

UNION CITY ENERGY AUTHORITY

SCHEDULE OF RULES AND REGULATIONS

1. **Scope.** This Schedule of Rules and Regulations is a part of all contracts for receiving electric service from Distributor, and applies to all service received from Distributor, whether the service is based upon contract, agreement, signed application, or otherwise. A copy of this schedule, together with a copy of Distributor's rate schedule shall be kept open to inspection at the offices of Distributor and will be communicated to the public by electronic Media (www.UnionCityEnergy.com). All retail rate actions initiated by Distributor will be communicated to the public through printed media or electronic media.
2. **Application for Service.** Each prospective Customer desiring electric service may be required to sign Distributor's standard form of application for service or contract before service is supplied by the Distributor. A copy of this Schedule of Rules and Regulations and applicable rate schedule will be made available to customers.
3. **Deposit.** A deposit or suitable guarantee approximately equal to twice the highest monthly bill will be required of any commercial customer before electric service is supplied. A residential customer will be assessed a deposit of two times peak month's usage for the previous 36 months or waived if the credit score determined to be "Excellent" as determined by On-Line Utility Exchange. If 36 months prior usage history for residential and commercial customers at location is not available or if usage patterns for previous commercial customers do not reflect proposed usage patterns of new customer, deposits will be estimated. Residential customers with hardships or that cannot pay the required deposit may chose the prepay option in item 26 and waive the deposit requirement. Accrued interest will be added to the deposit balance on an annual basis. Interest on deposits will accrue at the rate of interest earned on distributor's primary bank account. Upon termination of service, deposit and accrued interest will be applied by distributor against unpaid bills of customer, and if any balance remains after such application is made, said balance shall be refunded to Customer
4. **Point of Delivery.** The point of delivery is the point, as designated by Distributor, on Customer's premises where current is to be delivered to building or premises. All wiring and equipment beyond this point of delivery shall be provided and maintained by Customer at no expense to Distributor.
5. **Customer's wiring standards.** All wiring of Customer must conform to Distributor's requirements and accepted modern standards, as exemplified by the requirements of the National Electrical Safety Code and the National Electrical Code.
6. **Inspections.** Distributor shall have the right, but shall not be obligated, to inspect any installation before electricity is introduced or at any later time, and reserves the right to reject any wiring or appliances not in accordance with Distributor's standards; but such inspection or failure to insect or reject shall not render Distributor liable or responsible for any loss or damage resulting from defects in the installation, wiring, or appliances, or from violation of Distributor's rules, or from accidents which may occur upon Customer's premises.
7. **Underground Service Lines.** Customers desiring underground service lines from Distributor's overhead system may be required to bear the excess cost incident thereto. Specifications and terms for such construction will be furnished by Distributor on request.
8. **Customer's Responsibility for Distributor's Property.** All meters, service connections, and other equipment furnished by Distributor shall be, and remain, the property of Distributor. Customer shall provide a space for and exercise proper care to protect the property of Distributor on its premises, and, in the event of loss or damage to Distributor's property arising from neglect of Customer to care for same, the cost of the necessary repairs or replacements shall be paid by Customer.
9. **Right of Access.** Distributor's identified employees shall have access to Customer's premises at all reasonable times for the purpose of reading meters, testing, repairing, removing, or exchanging any or all equipment belonging to Distributor
10. **Billing.** Bills will be rendered monthly and bills shall have a due date of twenty (20) days from date of billing. Failure to receive bill will not release Customer from payment obligation. Bills paid on or before the final date of payment shall be payable at the net rates, but thereafter the gross rates shall apply, as provided in the Schedule of Rates and Charges. Should the final date for payment of the bill at the net rates fall on a Sunday or holiday, the business day next following the final date will be held as a day of grace for delivery of payment.

11. **Discontinuance of Service by Distributor.** Distributor may refuse to connect or may discontinue service for the violation of any of its Rules and Regulations, or for violation of any of the provisions of the Schedule of Rates and Charges, or of the application of Customer or contract with Customer. Distributor may discontinue service to Customer for the theft of current or the appearance of current theft devices on the premises of Customer. The discontinuance of service by Distributor for any causes as stated in this rule does not release Customer from his obligation to Distributor for the payment of minimum bills as specified in application of Customer or contract with Customer. Distributor will not disconnect residential customers for nonpayment on any days the forecasted high based on the National Weather Service is below 32 degrees F or above 100 degrees F. In no case will discontinuance of service be suspended for more than three consecutive business days. Upon Distributor's approval of the Medical Form for Certification of use of Life Sustaining Medical Device and upon request by customer prior to disconnection, disconnection of service will be postponed for up to seven (7) days from the original scheduled disconnection date up to 2 times per year to make suitable arrangements. Prepay customers are not eligible for this postponement.
12. **Late Notices and Unpaid Balances.** Distributor will mail late notices to customers whose bills are unpaid after the due date. Late notice will include the rights and remedies for customer to dispute a bill. If electronic notification is available, customers desiring to receive electronic termination notices must enroll in Distributor's electronic notice program if available by completing the applicable form and consenting to its terms and conditions. Late payment charges shall not exceed 5 percent for any portion of the bill paid after the due date. Customers with unpaid balances 7 days after past due date are subject to discontinuance of service without further notice.
13. **Reconnection Charge.** Whenever service has been discontinued by Distributor, as provided above, or a trip is made for the purposes of discontinuing service, a service charge will be collected by Distributor before service is restored.
14. **Termination of Contract by Customer.** Customers who have fulfilled their contract terms and wish to discontinue service must give at least three (3) days' written notice to that effect, unless contract specifies otherwise. Notice to discontinue service prior to expiration of contract term will not relieve Customer from any minimum or guaranteed payment under any contract or rate.
15. **Service Charges for Temporary Service.** Customers requiring electric service on a temporary basis may be required by Distributor to pay all costs for connection and disconnection incidental to the supplying and removing of service. This rule applies to circuses, carnivals, fairs, temporary construction, and the like.
16. **Interruption of Service.** Distributor will use reasonable diligence in supplying current, but shall not be liable for breach of contract in the event of, or for loss, injury, or damage to persons or property resulting from, interruptions in service, excessive or inadequate voltage, single-phasing, or otherwise unsatisfactory service, whether or not caused by negligence.
17. **Voltage Fluctuations Caused by Customer.** Electric service must not be used in such a manner as to cause unusual fluctuations or disturbances to Distributor's system. Distributor may require Customer, at his own expense, to install suitable apparatus which will reasonably limit such fluctuations.
18. **Additional Load.** The service connection, transformers, meters, and equipment supplied by Distributor for each Customer have definite capacity, and no addition to the equipment or load connected thereto will be allowed except by consent of Distributor. Failure to give notice of additions or changes in load, and to obtain Distributor's consent for same, shall render Customer liable for any damage to any of Distributor's lines or equipment caused by the additional or changed installation.
19. **Standby and Resale Service.** All purchased electric service (other than emergency or standby service) used on the premises of Customer shall be supplied exclusively by Distributor, and Customer shall not, directly or indirectly, sell, sublet, assign, or otherwise dispose of the electric service or any part thereof.
20. **Notice of Trouble.** Customer shall notify Distributor immediately should the service be unsatisfactory for any reason, or should there be any defects, trouble, or accidents affecting the supply of electricity. Such notices, if verbal, should be confirmed in writing.
21. **Non-Standard Service.** Customer shall pay the cost of any special installation necessary to meet his peculiar requirements for service at other than standard voltages, or for the supply of closer voltage regulation than required by standard practice.
22. **Meter Tests.** Distributor will, at its own expense, make periodical tests and inspections of its meters in order to maintain a high standard of accuracy. Distributor will make additional tests or inspections of its meters at the request of Customer. If

tests made at Customer's request show that the meter is accurate within two percent (2%), slow or fast, no adjustment will be made in Customer's bill, and a testing charge will be paid by Customer. In case the test shows meter to be in excess of two percent (2%) fast or slow, an adjustment shall be made in Customer's bill over a period of not over thirty (30) days prior to date of such test, and cost of making test shall be borne by Distributor.

23. **Relocation of Outdoor Lighting Facilities.** Distributor shall, at the request of Customer, relocate or change existing Distributor-owned equipment. Customer shall reimburse Distributor for such changes at actual cost including appropriate overheads.
24. **Revisions.** These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time, without notice. Such changes, when effective, shall have the same force as the present Rules and Regulations.
25. **Conflict.** In case of conflict between any provision of any rate schedule and the Schedule of Rules and Regulations, the rate schedule shall apply.
26. **Information to Customers:** Upon request by the customer, distributor will make available a customer's energy consumption data for the prior 12 month's period or information concerning deposit with accrued interest.
27. **Prepay Service Option.** Customers may select the optional prepay service (see prepay policy for details). In the event that the prepay service option is selected, the following provisions of this Schedule of Rules and Regulations may not apply or may be modified in conformance with the prepay policy: Paragraph 2, Application for Service; Paragraph 3, Deposits; Paragraph 10, Billing; Paragraph 12, Late Notices and Unpaid Balances.
28. **Complaint Resolution Process** – In the case of billing disputes or other service issues, the customer is expected to resolve the dispute by notifying and working with the Distributor. If the dispute is not resolved, the Distributor will provide the customer with information regarding TVA's Complaint Resolution Process. The TVA Complaint Resolution Process will be made available to Customers upon application for service, at any time upon request and through information provided on the Distributor's website or other technological means of communication. Contact information for TVA Complaint Resolution can be found at www.tva.com/complaintresolution.

BOARD APPROVED: 2/15/2017

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PREPAY POLICY

1. **Service is optional:** Customers may select the optional prepay service as opposed to regular service for customers meeting the service requirements. A form will be signed by customer for specific prepay service and the standard service form will not apply. All parts of Rules and Regulations apply to this customer unless specifically mentioned in this policy.
2. **Security Deposits, Late Fees and Collection Fees:** Prepaid customers are not required to make the normal security deposit and not subject to normal residential account late fees or reconnect fees
3. **New Customer:** A new customer electing prepaid metering will be required to pay a connection fee and a minimum initial prepay amount for electricity consumption. Accounts will be charged a monthly prepaid service fee plus normal residential energy rates and regular monthly customer charge. A credit may be given for any prorated portion of the fixed charges on first bill depending on timing issues with monthly billing cycle.
4. **Existing customer:** When an account is converted to prepay, a customer's existing deposit (if applicable) is applied toward any outstanding balances with the remaining credit (if applicable) applied to prepaid service. All fees and unbilled energy must be paid before an account can be converted from postpaid to prepay. However, accounts may use a limited amount of debit balance to be placed in debt recovery through prepaid service after all deposits and credits are applied. A percentage of payments (initially 30%) will be applied to the debt until the balance is eliminated. If distributor elects to modify this percentage, only new customers will be affected by the modified percentage. All prepaid accounts will be charged a monthly prepaid service fee plus normal residential energy rates and regular monthly customer charge. A credit may be given for any prorated portion of the fixed charges on first bill depending on timing issues with monthly billing cycle.
5. **Billing, Bill Viewing, Notifications and Bill Calculation:** Customers may receive daily balance by email or notified via text message, email or phone call when their prepay balance gets critically close to disconnection. Customer waives their right to written notification of disconnection and accepts the notifications above in lieu of the written notification defined in UCEA's Rules and Regulations. Prepaid customers do not receive paper statements (bills). Customer is solely responsible for managing and updating the notification settings and contact information on their prepaid account.
6. **If a prepay account is disconnected and does not become active for seven (7) consecutive days,** the account may be considered inactive and UCEA will mail a final bill to the last known address on file.
7. **Termination of Service and Final Billing:** A full settlement of the account shall be made when participation in the service ends and the account is final billed. Service terminated at the request of the Customer will receive a refund of any remaining credit on the account.
8. **Life threatening health concerns:** If customer or other resident has or develops health concerns where the loss of electricity may become life threatening, customer becomes ineligible for this program and it is customers' obligation to notify UCEA of these health issues and UCEA will place customer back on standard service. All fees and deposits will apply.
9. **Conversion to Post-paid service:** Customer may elect to convert account to post-paid service, at which time Union City Energy Authority may require full payment of the deposit and fees as a condition of continued service.

Board Approved: 2/15/2017