

SCHEDULE OF RULES AND REGULATIONS

RUSSELLVILLE ELECTRIC BOARD

1. **Application for Service:** Each prospective customer desiring electric service will be required to sign Distributor's standard form of application for service and power contract, if applicable, before service is supplied by the Distributor. At the time of making application for connection of service, the applicant must make payment of any fees or deposits, as required. The applicant must present satisfactory identification prior to services being connected. Any delinquent bills for a previous service location must be paid in full prior to establishing new service.
2. **Deposit:** A deposit or suitable guarantee shall be required of any customer before electric service is supplied. Upon termination of service, deposit may 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.

2.1 **Residential Customers:**

- 2.1.1 Standard deposit is \$200 flat fee for the rate classification, including temporary service, homeowners, rental tenants, and applicants with bad debt.
- 2.1.2 In no event will the deposit required exceed twice the highest estimated monthly bill for the rate classification.

2.2 **Commercial and Industrial Customers:**

- 2.2.1 Standard deposit is an amount equal to twice the average monthly bill during the previous twelve-month period at the location requesting service. If application is for a new building, or a new customer to our service area, the deposit is calculated based on load data or comparisons to similar loads on Distributor's system or other utility systems, if available. Commercial and industrial customers minimum deposit amount is \$300.
- 2.2.2 Upon written request by the customer or at the discretion of the Distributor, the deposit required may be re-evaluated based on the most recent electricity usage. Twelve-month history of usage by customer at a location will be required for re-evaluation of deposit.
- 2.2.3 Acceptable forms of deposit or guarantee include, but are not limited to, cash, letter of credit, and security bond.
- 2.2.4 Letters of credit, CD's and/or utility bonds are only available to commercial and industrial customers in the amount equal to or higher than \$10,000.
- 2.2.5 Landlords owning houses and/or apartments will be required to obtain a letter of credit, CD, and/or utility bond to waive paying deposits each

time an account is transferred between tenants. The amount of the letter of credit/CD/bond should be calculated based on twice the average monthly bill during the previous 12 months for all rental locations, but the minimum amount required is \$10,000.

2.3 Interest on Deposits:

- 2.3.1 Interest will accrue on deposits held by Distributor for longer than twelve months. Interest will be calculated monthly at the lesser of the interest rate paid to the Distributor on its operating funds account, or its deposit funds account. The deposit balance including earned interest is subject to review by customer and Distributor, upon request.
 - 2.3.2 Any interest accrued will be credited to the customer's deposit balance and applied to customer's bill at termination of service or refunded with deposit, when applicable.
3. **Point of Delivery:** The point of delivery is the point as designed by the 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.
4. **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.
5. **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 inspect 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.
6. **Underground Service Lines:** Customers desiring underground service lines from Distributor's overhead system must bear the excess cost incident thereto. Specifications and terms for such construction will be furnished by Distributor, upon request.
7. **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.

8. **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.
9. **Billing:** Bills will be rendered monthly and shall be paid within 15 days from the date on the bill. Bills paid after the due date on the billing statement provided shall be subject to an additional charge of 5%. Failure to receive bill will not release customer from payment obligation. Should bills not be paid by due date specified on bill, Distributor may at any time thereafter, upon 5 days written notice to the customer, discontinue service. See Section 10 for more information on Discontinuance of Service by Distributor.

9.1 Bills shall be paid at the office of Distributor or at other locations designated by Distributor. Should the due date of bill fall on a Sunday or holiday the next business day following the due date will be held as a day of grace for delivery of payment. Remittances received by mail after the due date will not be subject to such additional charges if the incoming envelope bears United States Postal Service date stamp of the due date or any date prior thereto.

10. **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 for the application of customer or contract with customer. Distributor may discontinue service to customer for theft of current or the appearance of theft devices on the premises of customer, as well as for safety reasons to be compliant with any state, city, or county regulations that require disconnection for safety reasons. Any and all electrical services will be discontinued to customers with past due accounts except as provided in this rule. Payment in full (including late fee charges) will be required before service is restored. An additional deposit may also be required.

10.1 If payment is not received by due date specified on bill, Distributor may at any time thereafter discontinue service 5 days after providing written notice by mail to customer of the pending electric service disconnection and the available rights and remedies to dispute the bill with the Distributor. Notice will include that any customer disputes of electric charges should be addressed to customer service at 256-332-3850.

10.2 The discontinuance of service by Distributor for any causes as stated in this rule does not release customer from the obligation for any amounts due to Distributor, including the payment of minimum bills as specified in application of customer or contract with customer.

10.3 Delay of disconnection of residential service will be applicable in the existence of extreme weather or medical hardship.

10.3.1 **Extreme Weather:** Distributor evaluates weather conditions daily at www.weather.gov for Russellville, Alabama 35653. In the event that the forecasted temperature is expected to meet or exceed 100 degrees Fahrenheit or is expected to be below 32 degrees Fahrenheit on that day, Distributor will postpone disconnection of service for residential customers scheduled for disconnection due to nonpayment. Where disconnection is postponed due to an extreme weather condition, the postponement will not extend beyond the extreme weather condition.

10.3.2 **Medical Hardship:** Upon Distributor's approval of the Distributor's Medical Certification Form (30-day Medical Certification, Russellville Electric Board), disconnection of service will be postponed for 5 business days from the original scheduled disconnection date to allow customer time to make payment or alternative shelter arrangements. The medical Certification Form must be completed by a medical doctor, nurse practitioner, certified midwife, or local board of health physician licensed to practice in the State of Alabama certifying that the disconnection of electric service would create a life-threatening medical situation for the customer or other permanent resident of the customer's household. It is the responsibility of the customer to ensure that the form has been approved by the Distributor. A life-threatening medical condition does not relieve a customer of the obligation to pay for electric service, including any late fees incurred or other applicable charges. The Distributor will only grant this postponement of disconnection once in a 12-month period. If full payment of the past due amount, including all late fees, is not received by the end of the 5-business day period, electric service will be disconnected without further notice.

11. **Connection, Reconnection, and Disconnection Charges:** Distributor may establish and collect standard charges to cover the reasonable average cost, including administration, of connecting or reconnecting service, or disconnecting service as provided above. Higher charges may be established and collected when connections and reconnections are performed after normal office hours, or when special circumstances warrant.
12. **Termination of Contract by Customer:** Customers who have fulfilled their contract terms and wish to discontinue service must give at least 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.
13. **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.

14. **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.
15. **Shortage of Electricity**: In the event of an emergency or other conditional causing a shortage in the amount of electricity for Distributor to meet the demand on its system, Distributor may by an allocation method deemed equitable by Distributor, fix the amount of electricity to be made available for use by customer and/or may otherwise restrict the time during which customer may make use of electricity and the uses which customer may make of electricity. If such actions become necessary, customer may request a variance because of unusual circumstances including matters adversely affecting the public health, safety, and welfare. If customer fails to comply with such allocation or restriction, Distributor may take such remedial actions as it deems appropriate under the circumstances including temporarily disconnecting electric services and charging additional amounts because of the excess use of electricity. The provisions of the section entitled, "Interruption of Service" of this schedule are applicable to any such allocation or restrictions.
16. **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/her own expense, to install suitable apparatus which will reasonably limit such fluctuations.
17. **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.
18. **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.
19. **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.
20. **Non-Standard Service**: Customer shall pay the cost of any special installation necessary to meet his/her particular requirements for service at other than standard voltages, or for the supply of closer voltage regulation than required by standard practice.

21. **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 request show that the meter is accurate within 2%, slow or fast, no adjustment will be made in customer's bill, and the Distributor's standard testing charge will be paid by customer. In case the test shows meter to be in excess of 2% fast or slow, an adjustment shall be made in customer's bill over a period of not over 30 days prior to date of such test, and cost of making test shall be borne by Distributor.
22. **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.
23. **Billing Adjusted to Standard Periods**: The demand charges and the blocks in the energy charges set forth in the rate schedules are based on billing periods of approximately one month. In the case of the first billing of new accounts (temporary service, cotton gins, and other seasonal customers excepted) and final billings of all accounts (temporary service excepted) where the period covered by the billing involves fractions of a month, the demand charges and the blocks of the energy charge will be adjusted to a basis proportionate with the period of time during which service is extended.
24. **Home Energy Efficiency and Conservation Programs**: All customers of Distributor receiving service under the residential rate schedule are eligible to participate in home energy efficiency and conservation programs offered by TVA in which the Distributor participates. Currently, residential customers are eligible to participate in the eScore program sponsored by TVA's Energy Right Solutions. Residential customers should contact the Distributor by phone or in writing to inquire about any currently available programs for which the customer might be eligible.
25. **Commercial and Industrial Energy Efficiency and Conservation Programs**: All customers of Distributor receiving service under the commercial and industrial rate schedules are eligible to participate in commercial and industrial energy efficiency and conservation programs offered by TVA in which the distributor participates. Commercial and industrial customers should contact the Distributor by phone or in writing to inquire about any currently available programs for which the Customer might be eligible.
26. **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 Schedule of Rates and Charges shall be kept open to inspection at the office of Distributor.

27. **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.
28. **Conflict:** In case of conflict between any provision of any rate schedule and the Schedule of Rules and Regulations, the rate schedule shall apply.
29. **Information to Customers:** The 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 of Rules and Regulations together with a copy of the Distributor's Schedule of Rates and Charges shall be kept open to inspection at the offices of Distributor located at 721 Jackson Avenue South, Russellville, AL 35653, or found on our website - www.russellvilleutilities.com. This information will be made available to customer at time of application for service. Upon request by the customer, Distributor will also make available that customer's energy consumption data for the prior 12-month period. Furthermore, Distributor will provide and communicate information regarding rates, service practice policies, and retail rate actions to the public on our website at www.russellvilleutilities.com.