

TERMS AND CONDITIONS
FOR THE PROVISION OF ELECTRIC SERVICE
TO MUNICIPALITIES AND COUNTIES - VIRGINIA

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**TERMS AND CONDITIONS
FOR THE PROVISION OF ELECTRIC SERVICE
TO MUNICIPALITIES AND COUNTIES - VIRGINIA**

I. DEFINITIONS

~~For the purposes of this Agreement, the following terms shall be understood to have the meanings as defined below. In addition to other terms specifically defined elsewhere in the Agreement, where capitalized, the following words and phrases shall be defined as follows in these Terms and Conditions:~~

~~A._____~~ “Additional Annual Revenue” – the additional continuing annual revenue, which is adjusted to exclude all fuel revenue and is anticipated reasonably by the Company from the facility being upgraded or added to the Company’s system.

~~“Agreement” means the Amended and Restated Agreement for the Provisions of Electric Service to Municipalities and Counties of the Commonwealth of Virginia from Virginia Electric and Power Company, effective as of August 1, 2014, including its Attachment A (Terms and Conditions), its Attachment B (Rate Schedules and Riders), its Attachment C (VEPGA Members), and any subsequent amendments, all of which are incorporated herein by reference.~~

~~B._____~~ “Betterment” – the portions of an overhead to underground conversion project which are designed to improve other portions of the Company’s system or better the existing service other than to assure reasonably the reliability of the converted facilities.

~~C._____~~ “Civil Construction” – the opening and closing of trenches and streets, and the installation of all necessary duct banks, manholes, and related items.

~~D._____~~ “Cost Estimate” – a detailed estimate of the labor and Materials, which will be used for a project.

~~E._____~~ “Customer” – a Virginia Energy Purchasing Governmental Association member who has been bound pursuant to Section A.1. of the Agreement.

~~F._____~~ “Company” – Virginia Electric and Power Company doing business as Dominion Virginia Power in Virginia.

~~G._____~~ “Delivery Point” – the point where the Company’s conductors for delivering Electric Service are connected to the Customer’s conductors for receiving Electric Service unless otherwise mutually agreed.

~~H._____~~ “Distribution Service” – the delivery of electricity through the distribution facilities of the Company to the Delivery Point of a Customer.

I. DEFINITIONS (Continued)

I. ———— “Electric Delivery Service” – Distribution Service, and the delivery of electricity under this Agreement to Customers served at transmission level voltage, and related utility services.

J. ———— “Electric Service” – the provision, by the Company to the Customer, of Electric Delivery Service, Electricity Supply Service, related utility services, and – where applicable – the interconnection of electric generators with the Company.

K. ———— “Electrical Construction” – the pulling of primary, secondary and/or service cable, and the placement of transformers, switches and similar devices, but excludes terminating cables, splicing cables, making the facilities ready to be energized, energizing the facilities, and any other work requiring specialized skills relating to the operation of the Company’s distribution facilities.

L. ———— “Electricity Supply Service” – generation of electricity and its transmission to the distribution facilities of the Company on behalf of a Customer.

M. ———— “Excess of Four Years’ Revenue” – the amount by which the estimated cost of installing the described facilities exceeds four times the Additional Annual Revenue, so determined.

~~**N.** ———— “Initial Term” — regarding contract minimums, the number of whole years necessary for the present value of the minimum revenue to equal the Company’s Net Cost of extensions or improvements, but in no case shall it be less than one year or more than ten years.~~

~~“Future Net Metering Regulations”– the existing State Corporation Commission of Virginia Regulations Governing Net Energy Metering (the “20 VAC 5-315 Rules”), as may be changed from time to time, during the term of the Agreement and (b) such other law or regulation as may govern net metering for the Company’s Virginia Jurisdictional customers on the same date as the specific Future Net Metering Regulation becomes effective for the Company’s Jurisdictional customers under the Company’s Jurisdictional Terms and Conditions.~~

O. ———— “Joint Action Committee” or “JAC” – forum, which meets quarterly and is comprised of both Company and VEPGA representatives. The purpose of the Joint Action Committee is to address and resolve issues outside of the Agreement negotiating process.

~~**P.** ———— “Letter Authorization” — written authorization from the Customer to the Company that authorizes the Company to perform the necessary work on a project.~~

Q. ———— “Lighting Design” – the specification of luminaires and their positioning to provide adequate illumination of the desired area considering the intended use of the

area; also, includes the positioning of poles, brackets, luminaires, and related fixtures to provide adequate clearances and safety zones.

I. DEFINITIONS (Continued)

R.———“Materials” – equipment or supplies furnished by the Company to the Customer or to the Customer’s contractor.

S.———“Maximum Measured Demand” – the highest average demand measured during any 30-minute interval.

T———“Net Cost” – the difference between the Company’s estimated cost minus the Customer’s contribution for connecting Electric Service or rearrangement to match the Customer’s requested load requirement.

U.———“Normal Variance Limit” – the lesser of 115% of the estimated cost or \$25,000 in regards to actual project costs which exceed the estimated cost, as described in Subsection XII.I.

V.———“PJM” – PJM Interconnection, LLC (Pennsylvania-New Jersey-Maryland Interconnection LLC) is a regional transmission organization (RTO), which is part of the Eastern Interconnection grid that operates an electric transmission system, or any successor RTO.

W.———“Progress Billing” – is defined in accordance with Paragraph-Subsection XII.I. of the Terms and Conditions.

X.———“Rate Schedule” – the Company’s rate schedules applicable to Customers purchasing bundled electric transmission, distribution, and generation services from the Company, i.e., both Electric Delivery Service and Electricity Supply Service from the Company.

“Tax Effect Recovery Factor” – TERF – Tax Effect Recovery Factor, as described in Subsection XII.H.2.

“Terms and Conditions” – is this document, which is Attachment A to the Agreement.

Y.———“Underground Distribution Area” – an area within a major metropolitan high load density center which has been designated by the Company with concurrence of the Customer.

Z.———“VEPGA” – the Virginia Energy Purchasing Governmental Association.

II. NORMAL ELECTRIC SERVICE AND SERVICE CONNECTIONS

A. Request for Electric Service

1. The Customer shall request and the Company shall supply Electric Service at mutually agreed upon locations in addition to those served as of the effective date of this Agreement. Requests for connection of service or disconnection of service will be made in writing. ~~(Note: “Customer,” “Company,” and “Electric Service” are defined in Paragraphs I.E., I.F., and I.J., respectively, of these Terms and Conditions of the Agreement.)~~
2. The Company will furnish Electric Service to the Customer for use only on the premises owned or leased by the Customer and such Electric Service shall be used only for the Customer’s own purposes. Electric Service shall not be provided or allowed under this Agreement to a separately metered, privately-owned residence or business providing any type of service to the public, except where such service is incidental to the operation of the Customer’s facility.

B. Delivery Point

Normally, Electric Delivery Service, ~~as defined in Paragraph I.I. of these Terms and Conditions of the Agreement,~~ will be furnished through one Delivery Point, ~~as defined in Paragraph I.G. of these Terms and Conditions of the Agreement,~~ and one set of metering apparatus. All metering apparatus used for billing shall be owned, operated, and maintained by the Company.

C. Compliance of Customer’s Installation with the Company’s Blue Book

The Company shall not be required to provide Electric Delivery Service unless the Customer’s installation has been made in accordance with the applicable provisions of the Company’s published Information and Requirements for Electric Service: The Blue Book (<http://www.dom.com/dominion-virginia-power/customer-service/for-businesses/pdf/bluebook.pdf>).

D. Location of Company’s Metering Equipment

The Customer shall provide at a mutually agreeable location suitable space for the installation of the necessary metering apparatus which space normally shall be:

1. Substantially free from vibration;
2. An outside location unless otherwise approved by the Company. For detached single-family residential structures a side location shall be used where practicable;

3. Readily accessible and convenient for reading, testing, and servicing;

II. NORMAL ELECTRIC SERVICE AND SERVICE CONNECTIONS (Continued)

4. Protected from damage by the elements or the negligent or deliberate acts of persons.

E. Characteristics of Electric Service

The Company will provide Electric Service to the Customer at 60 Hertz of the phase and Company-standard nominal voltage desired by the Customer to each mutually agreed upon Delivery Point, provided Electric Service of the phase and voltage desired by the Customer is available generally in the area in which Electric Service is desired. The characteristics at which Electric Service will be furnished at each Delivery Point will be given in writing to the Customer.

F. Submetering of Electric Service

The submetering of Electric Service is permitted in accordance with the following:

1. The Electric Service furnished by the Company shall not be submetered by the Customer for resale or assignment to another entity except to the extent that such is incidental to the performance of the Customer's official duties and the Company cannot provide and bill reasonably and separately the Electric Service. This provision, however, shall not be construed as preventing the Customer from providing submetered Electric Service to publicly-assisted housing and similar projects.

2. The Customer may install submetering equipment in or at an apartment house or complex, office building, or other public facility for each individual dwelling unit or rental unit, or contractor facility whose purpose it is to construct a permanent facility for the Customer's use, or other public facility (for use incidental to the operation of the Customer's facility), as long as such submetering fairly allocates the cost of each meter's or submeter's electrical consumption and electrical demand charges on the basis of the charges made to the Customer. The Customer shall not impose on the tenant any charges over and above those charged to it by the Company, except that an additional service charge not to exceed two dollars per month per dwelling unit or rental unit may be collected to cover administrative costs and billing. Further, the Customer shall maintain adequate records regarding submetering and shall, upon request make such records available for inspection by the tenant during reasonable business hours. The provisions of this section shall not restrict the right of the Customer to recover in periodic lease payments the tenant's fair share of Electric Service costs attributable to common areas and costs incurred by the Customer in establishing and maintaining the submetering system.

II. NORMAL ELECTRIC SERVICE AND SERVICE CONNECTIONS (Continued)**G. Permits**

1. The Company will make application for the permits and acquire the easements necessary to build its delivery facilities to the property occupied by the Customer. If needed, the Company may request the reasonable assistance of the Customer in obtaining these permits and easements. The Customer will apply for, obtain, and deliver to the Company all other permits or certificates necessary to give the Company the right to connect its conductors to the Customer's wiring, and access for all other proper purposes, including an easement or permit from the land owner for the Company's facilities. The Company shall accept a permit across property owned by the Customer only if the Customer agrees that in the event the permit is revoked, or terminated, or if removal is otherwise desired by the Customer, the Customer agrees to pay the cost of removing the Company's facilities and, if appropriate, replacement. Upon the revocation or termination of the permit, the Customer agrees to provide, if needed, a suitable substitute easement or permit subject to the same terms provided for above to insure continuity of Electric Service to the public.
2. In the event the Customer sells or conveys the property where the Company's facilities are located by permit, the Customer shall provide for a suitable easement for the Company's facilities.
3. The Company shall not be required to provide Electric Service until a reasonable time has elapsed after the Company has obtained or received all necessary permits, certificates, and easements. With proper coordination between the Company and the Customer, Electric Service will be supplied within ninety days from the later of:
 - a. Receipt of written authorization from the Customer; or
 - b. The date upon which all above documents are obtained.

- H. To the extent the Customer desires service utilizing Materials, ~~as defined in Paragraph I.R. of these Terms and Conditions of the Agreement~~, which the Company does not maintain as a general inventory item and the Company agrees to provide Electric Service using such Materials, the Customer agrees that the initial installation of Electric Service may be delayed due to ordering lead-times and further agrees that repairs and replacements may be delayed due to re-ordering lead-times. The Company agrees that providing timely Electric Service is important and will undertake reasonable efforts to minimize delay.

II. NORMAL ELECTRIC SERVICE AND SERVICE CONNECTIONS (Continued)

- I. Should any change or changes in the service connection furnished to the Customer by the Company be made necessary by any requirement of public authority, the entire cost of such changes on the Customer's side of the Delivery Point shall be borne by the Customer.
- J. Whenever Electric Service (other than temporary service) is connected or reconnected for the Customer at any particular location, a Service Connection Charge in the amount specified in Schedule C - Miscellaneous and Standby Charges, ~~which is attached hereto and is a part of this Agreement,~~ will be made by the Customer to the Company. However, this connection charge will not be made for unmetered street and traffic control light connections.

III. EXCESS FACILITIES SERVICE

Whenever the Customer requests the Company to provide Electric Service to a single premises as described in ~~Paragraph-Subsection~~ III.A., below, in a manner which requires the Company to supply equipment and facilities in excess of those which the Company normally would provide in Sections II. and XII. of these Terms and Conditions ~~of the Agreement~~ and the Company finds it practicable, such excess equipment and facilities shall be provided under the following conditions:

- A. Electric Service will be supplied through such excess equipment and facilities only to a single premises consisting of contiguous property whose surface is not divided by any dedicated public street, road, highway, alley or by property not owned or leased by the Customer.
- B. The facilities supplied shall be of a kind and type of transmission or distribution line or substation equipment normally used by or acceptable to the Company and shall be installed in a place and manner as mutually agreed upon. All equipment furnished and installed by the Company shall be and remain the property of the Company. When excess facilities are provided to provide Electric Service at more than one Delivery Point, the Company-supplied primary facilities interconnecting the Delivery Points shall be located on the Customer's premises. The charge for such excess facilities shall be calculated as specified in Schedule B, Excess Facilities Service Rate, ~~which is attached hereto and is a part~~ of the Agreement.
- C. Whenever a Customer requests the Company to furnish an alternate source of delivery that the Company normally would not furnish, the Facilities Charge for the alternate delivery facilities shall be calculated as specified in Schedule B, Excess Facilities Service Rate, ~~which is attached hereto and is a part~~ of the Agreement. When the facilities used to provide alternate service to a Customer are used to serve other customers also, the cost of such facilities shall be included in the calculation of the Facilities Charge only in the proportion that the capacity reserved for alternate service to the Customer bears to the operating capacity of such facilities.

III. EXCESS FACILITIES SERVICE (Continued)

Except as may be mutually agreed, for alternate service arrangements existing prior to July 1, 1997, where the alternate service delivery is made through a meter that is independent of the regular service meter, in addition to the charges for excess facilities the following provisions shall apply:

1. The Customer shall limit purchases through the alternate service meter to those times when the Company's provision of Electric Service to the regular service meter is interrupted, or for reasonable tests of the Customer's equipment, or for failure of the Customer's equipment necessitating temporary use of the alternate source.
 2. The amount billed for Electric Service at the regular service meter shall be the amount determined by applying the appropriate Rate Schedule, ~~as defined in Paragraph I.X. of these Terms and Conditions of the Agreement,~~ to the readings of the regular service meter alone.
 3. The total combined amount billed for Electric Service at the regular service meter and the alternate service meter shall be determined by combining the readings of the regular service and alternate service meters and applying such combined kWh and demand to the Rate Schedule under which Electric Service is purchased at the regular service meter, but not less than the regular service meter amount plus the Alternate Service Meter Minimum Charge described in Schedule C — Municipal and County Miscellaneous and Standby Charges, ~~which is attached hereto and is a part~~ of the Agreement.
 4. The amount billed for Electric Service at the alternate service meter shall be the combined amount in Paragraph Subsection III.C.3., above, less the regular service meter amount in Paragraph Subsection III.C.2., above.
 5. When the service arrangements at such locations are modified and where practicable: (1) the service facilities will be arranged so that all electricity is measured by one meter whether supplied from the regular service or the alternate service; and (2) the charges for excess facilities shall be modified to reflect the revised metering arrangement.
- D. The Company shall not be required to make such installations of equipment and facilities in addition to those normally provided until the parties have executed such agreements and fulfilled such other conditions as may be appropriate for the installation contemplated.
- E. Upon initiating service under Section III for the purpose of master metering multiple Delivery Points for residential dwellings, the Customer shall not have the option of converting (or reverting) to individual metering for a period of ten years following initiation of the master metering, unless otherwise mutually agreed by the Company and the Customer.

III. EXCESS FACILITIES SERVICE (Continued)

- F. Nothing in this Section III shall be construed to prohibit the Customer from serving any Customer load on any contiguous property whether or not divided by a public street, road, highway, alley or property not owned by the Customer through Customer owned, maintained and operated equipment so long as the other provisions of these Terms and Conditions are not violated.

IV. RIGHT OF ACCESS

The Company shall have the right of access to the Customer's premises at all reasonable times for the purpose of reading the Company's meters, removing the Company's property and for any other purpose related to the inspection, operation, maintenance, or improvement of the Company's facilities.

V. VOLTAGE VARIATION

- A. Unless otherwise agreed by the Parties hereto in writing and attached hereto, the Company will endeavor to provide Electric Delivery Service voltages within the following limits:

The variation from nominal voltage to minimum voltage will not exceed 7.5% of nominal voltage, and the variation from nominal voltage to maximum voltage will not exceed 7.5% of nominal voltage. Variations in voltage in excess of these specifications arising from causes beyond the control of the Company shall not be considered a violation hereof.

- B. The following definitions apply to terms used above:

Nominal Voltage - The reference level of service voltage;

Maximum Voltage - The greatest 5-minute mean or average voltage;

Minimum Voltage - The least 5-minute mean or average voltage.

VI. METER READING AND BILLING OR REBILLING FOR METERED OR UNMETERED SERVICES

- A. Meters may be read in units of 10 kWh and bills rendered accordingly.

- B. Meter Testing

- 1. The metering equipment installed by the Company to measure the electricity used by the Customer shall be tested by the Company in accordance with the Company's standard meter testing practices.

- 2. The Company will, without charge, make a test of the accuracy of registration of the metering equipment upon the request by the Customer, provided the Customer does not request such a test for any individual meter more frequently than once in each 24 months. If more than one request test is made in a 24-month period, the Customer will pay all costs of making all tests other than the first test unless the results of such additional request test indicate the accuracy of the meter to be more than 2% fast or slow, in which case no charge for said request test will be made.

VI. METER READING AND BILLING OR REBILLING FOR METERED OR UNMETERED SERVICES (Continued)

3. When a meter is found to be no more than 2% fast or slow, no adjustment will be made in the Company's bills. If the meter is found to be more than 2% fast or slow because of incorrect calibration, the Company will rebill the Customer for the correct amount as reasonably calculated for a period equal to one-half of the time elapsed since the last previous test, but in no case for a period in excess of twelve months. The percentage registration of a meter will be calculated by the "weighted average" of light load and full load, which is calculated by giving a value of 1 to the light load and a value of 4 to the full load.

C. Unmetered Electric Service Due to Tampering

1. Whenever it is found that unmetered Electric Service is being used by the Customer as a result of tampering, the Customer will pay to the Company an amount reasonably estimated by the Company with input from the Customer to be sufficient to cover the Electric Service used but not recorded by the meter and not previously paid for ~~by the Customer~~.
2. Whenever it is found that, as a result of tampering which occurred on the property of the Customer (excluding public roadways), unmetered Electric Service is being used by an agent or employee of the Customer and the Customer benefited from the use of the unmetered Electric Service, the Customer will pay to the Company an amount reasonably estimated by the Company with input from the Customer to be sufficient to cover the Electric Service used but not recorded by the meter and not previously paid for to the extent the Company cannot recover payment for the unmetered Electric Service from the Customer's agent or employee.

D. Improper Billing – Other Than Incorrect Calibration or Tampering

Whenever it is found that, for any reason other than incorrect calibration or tampering, the Company has not billed properly the Customer, the Company will rebill the Customer in accordance with the following:

1. In the event the true amount of Electric Service used by the Customer cannot be determined, an estimate will be made of the Electric Service used during the period in question. Such estimate will be based upon all known pertinent facts, and the amount of Electric Service so estimated will be used in calculating the corrected bill.
2. The period of rebilling shall be as required to correct billing, but shall not exceed thirty-six months from the original date that the Company notified the Customer. Where incorrect meter registration is the cause of improper billing, the total period of rebilling also shall not exceed one-half the time elapsed since the last previous test of the metering apparatus.

VI. METER READING AND BILLING OR REBILLING FOR METERED OR UNMETERED SERVICES (Continued)**FE.** Rendering of Bills Electronically

1. Upon request of the Customer and upon execution of a suitable supplemental agreement, the Company will render bills electronically in accordance with the American National Standards Institute (ANSI) X12 standard for electric bills (EDI810 Transaction Set version 4010). The Company may from time to time upgrade to a newer standard, but will support previous standards for a reasonable period as to allow the Customer to upgrade to the newer standard. Upon initiation of electronic billing, the Company will render paper bills to the Customer for a period not to exceed three billing months.
2. For separately-billed accounts on a Consolidation of Bills statement, the Customer currently has the ability to view on the Company's Manage Your Account web portal an Adobe .pdf file of the billing statement for the Customer's own separately-billed "child" accounts, which comprise the Consolidation of Bills statement. The billing statements for the separately-billed "child" accounts are available only for the most recently completed billing month.

By November 1, 2014, the Company will modify the Company's Key Customer and Manage Your Account web portals to allow Customers with a Consolidation of Bills statement the ability to access the billing statement for each of the separately-billed "child" accounts, which comprises the Consolidation of Bills statement, for the most recently completed billing month, plus the previous 11 consecutive billing months.

GF. Interval Meters, Data Pulses, Time and Data Pulses

Interval meters, data pulses and, where available, time and data pulses shall be supplied in accordance with the following:

1. The Company shall provide an interval meter on a Delivery Point at no charge when the Customer's Maximum Measured Demand, ~~as defined in Paragraph I.S of these Terms and Conditions of the Agreement,~~ has reached or exceeded 500 kW during any three of the preceding 12 billing months or where the Company, in its sole judgment, determines the anticipated demand will reach or exceed 500 kW three or more times in the immediately prospective 12-month period. Any modems or other additional equipment will be provided in accordance with Paragraph Subsection VI.HG., below.

If the Customer does not meet the above criteria for an interval meter at no charge, the Customer may request an interval meter in accordance with the terms and charges stated in Paragraph Subsection VI.HG., below.

VI. METER READING AND BILLING OR REBILLING FOR METERED OR UNMETERED SERVICES (Continued)

2. Subject to the availability and other provisions as described herein, the Company shall supply data pulses or data and time pulses upon the Customer's request at the point of the Company's metering using Company-owned contact closures. Such data pulses or data and time pulses are available only where (a) the Customer requests an interval meter in accordance with [ParagraphSubsection VI.HG.](#), below or (b) the Company has, for its own purposes or pursuant to [ParagraphSubsection VI.GF.1.](#), above, installed suitable instrument transformer metering equipment or suitable interval metering equipment. If the Company changes the type of metering equipment serving the Customer, the Company shall have the right to change the nature of the data pulses provided or discontinue providing pulses altogether, however, any charges to the Customer related to the provision of pulses shall be adjusted accordingly. The Company shall bill contact closures for data or data and time pulses to the Customer in accordance with the charges stated for contact closures in [ParagraphSubsection VI.HG.](#), below.
3. The Company shall have access to any metering equipment installed pursuant to [ParagraphSubsections VI.GF.1.](#), [VI.GF.2.](#), or [VI.HG.](#) at no charge to the Company, via any telephone lines which the Customer may cause to be connected to such metering equipment.
4. The nature of time and data pulses vary according to the specific equipment involved and, accordingly, the Customer shall exercise due diligence in determining the nature of the pulses supplied. Upon (a) installation of the facilities used by the Company to supply pulses and (b) any subsequent changes in the nature of the pulses supplied, the Company will provide the Customer written notification of the number of circuits, whether the pulses are totalized or non-totalized, and whether the pulses include or exclude time pulses.
5. The Company shall not be responsible for any of the following:
 - a. Any and all communications and control equipment between the Customer's equipment and the Company's metering points;
 - b. The precise synchronization of the Company's meter clock time with the clock time used by the Customer;
 - c. The accuracy or malfunction of the Customer's related equipment; or
 - d. The Customer's use, misuse or misapplication of the pulse data or interval data.
6. The Company may make reasonable and necessary changes to the Company's facilities involved in the supply of interval data, or time or data pulses, including, but not limited to, changes in the current transformer ratios, changes in the potential transformer ratios, changes in the pulse initiating equipment, and changes in the interval data capturing or recording equipment. The Customer shall be responsible for making any changes to the Customer's equipment necessitated by changes in the Company's equipment.

VI. METER READING AND BILLING OR REBILLING FOR METERED OR UNMETERED SERVICES (Continued)

7. The following provisions apply to the locations where the Company provided time or data pulses prior to July 1, 2001:
 - a. If, at the service location, the Customer has installed and has in normal daily operation, an automated energy management system which meets the Company's specifications, a facilities charge shall be made for the additional facilities required to supply pulses only to the extent the cost of the additional facilities exceeds the cost of a standard contact closure installation. The standard installation shall be for electricity delivered at 480 Volts or less; shall be based on supplying pulses for the actual number of Company-supplied Delivery Points not to exceed four Company-supplied Delivery Points; and shall include data transmission wiring between the actual number of Company-supplied Delivery Points, not to exceed four Company-supplied Delivery Points, with such wiring utilizing Customer installed, owned, and maintained conduit.
 - b. When pulses are supplied in accordance with ~~Paragraph~~Subsection VI.~~GF.~~2., the Customer's energy management equipment and any records relating directly to (1) the maintenance of such energy management equipment and (2) the use of the pulses for load control purposes shall be subject at all reasonable times to inspection by the Company. The Customer shall maintain such records which cover the most recent six months of the equipment's operation.
8. For services provided by the Company pursuant to this ~~Paragraph VI.G. or Paragraph~~Subsection VI.~~HF.~~, the Company shall not be liable for any losses or damages whether based on contract, strict liability, or warranty (whether expressed or implied), arising from, caused by, or resulting from the use or misuse of such services by the Customer or the supply of such services by the Company.

HG. Charges for Customer-requested Interval Meters and for Contact Closures

As provided for in the tables below, interval meters and contact closures shall be available to Customer upon Customer request.

The specified charges for each option shall apply as follows:

1. The applicable Installation Charge listed below shall be increased by the ~~Tax Effect Recovery Factor~~ TERF, as described in ParagraphSubsection XII.H.2., and shall be paid by the Customer prior to the installation.

VI. METER READING AND BILLING OR REBILLING FOR METERED OR UNMETERED SERVICES (Continued)

2. In addition, the Customer shall pay an on-going Monthly O & M Charge that is equal to the applicable Installation Charge multiplied by the currently effective Distribution and Substation One-time Excess Facilities Charge percentage, as shown in Schedule B, Excess Facilities Service Rate, ~~which is attached hereto and is a part~~ of the Agreement. Such payment will continue until the Interval Metering Service Option is discontinued in accordance with ~~Paragraph~~Subsection VI.~~HG~~HG.3., below.
3. The One-time Removal Charge shall apply when either a) the Customer requests removal of the Interval Metering Service Option or b) the Customer discontinues Electric Service at the location of the Interval Metering Service Option.
4. The Company will acknowledge receipt of the Customer’s request for Interval Metering Service Options in writing within five business days after receiving such request. The Company’s response shall include an explanation of the process and identify the Customer’s prerequisites for commencing and completing the work. Once the Customer has completed the applicable prerequisites, the Company shall complete the work within 45 calendar days, or as promptly as working conditions permit.

The applicable Installation Charges and One-time Removal Charges for the Interval Metering Service Options are as follows:

Interval Metering Service Options Installation and One-time Removal Charges for Interval Meters		
Type	Installation Charge	One-time Removal Charge
Single-phase, 240 Volt, class 200	\$271.50	\$62.38
Single-phase, 240 Volt, 3 wire, class 320	\$216.48	\$62.38
Single-phase, 240 Volt, 3 wire, class 400 OR Three-phase, 120 Volt, 4 wire, class 400	\$787.70	\$143.75
Three-phase, 120 Volt, 4 wire, class 200 and 320, or class 10 and 20	\$233.79	\$143.75

VI. METER READING AND BILLING OR REBILLING FOR METERED OR UNMETERED SERVICES (Continued)

Installation and One-time Removal Charges for Contact Closures		
Type	Installation Charge	One-time Removal Charge
One Circuit (Assumes Recorder Under Glass), or Single Service (Assumes Demand Meter Installation)	\$203.77	\$108.49
Additional Circuits at Same Site (Assumes Recorder Under Glass)	\$122.40	\$27.12

If the Customer requests a special metering functionality (i.e., an Interval Metering Service Option configuration that is different from the types stated above, and that is determined by the Company to be within its capability to provide), the Company will acknowledge receipt of the Customer's request for the special metering functionality in writing within five business days after receiving such request. The Company's response shall indicate that within 30 days the Company will provide the Customer with the applicable Installation Charge (calculated by the Company on the basis of net incremental cost), the One-time Removal Charge, the Monthly O & M Charge, the process, and the Customer's prerequisites, which must be completed before the Company can commence and complete the installation of the special metering functionality.

Once the Customer has completed the applicable prerequisites, the Company shall provide the special metering functionality within 45 calendar days, or as promptly as working conditions permit.

The Company will own interval metering service devices used for measuring and billing the Customer for its consumption of demand and energy. The Company is responsible for the installation and removal of all meters.

III. Contract Minimums

1. Effective July 1, 2001, the Company may require, in response to the Customer's request for newly initiated or increased load of the Customer, contract minimum amounts for a separately-billed account ("account") if any of these three conditions exist:
 - a. The account has a delivery capacity of 500 kVA or more and the Company's Net Cost, ~~as defined in Paragraph I.T. of these Terms and Conditions of the Agreement,~~ exceeds \$5,000;
 - b. The delivery capacity is less than 500 kVA and the Company's estimated Net Cost to connect Electric Service or rearrange to match the Customer's requested load requirement exceeds the greater of \$10,000 or \$50 per kVA of anticipated load; or

VI. METER READING AND BILLING OR REBILLING FOR METERED OR UNMETERED SERVICES (Continued)

- c. The loading of a transformer caused by serving new or rearranged electrical loads rearranged at the Customer's request is to be less than fifty percent of such transformer's nominal capacity for a period of more than twelve months and no more than five percent of the nominal capacity of the transformer is used to serve other customers.
2. The Net Cost amounts above shall exclude improvements to existing facilities used in common with third parties to the extent the Customer's newly initiated or increased load is not at least one-fourth of the maximum steady load capacity of the existing equipment. [For example, when a transformer with a capacity of 1,500 kVA serves the existing load of multiple customers totaling 1,300 kVA including the Customer's load of 300 kVA, and the Customer adds 374 kVA of load for a total Customer load of 674 kVA, and the Company replaces the existing transformer with the next largest transformer having a capacity of 2,000 kVA, then the Company's Net Cost of the transformer replacement would not be included as a cost component in determining whether the \$5,000 threshold of item (1), above, was met because the Customer's additional 374 kVA load did not total 25% or more of the capacity of the existing 1,500 kVA transformer. However, if the Customer adds 375 kVA of load (rather than 374 kVA of load), then the Company may include its Net Cost of re-sizing the transformer from 1,500 kVA to 2,000 kVA in determining whether the \$5,000 threshold was met.]
3. Minimums shall be in the form of a minimum kW amount to be applied to the charges for Electric Delivery Service (as opposed to Electricity Supply Service, ~~as defined in Paragraph I.L. of these Terms and Conditions of the Agreement~~), except where Electric Delivery Service charges are not stated as discrete dollar amounts per kW for only Electric Delivery Services, in which case they shall be in the form of a stated dollar minimum. The Company may establish both a kW-based minimum and a stated dollar minimum for a given account, but shall only apply the kW-based minimum when the account is billed under a rate having a discrete dollar amount per kW for only Electric Delivery Service, and the Company shall only apply the stated dollar minimum when the account is billed under a rate that does not have a discrete dollar amount per kW for only Electric Delivery Service. The Company shall reasonably determine, based on information provided by the Customer or the Customer's designee, the anticipated kVA at the Delivery Point and any stated dollar minimum. Any kW minimum amount shall not exceed 70 percent of the anticipated peak kVA load utilized by the Company to size its equipment.

VI. METER READING AND BILLING OR REBILLING FOR METERED OR UNMETERED SERVICES (Continued)

4. For accounts served under a Rate Schedule that does not contain discrete per kW charges for Electric Delivery Service, any stated dollar minimum shall not exceed 50 percent of the anticipated average monthly bill (excluding Fuel Charge Rider A charges) for all components of service. The ~~Initial Term, as defined in Paragraph I.N. of these Terms and Conditions of the Agreement,~~ of such minimum (“initial term”) in no case shall be less than one year or more than ten years. Upon request, the Company shall provide its work papers showing its calculations pursuant to this ~~ParagraphSubsection VI.H.~~ Upon request, the Company shall reduce the ~~Initial Term~~ if loads added by other customers increase the utilization of any Company equipment whose cost was used in calculation of the ~~Initial Term~~, with such reduced term being determined under the method described above for ~~Initial Term~~ determination. If during the ~~Initial Term~~ the Customer’s load is not maintained at the anticipated level used in establishing the minimum amounts and ~~Initial Term~~, the minimum amounts and the ~~Initial Term~~ shall upon Customer request be revised commensurate with the capacity of appropriately re-sized equipment upon payment by the Customer of the Company’s currently estimated cost to re-size such equipment, excluding the material cost of transformers and meters. Following the ~~Initial Term~~, minimum amounts determined under this ~~ParagraphSubsection VI.H.~~ shall continue during the term of service on a month-to-month basis, however, upon request of the Customer the minimum amount shall be revised commensurate with any reduction in anticipated load upon payment by the Customer of the currently estimated labor and transportation charges to re-size the equipment appropriately for such reduced load.
5. Minimum provisions entered into prior to July 1, 2001, shall remain in place as previously agreed to until such time in the normal course of business that such minimum provision is to be modified, in which case such modified minimum shall be established in accordance with this ~~ParagraphSubsection VI.H.~~

VII. SELECTION OF SCHEDULE

The following applies to accounts of the Customer:

- A. The Customer will select the particular Rate Schedule of those applicable, under which the Customer desires to purchase Electric Service. The Company may assist the Customer in making this selection but responsibility for the selection rests exclusively with the Customer. The Customer may change its selection of an applicable Rate Schedule in accordance with the terms of the Rate Schedule or any separate agreement relating to the supply of Electric Service to the facility. Such Rate Schedule change will become effective for Electric Service used on and after the meter reading immediately following written notice from the Customer of the selection of a new Rate Schedule, but not earlier than the date permitted under the applicable Rate Schedule or separate agreement.

VII. SELECTION OF SCHEDULE (Continued)

- B. In an effort to assist the Customer as described in ~~Paragraph Subsection~~ VII.A., above, the Company will endeavor to review, at least once every 14 months, those accounts being billed under a one of the various standard-design Rate Schedules. The purpose of the review will be to determine, based on historical electrical demand and usage information, which accounts, if any, may realize lower billing on an applicable alternate standard-design Rate Schedule. The Company will contact the Customer regarding accounts that may realize more than a minimal savings as determined by the Company's standard policy for making contact. For a Rate Schedule with time-of-usage pricing, limited end-use application, and similar features which require information not normally captured by the Company's billing and account records for customers served under a standard-design Rate Schedule, the Company will perform comparisons upon the Customer's request provided the Customer assists by providing estimated electrical usage information and provided that comparisons for any particular service location are not requested more frequently than once every nine months.

VIII. PAYMENTS

- A. The provision of Electric Service by the Company is contingent upon the Customer's payment to the Company of all charges due from the Customer.
- B. The Company will render bills to the Customer at regular intervals. Bills are due and payable upon presentation and become past due on the next bill date. The bill date is shown on the bill and is the date on which the bill is prepared in the Company's billing operations. In no event shall the time between the date of billing preparation and the date by which payment must be received in the Company's office in order to avoid a late payment charge be less than 35 days. In the event payment shall not be received within 35 days of the bill date, a late payment charge of 1.5% per month will be imposed from the bill date to the date of payment on all past due amounts. No late payment charge shall be imposed if the Company fails to mail bills promptly after the billing date. The Customer may designate its billing address.
- C. When the initial or final billing period for a street or traffic lighting service is other than 30 days, the initial or final bill shall be prorated based on the number of days of service covered by such bill as compared to 30 days. The Company's bills to the Customer will reflect the installation and removal of street lights on a timely basis. The Company will exercise reasonable diligence to reflect such street light changes on its bills within 45 days thereof.
- D. Bills are payable at any bill payment location designated by the Company or to any collector or collection agency duly authorized by the Company. Payment shall be paid without regard to any counterclaim. Such payment shall not affect the Customer's claim therefore.

VIII. PAYMENTS (Continued)**E. Consolidation of Bills Service**

Upon Customer's request, the Company may agree to provide a consolidation of bills service for certain accounts provided:

1. The Customer has a minimum of twenty-five eligible accounts billed to the same mailing address.
2. The Customer agrees to pay the total amount billed by the Payment Due Date. Where the Customer has elected to receive one bill per month, the Payment Due Date is 15 days after the billing date shown on the Consolidation of Bills statement; where the Customer has elected to receive two bills per month, the Payment Due Date is 22 days following said billing date; and where the Customer has elected to receive three bills per month, the Payment Due Date is 25 days following said billing date. Normally, no account that is part of the Consolidation of Bills service will be billed more than once per billing month. If not paid by the Payment Due Date, a late payment charge of 1.5% per month shall be made on any outstanding balance.
3. The Customer agrees to pay by check with the appropriate Consolidation of Bills cashier coupon enclosed. Payments may be made at any bill payment location designated by the Company. Alternatively, the Customer may pay electronically in accordance with Paragraph Subsection VIII.F., below. The Company will advise VEPGA (~~as defined in Paragraph I.Z. of these Terms and Conditions of the Agreement~~), through the ~~Joint Action Committee ("JAC")~~, ~~as defined in Paragraph I.O. of these Terms and Conditions of the Agreement~~, if and when the business decision is made to implement new web-based billing and payment.

No other method of payment for Consolidation of Bills is acceptable. The Company will not waive late payment charges which may accrue due to improper attempts to make timely payments.

4. A continuous course of improper payment or late payment shall be construed as a failure to comply with this portion of the Agreement and may subject the Customer to termination of the Consolidation of Bills service.
 5. The Customer and the Company shall enter into a letter supplement to this Agreement which incorporates other provisions of the Consolidation of Bills service including, but not limited to provisions for the termination of the service and instructions for initial and final bills for an individual account.
- F. Upon the Customer's request and upon execution of a suitable supplemental agreement, the Company will accept payments electronically in accordance with the following provisions:

VIII. PAYMENTS (Continued)

1. Electronic payments must be sent to the Company's consolidation bank using "CTX" with the American National Standards Institute (ANSI) X12 standard addendum for customer payments (EDI820 Transaction Set, version 4010), detailing each of the Customer's accounts being paid and the amount being paid for each account. The Company may from time to time upgrade to a newer standard, but will support previous standards for a reasonable period as to allow the Customer to upgrade to the newer standard.
2. If the Customer's failure to provide complete and accurate information with the payment transmission results in posting of the payments beyond the date upon which late payment charges are ordinarily assessed, such late payment charges shall be applied.

IX. USE OF ELECTRICITY BY CUSTOMER

- A. In order to protect the Company's equipment, electricity delivered to those locations served by the Company shall not be used in conjunction with any other source of electricity without previous written consent of the Company which consent shall not be unreasonably withheld (see Section XIII. hereof and the applicable Rate Schedule attached hereto), except that emergency standby generation may be used without such written consent during periods when the delivery of electricity by the Company may fail or be interrupted, provided the Customer's facilities are disconnected from the Company's facilities before the standby generation energizes the Customer's facilities.
- B. Because the Company's facilities used in delivering Electric Service to the Customer have a definite limited capacity and can be damaged by overloads, the Customer shall give at least 90 days' notice to the Company and obtain the Company's consent before making any substantial increase in the total amount of load or before making any substantial change in the nature of load connected to the Company's service. In the event of a substantial load decrease, the Customer shall endeavor to notify the Company 30 days prior to the decrease, but in all cases shall notify the Company not more than 30 days after effecting the load decrease.
- C. The Customer shall not use electricity in any manner which will be detrimental to the Company's provision of Electric Service to other customers. The Company reserves the right, but shall have no duty, to determine the suitability of apparatus or appliances to be connected to its delivery system by the Customer and to refuse to continue or provide Electric Service if it reasonably shall determine that the operation of such apparatus or appliances may be detrimental to its general provision of Electric Service.
- D. In the event the Customer installs equipment which produces harmonics in excess of five percent Total Harmonic Distortion ("THD") and/or three percent of any single harmonic, the Customer will provide and install, at its own risk and expense, all equipment necessary to reduce such harmonics to five percent or less THD and/or to three percent or less of any single harmonic.

IX. USE OF ELECTRICITY BY CUSTOMER (Continued)

- E. The Parties to this Agreement will continue to support an active energy efficiency and load management program with the twin goals of improving energy efficiency and reducing operating costs.
1. In the furtherance of these goals, the Company may at its discretion and upon approval by the Customer, offer energy related services to maximize efficiency in energy consumption and cost which include, but are not limited to the following:
 - a. energy auditing services;
 - b. financial incentives such as rebates, performance based contracting and shared energy saving financing of energy conservation measures;
 - c. energy information services including submetering, energy use reporting, energy management systems, and energy billing management, to encourage energy efficiency measures; and
 - d. energy asset management services, which may include owning, operating, purchasing fuels for, and maintaining, energy facilities and equipment.
 2. The specifics of such options, including pricing and the terms and conditions, shall be negotiated on an individual customer basis.
 3. For consulting services, billing comparisons, and other services provided by the Company pursuant to this ~~Paragraph~~Subsection IX.E., the Company shall not be liable for any losses or damages whatsoever, whether based on contract, strict liability, tort (including negligence), or warranty (whether expressed or implied), arising from, caused by, or resulting from the use or misuse of such services by the Customer or the supply of such services by the Company.

X. RESPONSIBILITY OF CUSTOMER AND COMPANY

- A. The Customer shall be responsible for keeping persons and vehicles which it reasonably believes to be unauthorized away from Company property installed on the Customer's premises.
- B. The Customer will make a reasonable effort to protect the Company's property on the Customer's premises, but shall not be liable for the cost of repairs or damage to such property unless same was caused by the negligence or willful misconduct of Customer's employees or authorized agents.

X. RESPONSIBILITY OF CUSTOMER AND COMPANY (Continued)

1. When the Company's facilities serving a given location have been damaged by repeated and continued acts of vandalism, the Company will offer innovative solutions to this issue. Regarding streetlights, if the Customer is not in agreement with the Company's innovative solution and if the Customer does not agree to accept financial responsibility for the Materials costs associated with replacing the streetlight, the Company shall have the right to remove the streetlight in accordance with [ParagraphSubsection X.B.2](#), below.
 2. Prior to removing the streetlights in accordance with [ParagraphSubsection X.B.1.](#), above, the Company shall notify the Customer in writing that (a) the innovative solutions undertaken by the Company in accordance with [ParagraphSubsection X.B.1.](#), above, have not worked and (b) the streetlights will be removed unless the Customer agrees to pay the Materials costs for replacing the streetlight, with the Company paying the manpower costs for replacing the streetlight. If the Customer does not agree within ninety (90) days of its receipt of the Company's notice to pay such Materials costs, the Company shall have the right to remove the streetlight.
- C. Electric Service is supplied by the Company and purchased by the Customer upon the express condition that after it passes the Delivery Point, it becomes the property of the Customer to be used only as herein provided; and unless the negligence or willful misconduct of the Company or its agents or employees shall be a proximate cause thereof, the Company shall not be liable for loss or damage to any person or property whatsoever, resulting directly or indirectly from the use, misuse, or presence of the said electricity after it passes the Delivery Point, or for any loss or damage resulting from the presence, character, or condition of the wires or equipment of the Customer or for the inspection or repair thereof.
- D. The Company shall protect, maintain and repair the Company's wiring and equipment. The Customer shall protect, maintain and repair the Customer's wiring and equipment. Should the Customer report trouble with the provision of Electric Service, the Company will endeavor to respond with reasonable dispatch to such call with the purpose only of correcting such trouble as may be in the Company's equipment supplying the Customer. It is understood that the Company has no responsibility to inspect equipment of the Customer and normally will not make such an inspection. However, if the trouble appears to be in the Customer's wiring or appliances, the Company's employees may make, if requested by the Customer, such inspection of the Customer's wiring or equipment as the Company's employees are prepared to make, but any such inspection of the Customer's wiring or equipment by the Company's employees is made with the express condition that the Customer assumes the entire and sole risk, liability, and responsibility for all acts, omissions, and negligence of the Company's employees except the Company retains all responsibility for gross negligence of its employees.

X. RESPONSIBILITY OF CUSTOMER AND COMPANY (Continued)

- E. The Company will follow its policy for cleaning and relamping of Company-owned street and outdoor lighting fixtures as set forth below.
1. Fixtures will be cleaned and relamped according to the following schedule, however, the Company will be allowed up to six additional months to accommodate the Company's scheduling requirements.
 - a. Mercury vapor and metal halide fixtures will be cleaned and relamped every four years.
 - b. High pressure sodium vapor fixtures will be cleaned and relamped every six years.
 - c. Lens replacement will be included in the re-lamping when the old lens causes a reduction in the amount of luminance.
 2. Upon written request, the Company will supply to the Customer, the cleaning and relamping schedules described below. Each schedule will be supplied at no charge provided the Customer does not request a particular schedule more than once per year.
 - a. The Company will supply a schedule showing the locations where cleaning and relamping has taken place during the previous 12 months. Such schedule shall be supplied within 90 days of request.
 - b. The Company will supply a schedule of fixtures to be cleaned and relamped during each of the next two calendar years. Such schedule shall be supplied within 90 days of request; however, the Company shall not be required to supply such information prior to the first day of October.
- F. If either the Company or the Customer determines there is a discrepancy in the Company's Geographic Information System ("GIS") compared to the streetlight inventory at the Customer's service location, the Company will initiate a research and verification process and make any necessary corrections to the Company's GIS, the Customer's affected service location(s), and the Company's billing system. Upon written request of the Customer, the Company will initiate research, verification, and corrections of streetlight asset data in a targeted area that is mutually agreeable to the Company and the Customer. When the Customer initiates such a written request, at the discretion of the Company the Customer may provide the Company with a representative to assist with any necessary field survey work. Upon written request of the Customer, the Company will provide to the Customer the Company's GIS streetlight inventory for only the Customer's streetlight service locations as often as once every 12 calendar months.

X. RESPONSIBILITY OF CUSTOMER AND COMPANY (Continued)

- G. For any group of unmetered services, the Company may require, not more frequently than once every three years, that the Customer provide a qualified representative to accompany and assist the Company in conducting a field survey of all such unmetered services provided to the Customer.
- H. The Company shall maintain an Internet application for purposes of joint management of streetlight outage reporting and repair tracking. The Internet application shall be accessible to the Customer by a user identification and password, and the Customer shall track streetlight outages using the Internet application. For those lights billed to the Customer, the Internet application shall show at a minimum the date the outage was reported, the work request number assigned by the Company, the location of the light, the project status, the outage cause once known, the completion date once known, and the total number of days out. For streetlights outages of sufficient duration to require adjustment to streetlight billing, billing adjustment reports shall be available to the Customer at intervals not exceeding approximately one month and shall show the work location, the lumen size, the type of lamp (mercury vapor, metal halide, solid state, or high pressure sodium vapor), the type of fixture (Type 1 or Type 2), and the amount of the applicable bill adjustment. The Company may at its discretion provide such billing adjustment reports either in printed form or electronically.
- I. Should the Customer desire the trimming of trees and brush to remove obstructions to the distribution of light from the Company's luminaires, the Customer may employ personnel to do such trimming around the Company's lighting facilities, provided, however, that adequate precautions must be taken against damaging the Company's facilities. In addition, for lighting facilities that are fed by overhead wires or are within ten feet of the Company's overhead wires, the tree trimming personnel must be qualified to work in the proximity of the energized conductors and must follow all applicable regulations and law.

XI. INTERRUPTIONS TO THE PROVISION OF ELECTRIC SERVICE

- A. The Company will use reasonable efforts to provide Electric Service that is uninterrupted, but it does not undertake to guarantee that interruption will not occur. Therefore, should Electric Service fail or be interrupted or become defective through an act of God, or the public enemy, or Federal, State, Municipal, County or other public authority, or because of accident, strikes or labor troubles, or any other cause beyond the reasonable control of the Company, the Company shall not be liable for such failure, interruption or defect.

XI. INTERRUPTIONS TO THE PROVISION OF ELECTRIC SERVICE (Continued)

- B. In the event of a power shortage or an adverse condition or disturbance on the delivery system of the Company or on any other directly or indirectly interconnected system, the Company may, without notice and without incurring liability, take such emergency action as, in the judgment of the Company, may be necessary. Such emergency action may include, but not be limited to, reduction or interruption of Electric Service to some customers or areas in order to compensate for a power shortage on the Company's system or to limit the extent or duration of the adverse condition or disturbance on the Company's system or to prevent damage to the Customer's equipment or the Company's generation or transmission facilities, or to expedite the restoration of service. The Company also may reduce Electric Service to compensate for an emergency condition on an interconnected system.
- C. In the event the Company cannot supply all of its customers their usual requirements by reason of strikes, accidents, want of fuel, or for any other reason, the Company may, without notice and without incurring liability, implement a distribution circuit disconnection procedure on a rotating basis to the extent necessary to prevent an uncontrolled power interruption or to conserve fuel, to the extent required under the circumstances, in which event the amount of load curtailed, the length of each circuit's outage, and the duration of the program will be determined on the basis of what is, in the Company's opinion, reasonably necessary to minimize adverse impact on the public health and safety and facilitate restoration of normal service to all customers at the earliest time practicable.
- D. If the Company in good faith believes that, because of civil disorder, riot, insurrection, war, fire, or other conditions beyond the reasonable control of the Company in the vicinity of its energized facilities, it is necessary to de-energize a portion of its facilities for the protection of the public, or if ordered by duly constituted public authority to do so, the Company may, without incurring liability, de-energize its facilities in such vicinity or in such related area as practically may be required, and the Company shall not be obligated to furnish Electric Service through such facilities, but the Company shall be prompt and diligent in re-energizing its facilities and restoring its service as soon as it believes in the exercise of reasonable care for the protection of the public and the employees of the Company that such action can be taken with reasonable safety.

XII. ELECTRIC LINE EXTENSIONS

- A. Customer Requests for Overhead Electric Line Extension

When the cost to construct or own any overhead electric line extension exceeds four times the Additional Annual Revenue, the Company will provide Electric Service to the Customer, in accordance with Subsection XII.C.2, XII.C.3, or XII.C.4, below.

XII. ELECTRIC LINE EXTENSIONS (Continued)

~~Except as specified in this Paragraph XII and upon the effective date of the Agreement, the Company shall make electric line extensions for the Customer in accordance with all applicable non-residential provisions of the currently effective version of Section XXII—Electric Line Extensions and Installations (“Section XXII”) of the Company’s Virginia Jurisdictional Terms and Conditions and Schedules for the Provision of Electric Service (“Virginia Jurisdictional Terms and Conditions”).~~

B. Master Metering

Existing master metered installations will continue to be master metered, except that at the Customer’s request, the Company may provide in lieu thereof, individually metered service. If the Customer requests individually metered service, the Customer shall pay to the Company the Excess of Four Years’ Revenue, ~~as defined in Paragraph I.M. of these Terms and Conditions of the Agreement~~ and as applied to the additional cost of any new facilities that may be required plus the value of any excess facilities at the location for which the Customer has not paid previously. The location of the new Delivery Point(s), ~~as defined in Paragraph I.G. of these Terms and Conditions of the Agreement~~, shall be determined by mutual agreement. For residential dwellings, once the conversion to individual metering has been made, the Customer shall not have the option of establishing, reestablishing or expanding excess facilities under Section III for the purpose of reverting to master metering for a period of ten years following the date of conversion, unless otherwise mutually agreed by the Company and the Customer.

C. Customer Requests for New Electric Service, Customer Trenching, Underground Development, Franchise Agreements

The Company will provide to the Customer new Electric Service for facilities previously not provided with Electric Service as follows:~~upon the payment to the Company of the Excess of Four Years’ Revenue as defined in Paragraph I.M. of these Terms and Conditions of the Agreement:~~

1. The Company will provide new underground Electric Service in an ~~“Underground Distribution Area,” as defined in Paragraph I.Y. of these Terms and Conditions of the Agreement~~, upon payment to the Company of the Excess of ~~the~~ Four Years’ Revenue. Provided, however, the Company shall not be obligated to construct or own any electric underground line extension beyond the property line of the Customer.
2. The Company will provide new Electric Service for traffic signals upon payment of the Excess of Four Years’ Revenue.
3. New Electric Service for all outdoor lighting will be provided upon payment of the Excess of Four Years’ Revenue, including those located in an Underground Distribution Area.

XII. ELECTRIC LINE EXTENSIONS (Continued)

4. The Company will provide Electric Service for new metered services and for upgrades to existing metered services upon payment of the Excess of Four Years' Revenue.
5. The Company will provide new Electric Service for all other circumstances, including conversions from overhead to underground, as set forth in Subsection XII.D., below.
6. The following provisions shall apply to any electric line extensions governed by these Terms and Conditions:
 - a. When the Customer provides trenching and backfilling or furnishes a meter pedestal approved by the Company or when the costs of trenching and backfilling are shared by another utility, the Company's charge for providing underground Electric Service will be reduced by the average reduction in cost to the Company resulting therefrom;
 - b. Within any development for which underground Electric Service has been installed, only underground Electric Service will be provided by the Company and it will be pursuant to the non-residential provisions of Section XXII of the Company's Virginia Jurisdictional *Terms and Conditions and Schedules for the Provision of Electric Service*, upon the effective date of the Agreement.
 - c. To the extent a Customer's franchise agreement encompasses payments for conversions from overhead to underground, the provisions of such franchise agreement shall control.

D. Customer Requests for All Other Electric Line Extensions

Upon the effective date of the Agreement, all of the applicable non-residential provisions in the currently effective version of Section XXII – Electric Line Extensions and Installations (“Section XXII”) of the Company's Virginia Jurisdictional *Terms and Conditions and Schedules for the Provision of Electric Service* are applicable to requests not listed in ~~Paragraph~~Subsections XII.C.1., XII.C.2., and XII.C.3., and XII.C.4., above. This ~~Paragraph~~Section XII.D addresses underground Electric sService for all Customer requests with the exception of those service requests described in Subsection XII.C.1, above~~to the following:~~

- ~~1.— New metered services;~~
- ~~2.— Upgrades to existing metered services; and~~
- ~~3.— Conversions from overhead to underground for metered services.~~

XII. ELECTRIC LINE EXTENSIONS (Continued)

~~{Placeholder for VEPGA developed language stating that franchise agreement language, concerning conversions from overhead to underground, will take precedence over similar language in the Terms and Conditions of the Agreement.}~~

~~When the Customer provides trenching and backfilling or furnishes a meter pedestal approved by the Company or when the costs of trenching and backfilling are shared by another utility, the Company's charge for providing underground Electric Service will be reduced by the average reduction in cost to the Company resulting therefrom.~~

~~Within any development for which underground Electric Service has been installed, only underground Electric Service will be provided by the Company and it will be pursuant to the non-residential provisions of Section XXII of the Company's Virginia Jurisdictional, upon the effective date of the Agreement.~~

E. Converting Overhead Facilities to Underground

Upon the effective date of the Agreement and with respect to converting overhead facilities to underground facilities, in addition to the charges outlined in the non-residential provisions of Section XXII of the Company's Virginia Jurisdictional *Terms and Conditions and Schedules for the Provision of Electric Service*, the following provisions shall apply:

1. The Customer will not be required to pay for any Betterment, resulting in the Customer's being responsible only for costs needed to underground the existing overhead electric line, including equipment necessary due to such undergrounding. The Customer will not be responsible for the cost of equipment beyond the minimum required to complete the undergrounding of the existing overhead electric line as defined in Paragraph I.B. of these Terms and Conditions of the Agreement. The Customer may offer an alternate design for consideration by the Company. When the charges to the Customer are based on actual project cost, the amounts determined as Betterment and non-Betterment shall be proportional to those determined under the estimated project cost. ~~{Placeholder for VEPGA developed compromise language stating that VEPGA is responsible for paying only the cost associated with undergrounding the overhead line and any equipment necessary due to the undergrounding. VEPGA will not pay for the cost of equipment beyond the minimum required to complete the conversion.}~~

XII. ELECTRIC LINE EXTENSIONS (Continued)

2. A written agreement shall be prepared regarding the work to be performed by the Company in an underground conversion project. Such agreement shall (a) be in the form of a letter agreement or other suitable form as agreed by the parties, (b) describe the scope of the project, (c) specifically identify any facilities installed by the Customer pursuant to ~~Paragraph Subsections~~ XII.E.4. and XII.E.5., below, and (d) specify dates for completion of work as mutually agreed upon by the Company and the Customer. At the request of the Customer, any such agreement also shall include a liquidated damages clause in an amount agreed to by the parties to be paid by the Company if the completion dates are not met. Such damages shall not apply if a delay in construction is beyond the control of the Company and its subcontractors.

The agreement also may include incentives for early completion as agreed to by the parties.

3. If requested by the Customer in writing prior to the beginning of construction, the Company will provide a fixed-price agreement for the portion of the project undertaken by the Company. Where a fixed-price agreement has been executed, the Customer shall pay the fixed price, regardless of whether the Company's actual costs are greater than or less than the fixed price.
4. The Customer may, at its option, handle some or all Civil Construction, ~~as defined in Paragraph I.C. of these Terms and Conditions of the Agreement,~~ aspects of the project provided the facilities constructed meet quality, design and installation standards which are satisfactory to the Company and, upon completion, pass the Company's final inspection. If the Customer undertakes the Civil Construction portion of the project, it will pay the actual inspection charges to the Company for reasonable inspection service provided by the Company.

~~[Placeholder for VEPGA-developed compromise language stating that t]The Company will not provide the Customer with the Company's complete set of construction standards. However, the Company will continue to provide the Customer with a drawing of the specific item to be constructed and will continue to provide an explanation to the Customer of the Company's construction requirements. In addition, the Company will provide data to the Customer for the specific installation ~~or topic~~ and, upon Customer request, will provide the Customer with applicable drawings and specifications in the Company's construction standards.]~~

XII. ELECTRIC LINE EXTENSIONS (Continued)

5. The Customer may, at its option, handle the Electrical Construction, ~~as defined in Paragraph I.K. of these Terms and Conditions of the Agreement,~~ aspects of a conversion project provided that, in the Company's reasonable judgment, the Company's employed craft labor are engaged fully in other projects and so cannot be expected to complete the Electrical Construction within the normally anticipated cost parameters or within the reasonably required timeframe. If the Customer handles the Electrical Construction aspect of the project, such work shall be performed pursuant to the Company's written specifications, work rules, and construction practices then in effect. The Customer shall use Company-supplied Material and the work shall be performed by a contractor which is on the list of contractors approved and supplied by the Company at the time the contract is entered into. If the Customer undertakes the Electrical Construction portion of the project, it shall pay the actual inspection charges to the Company for reasonable inspection service provided by the Company. The Company's inspector shall have the right to work directly with the contractor and correct or stop the contractor's work in order to enforce the Company's written specifications, work rules, and construction practices. If any such action is taken, the Company shall notify the Customer as soon as reasonably possible. Additional criteria for evaluating the acceptability of contractors is provided in Section XV. of these Terms and Conditions ~~of the Agreement.~~
6. If the Customer handles any Civil Construction or Electrical Construction aspects of a project, the Customer or its contractors shall submit to the Company all reports, drawings and explanations applicable to the project in order to satisfy the Company's "as-built" record keeping requirements. The Customer also shall be responsible for:
 - a. The safekeeping of any Materials, ~~as defined in Paragraph I.R. of these Terms and Conditions of the Agreement;~~
 - b. The return to the Company's storeroom of any unused Materials; and
 - c. The reconciliation of discrepancies between Materials furnished by the Company, Materials used in the work and Materials returned to the Company.

The Customer shall, upon receipt of an invoice, reimburse the Company at the Company's cost for Material discrepancies or for damages to Materials returned.

7. In the event the Customer performs work as allowed in this **Paragraph Subsection XII.E.**, the contracts between the Customer and the Customer's contractors shall provide for any necessary or unforeseen field changes due to construction conditions and/or omissions by the designer. Where design changes are required after construction begins, such changes shall be approved by the Company and any additional cost borne by the Customer.

XII. ELECTRIC LINE EXTENSIONS (Continued)

8. The Customer's contract with its contractors for work allowed under this ~~Paragraph~~Subsection XII.E. shall:
- a. Require the contractors to defend, indemnify and hold the Company harmless, as a valid third party beneficiary of such contract, from and against all liens, claims, losses, demands, damages, liabilities, attorney's fees, costs and causes of action in any manner arising out of, resulting from, caused by or in connection with the contractor's and any subcontractor's performance of services for the Customer, including but not limited to personal injury or death to persons and damage to any property (including the Company's and Customer's property), unless attributable to the sole negligence of the Company;
 - b. Require that the contractors warrant to the Company, as a valid third party beneficiary of such contract, that the contractors' services, workmanship, and all equipment and materials not furnished by the Company are free from defects and that any material or equipment not furnished by the Company is merchantable and fit for its intended purpose;
 - c. Require that such contractors shall obtain, and maintain during the course of their performance thereunder, insurance in such forms and amounts as normally required by the Company from its contractors as set forth in the Company's written general terms and conditions for construction and maintenance services; and
 - d. Require that the contractors' commercial general liability policies (and umbrella or excess liability policies) name the Company as an additional insured under such policies.

Upon the Company's request, the Customer shall provide the Company with written assurances, satisfactory to the Company, of the Customer's compliance with the provisions of this ~~Paragraph~~Subsection XII.E.8.

9. When the Customer handles any contracting work, in no event shall the Company make payments to the Customer for any portion of a credit (e.g., Additional Annual Revenue, ~~as defined in Paragraph I.A. of these Terms and Conditions of the Agreement~~) the Customer would have received otherwise if the Company had handled the construction.

XII. ELECTRIC LINE EXTENSIONS (Continued)

10. Upon 60 day's advance written request from the Customer, the Company shall evaluate a contractor of the Customer's choice for potential placement on the Company's list of approved contractors. Whether the contractor is accepted or rejected by the Company, the Customer shall pay the Company for its documented direct cost and the normally applied indirect cost of such evaluation in accordance with the Company's standard customer cost determination procedures for relocation work. If accepted, the contractor shall be placed on and shall remain on the Company's list of approved contractors for a period of one year, except that the Company at any time and without notice may remove the contractor from the approved list due to the contractor's failure to work according to the Company's normal quality standards or work rules. The amount charged by the Company for such evaluation shall not exceed the ~~M~~maximum ~~A~~approval ~~C~~charge, which shall be \$5,000 multiplied by the annual CPI for the last completed calendar year then divided by the annual CPI for calendar year 2000. The CPI as used herein shall be the Consumer Price Index for All Urban Consumers (CPI-U) as most recently reported by the U.S. Bureau of Labor Statistics.

F. Customer Rights

With respect to new line construction, in addition to the charges outlined in Section XXII of the Company's Virginia Jurisdictional *Terms and Conditions and Schedules for the Provision of Electric Service*, upon the effective date of the Agreement, the following provisions shall apply:

1. The provision of ~~ParagraphSubsection~~ XII.E.1., above, shall apply.
2. For new line construction where the cost to the Customer, excluding a ~~Tax Effect Recovery Factor ("TERF")~~, is in excess of \$5,000, the Customer may perform that portion of the project where the Company has plans to use an outside contractor. In such event, the provisions of ~~ParagraphSubsections~~ XII.E.4. through XII.E.10. above shall apply. In addition, an agreement shall be prepared which shall (a) be in the form of a letter agreement or other suitable form as agreed by the parties, (b) describe the scope of the project, (c) specifically identify any facilities installed by the Customer pursuant to ~~ParagraphSubsections~~ XII.E.4. and XII.E.5., above, and (d) specify dates for completion of work as mutually agreed upon by the Company and the Customer.

XII. ELECTRIC LINE EXTENSIONS (Continued)

~~[Note: VEPGA will develop contract re-opener language regarding a pilot program for two new VEPGA construction projects with each project valued at more than \$250,000, less TERF. This pilot program grants VEPGA members the ability to use Dominion Virginia Power approved contractors for construction purposes not presently allowed by the 2011 Contract. During this pilot program, Dominion Virginia Power and VEPGA will test reliability and safety, related to VEPGA's performing such new construction work. During the Term of the Amended and Restated Agreement, Dominion Virginia Power and VEPGA will agree to form a joint working group with equal Dominion Virginia Power and VEPGA representatives (a) to assess the results of the pilot program and (b) to determine whether or not the Amended and Restated Agreement should be amended to broaden this pilot program either to a finite number or to all of VEPGA's qualifying construction projects.]~~

G. Projects

1. With respect to any projects requested by the Customer for which it may be required to pay the Company under [~~Paragraph Subsections~~ XII.A, XII.B, XII.C, or XII.D of this the Terms and Conditions, if requested by the Customer,~~[Note: VEPGA to draft language stating that the Company will endeavor to contact the requesting Customer and set up a meeting within two weeks to discuss the project specifics, requirements, and key milestones.]~~ within two weeks of such request, to meet with the Customer and to set reasonable timeframes for the Company's key milestones for the project.
2. The Company shall provide the Customer – upon request – with the following:
 - a. A construction sketch of the proposed design;
 - b. ~~[Note: VEPGA will develop language stating that for Regarding flat-charge projects, the Company will provide VEPGA with cost estimate any cost-plus-type reports that are available for these types of flat-charge projects, upon the Customer's request, — usually for audit purposes. VEPGA will be able to post the available reports on its website.]~~ The Company also will provide VEPGA with a listing of reports available upon the Customer's request, for posting on VEPGA's website.
3. The Cost Estimate, ~~as defined in Paragraph I.D. of these Terms and Conditions of the Agreement~~, shall include a summary listing of the work included in the project and an itemized estimate showing all labor, material, and equipment, and other cost items necessary for construction of the project as provided in the Company's Work Request Compatible Unit Cost Estimate or equivalent. Cost Estimates provided by the Company shall be detailed sufficiently to show separately the Civil Construction portion and the electrical aspects of the project and any credit for salvage.

XII. ELECTRIC LINE EXTENSIONS (Continued)

4. ~~For projects that do not involve routine relocations or rearrangements~~ As is present practice, the Company and the Customer will agree on a reasonable timeframe for Cost Estimates based on the scope of the project. The JAC will address the issue of completing construction in a timely manner.
5. If requested by the Customer, the Company shall provide a conceptual design of a proposed project involving converting existing overhead services to underground which the Customer may use for planning purposes to consider how or whether it will continue with the project. The Company may charge the Customer for any reasonable costs incurred in furnishing an estimate hereunder regardless of whether or by whom a project is constructed.
6. The Cost Estimate shall remain valid for 90 days. If the Customer does not act on the Cost Estimate within 90 days but subsequently desires to act on the Cost Estimate, any subsequent updates to the Cost Estimate will be limited to revisions necessary to account for changes in the cost of Materials and or labor; for any changes in the field conditions; or the Customer's changes in the project's scope. In the event that the Company cancels the project in its system, due to no response from the Customer within 90 days, the Company will notify the Customer by letter of the project's cancelation.
7. The Company will continue to provide VEPGA with a contact list of selected Company district personnel in Virginia. Specifically, this list will include the names and work telephone numbers for the Company's managers in Electric Distribution Operations and in Electric Distribution Construction, as well as the supervisors in Customer Solutions. In addition, the Company will provide VEPGA with a list of frequently asked questions, for placement on VEPGA's website.

H. Tax Effect Recovery Factor

For payments made to the Company which are classified as a contribution in aid of construction on the Company's books, a TERF shall be applied as described below.

1. Any payment by the Customer covering the (a) Excess of Four Years' Revenue, (b) underground cost differential, (c) one-time facilities charge payments, or (d) any other payment classified as a contribution in aid of construction on the Company's books, shall be grossed up for the Company's payment of income taxes by the TERF specified in Schedule C – Miscellaneous and Standby Charges, ~~which is attached hereto and is a part of the~~ is Agreement, the product of which shall be paid by the Customer.
2. TERF shall not apply to the following types of work in the event and to the extent that contributions in aid of construction for such services, relocations and conversions are not taxable:
 - a. Temporary service,
 - b. Highway relocation projects,

XII. ELECTRIC LINE EXTENSIONS (Continued)

- c. Projects that are for the benefit of the public good where all of the following are true:
 - 1) The project is required by the Customer and the Customer provides a letter to the Company indicating the Customer's sponsorship or the project is being paid for by the Customer; and
 - 2) The project benefits the public at large. (*i.e.*, no single customer or developer receives any disproportionately large benefit from the project); and;
 - 3) The project is not being done to provide new service, change in service voltage, or service capacity increase requested by Customer.
 - d. Conversion projects from overhead to underground, and
 - e. The conversion of existing luminaires to a more energy efficient luminaire or to a luminaire having a higher light output.
3. In situations where the Customer has constructed all or a portion of the facilities which are transferred to the Company, the Customer shall pay TERF on the lesser of:
 - a. The actual cost of the construction, including the Company's capitalized administrative cost.
 - b. The Company's appraised value of the facility.

If TERF is paid in accordance with ParagraphSubsection XII.H.3.a., above, the Customer shall provide invoices and other documentation sufficient to establish to the Internal Revenue Service that the amount determined in accordance with ParagraphSubsection XII.H.3.a. is the fair market value of the facility. If the Internal Revenue Service later concludes that the fair market value of the facility exceeds the amount determined under ParagraphSubsection XII.H.3.a., the Customer shall pay TERF on such excess amount.

I. Letter Authorization and Billing for Construction Work Completed

Prior to the installation of any facilities under this Section XII, the Customer shall provide to the Company a ~~Letter of Authorization, as defined in Paragraph I.P. of these Terms and Conditions of the Agreement.~~ Such ~~Letter Authorization~~ shall state the following: the scope of the work; the amount of payment required by the Company; the Customer agrees to pay said amount; the Customer shall make actual payment by cash or check; and payment shall be made upon completion of the project or, in the case of Progress Billing, ~~as defined in Paragraph I.W. of these Terms and Conditions of the Agreement,~~ and as in accordance with the Progress Billing provisions of the Agreement.

XII. ELECTRIC LINE EXTENSIONS (Continued)

Where the total charge to the Customer for work performed under Section XII is less than \$50,000, billing will be due and payable upon completion of the work. In those cases where the completion of the work is extended for reasons beyond the control of the Company in the exercise of reasonable diligence, Progress Billing as outlined below will be implemented.

All projects where the Company's estimated charge to the Customer is \$50,000 or more are subject to Progress Billing. Under Progress Billing, the Company shall bill to the Customer, at regular intervals, for costs incurred by the Company in the project. Additionally, the following applies to Progress Billing:

1. Progress Billing bills will not be less than \$1,000.00 and shall not be rendered more than once per month.
2. In those cases where the customer charge is a fixed amount based on estimated construction costs, the total amount of any Progress Billing bills rendered to the Customer will not exceed 90% of the total customer charge and any Progress Billing bill rendered shall state the total customer charge.
3. In those cases where the final customer charge is determined after actual costs have been accumulated, the total amount of any Progress Billing bills rendered to the Customer will not exceed 90% of the estimated customer charge and any Progress Billing bill rendered shall state the estimated total charge to the Customer.
4. The Company shall render a final bill to the Customer within 180 days following the completion of a project, and the Customer shall pay to the Company any remaining portion of the customer charge not collected under Progress Billing.
5. The Company will provide the Customer with a purchase order for the amount of the project. Any change to such purchase order will require a change order. If – within twenty (20) calendar days of receiving a final invoice from the Company – the Customer requests an itemized explanation to confirm the proper items have been billed the following will occur:
 - a. Upon the Customer's request, the Company will provide the Customer cost estimate reports that are available for Progress Billing. Such reports are available on VEPGA's web site.
 - b. The payment of the Company's invoice by the Customer is due no earlier than ten (10) calendar days after the Company provides the itemized explanation to the Customer.

Where the Customer is charged based on the actual cost to the Company rather than the estimated cost, if the final cost of the project exceeds the estimated cost including all revisions thereto previously agreed to in writing, at the Customer's request, the Company shall provide a general written explanation of the variance.

XII. ELECTRIC LINE EXTENSIONS (Continued)

Should the project cost, including all revisions thereto previously agreed to in writing, exceed the Normal Variance Limit ~~(as defined in Paragraph I.U. of these Terms and Conditions of the Agreement)~~ the lesser of 115% of the estimated cost or \$25,000, the Company shall provide a detailed explanation of the increased cost and the Customer may review all records associated with the project at the Company's offices during normal business hours. The Customer shall request in writing any such additional billing information within twenty (20) calendar days after the bill date of the final invoice. The Company will make such information available within a reasonable time after the Customer's request. The Company shall establish thereafter the bill date which date shall not be prior to ten (10) days after the date on which the additional information is made available.

The late payment charge described in Section VIII of these Terms and Conditions ~~of the Agreement~~ will apply to all such charges, whether above or below \$50,000 or related to Progress Billing bills, if not paid within 35 days of the billing date, as follows:

1. For actual cost projects where the actual cost exceeds the Normal Variance Limit, the Customer shall pay the amount of the invoice up to the Normal Variance Limit as provided in Section VIII hereof.
2. Any amount in excess of the Normal Variance Limit shall not be subject to the late payment charge until 35 days after the bill date for such excess amount.
3. The bill date for such excess amount shall not be prior to ten days after the date the additional information is made available as provided in the previous ~~paragraph~~ Section.
4. The monthly late payment charge for the amount in excess of the Normal Variance Limit shall be the excess amount times the sum of the prime rate in the *Wall Street Journal* that is specified as "the base rate on corporate loans posted by at least 70% of the nation's 10 largest banks" on the last business day prior to the date of the invoice, plus one and one-half percent divided by twelve.

J. Installation of Company-owned Street Lighting

When the Customer is considering the installation of Company-owned street lighting, the Customer shall review proposed road improvements, storm drain improvements, and other public improvement projects that may conflict, within the first four years after the installation of the streetlight poles, with the contemplated streetlight pole locations. The Customer shall exercise due diligence to avoid requesting streetlight poles to be located in a manner which conflicts with such public improvement projects.

XII. ELECTRIC LINE EXTENSIONS (Continued)

If any streetlight poles are located pursuant to a permit under which the Company must bear relocation costs and if, within 48 months of installation, a conflict occurs which requires relocation of the streetlight poles or related streetlight conductor, the Customer shall pay one-forty-eighth of the relocation cost of the Customer-requested streetlight poles, fixtures, and related conductors for each full month remaining in the period beginning with the date the streetlights were placed in service and ending 48 months after that date, to the extent the Company does not recover the relocation costs from another party. This provision does not apply to streetlight facilities located on easement or other similar permanent right-of-way.

For streetlighting projects, the Company will provide written notification to the Customer upon the completion of the streetlight project. The Company will provide such notification by means of a completion letter which will contain the information that the VEPGA Members requested at a meeting of the JAC.

K. Company Ownership of Facilities

All facilities furnished and installed by the Company shall be and remain the property of the Company. When the Customer undertakes any Civil Construction or Electrical Construction aspects of a project as provided for in ~~Paragraph~~Subsection XII.E., above, (1) all facilities related to the project which are provided by the Company and installed by the Customer shall be and remain the property of the Company, and (2) all facilities related to the project which are provided and installed by the Customer under ~~Paragraph~~Subsections XII.E.4., XII.E.5. and XII.F., above, shall be sold to the Company for one dollar. TERF shall be applied as described in ~~Paragraph~~Subsection XII.H.

L. Outdoor Lighting Design

Normally, the Company shall make outdoor lighting installations in accordance with the Lighting Design, ~~as defined in Paragraph I.Q. of these Terms and Conditions of the Agreement,~~ supplied by the Customer. For installations made pursuant to a Lighting Design supplied by the Customer, the Company shall bear no responsibility for the Lighting Design or for any defects of the Lighting Design. If the Company determines that the Customer's Lighting Design will create an unsafe condition, the Company may refuse to make such installation but the Company shall have no duty or obligation to make such determination. Upon mutual agreement, the Company may provide a Lighting Design in accordance with generally recognized lighting design practices. Whether supplied by the Customer or the Company, all lighting designs shall utilize the Company's typical equipment or other equipment as may be agreed mutually by the parties.

XII. ELECTRIC LINE EXTENSIONS (Continued)**M. Project Scope Changes**

Upon the Customer's acceptance of a price for electric line work by the Company, the scope of the project shall not be changed materially except upon written and dated agreement between the Company and the Customer as to the nature of the scope change and any associated changes in the project timing and the Company's charges to the Customer.

The Company agrees to process expeditiously all such written requests for changes and to use reasonable efforts to ensure that the project is not delayed unduly by Company's response to Customer's request for change. The Company will not undertake any material changes to the work unless and until notified in writing by the Customer.

N. Funding by Third Parties

When a third party and not the Customer provides funding for the installation of facilities under this Section XII, the foregoing provisions of Section XII shall govern except as modified below:

1. Third Party Payments.

- a. When the third party's funds are deposited with the Customer, the timing of payments by the Customer to the Company shall be governed by ~~Paragraph~~Subsection XII.I.
- b. When the third party's funds are deposited with the Company (e.g, the Customer delivers the third party's check to the Company), then pre-payment of the project prior to construction is required. In all instances, the Customer is responsible for delivering payment to the Company along with the project number and/or account number: the Company will not accept delivery of the payment directly from the third party.
- c. When a town or city within a county requests streetlights, procedures in place as of January 1, 2014, may be used to complete the request when the town or city is paying the installation charge and the county agrees to pay to the Company the on-going monthly charges in the applicable Rate Schedule.

2. Easements

Any required easements will be sent directly to the third party and handled directly by the Company. If there are issues with obtaining these easements, the Company will work with the third party towards a resolution. If a resolution cannot be reached, the Company will notify the Customer and request that the Customer work with the third party to obtain the proper easements.

XII. ELECTRIC LINE EXTENSIONS (Continued)3. Issues during installation

Once easements and permits are received, as well as pre-payment, if required under Paragraph Subsection XII.N.1.b., above, the project will be scheduled and constructed. If problems occur during installation (e.g., cable path obstructions, lack of conduit installation, landscaping of cable path, etc.), the Company will contact the third party and work with the third party to resolve any issues. If the Company cannot resolve the issues, the Customer will be notified. Once the Customer resolves any issues, the installation will resume.

XIII. STANDBY, MAINTENANCE AND PARALLEL OPERATION SERVICE FOR CUSTOMERS OPERATING AN ELECTRIC POWER PLANT

A Customer operating an electric generator or power plant in parallel with the Company's facilities and requiring standby, maintenance or parallel operation service may receive Electric Service under this Agreement provided the Customer contracts for the maximum kW which the Company is to deliver at a Delivery Point. Standby, maintenance or parallel operation service is subject to the following provisions:

- A. Suitable relays, metering equipment and protective apparatus shall be furnished, installed, and maintained at the Customer's expense in accordance with specifications furnished by the Company. The relays and protective equipment shall be subject, at all reasonable times, to inspection by the Company's authorized representative.
- B. In case the Maximum Measured Demand exceeds the contract demand, the contract demand shall be increased by such excess demand. The contract demand may be changed by mutual agreement as to the amount of change and term of agreement; however, in no case shall the contract demand be reduced below the Maximum Measured Demand of the preceding eleven billing months.
- C. The monthly charge for Electric Service under this section shall be as shown in Schedule C - Municipal and County Miscellaneous and Standby Charges, ~~attached hereto and is a part~~ of this Agreement or, if applicable, as specified in Schedule 130 - Municipal and County Large Miscellaneous Light and Power Service or Schedule 131 - Municipal and County Thermal Storage of this Agreement.

XIV. NET METERING

The Company will continue to provide net metering to Customers in accordance with the existing Virginia State Corporation Commission *Regulations Governing Net Energy Metering* ("20 VAC 5-315 Rules"), ~~as may change from time to time, and any Future Net Metering Regulations~~ during the Term of the Agreement, with the following exceptions:

1. The 20 VAC 5-315 Rules for which the Customer logically cannot qualify (e.g., agricultural net metering customer, as defined in the 20 VAC 5-315 Rules) shall not be applicable to the Customer; and

XIV. NET METERING (Continued)

2. The standby charges provided for in the 20 VAC 5-315-20 Rules for residential Virginia Jurisdictional net metering customers shall not apply to ~~VEPGA the Customer~~; however, the appropriate standby charges included in Schedule C - Miscellaneous and Standby Charges, ~~which is attached hereto and is a part~~ of this Agreement, shall continue to be applicable to the Customer.

The Company will provide net metering for “totalized” accounts only for a Customer’s accounts which are located on contiguous property, as described in ~~the Company’s Virginia Jurisdictional Terms and Conditions Section IV, Paragraphs IV.E.1. and IV.E.2. Subsections XII.A and XII.B of these Terms and Conditions.~~

XV. USE OF CONTRACTORS

- A. The general criteria used in evaluating the acceptability of contractors to perform work under ~~Paragraph~~Subsection XII.E.5, above, are as set forth below. The Company may change these criteria as it may deem appropriate, but shall not do so either unreasonably or without such prior written notice to the VEPGA Board or its successor as may be appropriate under the circumstances.
 1. Have a person or persons designated for safety and training.
 2. Assure there is a written safety program that is followed.
 3. Assure there is a documented training program in place that is used to train workers appropriately.
 4. Have an Experience Modification Rate (EMR) of less than one (1). For purposes of this ~~Paragraph~~Subsection XV.A.4, an “EMR” is an insurance industry factor used to adjust workers’ compensation premiums based upon an insured’s past loss history and to evaluate a contractor’s safety performance.
 5. Assure compliance with all applicable federal, state and local regulations including, in particular, the following regulations and standards of the Occupational Safety and Health Administration (OSHA) of the United States Department of Labor: Part 1910, Subpart R, 29 CFR § 1910.269 (Occupational Safety and Health Standards for Electric Power Generation, Transmission and Distribution) and Part 1926 (Safety and Health Regulations for Construction) Subpart V (Power Transmission and Distribution), 29 C.F.R. §§ 1926.950 *et seq.*
 6. Inspect credentials and otherwise ensure that employees are qualified to work on voltages of fifty (50) Volts and above.

XV. USE OF CONTRACTORS (Continued)

Any disagreement in the field as to whether a particular contractor either (i) satisfies the foregoing criteria, or (ii) is acceptable to the Company for the performance of work under [Paragraph Subsection XII.E.5](#) above, shall be presented to and resolved by the Company's Manager – Electric Distribution Construction, Contractor Management (and/or such Managers or business units as the Company may designate in writing from time to time), whose decision shall be final and conclusive. It is further understood and agreed that, in any and all events, the Company has the right, in its sole discretion, to decide that a particular contractor is unacceptable to perform work under [Paragraph Subsection XII.E.5](#), above, for reasons not set forth in the foregoing criteria.

- B. The following provides additional guidelines as to the general situations in which the Company would not require the use of Company-approved contractors. Irrespective of whether the contractor must be on the Company's approved contractor list, all work involving facilities to be turned over to the Company must pass the quality and inspection requirements specified under such [Paragraph Subsection XII.E.5](#).
1. Any work performed on non-electrical facilities (*e.g.*, conduit, duct, manholes, vaults, pads, etc.), so long as the work is done on the facilities at a time when they are not owned by the Company.
 2. Customer cleared right-of-way, where the Customer removes trees, vegetation, debris, and other obstructions from the path of new overhead or underground lines.
 3. Customer-dug trench where the Company installs cable and backfills the trench. This will require close logistical coordination to avoid leaving the trench open for extended periods.
 4. Customer-dug trench where the Company installs the cable but the Customer backfills the trench. This arrangement will require both logistical coordination and inspection fees for Company personnel to observe the backfilling operation to assure appropriate backfill composition and backfilling methods.
 5. Repairs and restoration to sidewalks, streets, landscape, and other similar items.
 6. Other situations of a similar nature in which the Company agrees the work is of such limited scope and impact as to not require approval of the Customer's contractors.

XV. USE OF CONTRACTORS (Continued)

The Company will require all work on electrical facilities to be performed by Company-approved contractors if such facilities are either owned by the Company, or will later be turned over to the Company.

- C. If, after working in good faith with the Company's local personnel, any Customer encounters a perceived unreasonable denial of Customer-performed construction under Paragraph Subsection XII.E.5., above, such Customer shall contact the appropriate Electric T&D Projects Manager for that region, who shall investigate the Customer's concern and report back to the Customer in an expeditious manner with either (i) confirmation of the denial, with a general explanation of the reasons for denial, or (ii) authorization for Customer-performed construction, as the Company's management may deem appropriate.

<u>LISTING OF RATE SCHEDULES AND RIDERS</u>	
<u>Rate Schedules</u>	<u>Effective Date</u>
<u>100</u>	<u>08-01-14</u>
<u>102</u>	<u>08-01-14 and 11-01-14</u>
<u>110</u>	<u>08-01-14</u>
<u>120</u>	<u>08-01-14</u>
<u>130</u>	<u>08-01-14</u>
<u>131</u>	<u>08-01-14</u>
<u>132</u>	<u>08-01-14</u>
<u>133</u>	<u>11-01-14</u>
<u>134</u>	<u>08-01-14</u>
<u>RG-CM</u>	<u>11-01-14</u>
<u>150</u>	<u>08-01-14</u>
<u>151</u>	<u>08-01-14</u>
<u>152</u>	<u>08-01-14</u>
<u>153</u>	<u>08-01-14</u>
<u>154</u>	<u>08-01-14</u>
<u>SMH</u>	<u>08-01-14</u>
<u>SSL</u>	<u>08-01-14</u>
<u>SGCM</u>	<u>08-01-14</u>
<u>SGCM-1</u>	<u>08-01-14</u>
<u>SP</u>	<u>08-01-14</u>
<u>Schedule A</u>	<u>08-01-14</u>
<u>Schedule B</u>	<u>08-01-14</u>
<u>Schedule C</u>	<u>08-01-14</u>
<u>Schedule D</u>	<u>08-01-14</u>
<u>Schedule E</u>	<u>08-01-14</u>
<u>Schedule DG-CM</u>	<u>06-01-15</u>
<u>Riders</u>	<u>Effective Date</u>
<u>A</u>	<u>08-01-14 and 11-01-14</u>
<u>B-CM</u>	<u>08-01-14 and 11-01-14</u>
<u>BW-CM</u>	<u>08-01-14 and 11-01-14</u>
<u>G-CM</u>	<u>08-01-14 and 11-01-14</u>
<u>J-CM</u>	<u>08-01-14*</u>
<u>K</u>	<u>08-01-14</u>
<u>L</u>	<u>08-01-14</u>
<u>R-CM</u>	<u>08-01-14 and 11-01-14</u>
<u>S-CM</u>	<u>08-01-14 and 11-01-14</u>
<u>T-CM</u>	<u>08-01-14 and 11-01-14</u>
<u>W-CM</u>	<u>08-01-14 and 11-01-14</u>

*Rider J-CM will be withdrawn on 11-01-14