Chapter 13.16

RULES AND REGULATIONS GOVERNING ELECTRIC SERVICE

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I. INTRODUCTION

13.16.010 General Statement. The following rules and regulations shall be known as the "City of Fountain's Rules and Regulations Governing Electric Service." (These rules may be referred to herein as the "Rules" or the "Rules and Regulations". Specific Rules will be referred to as the "rule governing...."). These Rules and Regulations are issued pursuant to the authority conferred upon the Fountain City Council (the "City Council") pursuant to Section 9.16 of the Home Rule Charter of the City of Fountain and the appropriate statutory and constitutional provisions of the State of Colorado. The following Rules and Regulations set forth the terms and conditions under which electric service is supplied and govern all classes of service and all territory served by the City of Fountain's Electric Utility ("hereinafter referred to as the "City"). These Rules and Regulations are necessary to fulfill the City Council's obligation and duty to regulate electric service provided by the City and to ensure that said electric service, and the rates and charges therefore, are adequate, efficient, just and reasonable. (Ord. 682 §2, 1985)

13.16.020 Scope. These Rules and Regulations are a part of all oral or written contracts for delivery of electric power and energy by the City. By applying for or accepting electric service from the City, each customer agrees to pay the appropriate rate as set forth in the City's rate schedules and to comply with the Rules and Regulations of the City regarding such service. The City may discontinue or refuse service to any customer who violates any Rule set forth herein or who fails to comply with any requirement of the City pursuant to these Rules. Copies of these Rules and Regulations shall be available for inspection during regular business hours in the office of the City Clerk. (Ord. 682 §2, 1985)

13.16.030 Waiver. Failure of the City to enforce or insist upon strict compliance with any of the Rules and Regulations herein shall not constitute a general waiver or relinquishment of any Rules and Regulation stated, but the same shall be and remain at all times in full force and effect. (Ord. 682 §2, 1985)

13.16.040 Revisions. These Rules and Regulations may be revised, amended or otherwise changed at any time by action of the City Council, subject to applicable charter, statutory and constitutional provisions. These Rules and Regulations cancel and supercede all previous Rules and Regulations. (Ord. 682 §2, 1985)

13.16.050 Choice of Rates. Rate schedules for the City are on file in the office of the City Clerk and are available for review by an applicant for service. Service will be supplied under the rate schedule(s) selected by applicant subject to the applicability requirements and the terms and conditions of the individual rate schedule. The determination whether the applicant meets the applicability requirements and terms and conditions of a particular rate schedule shall be made by the City, in its sole discretion. When there are two or more rate schedules applicable to the service requested, the City will, upon request of applicant, explain the conditions, character of installation or use of service governing the several rate schedules and assist in the selection of the rate schedule most suitable for the applicant's requirements. Applicant, however, shall be

responsible for the final selection of the rate schedule, and the City assumes no liability therefore. (Ord. 682 §2, 1985)

13.16.060 Conflict. In the case of conflict between any provisions of a particular rate schedule and these Rules and Regulations, the provisions of the particular rate schedule shall govern. (Ord. 682 §2, 1985)

13.16.070 Liability and Indemnification.

A. All lines, wires, apparatus, instruments, meters, transformers, and material supplied by the City at its expense or under its standard policies shall not be worked upon or interfered with by any customer or other unauthorized person(s). The customer shall be responsible for any damage to or loss of the City's property by the customer or others. The cost of making good such loss and/or repairing such damage shall be paid by the customer.

B. The customer shall be held responsible for injury to the City's employees if caused by the customer's acts, omissions or negligence. The customer shall be responsible and will indemnify and hold the City harmless for any injury to person or damage to property occasioned or caused by the acts, omissions or negligence of the customer or any of his agents, employees, or licensees, in installing, maintaining, operating, or using any of the customer's lines, wires, equipment, machinery, or apparatus, and for injury and damage caused by defects in the same.

C. The City shall not be held liable for injury to persons or damage to property caused by its lines or equipment when contacted or interfered with through digging or the installation of objects in the ground or by ladders, pipes, guywires, ropes, aerial wires, attachments, trees, structures, airplanes or other objects not the property of the City which cross over, through, or in close proximity to the City's lines and equipment. The City should be given adequate written notice before any digging takes place near the City's lines or equipment, before trees overhanging or in close proximity to the City's lines or equipment are trimmed or removed or when stacks, guys, radio or television aerials, wires, ropes, drain pipes, structures, or other objects are installed or removed near the City's lines or equipment, but the City assumes no liability whatsoever because of such notice.

D. The City shall not be held liable for either authorized or unauthorized use of City equipment, including station equipment. The user of such equipment will indemnify and hold harmless the City from all liability resulting from the use thereof.

E. Customer shall hold the City harmless and indemnify it against all claims and liability for injury to persons or damage to property when such damage or injury results from or is occasioned by the facilities located on the customer's side of the point of delivery unless by the negligence or wrongful acts of the City's agents or employees.

F. The developer, or builder where appropriate, will be deemed to be the "customer" for the purpose of this Rule until all normal construction responsibilities in the development and on the site are complete. (Ord. 682 §2, 1985)

II. SERVICE CONDITIONS

13.16.080 Customer's Installation.

A. The customer, before purchasing or beginning construction of a proposed installation, should confer with the City to determine if the type of service, capacity, and voltage desired by customer is available; to determine if extensions of, or additions to, the City's facilities will be required; and to secure definite location of the point of delivery. Before any additions to or alternations of existing installations are made by customer which will materially affect the amount of service required, or which may require a change in the type of service or the point of delivery, the City must be notified reasonably in advance thereof as to the proposed additions or alterations in order that the City may first determine if the service desired is available and, if so, that the necessary changes in the City's facilities may be arranged for and completed.

B. All wiring and other electrical equipment on the customer's side of the point of delivery will be furnished, installed and maintained at all times by the customer in conformity with good electrical practice and with the requirements of the National Electrical Code, the National Electrical Safety Code, the wiring regulations of the public body having jurisdiction, and in accordance with the City's Rules and Regulations. The City may also require the customer to meet additional safety conditions when deemed necessary by the City due to the customer's proposed use or installation. It shall be the customer's responsibility to provide suitable protective equipment to adequately protect the customer's wiring and equipment.

C. The customer's service shall be required to meet the service conditions set forth in these Rules. Failure to meet these conditions shall constitute cause for refusal to serve or discontinuance of service, whichever is appropriate. Any waiver by the City of any service condition contained herein must be in writing. The City retains the sole discretion to determine compliance with these service conditions. (Ord. 682 §2, 1985)

13.16.090 Interference with Quality of Service. The customer shall use care in the selection of equipment and the use of power and energy provided by the City such that objectionable voltage fluctuations or other electrical system disturbances, as determined by the City, are minimized. If, in the City's opinion, service to a customer, including his equipment or operations: a) causes objectionable voltage fluctuations or other electrical system disturbances; b) could cause the City to make system improvements that would not otherwise be necessary; c) interferes with telephone, television or other communication facilities; or d) in any other way creates interference with the quality of service supplied to other customers, including those situations where the customer fails to comply with these Rules, the City may require the customer to provide, at its sole expense, such special or additional equipment as is required to correct the situation, or the City, at its option, may provide such equipment if the customer agrees to pay the net installed cost of such equipment. Should the problem prove uncorrectable, the City may refuse or discontinue service under such conditions. If, within 10 days of notification by the City that corrective action is necessary, customer refuses to provide his own corrective equipment, or to reimburse the City for the cost of such additional or special equipment as is required, the City may refuse or discontinue service to the customer. The City, in its sole judgment may extend the time for compliance with this rule when

corrective action at the customer's expense. As an alternative, the City may choose to take corrective action itself and charge the customer for the expense of the corrective work. (Ord. 682 §2, 1985)

13.16.150 Power Factor.

A. All non-residential customers with a maximum monthly demand in excess of 50kw shall be required to maintain a 95% power factor at the customer's peak.

B. All 5 horsepower or larger motors shall be required to install capacitors connected to the motor starter to be energized when the motor is running.

C. In the event that it is not practicable for the customer to correct the power factor as required by this rule, the City may install corrective equipment on the City's system at the customer's expense. (Ord. 682 §2, 1985)

III. BILLING PROCESS

13.16.160 Application for Service. Each prospective customer requesting electric service shall sign the City's standard application for service, agreeing to the conditions set forth therein, and shall supply the City with such information as is requested by the City, including, but not limited to, the applicant's social security number, name and phone number of employer, birth date, the number of rooms of any residential dwelling requiring service, along with information relating to load, voltage, phase, the manner in which power will be utilized and, if necessary, credit references. The City may inspect the customer's facilities and investigate the information supplied by the customer to assure that any information provided is accurate. Non-residential customers may be required to sign a special contract containing such provisions and conditions as may be necessary or desirable to protect the interests of both the City and the customer. In the case of such a special contract, the City may modify either the City's or the customer's obligations, or both, under these Rules, by the use of express language to that effect in the written contract. No promise, agreement or representation of any employee or agent of the City shall be binding on the City unless the same shall have been incorporated in the written contract or application for service. The benefits and obligations of any agreement for service may not be assigned without the written consent of the City. In the case where two or more parties apply jointly for service, such parties shall be jointly and severally liable thereunder, but only one bill for electric service will be rendered. (Ord. 682 §2, 1985)

13.16.170 Billing.

A. Bills for service will be rendered monthly. The term "month" for billing purposes means the period between any two consecutive regular readings by the City of meters at the customer's premises, such readings to be taken as nearly as practicable every thirty (30) days. However, the City reserves the right to require more frequent payment of bills. The City will allow at least ten (10) days between the date of mailing or delivery of a bill and the due date of a regular monthly bill. All other bills, including final bills, special bills, and bills for connection or

reconnection are due within ten (10) days of the date of mailing or delivery. Failure to receive a bill will not release the customer from obligation for payment. The City will issue a duplicate bill upon request. In the event a billing error occurs, the City shall refund any overcharge and shall have the right to collect the amount of any undercharge.

B. If service is connected not more than seven (7) days before the route reading date, a separate bill for this period will not be rendered but the readings will be included with the readings of the next regular billing.

C. Whenever the City is unable, for any reason, to read the customer's meter, the City may render an estimated bill for the month, based on the best available information.

D. Once notification of termination or transfer of service is received and service is discontinued, the final bill will be computed and mailed within thirty (30) days of the last meter reading.

E. Charges for all services provided by the City to a particular customer, including, where applicable, electric (including street or yard lighting), water, and sewer, may be set forth on one combined bill. Once an amount is past due, future bills will not reflect a breakdown of such a past due amount between each respective service. Any payment by a customer receiving a combined bill will be presumed to apply proportionately between the amounts due for the applicable services provided by the City. This presumption will be conclusive unless a customer indicates in writing when making payment that such payment is limited to specific services.

F. The City will normally make all connections, reconnections and disconnections on weekdays (excluding City recognized holidays) between the hours of 8:00 A.M. and 4:00 P.M. Where facilities are in place to serve the customer, the City will connect the customer's service within three (3) days of a request for service. Should the customer desire connection, reconnection or disconnection after hours, the customer will be required to pay the applicable after hours charge. (Ord. 682 §2, 1985)

13.16.180 General Deposit Provisions.

A. The City will require a deposit from any customer or prospective customer or for any new account of an existing customer to guarantee payment of bills by the customer except when the Utility Director or the Utility Director's representative determines based upon credit information or based upon previous utility service that a deposit is not required.

B. The City may require a new deposit or an additional deposit up to the amount set forth in Section 13.16.180 F from any customer where the customer has recent or substantial payment delinquencies.

C. Where a deposit is required, the customer may satisfy the requirement by cash, an irrevocable letter of credit, or a surety bond.

Postal Service to the addressee and is returned to Fountain Utilities by the United States Post Office as undeliverable.

2. A check for a refund of a utility deposit not presented for payment within six (6) months after the date on the check, which shall be deemed void.

3. A utility deposit which remains unclaimed by the owner more than one year after termination of services for which the deposit was made.

4. All unclaimed utility deposits existing on the effective date of this Section and all utility deposits which subsequently become unclaimed utility deposits shall be used to fund the Fountain Utilities low-income energy assistance program as established by the City Council pursuant to Resolution 05-046 or as the resolution may subsequently be amended by City Council.

5. The Director is authorized to establish and administer procedures for the implementation of this Section. (Ord. 1299 §1, 2005)

13.16.190 Service Charges.

A. It shall be the customer's responsibility to pay each utility bill when due. If said payment is made by a check which is subsequently returned by the bank dishonored, the City will charge the customer a dishonored check processing fee.

B. Whenever a service call is necessary for collection purposes, or service has been disconnected for fraudulent use, noncompliance with the Rules and Regulations or nonpayment, the City will charge the customer the appropriate service charge.

C. For the initial connection and for each subsequent reconnection of service, the City will charge the customer a connection or reconnection charge. If said connection or reconnection is made after hours (weekends between 8:00 A.M. and 4:00 P.M., City-recognized holidays or on weekends) at the customer's request, the City will charge the customer an after hours connection or reconnection fee.

D. The service charges contemplated herein shall be set forth by separate Ordinance as approved City Council. These charges are to offset the city's costs for such service work and transactions and are in addition to all other customer charges for utility service, for customer deposits and for required charges under the City's Service Extension rule. (Ord. 906 §1, 1991)

13.16.200 Dishonored Checks. Any check received by the City in payment of a customer's bill that is subsequently returned from the bank without being honored will constitute non-payment of the amount due. Receipt of such a check in payment of an amount due pursuant to a pending notice of discontinuance justifies discontinuance of service without additional notice. If service is restored by the City upon payment with such a check, the City may immediately discontinue service without additional notice when the City learns that the bank will

not honor the check. In the event the City receives two dishonored checks from any one customer in any one year, the City may issue notice to the customer and require future payments for the next twelve (12) months to be in cash or certified funds. (Ord. 682 §2, 1985)

IV. BUDGET BILLING AND DISCONTINUANCE OF SERVICE

13.16.210 Budget Billing Plan.

A. Customers served under a residential rate schedule, who are not subject to a pending notice of discontinuance of service, may elect to convert to a Budget Billing Plan, subject to the conditions set forth in this rule, by submitting a written request therefore at least thirty (30) days prior to the beginning of the customer's billing cycle. If the customer receives a combined bill including charges for other services provided by the City, as described in the rule governing billing, the Budget Billing Plan must be applied to the combined bill and may not be applied to selected services provided by the City on an individual basis.

B. Any customer electing the Budget Billing Plan shall pay a monthly amount equal to a minimum of one-tenth (1/10) of the total of the customer's twelve (12) most recent months' bills, adjusted to reflect any rate increases which may have become effective during said twelve-month period. A customer may not elect the Budget Billing Plan unless the customer has twelve (12) months billing history at the particular residence.

C. The monthly payment amount determined in part B above shall be paid for the following eleven (11) successive months with the final or twelfth month's payment being a settlement amount equal to the difference between the total payments made during the prior payment months and the actual billing for the twelve (12) month period. The settlement amount, if a credit balance, will be credited against future bills of the customer. If the settlement amount is a balance owed by the customer, it shall be due and payable on the due date indicated on the bill for the settlement month.

D. The Budget Billing Plan will automatically continue from year to year unless terminated by either party.

E. To be eligible to participate in the Budget Billing Plan, a customer may be required to execute a standard form "Agreement for Budget Billing Plan", at least fifteen (15) days prior to the beginning of the Budget Billing Plan. If a customer electing the Budget Billing Plan fails to pay the Budget Billing obligation in any month, normal collection procedures shall be applicable for the outstanding Budget Billing amount. The customer shall be removed from the Budget Billing Plan and service may be discontinued pursuant to the City's rules and regulations governing such discontinuance.

F. The monthly Budget Billing amount may be adjusted, at the option of the City, for any increase or decrease in the City's rates. Said monthly Budget Billing amount may also be adjusted, at the option of the City, if the customer's use of electricity increases or decreases substantially.

G. If service is terminated for any reason to a customer on a Budget Billing Plan, the customer shall be removed from the Plan and the entire outstanding amount of the account shall be due and payable.

H. The customer may elect to terminate the Budget Billing Plan at any time by notifying the City in writing and by paying in full the entire outstanding amount of the account. If the customer has a credit balance, the City will apply the credit balance to future billings.

I. If a customer is removed from the Budget Billing Plan for any reason, the customer shall not be eligible to participate in the Plan again for a minimum period of twelve (12) months.

J. The customer's bill under the Plan will indicate the actual kwh used in the current month being billed plus the amount that would be charged under the current rates for the amount of usage. However, the customer's obligation will be to pay no less than the amount denominated "Budget Billing Amount".

K. A deposit may be required of a customer participating in a Budget Billing Plan, pursuant to the City's rules and regulations governing deposits.

L. The Budget Billing Plan will be adjusted each successive year by taking into consideration the following:

1. Rate changes during the year;
2. Credit or debit balances at adjustment times;
3. A change in usage; and
4. Contract agreements.

The customer will be notified of the adjusted amount of the Budget Billing. (Ord. 682 §2, 1985)

13.16.220 Discontinuance of Service at Customer's Request. A customer wishing to discontinue service or terminate his responsibility for service should give at least three (3) working days' notice to the City to that effect, unless otherwise specified in the rate schedule or contract applicable, in order to allow sufficient time for final meter reading and disconnection or transfer of service. Where such notice is not received by the City, the customer will be liable for service until final reading of the meter. Notice of discontinuance of service will not relieve the customer from any minimum or guaranteed payment under any contract or rate schedule. (Ord. 682 §2, 1985)

13.16.230 Discontinuance of Service by the City.

A. Applicability. The City shall not discontinue the service of any customer for violation of any of the City's Rules and Regulations Governing Electric Service or for nonpayment of any sum due for or charge related to electric service, deposits or other charges, except in accordance with this rule.

B. Requirement of Written Notice.

4. Said notice may also list agencies, which may provide assistance in the payment of utility bills, and the City may also provide a list of such agencies upon request. Any such listing is solely to inform the customer and the City makes no representations with regard to such listings and the accuracy thereof.

5. In the event the customer previously has executed a third-party notification form indicating a third party to whom notices of discontinuance are to be sent, written notice shall also be mailed by first class mail or delivered at least seven (7) days in advance of the proposed discontinuance date to said third party. The City shall make available a third party notification form to each new residential customer and upon request, to any existing residential customer. The customer, at his option, may mail or deliver to the City such third party notification form, which form shall be signed by both the customer (or his legal representative) and by the third party to be notified in the event of possible discontinuance of service.

6. The prediscontinuance notice and hearing requirements set forth herein are not applicable in the following situations:

a. When, in the sole discretion of the City and its agents, an immediate discontinuance of service to the premises is imperative for reasons of safety. This would include a hazardous condition on the customer's premises or, where the customer utilizes service in such a manner as to make it dangerous for occupants of the premises (including energy diversion in the appropriate situations), thus making an immediate discontinuance of the service imperative. Notice of the discontinuance and reasons therefore will be provided when the service is discontinued, or as soon thereafter as practicable. The affected customer will be entitled to a hearing after the discontinuance.

b. when discontinuance is ordered by any properly constituted governmental authority due to alleged violations by the customer of the ordinances, statutes or regulations applicable to the service. The City, in its capacity as an electric utility, shall not be responsible for ascertaining such conditions.

c. when service, having been discontinued in accordance with this rule, is restored by someone other than the utility.

7. In situations involving permanent residents in multi-unit dwellings, or a cluster of dwellings, known by the City to exist, where utility service recorded on a single meter is used directly or indirectly by more than one dwelling unit, in order to discontinue service, the City shall do the following:

a. Issue notice as required in part B to the customer of record;
b. Deliver or mail a written notice to each individual dwelling unit within the multi-unit dwelling advising that a notice of discontinuance has been sent to the party responsible for the electric bills for the dwelling, the date upon which termination will become effective, and how the individual resident in the dwelling unit may contact the City for additional information concerning the proposed termination; and

c. To the extent possible, post a copy of said notice in at least one of the common areas of the multi-unit dwelling.

C. Service Shall Not Be Discontinued:

1. for nonpayment of any sum due which has not appeared on a regular monthly bill. The due date on the bill must be specifically indicated on the bill and the due date shall be no earlier than ten (10) days subsequent to the mailing or delivery of the bill.

2. for nonpayment of any sum not past due, nor shall any notice of intent to discontinue service be sent with respect to any amount not past due.

3. for nonpayment of any sum due, on which payment arrangements have not otherwise been made, with respect to any other account presently or previously held or guaranteed by the customer or with respect to which the customer was the beneficiary of service (including service at another location), unless the amount has first been transferred to the account in which the notice may be given and displayed on the regular monthly bill. In such event, the amount so transferred shall be considered "due" on the regular due date of the bill on which it first appears as a transfer and shall be subject to notice as if it had been billed for the first time. If these requirements are met, service may be discontinued for nonpayment of any transferred amount from any other account of the customer.

4. for nonpayment of any amount due on any other account on which the customer is, or was, neither the customer of record nor the guarantor, unless the customer is or was a user obtaining service through subterfuge in any manner. Obtaining service through subterfuge constitutes grounds for discontinuance of service.

5. between 12:00 Noon on Friday and 9:00 A.M. the following Monday, or between 12:00 Noon on the day prior to and 8:00 A.M. on the day following any City-observed holiday.

6. until the City has made a reasonable effort to give personal notice of the proposed discontinuance either in person or by telephone to the residential customer (or to a resident of the customer's household eighteen (18) years of age or over). "Reasonable effort" shall constitute at a minimum either an attempt to make telephone contact or an attempt to make personal contact at the location of service to remind the customer of the pending discontinuance and the terms to avoid same at least twenty-four (24) hours prior to actual discontinuance. This requirement may be met by the hanging of a door hanger containing notice of the pending discontinuance.

7. if a residential customer pays, on or before the expiration date of the notice, the current bill in full and enters into a reasonable installment plan with the City, to pay all past due amounts, as elsewhere provided in this rule.

8. if the residential customer presents a medical certification in compliance with the appropriate provisions of this rule.

D. Restoration of Service.

1. Where service has been discontinued for non-payment, service will be restored within 24 hours (unless extenuating circumstances prevent restoration) after the customer pays in full all amounts past due, plus any deposit and/or collection, disconnection and reconnection fees as may be specifically required by the City's rate schedules.

2. Where a service has been discontinued for reasons other than non-payment, service will be restored within 24 hours (unless extenuating circumstances prevent restoration) after the customer pays any disconnection, reconnection and/or collection charges, plus any deposit, as may be specifically required in the event of discontinuance, and notifies the utility and the utility confirms that the cause for discontinuance, if other than nonpayment, has been cured.

E. Installment Payment Plan Arrangements.

1. Installment payment plan arrangements must be made if a residential customer fulfills one of the following conditions:

a. on or before the expiration date of the notice of discontinuance pays the current bill in full and enters into installment payment plan arrangements, as provided for herein, for past due amounts.
b. On or before the last day covered by medical certification or extension thereof, pays the current bill in full and enters into installment payment plan arrangements for the remaining amounts due.

2. Installment payment plan arrangements must be made with respect to any and all of the following amounts as may be applicable at the time the request for arrangements is made. The total amount for which an arrangement is made shall be referred to as the "arrangement amount". The "arrangement amount" shall include:

a. the unpaid remainder of the amount shown on the notice.
b. Any collection fees required by the City's rate schedules.

3. The terms of an installment payment plan arrangement will be explained and offered to each residential customer who contacts the City in response to a notice of discontinuance. The City may require the customer to sign an installment payment arrangement agreement as a condition to the offer of an installment payment arrangement.

4. An installment payment plan arrangement shall consist of equal monthly installments over a period of time selected by the customer up to three (3) months. The amount of the monthly installment payment shall be the arrangement amount divided by the number of months over which the payments are to be made.

a. The first monthly payment shall be due, together with the new bill, on the due date of the new bill.

c. The second and succeeding monthly installment payments shall be due, together with each new bill, on the due date of the new bill.

5. If a residential customer fails to make a monthly installment payment when due, the City may issue a notice of discontinuance and take the same steps for discontinuance as outlined in this rule.

6. Nothing in this rule shall be construed to prevent the City from offering any other installment payment plan arrangement terms to avoid discontinuance or terms for restoration of service, which offer is at least as favorable to the residential customer as the terms and conditions set forth in this rule or to which the customer agrees.

F. Medical Certification Process. Service may not be discontinued, or if already discontinued, must be restored, during any period when discontinuance of service has been demonstrated by the residential customer to be especially dangerous to the health or safety of the residential customer or a permanent resident of the customer's household pursuant to the requirements of this part F.

1. This condition shall be demonstrated when a physician licensed by the State of Colorado, or a health practitioner licensed by the State of Colorado and acting under a physician's authority, makes a certification thereof and said certification is received by the City in writing.

2. In the event a medical certification is delivered to or received by the City, the nondiscontinuance of service shall be effective for thirty (30) days from the date the City receives said medical certification.

3. A residential customer may invoke the provisions of this part F no more than once during any period of twelve (12) consecutive months, said period to begin on the first date said medical certification is presented.

G. Mail or Delivery. Whenever reference is made herein to a notice or other document being mailed or delivered, that phrase shall mean that the notice or the document is either deposited in the United States mails, or physically delivered to the address of the addressee, and does not necessarily include actual physical receipt by the addressee. (Ord. 682 §2, 1985)

V. METERS

13.16.240 Point of Delivery.

A. The point of delivery is that point or points on the customer's premises (or other agreed point) where the City terminates its electrical service conductors, and the customer's wires are connected to the City's conductors. All equipment on the load side shall belong to and be the responsibility of the customer, except meters and metering equipment and other equipment provided by the City, including instrument transformers.

C. Meters shall be installed at a height of approximately five and one-half (5 ½) feet on center above the ground or platform (except in meter pedestals provided by the City). In cases where unusual conditions exist, the City shall be consulted prior to installation.

D. Where the meter is recessed in the wall of a building, a space of not less than twelve (12) inches on each side of the center line of the meter base shall be provided to permit access for City test equipment.

E. New service entrance locations shall be approved by the City prior to installation. (Ord. 682 §2, 1985)

13.16.260 Meter Reading.

A. The City will attempt to read all meters on a monthly basis. Although the City will attempt, as nearly as possible, to read meters on the same cycle date, some variation may occur.

B. If for any reason, a meter reading cannot be obtained for any particular period, the billing may be based on an estimated energy use and demand. It will be subject to later adjustment, if deemed necessary by the City.

C. The City will not be obligated to reset demand meters in the event of system disturbances, inoperable load controllers, or other reasons beyond the City's control. (Ord. 682 §2, 1985)

13.16.270 Meter Tests.

A. The City will, at its own expense, make tests and inspections, as required, on its meters to insure a high standard of accuracy. The City may, in its discretion test a meter at any time. The City will, at its own expense, make one meter test per year upon the customer's request. A meter may be considered accurate if it tests within 2% plus or minus. The City may adjust bills accordingly if a meter tests in excess of the 2% accuracy standard.

B. Additionally, more frequent tests will also be made at the request of the customer. In the event the meter is found to register within 2% plus or minus, the customer will be required to pay a test fee of fifteen dollars ($15.00). If the meter is found to exceed the 2% limit plus or minus, the bill may be adjusted accordingly for the preceding six (6) month period or until the previous test, if tested less than six (6) months before, and no charge will be made for the testing. (Ord. 682 §2, 1985)

13.16.280 Separate Meter for Each Class of Service. When the customer receives service under more than one rate schedule, a separate meter must be installed for service under each rate schedule. The customer will be billed under each rate schedule based on the measurement registered by the applicable meter. (Ord. 682 §2, 1985)

13.16.290 Additional Meters. Should the customer desire the installation of additional meters other than those deemed necessary by the City to measure adequately the service taken by the customer, such additional meters shall be provided, installed and maintained by the customer at his own expense. (Ord. 682 §2, 1985)

VI. MISCELLANEOUS

13.16.300 Additional Load. In the event the customer desires to change his load materially, he shall notify the City sufficiently in advance so that the City may, if economically feasible, provide the facilities required. In the event that the customer fails to notify the City, and as a result the City's equipment is damaged, the customer shall be liable for the cost of such damage. The City will not be responsible for providing adequate service in the event that it is not properly notified. (Ord. 682 §2, 1985)

13.16.310 Attachments to Utility Property. No posters, banners, placards, radio or television aerials, or other objects will be attached to the poles or other utility property of the City. Any attachment to the City's poles or other utility property must have the express prior written authorization of the City. (Ord. 682 §2, 1985)

13.16.320 Curtailment. In the event that a serious power shortage should develop, and should it become mandatory that the City place into effect a curtailment program, the City reserves the right to limit the use of electrical energy during such hours as may become necessary. In the case of emergency, the City shall have the right to grant a preference to the electric service, which, in the City's opinion, is most essential to the public welfare. (Ord. 682 §2, 1985)

13.16.330 Customer Power Outage. If a customer's service fails, he shall endeavor to determine if he has blown fuses, tripped breakers, or, if his equipment is at fault before calling the City. If a service person is sent out at the customer's request and it is determined that the customer's equipment is at fault, a charge may be made for the call. The charge may include the actual cost of labor and transportation. (Ord. 682 §2, 1985)

13.16.340 Easements. A contract for electric service, or receipt of service by the customer, will be construed as an agreement granting to the City an easement for electric line, wires, conduits, and other equipment of the City necessary to render service to the customer. If requested by the City, before service is connected, the customer will execute a right-of-way agreement, granting to the City, at no expense therefore, satisfactory easements for a suitable location of the City's wires, conduits, poles, transformers, metering equipment, and other appurtenances on or across lands owned or controlled by the customer, and will furnish space and shelter satisfactory to the City for all apparatus of the City located on the customer's premises. In the event that customer shall divide its premises by sale in such manner that one part shall be isolated from the point where the City's electric lines are accessible, customer shall grant or reserve an easement for electric service over the part having access to electric liens for the benefit of the isolated part. (Ord. 682 §2, 1985)

13.16.350 Diversion of Electric Energy.

A. Definitions.

1. "By-passing" means the act of attaching, connecting, or in any manner affixing any wire, cord, socket, motor or other instrument, device or contrivance to the electric supply system or any part thereof in such a manner as to transmit, supply or use any electricity without passing through an authorized meter for measuring, registering or determining the amount of such electricity consumed.
2. "Energy Diversion" means by-passing, tampering or unauthorized metering.
3. "Tampering" means the act of tampering, altering, adjusting or in any manner interfering with or obstructing the action or operation of any meter provided for measuring, registering or determining the amount of electricity passing through such meter.
4. "Unauthorized Metering" means the act of removing, moving, installing, connecting, reconnecting or disconnecting of any meter or metering device for electric service by a person other than an authorized employee of the City.

B. Prohibited Activity. Energy diversion is subterfuge and constitutes a safety hazard. As such, energy diversion is prohibited. Due to its hazardous nature, discovery by the City that energy diversion has occurred shall be grounds for immediate disconnection of service without prior notice to the customer or user at such premises, and service shall not be reconnected until any and all deficiencies in wiring, connections, meters and/or electric facilities at the premises have been repaired, corrected or otherwise altered to conform with City requirements. In any case where energy diversion has occurred and immediate disconnection is effected, the City will give notice concurrent with the disconnection or as soon as practicable thereafter and provide an opportunity for hearing regarding possible resolution of the dispute.

C. Estimated Bill. In all cases where the City discovers that energy diversion has occurred, the City may bill the customer for estimated energy consumed but not properly registered.

D. Additional Charges. Where the City discovers that energy diversion has occurred, the City, in its discretion, may charge the customer for the costs of investigation and the costs resulting from the installation of protective devices by the City.

E. Waiver. The foregoing rule and payment by the customer of any charges thereunder in no way limits or waives the City's rights to pursue any and all remedies provided or affects any action or prosecution, under applicable Colorado laws and ordinances of the City of Fountain, absent an express written agreement to the contrary. (Ord. 682 §2, 1985)

13.16.360 Service Failures.

A. The City will endeavor to provide a constant and uninterrupted supply of power and energy to its customers and to avoid service failures, but does not guarantee same. The City shall

not be liable for any loss or damages, including consequential damages, resulting from service failures caused by accidents, acts of God, action of the elements, public enemy, strikes and other work stoppages, wars, authority or orders of government, required maintenance work, equipment breakdown, the unavoidability, restriction or interruption of its power and energy supply, or any other causes or contingencies beyond its control.

B. Service failures include, but are not limited to, phase reversals and/or single phasing of three-phase services, voltage transients, frequency deviations, wave shape deviation and service interruptions. In addition to the causes listed above, service failures may result from generally accepted utility system design, construction or operating practices and procedures.

C. The consumer shall provide at its expense any devices necessary for adequate protection of its equipment, processes, products or personnel against such service failures. The City shall not be liable for any loss or damages caused by service failures resulting from utility system design, construction or operating practices and procedures unless both the City acted in a negligent manner and the loss or damage would have occurred despite the proper installation and operation of the appropriate protective devices by the consumer. (Ord. 682 §2, 1985)

13.16.370 Notice of Trouble. In the event that service is interrupted or not satisfactory, or any hazardous condition is known to exist, it shall be the obligation of the customer to notify the City of such existing condition. (Ord. 682 §2, 1985)

13.16.380 Resale of Electric Energy. Electric energy supplied by the City is for the exclusive use of the customer. The customer may not, by submetering, determine a quantity of electric energy and resell said electric energy to any other person or persons on the customer's premises or for use on any other premises. A master meter customer may, however, check meter tenants, lessees, or other persons to whom ultimately the electricity is distributed for the purpose of reimbursing the master meter customer through an appropriate allocation procedure. In that event, the City reserves the right to check said meters and evaluate the reimbursement procedure to protect against inequities and guarantee that the customer is not reselling the electric energy. The City reserves the right to refuse to furnish electric service to any customer where the purchase of such service is for the purpose of resale by the customer to others. In the event electric energy is sold in conflict with this rule, the City shall have the right to discontinue service to said customer. (Ord. 682 §2, 1985)

13.16.390 Right of Access. The customer will provide access to his premises at all reasonable times for authorized employees of the City for any proper purpose incidental to the supplying of electric service. This would include, but is not limited to, reading meters and testing, inspecting, repairing or replacing any equipment which is the property of the City. If access to the property or any equipment is limited in any fashion, the customer shall take all steps, including the provision of keys where necessary, to provide access to the City. All easement areas shall be maintained for adequate access to City equipment. The City shall have the right to remove any obstruction at the customer's expense if the customer does not correct the access problem within 72 hours after notification of the problem. In the case of an emergency, the City may correct the access problem without notice. (Ord. 682 §2, 1985)

13.16.400 Complaints.

A. The City will investigate promptly all complaints by its customers. The City will keep for at least two (2) years, a record of all written complaints including:

1. the complaint itself;
2. the date received;
3. the date finally disposed; and
4. the actual disposition of the complaint.

Complaints may be either service or payment related.

B. The following procedure governs complaints to the City:

1. A customer may contact the City informally by telephone or in person to attempt to resolve any complaint. The appropriate staff person will investigate the complaint and may take appropriate action
2. As an alternative, or if the customer is not satisfied with the outcome of paragraph 1 above, the customer may request a formal hearing to provide an opportunity to resolve any complaint in person with a designated representative of the City.
3. The customer may appeal the decision of the City's designated representative to the City Manager by requesting a hearing in writing within five (5) days of the decision of the City's designated representative.
4. For customer complaints related to a pending notice of discontinuance, a request for a hearing, pursuant to paragraph 2 above, prior to expiration of the notice, will act to postpone the proposed discontinuance until five (5) days after the decision of the designated City representative. During this five (5) day period, the customer may further postpone the proposed discontinuance pending an appeal pursuant to paragraph 3 above by posting a deposit with the City equal to the amount due, subject to refund if the dispute is resolved in the customer's favor by the City Manager. (Ord. 682 §2, 1985)

13.16.410 Computation of Time. In computing any period of time required or allowed by these Rules, the day of the act, event, mailing or delivery from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, Sunday or a City-observed holiday, in which event the period runs to the end of the next day which is not a Saturday, Sunday or City-observed holiday. All references to a number of "days" herein, shall refer to calendar days and not working days, unless indicated otherwise. (Ord. 682 §2, 1985)

13.16.420 Service Extensions.

A. Applicability. This rule is applicable to all extensions of electric distribution facilities by the City to the applicant's point of delivery. Title to all facilities by the City pursuant to this policy shall at all times vest in the City. All facilities beyond the point of delivery, except equipment such

as meters that are installed by the applicant at the applicant's expense and will be subject to the standards and conditions contained in the City's Rules and Regulations.

B. General Provisions.

1. When one or more applicants request electric service at locations not presently connected to the City's electric distribution system or request an increase in electric service necessitating additional investment, the City shall evaluate the request as to the nature and the permanence of the service. The City, in its sole discretion shall designate the service requested as "Permanent", "Indeterminate", or "Temporary" in character, in accordance with the following definitions.

a. Permanent Service. Service to customers pursuant to the City's residential or general service – small rate schedules when, in the opinion of the City, the use of service, both as to amount and permanency, can be reasonable assured.

b. Indeterminate Service. Service, which is of an indefinite or indeterminate nature, such as that required by, but not limited to:

i. real estate subdivisions and development of property for sale;

ii. mines, quarries, sand pits, oil wells and other enterprises of more or less speculative characteristics; and

iii. all other service to which neither the permanent or temporary classifications are applicable.

c. Temporary Service. Service to circuses, bazaars, fairs, concessions, and similar enterprises, construction sites, and other enterprises of a temporary nature, and to ventures of uncertain speculative character such as coal and metal mining, gas or oil production operations during the preliminary or development period where the permanency of service is questionable. This classification would include any service where service is projected to be utilized less than eighteen (18) months.

2. The City will estimate the investment required to provide the service requested. The investment estimate shall include the following costs:

a. all costs related to the construction or installation of facilities necessary t adequately provide the service requested by applicant, including the cost of all materials, labor, right-of-ways, trench and backfill, tree trimming, special transformers and enclosures, transformer investment, supports or construction, conductors, lightning arresters, and other protective equipment.

b. All incidental costs such as engineering fees, fees for legal counsel, and all other overhead costs incurred in conjunction with the extension; and

c. Costs of reinforcement, reconstruction or relocation of the existing distribution facilities necessitated by the applicant's request for service, including temporary movement of facilities during construction.

3. To the extent both primary and secondary distribution facilities are required, the City will separate the investment estimate into those costs attributable to each type of facility. Primary distribution facilities shall be defined as three-phase facilities as 12.47kv or greater. Secondary distribution facilities shall be defined as all other facilities required to provide the requested service.

4. All costs attributable to secondary distribution facilities shall be allocated to the applicant. In the City's discretion, some portion of the costs attributable to primary distribution facilities shall also be allocated to the applicant after considering such factors as the number of additional customers anticipated to connect with such primary distribution facilities in the subsequent five (5) year period, the percentage of the capacity of the facilities to be utilized by the applicant, the minimum facilities necessary to serve the applicant, the usefulness of the proposed facilities to existing customers and the City's system, and any other appropriate factors. The City is in no way precluded from allocating the full costs of primary distribution facilities to the applicant under the appropriate circumstances. The total costs allocated to the applicant shall be designated the "applicant's allocation." Where there is more than one (1) applicant, the total costs shall be apportioned between the applicants, as deemed appropriate by the City. Each applicant's allocation shall be utilized to determine the appropriate construction payment to be required from the applicant, if any, pursuant to the provisions of this rule.

5. Records of those costs attributable to primary distribution facilities that were not allocated to the original. Applicant(s) shall be kept by the City for a minimum of five (5) years. For a period of five 95) years from the date of the completion of the extension, the City will allocate a portion of these remaining costs to additional extensions that connect to such primary distribution facilities, to be included in the applicant's allocations related to those extensions, based upon consideration of the factors set forth in paragraph B(4) above.

6. The determination of facility type and routing will be made by the City in its sole discretion consistent with the characteristics of the territory in which service is to be rendered and the nature of the City's existing facilities in the area. The facilities provided will be constructed to conform to the City's specifications.

7. After receipt of any requested construction payment, as required below, and the execution of an agreement, where deemed necessary by the City, the City will proceed with reasonable promptness to construct the requested service extension facilities pursuant to the applicable provisions of this and any other rules and regulations governing electric service by the City.

8. The City shall review each application for service and each proposed service extension and shall prevent new requests for service or requests for additional service from causing an unreasonable financial burden on the City or the general class of customers. In this regard, the City, in specific instances, may waive or create additional requirements governing a particular service extension. Where it is doubtful that the revenue to be presently derived from the proposed extension will allow the City to recover the fixed costs on its investment, the City may require the applicant to pay the City annually an amount to cover the costs of depreciation, taxes, operation and maintenance, and removal of such facilities.

9. Extensions of service pursuant to this policy are also subject to all other applicable rules and regulations and any additional requirements imposed by the City.

10. Charges for service extensions may be reduced or waived by the City Council upon a determination by the City Council that the reduction or waiver of such charges provides an economic benefit to the City or to the consumers of electric service

provided by the City and serves a public purpose. The City Council shall be the sole judge concerning whether the waiver or reduction of charges for service extensions constitutes an economic benefit to the City or to the consumers of electric service and serves a public purpose.

C. Application to Service Classifications. Once the City has designated the appropriate service classification (e.g., permanent, indeterminate, or temporary) applicable to the service requested by applicant, and determined an appropriate applicant's allocation, the amount and treatment of the cash construction payment to be required from the applicant will be determined as set forth in the following paragraphs.

1. Permanent service.
    a. The City will install at its expense necessary electric distribution facilities equivalent in cost to the construction allowance applicable to the applicant's or applicants' class of service as set forth on the service extensions construction allowance schedule. For extensions involving more than one permanent service applicant, each such applicant is entitled to the appropriate construction allowance.
    b. This construction allowance will be equal to the average revenue per customer, excluding any fuel cost adjustment, for the particular class of service. This allowance is subject to review and adjustment by the City on a periodic basis.
    c. To the extent that the applicant's allocation exceeds the sum of all applicable construction allowances, this amount will be paid as a construction payment in advance of any construction. When the facilities are completed, the construction payment shall be adjusted as appropriate to reflect actual costs. Based on this adjustment, an additional payment may be required from the applicant or the City may refund a portion of the payment, whichever is appropriate, within sixty (60) days. The failure of the applicant to make any additional payment requested shall constitute grounds for refusal or discontinuance of service. The adjusted construction payment shall be non-refundable.
2. Indeterminate Service.
    a. For indeterminate service involving real estate subdivisions and development of land for sale, the City shall estimate, in its sole discretion, the net number of permanent service customers that may reasonably be expected to apply for service from the facilities installed to serve the subdivision or development within five (5) years of the completion of said facilities. The City shall give the applicant credit for this estimated number of customers, multiplied by the applicable construction allowance, against the applicant's allocation. The applicant shall pay as a construction payment, the excess of the applicant's allocation over the applicant's credit for the estimated future number of customers. Where the credit is equal to or exceeds the applicant's allocation, the applicant's service will be installed without any payment by the applicant. However, the applicant will have no

entitlement regarding any excess construction allowance credit. When the facilities are completed, the construction payment shall be adjusted as appropriate to reflect actual costs. Based on this adjustment, an additional payment may be required from the applicant or the City may refund a portion of the payment, whichever is appropriate, within sixty (60) days. The failure of the applicant to make any payment requested shall constitute grounds for refusal or discontinuance of service. The adjusted construction payment shall be non-refundable.

b. For all other types of indeterminate service, the applicant shall be required to pay the City the entire applicant's allocation as a construction payment. When the facilities are completed, the construction payment shall be adjusted as appropriate to reflect actual costs. Based on this adjustment, an additional payment may be required from the applicant or the City may refund a portion of the payment, whichever is appropriate, within sixty (60) days. The failure of the applicant to make any payment requested shall constitute grounds for refusal or discontinuance of service. The adjusted construction payment shall be non-refundable.

3. Temporary Service.

a. For temporary service, applicant(s) shall be required to pay the City as a construction payment an amount equal to the applicant's allocation plus all estimated costs related to removing the facilities installed to serve the applicant. When the facilities are completed, the construction payment shall be adjusted as appropriate to reflect actual costs. Based on this adjustment, an additional payment may be required from the applicant or the City may refund a portion of the payment, whichever is appropriate, within sixty (60) days. The failure of the applicant to make any payment requested shall constitute grounds for refusal or discontinuance of service. After removal of the facilities, any net salvage value in excess of the costs of removal will be refunded to the customer. The remaining construction payment shall be non-refundable.

b. If temporary service is continued for more than eighteen (18) months following the extension completion date, the nature of such continued service will be evaluated, and, if appropriate, reclassified as indeterminate service. If so reclassified, all estimated removal costs may be refunded by the City. At this time, salvage value and the remaining construction payment shall become non-refundable.

4. Overhead to underground conversion. Customer(s) desiring to have the City's existing overhead facilities presently providing service installed underground or desiring to have existing overhead or underground facilities relocated may request the City to make such changes. If the City determines that such conversion or relocation can reasonably be made, the City will make such conversion or relocation on the following basis: the estimated remaining life value of the City's existing facilities plus the costs of removing such facilities less salvage value shall be paid by the customer or customers as a non-refundable payment. The new facilities to be

installed will then be considered in all respects as a new service extension under the terms and conditions of this service extension rule. (Ord. 682 §2, 1985) (Ord. 1233 §2, 2004)

13.16.430 Cogeneration and Small Power Production.

A. The FERC has promulgated regulations with regard to small power production and cogeneration (Part 292 of Title 18 of the Code of Federal Regulations (1984). As required by Federal law, the City, as a nonregulated electric utility, will implement the requirements of the FERC regulations through this rule.

B. This rule applies to all qualifying cogeneration and small power production facilities ("qualifying facilities"), as defined in the FERC regulations, that are willing and able to enter an agreement with the City. This rule represents general guidelines, since the nature, size and character of qualifying facilities may vary widely. The City reserves the right to evaluate each qualifying facility on a case-by-case basis.

C. The City shall purchase energy, or, if satisfactory conditions have been met, capacity and energy, from any qualifying facility who offers to sell energy or capacity and energy. The standard rates for purchases from qualifying facilities with a design capacity of 100kw or less are set forth on the appropriate rate schedule of the City. Rates for purchases from qualifying facilities with a design capacity in excess of 100kw shall be established by contract on a case-by-case basis.

D. In establishing rates for purchases from qualifying facilities, the City shall consider the criteria set forth in the FERC's regulations at 18 C.F.R. §292.304(e). Such rates shall: be just and reasonable, be in the public interest, and not discriminate against qualifying facilities. Whether capacity payments shall be made and the amount of capacity to be credited to a qualifying facility shall be determined based upon the criteria established by the City pursuant to 18 C.F.R. §292.304(e). Said criteria include, but are not limited to, reliability, availability, type of equipment, degree of coordination with the City's power supply sources and the City's ability to avoid capacity costs.

E. In the event of the imposition of any tax or payment in lieu thereof on the City, by any lawful authority, on the production, transmission, sale or purchase of energy or capacity and energy that would not occur in the case of a comparable nongenerating customer, such tax shall be paid by the qualifying facility.

F. Upon notification to the qualifying facility, the City may discontinue its purchases from the qualifying facility if the City determines that purchases from the qualifying facility would result in costs greater than those that the City would incur if it did not make such purchases.

G. The City will determine the appropriate equipment required to meter capacity and/or energy provided by the qualifying facility. This equipment shall be installed, maintained and read at the expense of the qualifying facility.

H. The City will provide electric service to all qualifying facilities located in its service territory pursuant to its standard applicable rate schedules and the City's rules and regulations governing electric service. Supplementary, back-up, maintenance and interruptible power may be provided to qualifying facilities, upon request, at a contract rate determined on a case-by-case basis.

I. The Cit must be consulted in advance of any construction or operation by a qualifying facility. The qualifying facility shall provide to the City all information requested by the City relevant to the proposed construction and operation of the qualifying facility. The City will evaluate each proposal on a case-by-case basis and may prescribe reasonable terms and conditions governing construction, operations and interconnection of the qualifying facility.

J. The City may require the execution of a written agreement prior to interconnection containing such terms and conditions as deemed reasonable by the City governing the relationship between the City and the qualifying facility. In all cases where the design capacity of the qualifying facility is in excess of 100kw, such a written agreement will be required.

K. Any and all costs of interconnection, including those incurred by the City, shall be the sole responsibility of the qualifying facility. The City will also charge the qualifying facility for administrative costs, consulting and legal fees incurred in processing the qualifying facility's application, negotiating an agreement.

L. Based on mutual agreement, the City, in its discretion, may transmit energy or power and energy, supplied by the qualifying facility, to another utility, pursuant to an appropriate contract, to the extent that transmission capacity is available. The City may make an appropriate charge to the qualifying facility for such transmission.

M. The City shall provide, upon request, sufficient data to allow a potential qualifying facility to determine the City's avoided costs. The data provided will generally conform to the outline provided in 18 C.F.R. §292.302 (1984).

N. The qualifying facility shall comply with all requirements of the National Electrical Safety Code, American National Standards Institute, Institute of Electrical and Electronic Engineers, American Society of Mechanical Engineers, and any other applicable local, state, or national codes (including any standards prescribed by the City) and shall operate its equipment according to prudent utility practice. In case of any conflict in the foregoing codes or standards, the City shall decide which shall govern.

O. The qualifying facility shall, to the point of interconnection, furnish, install, operate and maintain in good order and repair and without cost to the City such relays, locks and seals, breakers, automatic synchronizers, and other control and protective equipment as shall be designated by the City as being required as suitable for the operation of the qualifying facility in parallel with the City's

system. The qualifying facility shall take appropriate steps to ensure that operating in parallel will not degrade in any fashion the quality of service that is normally maintained on the City's system.

P. The qualifying facility, at its own expense, must provide switching equipment capable of isolating the qualifying facility from the City's system. This equipment must be designated for the exclusive use of the City and shall be accessible to the City or its agent at all times.

Q. The City or its agent, in its sole discretion and without notice or liability, may choose to operate the switching equipment described above if, in the opinion of the City or its agent, continued operation of the qualifying facility in connection with the City's system may create or contribute to a system emergency or safety hazard. The City's failure to operate such equipment shall not relieve the qualifying facility of liability for any damage resulting to the City's system. The City's obligation to purchase from the qualifying facility ceases when the City or its agent operates the switching equipment described above. The City shall endeavor to minimize any adverse effects of such operation on the qualifying facility.

R. The qualifying facility shall indemnify and hold harmless the City from any and all liability arising from the operation and interconnection of the qualifying facility. The qualifying facility shall bear full responsibility for the installation and safe operation of the equipment required to generate and deliver energy or capacity and energy to the point of interconnection. All facilities constituting the qualifying facility are subject to the inspection and approval of the City, as often as deemed necessary by the City, at any time after construction has begun. This right to inspection shall continue after the qualifying facility has interconnected with the City. The City shall also have a right to inspect maintenance schedules and records. Such inspection or approval of facilities shall not be construed to endorse their design, warrant safety, durability or reliability, or waive any of the City's rights. The inspection and approval shall be solely for the City's use. The qualifying facility must, at the request of the City or its agent, modify existing facilities or install additional facilities to comply with the existing or changing requirements of the City's system.

S. The qualifying facility is required to procure and maintain such insurance as is deemed necessary by the City, solely at the expense of the qualifying facility.

T. The City may, without cost or liability, discontinue purchases from the qualifying facility;

1. to allow the City or its agents to perform maintenance, tests or repairs on the interconnection facilities or the C's system;
2. during a system emergency where continuing purchases would contribute to such emergency;
3. when the operation of a qualifying facility is jeopardizing the integrity of the City's system or interfering with the service to customers or other sources of generation and transmission on the City's system; or
5. when monitoring or inspection by the City or its agent of the qualifying facility reveals a condition hazardous, in the City's opinion, to the City's system or a lack of scheduled maintenance or maintenance records for equipment necessary to protect the City's system.

U. The qualifying facility shall obtain and supply all easements necessary for operation and maintenance of those interconnection facilities owned by the City on the property of the qualifying facility or a third party. This shall include the switching equipment designated above and necessary metering equipment. (Ord. 682 §2, 1987)