

SERVICE POLICIES – EFFECTIVE 9/1/2015

1. Application for Service

Each prospective customer desiring electric service may be required to sign the City's standard form of application for service or contract before service is supplied by the City.

2. Deposit

A deposit or suitable guarantee will be required from any customer, subject to the exceptions listed below, before electric service is supplied. Residential customer deposits shall be no higher than twice the average bill as calculated using average usage for the residential rate class. In cases of hardship, the City may negotiate installment payments for residential customers, in which case, no less than 50% of the deposit shall be paid prior to the date electric service commences and the balance shall be paid in full within 90 days from the date electric service commences. Residential customers with at least 12 months' continuous service and no final notices, non-pay disconnects, returned checks, or more than one arrears in the previous twelve months may have one additional residential service connected without paying an additional deposit. For all rate classes other than residential, the deposit shall be no higher than twice the estimated highest monthly bill. New customers requesting service at existing locations with similar demand and energy usage as the previous occupant shall pay a deposit no higher than twice the highest monthly bill of that previous customer. All deposits greater than one month's average bill and retained longer than one year (after deposit is paid in full) shall accrue interest. The interest rate earned on the deposit shall be the annual rate of interest earned by the Electricity Department's primary bank account. The deposit balance (including earned interest) as well as the adequacy of such deposit shall be subject to review by the Customer and the City and may be adjusted as necessary. The deposit balance plus any accrued interest shall be credited to the customer or any unpaid bills of the customer upon termination of service.

3. Point of Delivery—Designation

The point of delivery, as designated by the City's point-of-delivery policy, is the point where current is to be delivered to a building or premises. All wiring and equipment beyond the designated point of delivery shall be furnished, installed and maintained by the customer at no expense to the City.

4. Inspections

The City 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 the City's standards; but such inspection or failure to inspect or reject shall not render the City liable or responsible for any loss or damage resulting from defects in the installation, wiring or appliances, or from violation of the City's rules, or from accidents which may occur upon customer's premises.

5. Underground service lines

Customers desiring underground service lines from the City's overhead system must bear the excess cost incident thereto. Specifications and terms for such construction will be furnished by the City upon request.

6. Customer's Responsibility for City Property

- (a) All meters, service connections, and other equipment furnished by the City shall be, and remain, the property of the City. The customer shall provide a space for and exercise proper care to protect the property of the City on its premises and, in the event of loss or damage to the City's property arising from neglect of the customer to care for the same, the cost of the necessary repairs or replacements shall be paid by the customer. In the event a meter has been tampered with or the seal broken, the affected service to the customer may be discontinued until a service charge of not less than one hundred fifty dollars (\$150.00) for each tampered meter is paid at the office of the City.
- (b) Moreover, if any substance, article or material is placed on or in the vicinity of a meter which ultimately results in causing a meter to malfunction, this shall be interpreted as meter tampering and the affected service to the customer may be discontinued until a service charge of not less than one hundred fifty dollars (\$150.00) for each tampered meter is paid at the office of the City.

7. Right of Access

The City's identified employees shall have access to the customer's premises at all reasonable times for the purpose of reading meters, testing, repairing, removing or exchanging any or all equipment belonging to the City.

8. Billing

Bills shall be rendered monthly and shall be paid within 15 days from the statement date on the bill. Any balance remaining after the due date on the billing statement provided shall be subject to an additional charge of up to 5%. Failure to receive a bill will not release the customer from its payment obligations. Should bills not be paid by the due date specified on the bill, service may be discontinued as set forth in Item No. 9 (Discontinuation of Service). Should the due date fall on a weekend or holiday, the next business day following the due date will be held as a day of grace for payment to be received. Payments received by mail after the time limit for payment will be accepted by the City if the incoming envelope bears United States Post Office date stamp of the due date or any date prior. If a final notice is generated for an account under the City utilities' policy, a charge of not less than two dollars (\$2.00) may be added to the account.

9. Discontinuance of Service

The City may discontinue electrical service for the violation of any of the Schedule of Rules and Regulations or of the Schedule of Rates and Charges. The City may also discontinue service to the customer for the theft of services or the appearance of theft devices on the customer's premise, for safety reasons or to be compliant with 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 for in this Section. Payment in full (including late fee charges) will be required before service is restored. An additional deposit amount may be required. The termination of service by the City for any reason stated in this Section does not release customer from the obligation for any amounts due to the City, including the payment of minimum bills as specified in contracts.

If payment is not received by the due date on the bill, the City may discontinue service 7 days after providing a separate written notice by mail to the customer informing the customer of the electric service disconnection and the available rights and remedies to dispute the bill with the City including the Collections Department telephone number. On the date the service is disconnected, a door hanger will also be left at the premise that includes the

Collections Department telephone number. No further notice will be provided before electrical service is disconnected.

The City evaluates weather conditions daily at www.weather.com for Florence, Alabama ZIP 35630. In the event the forecasted temperature is expected to exceed 99 degrees (F) or is expected to be below 25 degrees (F) on that day, the City will postpone the disconnection of service of residential customers scheduled for such disconnection due to non-payment. Where disconnection is postponed due to an extreme weather condition, the postponement will not extend beyond the extreme weather condition.

Upon City's approval of the City's Medical Necessity form, disconnection of service will be postponed for 21 days from the original scheduled disconnection date to allow customer time to make payment or alternative shelter arrangements. The medical necessity form must be completed by a licensed medical doctor certifying that the disconnection of electric service would create a life-threatening 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 City prior to the originally scheduled disconnection date. 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 City will only grant this postponement for termination 2 times per household in a twelve month period. If full payment of the past due amount, including late fees, is not received by the end of the 21 day grace period, electric service will be disconnected without further notice.

10. Reconnection and Other Charges

Whenever service has been discontinued by the City, as provided in Item No. 9, or a trip is made for the purpose of discontinuing service, a charge of not less than forty dollars (\$40.00) may be collected by the City before service is restored during normal business hours. If service is restored after normal working hours, a charge of not less than sixty dollars (\$60.00) may be collected before service is restored. A service charge call for a customer's convenience, such as relocating service for reroofing, adding gutters, etc., where no additional load is involved, shall be established by the manager of the Electricity department, based upon cost and overhead.

11. Overhead Service Lines; In-Aid-of-Construction Costs

Customers desiring overhead service from the City's system, either residential or commercial classification, shall bear minimum bill payments which shall be paid in advance of construction. Specifications and terms for such construction will be furnished by the City upon request.

12. 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 specified otherwise. Notice to discontinue service prior to expiration of the 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 the municipality 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

The City 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. In the event of a failure, shortage or interruption of power service due to an act of God, the elements, labor troubles, fire, accident breakage, necessary repairs to the system, curtailment of power supply, or other cause or contingency beyond the City's control, the City shall not be liable to customer for such failure, shortage or interruption, it being understood and agreed that the supply and distribution of electric power are subject to failure, shortage or interruption from such causes, and that the City cannot and does not guarantee a constant supply of power.

15. Shortage of Electricity

In the event of an emergency or other condition causing a shortage in the amount of electricity for the City to meet the demand on its system, the City may, by an allocation method deemed equitable by the City, fix the amount of electricity to be made available for use by the customer and/or may otherwise restrict the time during which the customer may make use of electricity and the uses which the customer may make of electricity. If such actions become necessary, the customer may request a variance because of unusual circumstances, including matters adversely affecting the public health, safety and welfare. If the customer fails to comply with such allocation or restriction, the City may take such remedial action as it deems appropriate under the circumstances, including temporarily disconnecting electric service and charging additional amounts because of the excess use of electricity. The provisions of Section 27-40 are applicable to any such allocation or restriction.

16. Voltage Fluctuations Caused by Customer

Electric service must not be used in such a manner as to cause unusual fluctuations or disturbances to the City's system. The City may require the customer, at his own expense, to install suitable apparatus which will reasonably limit such fluctuations.

17. Additional Load

The service connection transformers, meters and equipment supplied by the City for each customer shall have definite capacity, and no addition to the equipment or load connected thereto will be allowed except by consent of the City. Failure to give notice of additions or changes in load, and to obtain the City's consent for same, shall render the customer liable for any damage to any of the City'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 the customer shall be supplied exclusively by the City, and the customer shall not, directly or indirectly, sell, sublet, assign, or otherwise dispose of the electric service or any part thereof.

19. Notice of Trouble

The customer shall notify the City 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. Nonstandard Service

The 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.

21. Meter Tests

The City will, at its own expense, make periodical tests and inspections of its meters in order to maintain a high standard of accuracy. The City will make additional tests or inspections of its meters at the request of the customer. See service policy for tests made at the request of the customer (Item No. 29).

22. Relocation of Outdoor Electrical Facilities

The City shall, at the request of the customer, relocate or change existing City-owned equipment if practicable. The customer shall reimburse the City 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 (1) 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 may be adjusted to a basis proportionate with the period of time during which service is extended.

24. Information to Customers

This schedule of rules and regulations is a part of all contracts for receiving electric service from the City, and applies to all service received from the City, 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 City's Schedule of rates and charges, which was approved in a public City Council meeting shall be kept open to inspection at the office of the City, 110 West College Street, Florence Alabama 35630, or found at our website www.florenceal.org. Furthermore, the City will provide information regarding rates, service practice policies, and guidelines to customers via the website www.florenceal.org and information including brochures and print media will also be made available in our offices. A customer will also receive such information upon application for electric service, and at any time upon request. All retail rates actions initiated by the City will be communicated to the public via the website www.florenceal.org and through advertisements in local newspapers.

Upon request from the customer, the City will make available a customer's energy consumption data for the prior 12 months' period.

25. Determination of Classification

The determination of rate classification for electric service shall be as set forth by the Tennessee Valley Authority and approved by the City Council.

26. Reconnection Charge

Whenever service has been discontinued by the City, as provided in the schedule of rules and regulations, a charge of not less than forty dollars (\$40.00) may be collected by the City before service is restored. The City's employee, when dispatched to disconnect a consumer's service for failure to pay bill, or to collect a bad check, may accept payment of the full amount of the consumer's bill, or bad check, plus an additional service charge of not less than twenty-five dollars (\$25.00), in which event the consumer's service will not be disconnected; provided, however, that the only cause for discontinuance of a consumer's service was the consumer's failure to pay the bill. If the consumer should fail or refuse to pay the employee the additional service charge, then the employee may decline to accept any smaller sum offered and shall proceed to disconnect the consumer's service. If service is disconnected at the pole, a service charge of not less than sixty dollars (\$60.00) shall be collected by the City before service is restored. Customers who require reconnection after regular business hours will be charged a fee of not less than sixty dollars (\$60.00) in addition to the past-due bill which must be paid to the serviceman upon reconnection. A service charge of not less than twenty-seven dollars (\$27.00) will be charged for handling all checks not accepted by banks, whether or not a collector has been dispatched.

27. Service Charges for Temporary Service for Construction

Consumers requiring temporary service for construction may be required by the City to pay all costs for construction and disconnection incidental to supplying and removing of service.

28. Single-Point Delivery

The rates named in the schedule of rates applicable for each class of service are based upon the supply of service to the entire premises through a single delivery and metering point, and at a single voltage. Separate supply for the same consumer at other points of consumption, or at a different voltage, shall be separately metered and billed.

29. Meter Tests

The City will, at its own expense, make periodical tests and inspections of its meters in order to maintain a high standard of accuracy. The City will make additional tests or inspections of its meters at the request of consumer. If such tests show that the meter is accurate within two (2) percent slow or fast, no adjustment will be made in the consumer's bill and a charge of not less than ten dollars (\$10.00) to offset the cost of laboratory testing and costs incidental to removing the old meter and installing a new meter will be paid by the consumer. If the test shows the meter to be in excess of two (2) percent fast or slow, an adjustment shall be made in the consumer's bill over a period of not over sixty (60) days prior to the date of such test, and the cost of making such test shall be borne by the City.

30. Special Minimum Bills

Electric consumers whose electric service requires the construction by the City of a separate line or a line of an unusual length and/or the installation of other facilities, the cost of which would be disproportionate to the expected revenue, may be required to pay a special minimum monthly bill in an amount and for a period of time sufficient to support and to amortize the City's investment.

31. Outdoor Lighting for Individual Customers

The outdoor lights of the permanent or the security light type will be installed in accordance with the provisions of the applicable outdoor lighting rate schedule, a copy of which is available upon request. The department shall reserve the right to remove any light of this type that is an active nuisance to surrounding residents.

32. Identification

The City will require a customer applying for utility services to present two (2) forms of creditable identification. The primary form shall be a pictured ID such as a valid Driver's License, State Issued Non-Driver's License, or US Military ID Card. The secondary form may be a Social Security Card, Medicare Card, Certified Birth Certificate, W-2 Form, Passport, Individual Tax Identification Number (ITIN), or Selective Service Identification Card.

33. Removal of Idle and Unused or De-energized Facilities and Services

The City through its Electricity Department shall have the right to remove those electrical facilities and services which have been idle and unused for a period of one (1) year or more.

34. Minimum Requirements for Street Lighting

The City Electricity Department normally will install street lights only at intersections on dedicated streets, maintained by the City, within the City limits. The Electricity Department will consider requests to install street lights at locations in the City limits other than intersections if the location is more than four hundred (400) feet from an intersection or existing street light, if there is an unusual obstruction caused by a curve or hill in the street between intersections, or if other extenuating circumstances necessitate a street light at a location for public safety reasons.

35. Power Factor Correction.

Power factor correction charges shall be as set forth by the Tennessee Valley Authority and approved by the City Council.

36. Rates

Rates for electrical services shall be as set forth by the Tennessee Valley Authority and approved by the City Council.