed twelve (12) months.

b. NONRESIDENTIAL SERVICE:

If a METER for nonresidential service, as the result of any test, is found not to register or to register more than 2% slow, the DISTRICT may bill the CUSTOMER for the amount of the undercharge based on the corrected usage or the DISTRICT'S calculated estimate of the energy usage for the entire period not covered by the bills previously rendered, but not beyond three (3) years prior to the date the error is brought to the attention of the DISTRICT.

D. Adjustment of Bills for BILLING ERROR

1. Billing Error which does not entitle the CUSTOMER to a credit adjustment includes failure of the CUSTOMER to notify the DISTRICT of changes in the CUSTOMER'S energy use, CONNECTED LOAD, equipment or operation, or failure of the CUSTOMER to take advantage of any noticed rate option or condition of service for which the CUSTOMER becomes eligible subsequent to the date of APPLICATION for service.
2. Where the DISTRICT overcharges or undercharges a CUSTOMER as the result of a billing error, the DISTRICT may render an adjusted bill to the CUSTOMER for the amount of any undercharge, without interest, and shall issue a refund or credit to the CUSTOMER for the amount of any overcharge, without interest, in accordance with the procedures and limitations set forth below.

a. BILLING ERROR Resulting in Overcharges to the CUSTOMER:

i. RESIDENTIAL AND NONRESIDENTIAL SERVICE

If either a residential or nonresidential service is found to have been overcharged due to billing error, the DISTRICT will calculate the amount of the overcharge, for refund or credit

to the CUSTOMER, for the entire period of billing error, but only for a period of not to exceed three (3) years.

b. BILLING ERRORS Resulting in Undercharges to the CUSTOMER

i. RESIDENTIAL SERVICE

If a residential service is found to have been undercharged due to a billing error, the DISTRICT may bill the CUSTOMER for the calculated amount of the undercharge for the entire period of error, but not to exceed twelve (12) months.

ii. NONRESIDENTIAL SERVICE

If a nonresidential service is found to have been undercharged due to a billing error, the DISTRICT may bill the CUSTOMER for the calculated amount of the undercharge for the entire period of error, but not to exceed three (3) years.

E. Adjustment of Bills for UNAUTHORIZED USE

1. When reasonable information exists that there has been inaccurate metering due to unmetered or unauthorized use of utility service resulting from actions by other than an authorized District employee, the customer may be billed for the amount of the undercharge, without interest, for the entire period during which such underbilling occurred. In estimating the duration of undercharges due to unmetered or unauthorized use of utility services, the District shall presume that such services were improperly used beginning on the date on which the customer's service connection was initially made until the date of the District's discovery, unless customer presents to the District evidence satisfactory to the District of a later date when such use began. The District also reserves the right to charge any additional amounts that may be authorized by law, including without limitation trebling of damages permitted under Cal. Civil Code Section 1182.2.
2. The DISTRICT may also recover the associated costs resulting from the unauthorized use including, but not limited to, investigative and equipment damage costs.

F. Special Notes

1. Nothing in this rule shall be interpreted as limiting the DISTRICT'S rights under any provisions of any applicable civil or criminal law.
2. In accordance with the provisions of Electric Service Rule 12, where the DISTRICT determines unauthorized use is occurring, the DISTRICT may refuse or discontinue service without further notice.

G. Calculation of Bills

1. Actual Usage

If accurate METER readings are available for the energy used but not covered by bills previously rendered, they will be used for billing purposes.

2. Estimated Usage

If accurate METER readings are not available or the electric usage has not been accurately measured, the DISTRICT may estimate the energy usage for billing purposes.

Estimated bills may be determined by the DISTRICT based on one or more of the following, without limitation:

- a. Accurately metered use from a remote check METER;
- b. The known percent of error in metering attributable to the unauthorized use condition as determined by the DISTRICT;
- c. Accurately metered use prior to the onset of the billing problem;
- d. The equipment and hours of operation of the CUSTOMER or person being billed;
- e. Accurately metered subsequent use of thirty (30) days or more if available;
- f. Annual use profile of at least three (3) CUSTOMERS with similar CONNECTED LOAD, PREMISES, load profiles, hours of energy use, etc. (percent of annual use); or
- g. Other reasonable and supportable billing methodology when none of the aforementioned billing techniques is appropriate under the individual circumstances.

19. SERVICE TO PREMISES AND USE OF ELECTRICITY

A. General

1. In order to render electric service to all CUSTOMERS at uniform rates and under equitable and nondiscriminatory service conditions, the DISTRICT will not permit CUSTOMERS to resell electricity supplied by the DISTRICT or install multiple METERS to the same PREMISES for the purpose of rate reduction. The DISTRICT will serve the following PREMISES in the indicated manner:
 - a. RESIDENTIAL
 - i. SINGLE-FAMILY RESIDENCE. All such residences shall be metered individually and served directly.
 - ii. MULTIPLE-FAMILY RESIDENCE. Each individual dwelling unit shall be served directly and metered separately from other dwelling units.
 - iii. The DISTRICT may, in its discretion, furnish separately metered service to electric equipment used in common by residential tenants or owners.
 - b. COMMERCIAL/INDUSTRIAL
 - i. Commercial/Industrial - All such PREMISES shall be metered individually except where the CUSTOMER demonstrates that the central space conditioning, water heating or similar service is directly wired to a separate metered panel. In such cases, where allowed by the authority having jurisdiction, the CUSTOMER shall be allowed to install common equipment on a separate METER, but will not be permitted to directly charge tenants for electricity consumed.
2. CUSTOMERS shall not use electricity received from the DISTRICT for purposes other than those specified in their APPLICATION for service.
 - a. Sub-metering of Electricity
 - i. CUSTOMERS may not retain sub-metering equipment as a means of retroactively adjusting tenant (ultimate consumer) rental charges for energy consumption. The DISTRICT does not permit sub-metering for re-sale or re-distribution of electricity under any circumstances.

B. Enforcement

1. CUSTOMERS who are receiving service in conflict with this rule and who fail to bring themselves into conformity within a reasonable time after receiving written notice from the DISTRICT shall have their service discontinued.

20. FACILITY CHANGES

A. General

1. A written contract prepared under the provisions of Electric Service Rule 5, may supersede all or part of this Electric Service Rule 20.
2. The DISTRICT, at its convenience, may make changes to existing DISTRICT facilities as requested by APPLICANT/CUSTOMER provided that the changes have no adverse effects to the DISTRICT or to any other DISTRICT CUSTOMER, and do not violate or require action under any existing interconnect agreement to which the DISTRICT is a party.
3. The FACILITY change APPLICANT/CUSTOMER shall compensate the DISTRICT fully for the requested FACILITY change.
4. All payments made to the DISTRICT by an APPLICANT/CUSTOMER pursuant to this rule shall be payable prior to the DISTRICT starting construction.

B. Relocation or Overhead to Underground Conversion

1. When project improvements affect DISTRICT electric facilities, the DISTRICT will be compensated for all associated costs. It is immaterial whether the request to the DISTRICT is initiated by a public entity or a developer.
2. When a project is funded by a public entity and relocation of DISTRICT facilities within the public right-of-way is required, the DISTRICT will normally relocate its facilities at its own cost except when: a) the area required for the project improvements includes private property in which the DISTRICT has an enforceable easement, or b) the public right-of-way is one in which the DISTRICT has a prior right. In such cases, the DISTRICT must be compensated for relocation costs.

C. Cancellation of Application

1. The APPLICANT is responsible for all work performed by the DISTRICT and the costs incurred by DISTRICT in proceeding with the APPLICATION. The DISTRICT may cancel the APPLICATION if the APPLICANT does not proceed with the project and it becomes inactive for the period of time specified on the APPLICATION.
2. If the project is cancelled by either party, the APPLICANT shall reimburse the DISTRICT for all work and costs incurred by the DISTRICT. The DISTRICT'S costs may include, but are not limited to, labor, materials and supplies, transportation and other direct costs which the DISTRICT charges to such work.
3. Upon cancellation of the project by either party, the costs incurred by the DISTRICT shall first be deducted from any payments made by APPLICANT for that APPLICATION. Any remaining APPLICANT funds held by DISTRICT shall be refunded to the APPLICANT.

D. SPECIAL OR ADDED FACILITIES. Any special or added facilities the DISTRICT agrees to install at the request of APPLICANT will be installed at APPLICANT'S expense, in accordance with Electric Service Rule 1.

21. MEDICAL BASELINE QUANTITIES

A. General

1. If you are a RESIDENTIAL CUSTOMER, you are assigned a baseline quantity. This quantity is the number of KILOWATT-HOURS (kWh) of electricity you may purchase at the DISTRICT'S lowest residential rate.
2. If you or a full-time resident in your home has a medical disability, you may qualify for a Standard Medical Baseline Quantity in addition to your regular baseline quantity. The Standard Monthly Medical Baseline Quantity is defined in the Electric Service Schedule RES2.
3. The purpose of this rate program is solely to reduce the cost of electric service provided by the DISTRICT and in no way guarantees continuous service. It is the CUSTOMER'S responsibility to keep their bill current to prevent any interruption of electric service due to non-payment.

B. Program Eligibility and Requirements

1. To qualify for a Standard Medical Baseline Quantity, you must certify in writing that you or a full-time resident in your home is:
 - a. Dependent on a life-support device (as defined in Part C below) used in the home or
 - b. A paraplegic, hemiplegic, or quadriplegic person, or a multiple sclerosis patient with special heating and/or cooling needs or
 - c. A person being treated for a life-threatening illness, or a person with a compromised immune system with special heating and/or cooling needs to sustain the life of the person or prevent deterioration of the person's medical condition or
 - d. A scleroderma patient with special heating needs.
 - e. Medical conditions other than multiple sclerosis, scleroderma, paraplegia, hemiplegia, quadriplegia, a life-threatening illness, or having a compromised immune system may also qualify CUSTOMERS for medical quantities for heating or air conditioning. Any such situations will be reviewed on an individual basis.
2. Program Requirements
 - a. If you believe that you qualify, please contact Customer Service at the DISTRICT'S MAIN OFFICE to request a copy of "Declaration of Eligibility for a Standard Medical Baseline Quantity".
 - b. The DISTRICT will require a physician or surgeon licensed in the State of California or a person licensed in the State of California in accordance with the Osteopathic Initiative Act to complete and return the form to certify that you qualify for a Medical Baseline Quantity.
 - c. This declaration is valid for two (2) years starting on the date the Physician's Certification is approved and received by the DISTRICT.

C. Life Support Devices

1. A life-support device is any medical device necessary to sustain life or relied upon mobility. To qualify under this rule, the device must be used in the home and must run on electricity supplied by the DISTRICT.
2. The term “life-support device” includes, but is not limited to, respirators, iron lungs, hem dialysis machines, suction machines, electric nerve stimulators, pressure pads and pumps, aerosol tents, electrostatic and ultrasonic nebulizers, compressors, IPPB machines, and motorized wheelchairs.
3. The RESIDENTIAL CUSTOMER is responsible for backup power to operate any life support device(s) in the event of a power outage or disconnection due to non-payment. The DISTRICT cannot guarantee continuous service at any time.

D. Heating and Air Conditioning

1. Special heating and/or air-conditioning needs will qualify you for a Standard Medical Baseline Quantity under this rule only if your main source of energy for heating or air conditioning is electricity supplied by the DISTRICT.

22. CALIFORNIA ALTERNATE RATES FOR ENERGY FOR INDIVIDUAL CUSTOMERS

A. General

- A. The Low-Income Ratepayer Assistance (LIRA) Program was established by the California Public Utilities Commission in Decisions 89-07-062 and 89-09-044. The program was revised in Decision 94-12-049 and the name changed to California Alternate Rates for Energy (CARE). The Board of Directors has adopted the CARE program. The purpose of the CARE program is to provide qualifying residential APPLICANTS with reduced energy charges. Application for the rate may be made by individually metered CUSTOMERS.
- B. Qualifying APPLICANTS for CARE shall be placed on the CARE rate starting with the next regular METER reading date following receipt of such CARE application by the DISTRICT.
- C. A Nonprofit Group-Living Facility or a Qualified Agricultural Employee Housing Facility may qualify for CARE, if it meets the eligibility criteria.

B. Eligibility

1. To be eligible to receive CARE the APPLICANT must qualify under the eligibility criteria set forth in Sections 2 and 3, below, and meet the certification requirements thereof to the satisfaction of the DISTRICT. Individually metered APPLICANTS/CUSTOMERS may qualify for CARE at their primary residence only.
2. The completed CARE application must be submitted to the DISTRICT. The DISTRICT will randomly verify the eligibility of APPLICANTS following enrollment.
3. The total gross annual income for all persons in the APPLICANT(S)' household may not exceed the annual income amounts listed in the DISTRICT'S then current FEE SCHEDULE.

C. Certification

1. Individually metered CUSTOMERS and other qualifying APPLICANTS in individually metered RESIDENTIAL DWELLING UNITS may become certified.
2. All APPLICANTS for certification must fill out the form required and provide it to the DISTRICT.
3. Self-certification:

Self-certification will be used to determine income eligibility for the CARE program. CUSTOMERS must sign a statement upon submitting a CARE application indicating that the DISTRICT may verify the CUSTOMER'S eligibility at any time. If verification establishes that the CUSTOMER is ineligible, the CUSTOMER will be removed from the program and the DISTRICT may render corrective billings.

D. Re-certification Requirement

1. Certification of individually-metered DISTRICT CUSTOMERS is valid for a period of two (2) years, except as provided in Section E.

2. APPLICANTS either suspected of or proven to have provided incorrect information in their CARE application may be required to re-certify at any time. Further, the DISTRICT reserves the right to conduct random audits to determine APPLICANTS' eligibility. Failure by any party, when asked to provide proper proof of eligibility to do so will result in disqualification of APPLICANT'S eligibility to receive the CARE rate. The DISTRICT may re-bill CUSTOMERS removed from the program for previous discounts received for which the participant did not qualify.
3. Upon the DISTRICT'S request that the APPLICANT re-certify eligibility following the regular expiration date of APPLICANT'S eligibility, the APPLICANT will have sixty (60) days to re-certify, after which if not re-certified APPLICANT will lose their eligibility under the CARE program.
4. It is the responsibility of the APPLICANT to immediately notify the DISTRICT when they are no longer eligible for the CARE program.

E. Misapplication of CARE

1. Certification for eligibility for the CARE program that is made based upon incorrect information provided by the APPLICANT shall constitute misapplication of CARE for the period under which the APPLICANT received CARE. The DISTRICT may re-bill the account at the CUSTOMER'S/APPLICANT'S otherwise-applicable rate schedule for misapplication of CARE. Such billing shall be for a period up to the most recent three (3) years. However, nothing in Rule 22 shall be interpreted as limiting the DISTRICT'S rights under any provisions of any applicable law or tariff.

23. NET ENERGY METERING RULE

A. Applicability

1. This rule is applicable to those CUSTOMERS who voluntarily request and qualify for service under the Electric Service Schedule NEM NET ENERGY METERING. These are CUSTOMERS who use solar electrical generating facilities with a capacity of not more than one megawatt and are interconnected to the DISTRICT'S electric grid.

B. Interconnection

1. CUSTOMER shall not connect any generation to the DISTRICT'S electrical grid or any part of the DISTRICT'S Electrical System until approval of the FACILITY and permission to interconnect is given to the CUSTOMER by the DISTRICT in writing. Such approval shall not be unreasonably withheld. CUSTOMER shall exercise reasonable diligence and deploy safety devices needed to ensure that inadvertent interconnections do not occur.
2. In order for a CUSTOMER to choose to apply for service under the Electric Service Schedule NEM, the CUSTOMER must complete an INTERCONNECTION APPLICATION. The INTERCONNECTION APPLICATION may contain other requirements not stated in these rules in accordance with applicable law or other requirements that the DISTRICT may deem necessary to ensure the safe and prudent operation of the utility system and the interconnection with the CUSTOMER. The DISTRICT may modify such INTERCONNECTION APPLICATION from time to time as deemed necessary by the DISTRICT.
3. The DISTRICT shall determine, at its sole and absolute discretion, whether the FACILITY is of sufficient size or location to require a system interconnection study. If any study is required, the CUSTOMER shall enter into a written agreement with the DISTRICT for the DISTRICT to perform the required study and shall pay the estimated or actual cost of the study as determined and required by the DISTRICT.
4. If the results of the interconnection study require the DISTRICT in its sole discretion to reinforce or upgrade its ELECTRIC SYSTEM or to install additional or other electric systems in order to properly interconnect the FACILITY, the CUSTOMER agrees that it shall enter into a separate written agreement with the DISTRICT such that the DISTRICT will construct the required reinforcements, and pursuant to which the CUSTOMER agrees that it shall pay any and all charges to reimburse the DISTRICT for its costs and expenses in constructing and installing the reinforcements, as determined and required by the DISTRICT.
5. The DISTRICT, after approval of the CUSTOMER'S INTERCONNECTION APPLICATION, and any other agreement which may be required hereunder, will interconnect and operate in parallel with CUSTOMER'S net metered generation subject to all applicable rules, regulations, and requirements of the DISTRICT, as amended from time to time. The CUSTOMER shall at all times be in compliance with all applicable dictates and requirements of Authorities Having Jurisdiction (AHJ – as defined in the most recent version of the NFPA National Electrical Code).

6. CUSTOMER shall be solely responsible for any and all legal and financial obligations arising from the construction, installation, design, operation, and maintenance of the FACILITY.
7. The CUSTOMER, at CUSTOMER'S sole cost and expense, shall obtain all permits and authorizations in accordance with all applicable laws and regulations for the construction, installation, design, operation, and maintenance of the FACILITY. All required permits and authorizations shall be kept current by the CUSTOMER.
8. The CUSTOMER will pay for the total cost of installation of a net meter in accordance with the DISTRICT'S then current FEE SCHEDULE.
9. The DISTRICT shall have the right to have its representatives present at the final inspection made by the governmental AHJ to inspect and approve the installation of the NET ENERGY METERING generation. CUSTOMER shall notify the DISTRICT, at least two (2) days prior to such inspection. If during this final inspection it is found that the net meter, performance meter, or lockable disconnect are installed incorrectly the CUSTOMER will pay for a final re-inspection in accordance with the DISTRICT'S then current FEE SCHEDULE.
10. The CUSTOMER shall provide a lockable and accessible knife-blade disconnect switch acceptable to the DISTRICT and clearly labeled "Generator Disconnect Switch" that will allow safe isolation of the CUSTOMER'S generator from the DISTRICT'S electrical facilities for maintenance and operating purposes. The primary locking provision shall be reserved so that DISTRICT personnel are capable of applying a padlock at any time to ensure the disconnect is locked open. The CUSTOMER shall be permitted to lock open the disconnect for maintenance purposes provided CUSTOMER uses a dual locking device that will enable DISTRICT personnel to safely and independently lock open the disconnect at any time.
11. If the CUSTOMER proposes to add additional generation capacity or otherwise alter the FACILITY that could potentially affect the interconnection with or operation of the DISTRICT'S ELECTRIC SYSTEM, then the CUSTOMER must submit a new INTERCONNECTION APPLICATION and obtain DISTRICT approval, prior to any new or increased interconnection.
12. The DISTRICT shall furnish and install one or more meters to capture generation or usage (e.g., KWH), by the FACILITY. Any meter installed shall remain the property of the DISTRICT. CUSTOMER shall provide and install a meter socket in accordance with DISTRICT'S metering standards. If the CUSTOMER desires more detailed metering equipment, all associated costs shall be paid by the CUSTOMER prior to interconnection.
13. CUSTOMER shall deliver available energy from the FACILITY to the DISTRICT at the DISTRICT installed METER or METERS for the FACILITY.
14. In the event the DISTRICT, in its sole discretion, determines that the FACILITY has caused any deficiencies in POWER FACTOR, the CUSTOMER shall install equipment to correct such deficiencies, at CUSTOMER'S sole expense.
15. Disturbances to the DISTRICT'S ELECTRIC SYSTEM shall be minimized by the CUSTOMER to the greatest extent possible. Such disturbances shall include but not be limited to lagging or leading POWER FACTORS, unacceptable voltage regulation, voltage flicker, or harmonics.

C. Operation

1. The DISTRICT shall have the right to perform FACILITY inspection and/or testing by DISTRICT personnel if there are indications that the FACILITY is not performing properly or if the DISTRICT determines that safe operation of their FACILITY is reasonable in question.
2. CUSTOMER may reconnect the NET ENERGY METERING generation to the DISTRICT'S system following normal operational outages and interruptions without notifying the DISTRICT unless the DISTRICT has disconnected service to the CUSTOMER, or the DISTRICT notifies CUSTOMER that reconnection poses the reasonable possibility of a safety hazard. If the DISTRICT has disconnected service to the NET ENERGY METERING generation or CUSTOMER service FACILITY, or the DISTRICT has notified CUSTOMER that a reasonable possibility of a safety hazard caused by reconnection, then the CUSTOMER shall contact the DISTRICT'S Operation Administration and obtain the DISTRICT'S authorization prior to reconnecting to the DISTRICT'S ELECTRIC SYSTEM.
3. CUSTOMER at all times shall operate and maintain the FACILITY in a safe and prudent manner and in full conformance with all applicable solar or wind electrical generating system safety and performance standards established by the National Electrical Code (NEC), the Institute of Electrical and Electronic Engineers (IEEE), and accredited testing laboratories such as Underwriters Laboratories, and where applicable, rules of the Public Utilities Commission regarding safety and reliability, and applicable laws, regulations, and building codes, as may be amended from time to time.
4. CUSTOMER shall reimburse and hold harmless the DISTRICT for any and all losses, damages, claims, penalties, or liability it incurs as a result, in whole or in part, of CUSTOMER'S failure to obtain or maintain any governmental authorization and permits required for construction and operation of the FACILITY. CUSTOMER shall reimburse the DISTRICT for any and all losses, damage, claims, penalties or liability the DISTRICT may incur in whole or in part, due to CUSTOMER'S failure to follow the DISTRICT Rates and Rules.
5. By submitting an INTERCONNECTION APPLICATION and obtaining DISTRICT approval thereof, the CUSTOMER hereby consents and authorizes the DISTRICT entry onto CUSTOMER'S PREMISES without prior notice for the following reasons:
 - a. To inspect, at reasonable hours, the FACILITY'S protective devices and to read or test any DISTRICT METER; to disconnect at any time, without notice, the FACILITY if, in the DISTRICT'S sole and absolute discretion, an immediate or potential hazardous condition exists, whether due to the FACILITY, the CUSTOMER'S operation of the FACILITY and/or all applicable requirements, or otherwise.
6. In the DISTRICT'S sole and absolute discretion, the DISTRICT may require the CUSTOMER to enter into a separate written operating agreement with the DISTRICT, which agreement will govern the CUSTOMER'S operation of its FACILITY in accordance with Electric Service Rule 5.

D. Electric Rate Schedules; Renewable Energy Credits

1. If eligible, the DISTRICT will place the CUSTOMER on the applicable NET ENERGY METERING rate schedule. The CUSTOMER expressly acknowledges that the applicable rate may be modified from time to time, and CUSTOMER consents to any such modification.

2. Renewable Energy Credits. Except to the extent otherwise required by law, the CUSTOMER acknowledges and agrees that by accepting a solar incentive payment from the DISTRICT, the DISTRICT shall own and be entitled to 100% of the Renewable Energy Credits and associated renewable attributes attributable to the FACILITY.

E. Interruption or Reduction of Deliveries

1. The DISTRICT shall not be obligated to accept or pay for, and the DISTRICT may require CUSTOMER to interrupt or reduce, the delivery of available energy generated by the FACILITY under the following:
 - a. Whenever the DISTRICT, in its sole and absolute discretion, determines that the interruption or reduction is necessary in order for the DISTRICT to construct, install, maintain, repair, replace, remove, investigate, or inspect any part of the DISTRICT'S ELECTRIC SYSTEM.
 - b. If the DISTRICT, in its sole and absolute discretion, determines that the interruption or reduction is necessary as a result of a hazardous condition, voluntary or involuntary outage, or in order to correct or comply with a prudent utility practice.
 - c. The DISTRICT shall have the right to disconnect any generation from the DISTRICT'S ELECTRIC SYSTEM that, in the DISTRICT'S sole and absolute discretion, is causing an unacceptable disturbance on the DISTRICT'S ELECTRIC SYSTEM.
 - d. In the DISTRICT'S sole and absolute discretion, the DISTRICT will attempt to provide the CUSTOMER with at least twenty-four (24) hours prior notice of a planned interruption, outage, or reduction of delivery of energy from the FACILITY, to the extent it is practicable.

F. Interconnection Capacity

1. For existing projects, the interconnection capacity is set equal to the maximum kW output of the FACILITY. For new projects or increases of output in existing project, the interconnection capacity shall be established by the DISTRICT. The DISTRICT shall have the right to require the CUSTOMER to reimburse the DISTRICT for performing a technical study to establish the interconnection capacity.
2. Power deliveries to the DISTRICT'S ELECTRIC SYSTEM shall not exceed the interconnection capacity specified in INTERCONNECTION APPLICATION at any time, and the DISTRICT shall not be obligated to accept such excess power. In the event that power deliveries exceed the interconnection capacity, the Parties, at either Party's request, shall meet to determine the reason that the interconnection capacity was exceeded. If the Parties determine that such an event was not due to a hazardous condition and is reasonably likely to occur again then a new interconnection capacity shall be established. CUSTOMER acknowledges and agrees that the DISTRICT shall have the right, in the DISTRICT'S sole discretion, to require that a study be conducted by the DISTRICT in order to determine if additional facilities, including but not limited to upgrades to the DISTRICT'S ELECTRIC SYSTEM, are required to accommodate the increased interconnection capacity. The cost of any such study shall be paid by the CUSTOMER prior to approval of an INTERCONNECTION APPLICATION. If, as a result of the study, additional facilities are required to accommodate the interconnection capacity, all costs of installing such facilities, including but not limited to the applicable overheads, shall be paid by CUSTOMER. In any event, the DISTRICT'S determination hereunder shall be final and not subject to appeal.

G. Other

1. The CUSTOMER acknowledges and expressly agrees that it shall defend, indemnify and hold harmless the DISTRICT, its employees, directors, officers, and agents, from any and all liability arising from the installation, operation, maintenance, and interconnection of the FACILITY to the point of interconnection.
2. The CUSTOMER expressly acknowledges and agrees that the DISTRICT shall not be liable whether in contract or in tort or under any other legal theory to the owner of a NET ENERGY METERING generation FACILITY, or any other person or entity for any of the following that arises out of the CUSTOMER'S use of a NET ENERGY METERING generation FACILITY, for (1) lost generation revenue; (2) loss of use revenue or profit; (3) cost of capital; (4) substitute use or performance; or (5) for any other incidental, indirect, special, exemplary, punitive or consequential damages.