

**PADUCAH POWER SYSTEM  
SCHEDULE OF RULES AND REGULATIONS**

1. **APPLICATION FOR SERVICE.** Customers applying for service shall be required to provide information necessary to complete the Distributor's application for service before service is supplied.
2. **DEPOSIT.** A deposit or suitable guarantee may be required of any Customer before electric service is supplied. All cash deposits will accrue interest at a rate equivalent to the 3-month Treasury note (reviewed bi-annually). Distributor may at its option return deposit with interest to Customer after one year based on Customer's payment history. Upon termination of service, deposit may be applied by Distributor against unpaid bills of Customer, and if any balance remains after such application is made, said balance shall be refunded to Customer.
3. **POINT OF DELIVERY.** The point of delivery is the point, as designated by Distributor, on Customer's premises where current is to be delivered to building or premises. All wiring and equipment beyond this point of delivery shall be provided and maintained by Customer at no expense to Distributor.
4. **CUSTOMER'S WIRING -- STANDARDS.** All wiring of Customer must conform to Distributor's requirements and accepted modern standards, as exemplified by the requirements of the National Electrical Safety Code and the National Electrical Code.
5. **INSPECTIONS.** Distributor shall have the right, but shall not be obligated, to inspect any installation before electricity is introduced or at any later time, and reserves the right to reject any wiring or appliances not in accordance with Distributor's standards; but such inspection or failure to inspect or reject shall not render Distributor liable or responsible for any loss or damage resulting from defects in the installation, wiring, or appliances, or from violation of Distributor's rules, or from accidents which may occur upon Customer's premises.
6. **UNDERGROUND DISTRIBUTION AND SERVICE FACILITIES.** The furnishing of underground distribution and service facilities to customers and/or developers will be in accordance with the distributor's standard policy for such installations. A statement of this policy is available upon request.
7. **CUSTOMER'S RESPONSIBILITY FOR DISTRIBUTOR'S PROPERTY.** All meters, service connections, and other equipment furnished by Distributor shall be, and remain the property of Distributor. Customer shall provide a space for and exercise proper care to protect the property of Distributor on its premises, and in the event of loss or damage to Distributor's property arising from neglect of Customer to care for same or in the event of unauthorized use of Distributor's property by Customer, the cost of the necessary repairs or replacements shall be paid by Customer.
8. **RIGHT OF ACCESS.** Distributor's identified employees shall have safe, non-hazardous access to Customer's premises at all reasonable times for the purpose of reading meters, testing, repairing, removing, or exchanging any or all equipment belonging to Distributor.
9. **BILLING.** Customer will receive bill approximately eighteen (18) days before due date. Failure to receive bill will not release Customer from payment obligation. Following the due date, the distributor will mail a late notice specifying the disconnect date along with available rights and remedies. Should bills not be paid as above, Distributor may discontinue service ten (10) days after due date. Bills paid after due date specified on bill will be subject to additional charges. Should the due date of bill fall on Saturday, Sunday, or holiday, the next business day following the due date will be held as a day of grace for delivery of payment. Any payments received after the due date may be subject to a penalty.
10. **DISCONTINUANCE OF SERVICE BY DISTRIBUTOR.** Distributor may refuse to connect or may discontinue service for the violation of any of its Rules and Regulations, or for violation of any of the provisions of the Schedule of Rates and Charges, or of the application of Customer or contract with Customer. Distributor may discontinue service to Customer for the theft of current or the appearance of current theft devices on the premises of Customer. The discontinuance of service by Distributor for any causes as stated in the rule does not release Customer from his obligation to Distributor for the payment of minimum bills as specified in application of Customer or contract with Customer.
11. **CONNECTION, RECONNECTION, AND DISCONNECTION CHARGES.** Distributor may establish and collect standard charges to cover the reasonable average cost, including administration, of connecting or reconnecting service, or disconnecting service as provided above. Higher charges may be established and collected when connections and reconNECTIONS are performed after normal office hours, or when special circumstances warrant.
12. **TERMINATION OF CONTRACT BY CUSTOMER.** Customers who wish to discontinue service must give at least three (3) days' notice. Notice to discontinue service prior to expiration of contract term will not relieve Customer from any minimum or guaranteed payment under any contract or rate.
13. **SERVICE CHARGES FOR TEMPORARY SERVICE.** Customers requiring electric service on a temporary basis may be required by Distributor to pay all costs for connection and disconnection incidental to the supplying and removing of service.
14. **INTERRUPTION OF SERVICE.** Distributor will use reasonable diligence in supplying current, but shall not be liable for breach of contract in the event of, or for loss, injury or damage to persons or property resulting from interruptions in service, excessive or inadequate voltage, single-phasing, or otherwise unsatisfactory service, whether or not caused by negligence.

15. **VOLTAGE FLUCTUATIONS CAUSED BY CUSTOMER.** Electric service must not be used in such a manner as to cause unusual fluctuations or disturbances to Distributor's system. Distributor may require Customer, at his or her own expense, to install suitable apparatus which will reasonably limit such fluctuations.
16. **ADDITIONAL LOAD.** The service connection, transformers, meters, and equipment supplied by Distributor for each customer have definite capacity, and no addition to the equipment or load connected thereto will be allowed except by consent of Distributor. Failure to give notice of additions or changes in load, and to obtain Distributor's consent for same, shall render Customer liable for any damage to any of Distributor's lines or equipment caused by the additional or changed installation.
17. **STANDBY AND RESALE SERVICE.** All purchased electric service (other than emergency or standby service) used on the premises of Customer shall be supplied exclusively by Distributor, and Customer shall not, directly, or indirectly, sell, sublet, assign, or otherwise dispose of the electric service or any part thereof.
18. **NOTICE OF TROUBLE.** Customer shall notify Distributor immediately should the service be unsatisfactory for any reason, or should there be any defects, trouble or accidents affecting the supply of electricity. Such notices, if verbal, should be confirmed by writing.
19. **NON-STANDARD SERVICE.** Customer shall pay the cost of any special installation necessary to meet his or her particular requirements for a service other than standard voltages, or for the supply of closer voltage regulation than required by standard practice.
20. **METER TEST.** Distributor will, at its own expense, make periodical test and inspections of its meters in order to maintain a high standard of accuracy. Distributor will make additional test or inspection of its meters at the request of Customer. If test made at Customer's request show that the meter is accurate within two percent (2%), slow or fast, no adjustment will be made to Customer's bill, and a testing charge shall be paid by Customer. In case the test shows the meter to be in excess of two percent (2%), fast or slow, an adjustment shall be made in Customer's bill over a period of not over thirty (30) days prior to date of such test, and cost of making test shall be borne by Distributor.
21. **RELOCATION OF OUTDOOR LIGHTING FACILITIES.** Distributor shall, at the request of Customer, relocate or change existing Distributor-owned equipment. Customer shall reimburse Distributor for such changes at current rate including appropriate overheads.
22. **BILLING ADJUSTED TO STANDARD PERIODS.** The demand charges and the blocks in the energy charges set forth in the rate schedules are based on billing periods or approximately one month.
23. **SHORTAGE OF ELECTRICITY.** In the event of an emergency or other condition causing a shortage in the amount of electricity for Distributor to meet the demand on its system, Distributor may, by an allocation method deemed equitable by Distributor, fix the amount of electricity to be made available for use by the Customer and/or may otherwise restrict the time during which Customer may make use of electricity and the uses which Customer may make of electricity. If such action becomes necessary, Customer may request a variance because of unusual circumstances including matters adversely affecting the public health, safety and welfare. If Customer fails to comply with such allocation or restriction, Distributor may take such remedial actions as it deems appropriate under the circumstance including temporarily disconnecting electric service.
24. **SCOPE.** This Schedule of Rules and Regulations is a part of all contracts for receiving electric service from Distributor, and applies to all service received from Distributor, whether the service is based upon contract or agreement. A copy of this schedule, together with a copy of Distributor's Schedule of Rates and Charges, shall be kept open to inspection at the offices of Distributor.
25. **REVISIONS.** These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time, without notice. Such changes, when effective, shall have the same force as the present Rules and Regulations.
26. **CONFLICT.** In case of conflict between any provision of any rate schedule and the Schedule of Rules and Regulations, the rate schedule shall apply.

The above approved by the Electric Plant Board of the City of Paducah by agreement dated 14<sup>th</sup> of December, 2009, as amended.