

RESOLUTION NO. R17-317

A RESOLUTION TO AMEND THE RULES AND REGULATIONS INCLUDED WITH THE
TVA POWER CONTRACT

WHEREAS, TVA and the City of Alcoa entered into a Power Contract dated October 9, 1975, as amended (Power Contract), under which the City of Alcoa purchases its entire requirements for electric power and energy from TVA for resale; and

WHEREAS, the Power Contract included a schedule of Rules and Regulations adopted by the City of Alcoa; and

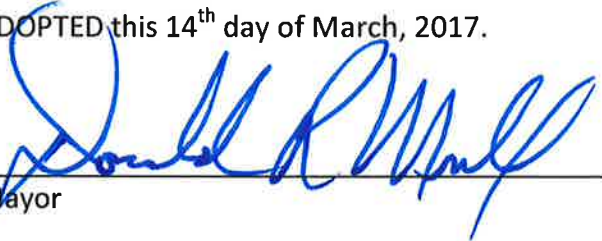
WHEREAS, the City of Alcoa believes it should amend these Rules and Regulations in accordance with the Regulatory Framework and guidelines provided by TVA;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the City of Alcoa as follows:

SECTION 1: That the amended Schedule of Rules and Regulations, attached hereto as Exhibit A, are hereby adopted and approved.

SECTION 2: That this resolution shall take effect forthwith upon its adoption, the public welfare requiring it.

ADOPTED this 14th day of March, 2017.



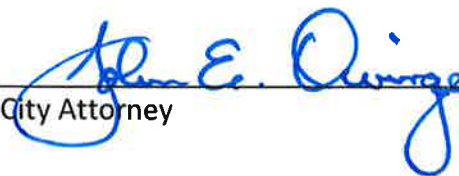
Mayor

ATTEST:



Recorder

APPROVED AS TO FORM:



City Attorney

(Exhibit A)

ELECTRIC SERVICE

SCHEDULE OF RULES AND REGULATIONS

1. 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.

2. Deposit. Residential A deposit or suitable guarantee of \$175.00 will be required for customers applying for service in a residential rate class before electric service is supplied. Customers will be granted a deposit waiver with an excellent credit rating using Online Utility Exchange. Deposits in this class will not earn interest. This deposit amount was determined using the Residential class average bill for the months of January and February 2014 as a guideline. If a customer is required to make a deposit, that deposit minus any service fees, will be credited to the customer's account once they have established a history of twelve consecutive months with no late payments. Upon termination of service, deposits, not previously credited, will be applied against any unpaid bills of the customer. If any balance remains after such application is made, the balance will be returned to the customer in the form of a check which will be mailed to the customer.

General Service. Deposits in this class will be two times the highest projected monthly bill as determined by the distributor based on the usage history at that location, if appropriate, or as otherwise determined by engineering. Engineering calculations will be based on connected loads, equipment installed, contract demands and projected hours of operation or the same or similar customer billing history at other locations as applicable. Deposits in this class may be secured by a cash deposit or a bank issued Irrevocable Letter of Credit. Cash deposits in this class will earn interest according to the current passbook interest rate earned on the Distributor's primary bank account. Interest will accrue and be added to the deposit amount annually. Deposit including any accrued interest, will be applied by the Distributor against unpaid bills of the customer upon termination of service. If any balance remains after such application is made, said balance will be returned to the customer. Deposit balances including earned interest are subject to review by the distributor or by the customer upon written request on an annual basis. Reviews will be based on the most recent usage.

3. 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 the Distributor.

4. 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 Electric 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 violations 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 on 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 that are paid after the due date on the billing statement provided shall be subject to an additional charge of 5%. Partial payments received prior to the due date will not be subject to the 5% charge. However, any balance remaining unpaid after the due date will incur the 5% charge. Failure to receive a bill will not release a customer from its payment obligations. Should bills not be paid by the due date specified on the bill, service may be discontinued as set out in the "Discontinuance of Service" section herein. Should the due date fall on a day when the business office is closed, the next business day following the due date will be held as a day of grace for payment to be received. Payments made after the due date will not be subject to additional charges if the incoming envelope bears the United States Postal Service date stamp of the due date or any date prior. Customers desiring to receive electronic bill presentation and electronic termination notices must enroll in the City of Alcoa's electronic notice program, if and when it becomes available, by completing the applicable form and consenting to its terms and conditions.
10. Discontinuance of Service. 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 rule does not release Customer from his or her obligation to Distributor for the payment of minimum bills as specified in application of Customer or contract with Customer. Customers will be mailed a written final notice prior to disconnection of service. Notices will be printed and mailed five (5) days after the due date has passed. If you believe the information on your bill or final notice is incorrect, you may contact our Customer Service Department, by phone or in person, during normal business hours. Hearings for service termination, including for non-payment of bills will be held by appointment at the Distributor's office between the hours of 8:00 A.M and 4:30 P.M. on any business day. This hearing information as well as the customer service phone number is printed on our final notice. In the event service is terminated due to non-payment of a bill, power will be restored only upon payment of the past due amount and any applicable fees. If an account is terminated, and then, closed due to non-payment, a new deposit will be required according to the Distributor's current rate schedule.

11. Reconnection / Late Charge. Whenever service has been scheduled for disconnection by Distributor, as provided above, or a trip is made for the purpose of discontinuing service, a charge of not less than Twenty-five Dollars (\$25.00) shall be added to the balance due. Payment must be made before service is restored. For reconnection after business hours, an additional charge of not less than One Hundred Ten Dollars (\$110.00) will be added to the balance due. Customers must agree to pay this fee before service will be restored. Total balance, including fees, must be paid to the Distributor before Noon (12:00pm) the following business day to avoid further interruption of service.
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 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. Medical Necessity. Distributor will allow two medical hardship extensions in a twelve month period. Upon approval of Distributor’s Application For Medical Hardship For Utility Services and Certificate of Medical Emergency forms, disconnection of service will be postponed for 14 days from the original scheduled disconnection date to allow customer time to make payment or alternative shelter arrangements. The Certificate of Medical Emergency form must be completed by a medical doctor licensed to practice in the State of Tennessee 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 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. Distributor will only grant this postponement for termination 2 times in a twelve month period. If full payment of the past due amount, including all late fees, is not received by the end of the 14 day postponement period, electric service will be disconnected without further notice. A previously granted medical extension must be paid in full before a new application may be submitted for approval. A medical hardship extension does not extend the due date of future bills.

16. Extreme Weather Conditions. Distributor will monitor weather conditions with the National Weather Service in Morristown. In the event the projected daily temperature will not exceed 32 degrees Fahrenheit or if the forecasted low for the coming night is below 20 degrees the distributor will postpone the disconnection of service due to non-payment. When the projected temperature will exceed 94 degrees Fahrenheit the same postponement practice will be in effect. When disconnection is postponed due to an Extreme Weather Condition, the postponement will not exceed the extreme weather condition.

17. Information to Customers. Upon request by the customer, the City of Alcoa will make available a customer’s energy consumption data for the prior 12 months’ period.

The Schedule of Rules and Regulations is a part of all contracts for receiving electric service from the City of Alcoa Utilities and applies to all service received from the City of Alcoa Utilities, 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 of Alcoa Utilities’ Schedule of Rates and Charges, which was approved in a public City of Alcoa Board of Commissioners’ meeting, shall be kept open to inspection at the City’s offices located at 223 Associates Boulevard, Alcoa, TN, 37701, or found on our website—www.cityofalcoa-tn.gov. Furthermore, the City will provide information regarding rates, service practice policies, and guidelines to customers via the website—www.cityofalcoa-tn.gov and information including brochures and print media will also be available in our offices. A customer will also receive such information upon application for electrical service, and at any time upon request. All retail rate actions initiated by the City of Alcoa Utilities will be communicated to the public via the

website—www.cityofalcoa-tn.gov and through public meeting notices of the Board of Commissioners.

18. Shortage of Electricity. In the event of an emergency or other condition 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 service and charging additional amounts because of the excess use of electricity. The provisions of the Section entitled Interruption of Service of this Schedule of Rules and Regulations are applicable to any such allocation or restriction.
19. 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.
20. Additional Load. The service connections, 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.
21. 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.
22. 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.
23. 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.

24. 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 for 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 the testing charge of Twenty-five Dollars (\$25.00) per meter 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 ninety (90) days prior to date of such test, and cost of making test shall be borne by Distributor.
25. TVA 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. Customers will be informed about the availability of the TVA Complaint Resolution Process upon application for service, at any time upon request, and through information provided on the Distributor's website or technological means of communication, if available.
26. 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.
27. 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.
28. 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 offices of Distributor.
29. 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.
30. Conflict. In case of conflict between any provisions of any rate schedule and Schedule of Rules and Regulations, the rate schedule shall apply.