

**CUSTOMER
POLICIES & PROCEDURES**

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Effective September 1, 2008

GENERAL STATEMENT

Rockwood Electric Utility has adopted the following rules, regulations, and rate schedules which are consistent with its contract with TVA for the resale of electric power to its consumers. These will apply to all class types of service requested whether by contract or other agreements. Acceptance of service from the Utility constitutes approval by the customer of these rules and regulations but in no case shall they relieve any other existing or prior obligations to the Utility.

RESPONSIBILITY

All rules and regulations for the health and safety of its consumers as well as electrical inspections are given for guidance and REU will not be expected to enforce or be responsible for their application or use. All electrical wiring by the customer or its contractor should be installed by the standards of the National Electrical Code and the State of Tennessee – Department of Commerce and Insurance. It is the responsibility of the State Inspector to inspect customer wiring to determine if it is installed according to standards and if it is safe to be connected to the Utility electrical power source. REU reserves the right to refuse service if not approved by the State or if the installation for hook-up is not installed in the proper location and by the standards established by the Utility. The Utility accepts no responsibility for damages to property or bodily injury where violations occur.

These rules and regulations are subject to change or revision without notice and when approved by the Board are to take effect immediately.

INFORMATION TO CUSTOMERS

Information to customers about rates and service policies is available upon application for service and upon request. Requests for information may be made in person at the Rockwood or Kingston Office or by phone or mail.

Information may include but not be limited to the following:

1. Current service practice policies.
2. Current rates.
3. Monthly KWH usage for previous year.

Customers shall be notified of the availability of service policies, rate information and energy use by public displays, radio, newspaper or mail.

APPLYING FOR SERVICE

(865) 354-0514

(865) 376-7545

Residential and Small Commercial

When applying for electrical service you must appear in person and sign a formal application or contract. You cannot have someone else apply for you. You will need to be able to show your drivers license and one other type of I.D. If you are renting you will need to show your rental receipt. The rental receipt should show the date, name of renter, location of the property, landlord's phone number, and be signed by the landlord. A security deposit is required in many cases and is explained on page 15. Other charges are listed on page 6.

If you are applying for service to property inside the city limits of Rockwood, you will need to bring a letter of occupancy. This is available from the office of Jim Hines at Rockwood City Hall.

If you are applying for new service, whether temporary or permanent, in Roane and Morgan Counties, you must bring your building permit which is available from the Building Inspector's Office. In Cumberland County, you will need to bring your septic tank papers from the County Health Department.

If you are applying for service to a dwelling or building which has had prior service and has not been rejected for service by the State Fire Marshall, we will try to turn on your service the same day of your request provided you properly apply before noon.

You will need to meet with a representative from REU's engineering department, before installing any wiring or equipment, to discuss service arrangements and to have your meter base location spotted. This policy must be adhered to if you are to prevent bearing unnecessary expense. When the wiring is installed in a new dwelling or building and before it is concealed you will need to get a rough-in inspection. When you are ready for permanent service you will need to make arrangements for a final inspection. After all fees have been paid, right-of-ways cleared, and inspections made by the state inspector, service will normally begin within 2 to 5 days depending on the weather and other scheduled work.

As a homeowner you are allowed to obtain one wiring permit per year. If you hire an electrician, that person will need to obtain the permit. A permit can be purchased from the Department of Commerce & Insurance at Scandlyn Lbr. Co. in Rockwood or Kingston. The State Inspector is Lennie Dykstra. He is available Monday thru Thursday between 6:30 a.m. and 8:00 a.m. only. If you have any electrical questions or are ready for an inspection you may call him at 376-8945 during the time listed above.

Commercial and Industrial

Commercial and Industrial customers requiring 3-phase service shall be required to sign a standard contract or application for commercial and industrial service. This contract shall include a “contract demand” for all loads greater than 50 kW. The customer may be required to make a deposit to cover any unrecoverable expenses by the utility. Deposits so made will be returned immediately and in full where service cannot be supplied in accordance with these rules and regulations.

The term “contract” means an officially executed agreement between REU and another party using commercial and/or industrial electrical service at a specified location.

- The contract cannot be canceled or demand lowered during its initial term unless approved by the General Manager upon review with the Utility Board.
- The contract will be automatically extended after the initial term unless canceled by either party under the terms of the contract.
- If the customer requests that the contract demand be lowered after the initial term, a new contract will be executed.

- The customer shall obtain approval from REU for the type of services and voltage needed before purchasing equipment or installing electrical wiring. All service equipment and wiring must conform to the NEC, NESC, REU’s standards and specifications, and/or any other governing authority within the jurisdiction where the equipment will be installed.

SERVICE CHARGES AND FEES

SERVICE

FEES

Residential new service connections	\$ 20.00	
Minimum deposit	200.00	Effective 3-3-03
Meter set (regular hours) which includes \$20.00 reconnection fee and \$15.00 service charge	35.00	
Meter set/reconnection (after hours)	100.00	Effective 3-1-04
Returned check charge	20.00	
Meter test charge	100.00	
Cut seal charge	25.00	
Cost of setting a 30/6 pole	200.00	initial
Cost for temporary service	100.00	
Meter tampering/power diversion	200.00	
Security light (existing pole and facilities)	no charge	

November 1, 1994

Bad Checks	20.00
Fine for seal cut program	25.00
Change O/H Policy	

***Returned Checks:** If we receive two returned checks in a 12 month period we will not accept anymore checks on the account. After 1 year from the last returned check if the customer request REU to consider accepting checks again, the Office Manager shall review the account and make the final decision.

Service Policy

General

Any work done or material used that will not be considered as part of a future permanent service may be charged to the customer. This includes installation and removal of such facilities. It also includes but is not limited to work done to provide service to construction poles, campers, barns, tents, short term or seasonal loads. These costs are to be paid prior to providing service and are independent of cost obligations for electrical usage. After application for service, we will need to spot the location for your temporary pole and discuss arrangements for permanent service.

TEMPORARY

Temporary Service

After you have made a request for temporary power, a representative of REU will stake a location and mark it with an orange ribbon. It will generally be located within 70 feet of a service pole. It should be braced and tall enough to allow a minimum of 12 ft. of ground clearance at its lowest point. REU will try to locate the pole so that it does not interfere with vehicular traffic. There should be a minimum of 18 inches of loose ends at the point of service attachment.

PERMANENT

Residential – Overhead

You will need to have REU's engineering department determine the location of the meter center. They will inform you at that time if there are trees to be cut or pruned to provide a clear path for the service. It is generally best to install a service mast 2" (rigid conduit) which extends above the roof 40". The top of it should be capped with a weather head. The entrance conductors should extend a minimum of 18" outside the weather head. The top of the service mast should be a minimum of 13' above finished grade. Service lines should clear windows, doors, porches, fire escapes, etc. by a minimum of 3' measured horizontally. The center of the meter socket should be 5 ½ to 6 ft. above finished grade.

Services to Manufactured Homes

Service to a mobile home requires that our engineering department stake the location for the trailer service pole. The proper pole and setting requirements are attached. The mobile home must be in place or a staked outline of its location be provided with the entrance for the electrical service clearly marked. Your trailer pole and wiring must be inspected by the State of Tennessee, pass inspection, and all fees must be paid before service is provided. Service will normally be provided in 2 to 5 days but will vary depending on prior work scheduling and weather. For service that requires only a meter set, such as a mobile home park, it can normally be worked the next day. The customer will be responsible for providing and clearing any needed right-of-ways. Mobile homes may be considered a permanent dwelling provided they meet the following requirements:

- (1) Installed on a solid concrete foundation.
- (2) Wheels, axles, and tow frame removed.
- (3) Located on property for which there is proof of ownership by occupant or an approved long term lease.
- (4) Connected to city sewerage, or approved septic system.
- (5) Connected to utility water system or approved well on premises.

An individual mobile home which does not meet the conditions described above under "Permanent Installation" is considered a temporary installation and will be served under the following provisions:

Customer shall pay as a non-refundable contribution in aid of construction the following amount:

1. If meter and service only are required, the amount of twenty dollars (\$20.00).
2. If more than meter and service are required, the amount is the estimated non-recoverable cost of service facilities installed for the consumer's exclusive use. This estimated non-recoverable cost includes cost of installation and removal and cost of such material as would not normally be reusable.

Campers, Barns, Garages, Seasonal Dwellings, etc.

Service to part-time use facilities will be provided at no charge if service can be given with an overhead drop from existing facilities. The customer will be required to pay for any added cost beyond a service drop as the low energy use from these units do not justify the cost to R.E.U. which is eventually borne by all other rate payers. Our obligation is to provide needed service to customers in permanent full-time use facilities in the most economical manner possible. Upon request an estimate of the cost to serve these type facilities will be made.

RESIDENTIAL UNDERGROUND SERVICE

Policy & Procedures

The Utility normally utilizes current and standardized overhead facilities in providing electric service from its overhead distribution system. Although underground facilities are still considerably more expensive than overhead facilities, it is the Utility's policy to monitor developments in underground conductors, apparatus and installation methods, and to encourage underground installations when economically feasible, consistent with the principle of making low cost electric service available to all the Utility's customers on a non-discriminatory basis. The Utility may, at its discretion, employ underground methods to solve its distribution problems, such as may occur in a congested area, or for technical and safety reasons. In all cases, installations of underground facilities to the customer's delivery point shall be in accordance with standards and specifications provided by or approved by the Utility.

If you desire your **residential** service to be underground and power is available from an existing transformer, secondary pole, or pedestal you will be responsible for opening the necessary trench to the required depth and installing the proper size conduit and approved fittings. The trench must be dug on a straight line from stake to stake as laid out by our engineering department with minor deviations in trench depth. It will be necessary to use long sweep (36 inch radius) elbows at each end of the trench. An adequate pull string will need to be installed in the conduit and accessible at each end. The customer is responsible for scheduling an inspection of the conduit system by REU personnel before installation of service conductors.

Detailed specifications for underground services are available on our website at www.rockwoodelectric.com under the "Engineering" link. Hard copies are also available and can be requested at either the Rockwood or Kingston Offices.

Fees

Effective September 1, 2008

A flat fee of **\$350.00** will be charged for a 200 amp underground service. This cost includes a 200 amp meterbase and installation of the service conductors by REU personnel. A flat fee of **\$500.00** will be charged for a 400 amp underground service and also includes a meter base, lugs, and service conductors. Meter bases may be picked up at the utility's warehouse in Rockwood or at the Kingston office. All fees must be paid in advance before the electric service is connected.

Residential services less than 400 amp will **not** be energized except under extreme conditions following a "service entrance" inspection. Service entrances less than 400 amp are required to pass a final inspection before being energized and having a meter set.

Commercial

Special arrangements may be developed by the Utility for the customer to pay for the "excess cost" of underground facilities or to provide underground access facilities or such other installation of service facilities which is acceptable to the Utility, in lieu of a payment, based on principles described under "Developments".

LINE EXTENSIONS

The Rockwood Electric Utility will extend new high voltage power lines at the as necessary to provide adequate service to the customer. The person/persons/developer will abide by all rules and regulations of the Electric Utility which shall include but not be limited to securing of all easements and clearing all rights-of-way. The customer will be required to furnish and clear 25 foot minimum width (ground to sky) right-of-way for the power line. An application for service must be completed and all deposits paid before any line construction is started.

The Utility will provide up to 600' of new overhead power line at no cost. All construction cost beyond 600' will be borne by the customer. In the event that any new full time permanent customers are added to the line beyond the initial 600' construction, credit will be allowed to the original customer (payee) for each new added customer up to an amount of 600' each. Credit to be allowed is not to exceed the original cost of the primary extension and is allowed only during the first 12 months after the initial line is completed. After that no credit will be allowed and no refunds will be made.

For aesthetic reasons as well as reduction in future maintenance the REU Board has extended the 600 ft. free allowance for overhead primary extensions to include underground primary extensions up to a maximum of 800 feet where possible. The customer will be responsible for opening and closing the necessary trench to a depth of 48 inches and installing schedule 40 – 2 inch conduit and long sweep schedule 80 elbows at each end of the trench. Any deviations in direction and/or evenness of bottom of trench should be minor to aid in the ease of pulling wire through the conduit. A stout cord should be installed in the conduit with its ends available at each conduit stub-up. Any

charges assessed will need to be paid before work is begun. A high voltage warning tape (furnished by REU) is to be installed as the trench is back filled and placed one foot minimum and two foot maximum above the primary conduit.

Developments

(Adopted 5-23-02)

1. General

For purposes of this policy, developments or subdivisions are defined as two or more adjoining lots with a common road or access easement.

Rockwood Electric Utility (REU) believes that the ratepayers should not subsidize expenses generated by private concerns. Minimum risk is assumed by the utility. In all cases, service will be offered to the developer by methods which are consistent with acceptable standards and can be installed at the least cost.

The developer shall be required to enter into a formal agreement with REU before service can be provided.

Electric service involving an extension or upgrade of primary lines to a development or subdivision will require the payment of a deposit or contribution in aid to construction. Such payment may be refundable in whole or in part according to the terms specified in the agreement to provide service. Anticipated loads requiring expansion or construction of a substation will also require the developer to bear such costs. All fees and construction costs shall be paid before construction begins or materials are issued to the developer.

The term “deposit” means an amount pledged to provide assurance of the developer’s performance within the terms and time conditions of the agreements. Deposits may be in the form of cash, a performance bond, or other security deemed acceptable by the utility.

As a minimum, the developer shall:

- include in the development restrictions that any trees, shrubs, facilities, etc. installed over, under, and/or around REU equipment and facilities must be approved in writing by REU.

- furnish REU with plot plans approved and recorded as required by applicable Planning Commissions. Plans shall be provided in advance for REU to prepare aid to construction costs. Plans which have been computer generated shall be submitted in AutoCad.DWG or .DXF format. A copy of manual drawings shall be provided.

- provide a 10’ minimum easement along front lot lines, exclusive from road right-of-way.

- perform all right-of-way clearing in accordance with REU specifications.

- ensure lot lines are pinned and staked.

- ensure roads on which electric service is requested are graded and usable as determined by REU.

Cutting and backfilling shall be substantially complete.

- ensure all easements are clearly marked and recorded.

REU facilities shall not be installed until construction of facilities of potential customers is in progress.

2. Residential

2.1 General

- 2.1.1 Distribution facilities (overhead, underground, or a combination of both) along rights-of-way and easements within approved residential developments is available to the developer on the basis that revenue from the project will justify the utility investment.
- 2.1.2 Where the size of the development requires three phase distribution lines to balance loading, the developer may be required to pay the additional costs, subject to reimbursement.
- 2.1.3 The developer is entitled to a reimbursement of their investment up to a period of 5 years as the development takes place and permanent, full-time customers are added. The level of refund per lot will vary based on the anticipated power consumption of each individual dwelling.
- 2.1.4 The basic level of service for a residential subdivision will be a single phase transformer (120/240 VAC) and a service.
- 2.1.5 Overhead or underground service to any lot within the development or subdivision will be treated as an individual residence according to the current service policy for individual customers.

2.2 Overhead Residential Policy

- 2.2.1 The property owner shall provide a clear path for the service installation, including tree trimming or removal.
- 2.2.2 The installation of a service pole for secondary and service will be installed at no cost to the owner when, in the opinion of REU, the pole is required for proper clearances, safety concerns, etc.
- 2.2.3 When a customer desires a service connection in a location that would make a service pole necessary, the customer shall pay for the cost of installing the pole and related hardware.

2.3 Underground Residential Policy

- 2.3.1 The developer will be responsible for all ditching, backfilling, vault installation, conduit installation, etc. in accordance with REU standards and specifications.
- 2.3.2 REU shall be responsible for inspecting all ditching, backfilling, conduit, and vault installations.
- 2.3.3 REU will install underground cables, transformers, and make all connections.

3. Commercial

3.1 General

- 3.1.1 Distribution facilities (overhead, underground, or a combination of both) along rights-of-way and easements within approved commercial developments is available to the developer on the basis that revenue from the project will justify the utility investment.
- 3.1.2 The basic level of service for customers whose estimated demand is less than 50 kW and estimated monthly kilowatt hour usage is less than 15,000 kWh shall be a single phase transformer and minimal amount of overhead or underground service.
- 3.1.3 Commercial customers requiring 3-phase service shall be required to sign a standard contract for commercial service.
- 3.1.4 The developer is entitled to a reimbursement of invested monies up to a period of 5 years as full-time commercial customers are added and “power contracts” are signed.
- 3.1.5 The level of refund per lot will vary based on the anticipated power consumption of each commercial customer.

3.2 Overhead Commercial Policy

- 3.2.1 The following voltages are available for overhead commercial customers:
 - 120/240 VAC, single phase, 3-wire
 - 208Y/120 VAC, three phase, 4-wire
 - 120/240 VAC, three phase, 4-wire (by special arrangement only)
 - 480Y/277 VAC, three phase, 4-wire
 - 240/480 VAC, three phase, three wire
- 3.2.2 The property owner shall be responsible for providing a point of attachment at the building for overhead services.
- 3.2.3 For overhead services, the utility will maintain the service up to the weather head.
- 3.2.4 Metering can be provided at the pole or on the building as determined by REU.
- 3.2.5 The property owner shall provide a clear path for the service installation, including tree trimming or removal according to REU policy.

3.3 Underground Commercial Policy

3.3.1 The following voltages are available for underground commercial customers:

- 120/240 VAC, single phase, 3-wire
- 208Y/120 VAC, three phase, 4-wire
- 480Y/277 VAC, three phase, 4-wire

3.3.2 Metering can be provided at the transformer or on the building as determined by REU. The owner will be required to supply, install, and maintain all service wiring and provide terminal lugs for connection at REU equipment. REU will make all connections at the transformer.

3.3.3 The developer will be responsible for all ditching, backfilling, vault installation, conduit installation, etc. in accordance with REU standards and specifications.

3.3.4 REU shall be responsible for inspecting all ditching, backfilling, conduit, and vault installations.

3.3.5 REU will install primary cables, transformers, and make all connections.

AVAILABLE SERVICE TYPES

Residential or Small Commercial

- (1) 120/240 volts 3 wire with grounded neutral-60HZ.

Listed below are the available standard voltages and transformers for various type services. Special voltages and service arrangements maybe available other than those listed. These require consultation with REU as to their availability and cost. REU will not be obligated to provide special services but will work with the prospective customer to try and provide these needs.

10 KVA Minimum – 167 KVA Maximum

- (2) 120 volt single phase – 2 wire with grounded neutral – 60HZ.

5 KVA minimum – 25 KVA maximum mostly available for small lighting loads such as parking lot lighting or signs.

- (3) 120/208 volts three phase – 4 wire with grounded neutral – 60HZ.

30 KVA minimum – 500 KVA maximum.

- (4) 277/480 volts three phase 4 wire with grounded neutral- 60HZ.

45 KVA minimum – 500 KVA maximum for overhead service.

500 KVA minimum – 1500 KVA maximum for underground pad mounted service.

- (5) 7200/12470 volts three phase 4 wire with grounded neutral – 60HZ.

Customers requiring this type service will need to negotiate with REU as to the total service arrangement.

SECURITY DEPOSITS

The customer shall deposit with the Utility a deposit as security for the performance of obligations by the customer. Failure of customer to make such deposit when called upon by the Utility will give the Utility the right to refuse service.

When deposit and service charge are paid by check and check is returned the customer's power can be disconnected immediately without any further notice.

RESIDENTIAL

Residential customers are required to pay a minimum deposit equal to the anticipated average monthly bill but in no case less than \$200.00 plus a \$20.00 service charge. The amount or need for a security deposit will be determined from the following:

1. Bring a letter of credit from another Utility.
2. Have had service with the local utility for at least one year.
3. Had an excellent credit rating for the past year.

Notwithstanding the deposits described above, if a customer has been disconnected for nonpayment and applies for reconnection, the Utility Board may, based upon the customer's unsatisfactory record of payments, require of the customer a deposit in an amount up to approximately the customer's average monthly electric bill.

Deposits will be returned to customers periodically as determined by the Utility Board or refunded when service is terminated and the final bill is paid.

After 2 years of satisfactory payment record, deposit may be refunded to residential property owners, no interest will be paid on deposits. Deposits to be refunded will be in alphabetical order beginning June 30, 1971, and will continue to be made as fast as feasible until all eligible refunds have been made.

No deposit shall be transferable or assignable by customer. Interest will not be paid on deposits.

COMMERCIAL

The deposit for commercial service is set by the Manager of Customer Services and may be based on the actual investment to provide service but in no case less than 2 times the anticipated average monthly bill or \$200.00 whichever is greater.

RATES

The applicable rates in force are those approved by resolutions of the Board and are established based on the wholesale rates set by TVA. The margin established above wholesale rates is determined and based on the necessary margin for operating and maintaining the electric system as well as providing for emergency funds.

As rates are based on power demand and consumption for large loads it is necessary for the customer to keep REU informed of any added load above the original request. REU reserves the right to reconfigure any bill for which metering indicates there has been a change in load which would put billing under a different rate classification. The customer will be required to pay any cost difference between the two rates.

Residential rates are set for service to an individual family dwelling, apartment, trailer, duplex, etc. which is used to provide the comfort and convenience in a normal setting for home life. If any part of such is used on a regular basis for conducting business then the metering is subject to being changed to a commercial rate unless provisions are made to meter the commercial portion under a separate meter. Residential rates will not apply to any building, institution, or establishment which is used for gainful purposes, recreation, hobbies, etc..

REU reserves the right to charge for changes in transformer capacity, service type or size, and for metering due to a change in load requirements.

Application of Rates

In order to clarify the provisions of the Residential Rate, Schedule R-4, and the General Power Rate, Schedule C-4, with respect to the applicability of these schedules to cases approaching the border line of classification, the following specific interpretations are given.

1. Multiple Dwelling: Where premises include two or more residential or dwelling units, the residential Rate may be applied only if separate circuits are provided without cost to the Distributor. A residential or dwelling unit shall be defined, for the purpose of applying this interpretation, as the space provided for the occupancy of a single family, i.e., including separate living quarters and kitchen. If it is not practical to provide for separate metering of each individual unit, the entire premises will be served under the General Power Rate. Where building services, such as hall lighting, elevators, and water heating are provided by a landlord who is not a tenant in the building, a separate circuit shall be provided for such services and metered under the General Power Rate. If these services are provided from a circuit which is used for service to a tenant in the building, they may be consolidated with his residential use and billed under the Residential Rate, provided that no more than two dwelling units are included in the same premises. If the number of dwelling units exceeds two, a separate circuit must be provided for building services and billed under the General Power Rate, or the entire

requirements of the tenant whose residential use is obtained from the same circuit, including the building services, must be billed under the General Power Rate.

2. Commercial Use of Portions of Dwellings: The Residential Rate is not applicable to the space in a dwelling which is regularly used for commercial purposes, such as an office, beauty shop, studio, tea room, or store, or for other gainful activities. In such cases if a separate circuit is provided at no cost to the Distributor, for the portion of the dwelling so used, the Residential Rate should be applied to the balance of the power requirements and the General Power Rate applied to the power requirements of the portion of the dwelling used for commercial purposes. If a separate circuit is not provided, the entire power requirements of the premises must be billed under the General Power Rate.

If the premises are used primarily as a private dwelling and space in the dwelling occasionally used for commercial purposes, such as occasional rental of surplus rooms, dressmaking, laundering, catering, etc., the Residential Rate should be applied to the entire power requirements.

3. Rooming Houses: The General Power Rate should be applied in all cases in which premises are used primarily for the rental of rooms. A dwelling shall be considered a recognized rooming house in which more than 50 percent of the total number of rooms in the house are available to roomers on a rental basis, or which is licensed by local governmental authority, or which advertises regularly, provided that a dwelling shall not be considered a recognized rooming house unless more than three rooms are for rent.
4. Boarding Houses: All recognized boarding houses should be billed under the General Power Rate. An established shall be considered a recognized boarding house which is licensed by municipal or other governmental ordinance or statute. An establishment which is commonly known to serve, or to hold itself in readiness to serve, regular boarders or the transient trade or which advertises such service, shall be considered a recognized boarding house. The above definitions are subject to the limitation that an establishment with facilities only sufficient to serve three or less paying guests shall not be considered a recognized boarding house.
5. Tourist Homes and Camps: All tourist camps shall be considered nonresidential consumers and shall be billed under the General Power Rate. All wiring on the consumer's side of the point of delivery shall be provided by the consumer. All dwellings primarily used for the purpose of renting rooms to tourists shall be considered nonresidential consumers and shall be billed under the General Power Rate. All dwellings licensed as tourist homes by local governmental authority or regularly advertising the availability of rooms for tourists shall be billed under the General Power Rate, provided that dwellings with less than four rooms for rent, which are not licensed as tourist homes, shall be billed under the Residential Rate.

Farm Service

1. Domestic Farm Use: A farm on which is located a single dwelling and its appurtenances, including barn, and out buildings, and which processes its own products primarily, shall be considered a domestic farm and shall be entitled to the Residential Rate for all of its power requirements. Motors of capacities larger than 7-1/2 horsepower shall not be installed except by agreement with the Distributor. This interpretation is not applicable to commercial dairies as defined below.
2. Commercial Farm Use: A farm shall be metered and billed under the General Power Rate if other dwellings besides the main dwelling are not separately metered and are served through the same point of delivery or, if products of other farms are processed for sale. The main dwelling may be metered and billed under the Residential Rate if a separate meter is provided for all the other farm uses in cases where products of other farms are processed for sale.
3. Dairies: All dairies making use of pasteurization equipment for processing milk, or dairies retailing raw milk under laws or ordinances, or inspection, or regulation of the city or county, shall be considered nonresidential consumers for their dairying power requirements.

BILLING

Meters are read and bills are generated on a monthly basis. The net rate on the bill will only apply when the bill is paid on or before the discount date. The gross rate will apply after that date. Power is subject to being discontinued if the bill is not paid within 10 days after the discount date. Failure to receive a bill will not relieve the customer of their obligation nor extend the discount date. REU will not accept any responsibility for damages due to the interruption of service after the discount date. Late payments after the discount date will not change REU's liability.

Payments will first be applied to past bills or obligation before being applied to current billing. Bills will be considered to have been paid by the discount date when paid the next business day following a Sunday or holiday or when the envelope is legitimately post marked on or before the discount date.

Failure to pay bills because of a dispute over the amount or liability to pay will not extend the discount date nor exempt service from being discontinued. The customer will be expected to pay the disputed bill along with a statement as to the reason or reasons they feel the bill is inaccurate. Customers will be given 90 days to file a formal suit to recover any overpayment after the bill is paid.

The customer is obligated to provide a normal access to the metering installation during regular business hours. REU will estimate meter readings when proper access is not provided and will not adjust bills when so estimated until the next regular reading date. The next scheduled reading will automatically adjust for any over read the previous month.

METERING

All electrical meters are installed by and are the property of REU. Meters are sealed for the customers' protection as well as to ensure accurate registration. Meter seals are not to be broken or removed by the customer or their electrician. No attempt should be made to remove the electrical meter or interfere in any way with its registration of electrical usage. The customer will be held liable for any estimated loss of revenue or damage to the meter where tampering is involved. The charges for meter tampering and/or theft are listed under service charges and fees. Meter locations for new installations or upgrades are to be determined by REU and are to be readily accessible.

The building contractor will need to have a building plan available to discuss the service entrance and meter location at the time the temporary service pole is located. The final location will be determined from the available power source and code requirements. Service sheet drawings are available to assist in the service entrance installation. Modifications to existing structures are not allowed to enclose or hamper in the reading or service to the electrical meter. The cost of relocation of the service entrance by the customer for their convenience will be studied and determined by REU.

Meter Testing

The Utility will, at its own expense, make periodical test and inspections of its meters in order to maintain a high standard of accuracy.

The Utility will make additional test or inspections of its meters upon request of a customer. The following procedure applies:

1. The customer signs a request for meter test provided by the Utility and deposits \$100.00 with the Utility.
2. The Utility will remove the meter and have it tested by an independent testing laboratory.
3. If the test shows that the meter is not accurate within the standard allowable range of plus or minus two percent (2%), an adjustment shall be in the customer's electric bill for a period of not over ninety (90) days prior to the date of such test, and the \$100.00 deposit shall be returned to the customer.
4. If the test shows that the meter is accurate within the standard allowable range of plus or minus two percent (2%), no adjustment will be made in the customer's electric bill and the \$100.00 deposit will be retained by the Utility as payment for the cost of testing the meter.

TERMINATION OF SERVICE

In the event that a bill becomes delinquent a written notice of termination will be mailed five (5) days after the due date. This notice will allow the customer an additional five (5) days to make payment. The termination notice shall include but not be limited to the following:

1. The customer's name, address and account number.
2. The service disconnect date and amount due.
3. Notice of available rights and remedies including instructions to apply for a hearing if desired.

If the customer does not make payment, notify the Utility of dispute of the bill, or make other arrangements acceptable to the Utility by last date for payment, the utility will proceed with termination.

The employee carrying out the termination procedure will attempt before disconnecting service to contact the customer at the premises in a final effort to collect payment and avoid termination. Termination will not be made on any day preceding a day when the Utility office is scheduled to be closed. A collection fee of \$15.00 will be charged for collecting delinquent accounts.

Before service is reconnected, the past due bill along with reconnection charges will be paid. The reconnection charge will be \$35.00 if reconnected during normal working hours, or \$100.00 if reconnected after normal working hours at customer's request. Service may not be reconnected in another person's name when the customer whose account is unpaid continues to be a resident of the premises. No meter will be reset after 10:p.m. unless approved by supervisor.

Hearing on disputed bills or partial payments will be held by appointment between the hours of 9:00 a.m. and 4:00 p.m. on any business day. The Manager of Customer Services or his designee will be the Hearing Officer, and the customer shall be present at the hearing and may bring a representative. The Customer may examine the Utility's records pertaining to his service and will be given the opportunity to arrange for partial payments subject to agreement by the Utility. The decision of the Hearing Officer may be appealed to an Appeals Officer designated by the Manager of the Utility who will hear the evidence. The request for an appeal hearing shall be made no later than noon of the next following business day. The appeals Officer will render a final decision and promptly provide the customer a copy of such final decision. The customer has a right to post termination hearing if there was no pre-termination hearing under the above procedures. Customer's service will not be terminated until the above procedures have been implemented.

Special counseling is available to customers who are experiencing hardship or who have extenuating circumstances. Customers with acute health problems requiring the use of kidney machines, iron lungs, etc. will be allowed to make special arrangements, if required, for the payment of bills.

PRIVATE WORK POLICY

The Rockwood Electric Utility Board shall have the ultimate authority on decisions related to REU engaging in private work on customer premises. This would normally be any work beyond the customer's point of delivery or tree work outside REU's right of way. Rental lights or work related to providing normal service would be excluded.

Unless the point of delivery of electric service is defined by contractual agreement it will be defined as that point where the customer's entrance wiring or service lead wires connect to service wires provided by REU. The location of the meter and/or meter base will in no case extend the recognized point of delivery. The point of delivery where primary metering is involved will be considered as being all facilities beyond the metering installation unless the customer signs a contractual agreement defining ownership of those facilities and agrees to pay a facility rental charge for equipment agreed to be owned by REU.

All wiring, trimming, and maintenance beyond the point of delivery shall be the responsibility of the customer. REU shall not be held liable for any injuries or damage due to defective equipment, lack of maintenance, or improper use of equipment beyond the point of delivery. It is the general policy of the REU Board for REU not to perform any type work or provide any materials beyond said point of delivery due to the obvious possibility for liability claims. In emergency situations due to inclement weather or at unusual hours it may be possible for REU to perform minor work to restore power or to correct a hazardous situation provided the customer signs a hold harmless statement provided by REU.

Any work allowed or any materials furnished by REU would have to be fully reimbursed. This would include materials, material handling charges, labor, transportation, and overhead. For work to be considered for approval the requesting party must submit in writing to REU a detailed description of the work to be performed along with any required materials. REU will then present an estimate of all cost to the Board at its next scheduled monthly meeting. If approved, all estimated charges must be paid in advance with any price discrepancy being billed to the customer when the job is complete.

Service Policy

To better serve its customers the Rockwood Electric Utility Board has adopted the following addendum to its service policy. Service charges will not be incurred by a property owner for the disconnection or removal and replacement of service wires and/or the pulling of a meter for the following:

1. House fire.
2. The trimming or cutting of trees that may endanger the service wire or where there is a danger of electrical shock which may be experienced by the cutting or trimming of trees.
3. Upgrade of service entrance, meter base or main switch panel.
4. Faulty or undersized service wire or meter base. Customer will be responsible for purchasing and installing a new meter base.
5. Removal and relocation of service wire for a new building addition.
6. Reworking service to obtain proper ground or building clearance. Customer will need to upgrade their service entrance where the electrical code has been violated.

Charges may be applied and additional work required by customer where desiring or have built a structure underneath or too close to service wires or high voltage powerlines. It is the desire of the Power Board to furnish reasonable and equitable service to all its customers while controlling its cost of operations.

ROCKWOOD ELECTRIC UTILITY

POWER CONTRACT FOR ELECTRIC SERVICE

THIS CONTRACT, made this _____ day of _____, 20____, between _____ (hereinafter "Customer") and Rockwood Electric Utility (hereinafter "Distributor") with principal offices in Rockwood, TN and Kingston, TN.

WHEREAS, the Distributor has agreed to furnish the Customer electric power required for the operation of _____ in _____, Tennessee, under under the terms and conditions of this Power Contract, (hereinafter "Contract"),

NOW THEREFORE, in consideration of the premises and the mutual agreement hereinafter set forth, the parties hereto agree as follows:

1. The Distributor will supply and the Customer will take and pay for all electricity required in accordance with the terms hereof and the Rules and Regulations of the Distributor.
2. The Customer shall not resell electric power purchased hereunder.
3. The electrical service hereunder shall be alternating current (AC), _____ phase, _____ wire, _____ volts, 60 Hz.
4. The contract Demand under this agreement shall be _____ kW. This amount may be increased at any time during a contract term by written notification from Customer to Distributor. The Customer shall not take, nor shall the Distributor be obligated to furnish, electricity in excess of this maximum demand except by agreement of Distributor and revision of contract. Nothing herein contained shall be construed to relieve the Customer of the obligation to pay for such amounts of electricity as may actually be taken.
5. Attached hereto and made a part of this contract is a currently effective Rate Schedule applicable to customers of the same class as Customer. The power and energy delivered hereunder shall be purchased and paid for by the Customer in accordance with the rates, changes, and provisions of the Schedule, as modified from time to time by agreement between Distributor and Tennessee Valley Authority ("TVA") except as specifically provided by this agreement.
6. The Customer shall pay as a minimum bill, amount determined by the provisions of the attached rate schedule, but in no case shall the minimum bill be less than \$ _____.
7. In addition to the charges set forth in (5) and (6) above, an amount of \$ _____ shall be

added monthly for a period of _____ year(s), beginning upon date of initial billing. This charge reflects monthly fixed cost of facilities required to provide electric service to Customer.

8. A one-time, non-refundable aid-to-construction contribution of \$_____ shall be required to offset the otherwise non-recoverable cost of providing electrical service to Customer.
9. The point of delivery for electricity supplied hereunder shall be _____ and maintenance by the Distributor of approximately the above-stated frequency and voltage at said Point of Delivery shall constitute delivery of electricity for the purpose of this contract. The Distributor agrees to construct, own, operate, and maintain such primary line, transformer station, secondary line and other facilities as may be required, in the sole judgment of the Distributor, to effect said delivery of electricity. The Customer shall furnish the Distributor, without cost, a suitable transformer site and all necessary power line rights-of-way thereto and to Point of Delivery. The Customer shall initially clear the aforesaid right-of-way of all timber, brush, shrubbery, debris, etc. Thereafter, the Distributor shall maintain an adequate clearance of vegetation.
10. The initial term of this contract shall be _____ year(s). This contract shall begin on the date upon which the delivery of electricity hereunder is actually begun which is estimated to be _____, 20_____, and shall be considered renewed for one year from the expiration of said term and from year to year thereafter. The contract may be cancelled on sixty (60) days written notice by one party to the other after the initial term.
11. Facilities installed by the Distributor shall be and remain personal property of the Distributor, and may be removed by the Distributor upon breach of any of the terms and conditions of this contract. The Distributor's agents and employees shall have free right of ingress and egress on said sites and rights-of-way.
12. The Distributor will use reasonable diligence to provide a regular and uninterrupted supply of electric power. In case the supply should be interrupted or interfered with for any cause, other than the Distributor's negligence, the Distributor shall not be liable for damages resulting therefrom.
13. In the event of a general power shortage, the Customer will allow the Distributor to curtail the amount of power delivered under this contract, to the degree that the Distributor and other utilities in said area are requested or required to do so by TVA or any regulatory body having jurisdiction.
14. This contract shall be binding upon and inure to the benefit of the successors, legal

representative and assigns of the respective parties hereto, but is not assignable by the Customer without written consent of the Distributor, which consent shall not unreasonably be withheld.

15. All notices shall be addressed as follows:

Distributor

Rockwood Electric Utility
Attn: General Manager
P.O. Box 108
Rockwood, TN 37854

Customer

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed on the day and year first above written:

Customer:

Distributor:

By: _____

By: _____

General Manager

Title: _____