



# Electric Service Procedures

## Scope

The provisions of the *LCUB's Schedule of Rules and Regulations* ("Rules and Regulations") issued on September 15<sup>th</sup>, 2015, and these *Electric Service Procedures* ("Service Procedures") shall apply to every person now or hereafter receiving electric service from LCUB. The acceptance of electric service shall constitute the Customer's, user's, and if a different person, owner's agreement to be bound by the Rules and Regulations and these *Service Procedures*, provided, however, that nothing contained in the *Rules and Regulations* and these *Service Procedures* shall affect or prejudice any rights of LCUB under any existing contract, actual or implied, nor release or discharge any existing obligation to LCUB.

All provisions of the *Rules and Regulations* and these *Service Procedures* affecting health and safety, including (without limitation) all provisions relating to inspection, general safety precautions for utilization, operation, and maintenance of LCUB's electric system, and rules governing installations, are for the guidance and benefit of Customers, users. If a different person, owners, and LCUB shall not be responsible for the health and safety thereof, but LCUB reserves the right, in its discretion, to refuse to furnish electric service or to terminate electric service, where the Customer, user, and if a different person, the owner fails to comply therewith.

If any clause, sentence, paragraph, section, or part of the *Rules and Regulations*, *Service Procedures*, or *LCUB's Rate Schedule* ("Rate Schedule") shall be declared invalid or unconstitutional, it shall not affect the validity of the remaining parts of the *Rules and Regulations*, *Service Procedures* or *Rate Schedules*. In addition, in the event of a conflict between the referenced documents, the order of precedence identified below shall apply:

- i. the *Rate Schedule*;
- ii. the *Rules and Regulations*; and
- iii. these *Service Procedures*.

These *Service Procedures* shall become effective on the date they are adopted by LCUB's Power Board (March 25<sup>th</sup>, 2024). They may be amended, supplemented, or otherwise changed from time to time without notice with prior approval by LCUB's CEO / General Manager.



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# Electric Service Procedures

## Definitions

<b>CIAC</b>	Contributions in aid of construction. Contributions from commercial developers, contractors, or Customers that offset the cost of building electric infrastructure to serve them.
<b>Connection</b>	A physical tie or hookup made to the LCUB <i>electric system</i> .
<b>Customer</b>	Any person who receives electric service from LCUB under either an express or implied contract. The term shall also include illicit users.
<b>ELCP</b>	TVA's Emergency Load Curtailment Program.
<b>Electric Service</b>	Energy made available for consumption by LCUB for its Customers, users, or dwelling/premise owner's domestic, commercial, and/or industrial users by transmitting or distributing energy through the flow of an electric charge through a conductor.
<b>Electric System</b>	Facilities for transmitting, distributing, and receiving electricity.
<b>Fee</b>	An amount levied that is infrequent and/or not consumption-based.
<b>LCUB</b>	Lenoir City Utilities Board
<b>Point of Delivery</b>	The delivery point is defined as the point at which LCUB's facility connects with the Customer's premises. In most situations, this location is the Customer-owned weatherhead for overhead service or LCUB's transformer secondary bushings for underground service. Refer to Section 3 of this document for additional information.
<b>Premises</b>	Any structure, property, or dwelling, whether occupied or unoccupied. It shall not include more than one dwelling unit.
<b>Rate</b>	The quantitative value used to determine the amount levied on a Customer directly related to the provision and/or consumption of electricity as outlined in the LCUB Rate Schedule approved by the Board.
<b>Tamper</b>	Rearrange, injure, alter, interfere with, or otherwise prevent from performing a normal or customary function.
<b>User</b>	Any premise having a connection or access to the LCUB electric system.



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## Service Procedures

### 1. Applications and Contracts for Electric Service

#### General Requirements for Electric Service

- 1.1.1. To establish service, all Customers must complete a standard application for service prior to installation and activation. Adequate identification is required, including one government-issued ID (e.g., driver's license, passport, etc.) and a second government-issued card (e.g., social security card, birth certificate, voter registration card, etc.)
- 1.1.2. This application and use of electricity shall implicitly bind the Customer, user, or premise owner by the terms of the applicable standard contract form, LCUB's Rules and Regulations, the Rate Schedule, and these Service Procedures.
- 1.1.3. LCUB has the right to require the applicant to sign a minimum bill, request a contract, make an advance deposit, or a combination thereof in the event that a condition exists that requires investment by LCUB before they can provide electric service.
- 1.1.4. If an application is made for premises where LCUB knows there is a dispute in ownership or right to occupancy, LCUB reserves the right to either a) withhold service pending a settlement or b) treat the occupant in possession of the premises as being entitled to service, irrespective of their rights/claims.
- 1.1.5. Electric supply/voltage and location of service entrance conductors will be consistent with good engineering practices and the national standards for the type of service provided.
- 1.1.6. LCUB shall own and maintain all electrical facilities furnished or installed by LCUB up to the point of delivery. All wiring and equipment beyond this point shall be provided and maintained by the Customer at no expense to LCUB.
- 1.1.7. If there is vegetation impeding connection, the applicant will be responsible for removing the vegetation before installation of service. Unless otherwise stated in the contract, the applicant is responsible for trimming and/or removing vegetation within ten feet (10') of the centerline of the future power line and three feet (3') of the service secondary power lines. Reference LCUB's Tree Trimming Policy for additional information.
- 1.1.8. LCUB reserves the right to trim or remove vegetation that is located on a Customer's, user's, or premise owner's property if the vegetation (in LCUB's sole discretion) poses a threat to electric safety and reliability due to its potential to contact and damage the electric lines and/or related appurtenances.
- 1.1.9. In the event the Customer requests LCUB relocate its electric primary line, in addition to bearing the costs for relocation of service, the Customer, user, or premise owner shall be responsible for clearing vegetation in accordance with paragraph 1.1.7.

#### 1.2. Service and Extensions

- 1.2.1. New Services or extensions are offered at the discretion of LCUB based on technical feasibility and economic analysis. The financial investment LCUB will make, if any, towards an extension will be equitably determined by, and at the sole discretion of, LCUB. Unless otherwise agreed upon in writing, payment of required costs shall be made prior to the start of construction.



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- 1.2.2. New Services or extensions requiring construction will complete the applicable Construction Agreement to identify responsibilities and Contributions in Aid of Construction (CIAC). LCUB's Construction Agreements can be found on LCUB's website for Electric.

## 1.3. Service to Individual Mobile Homes

- 1.3.1. In the event of a mobile home, the Customer will be responsible for providing and installing their own meter base and associated mounting structure (pole or otherwise).
- 1.3.2. A licensed electrical inspector shall approve the Customer's meter base and associated mounting structure before LCUB connects the service.

## 1.4. Temporary Service

- 1.4.1. LCUB reserves the right to charge Customers requesting temporary service the costs of installing, connecting, and disconnecting the service.
- 1.4.2. Services for outdoor lighting temporary construction, such as circuses, carnivals, fairs, etc., are all considered temporary services.
- 1.4.3. LCUB can hang a security light for a standard fee identified in Appendix A (plus the monthly rate) if requested.
- 1.4.4. If a service pole or transformer is required, a standard fee (defined in Appendix A) is applied.

## 1.5. Alternate Feed

- 1.5.1. Provided capacity is available, Customers may request that LCUB provide an alternate feed.
- 1.5.2. Customers shall pay the cost of installing, connecting, and/or disconnecting an alternate feed.
- 1.5.3. When an alternate feed is requested, the existing service contract will be amended to address the related terms and conditions.

## 1.6. Change In Service Requirements

- 1.6.1. At LCUB's sole discretion, LCUB will modify the service's capacity to accommodate load changes. LCUB's investment, if any, toward a change in Customer capacity will be at LCUB's discretion based on economic feasibility. LCUB may request the Customer to sign an updated contract due to the change in service requirements.

## 1.7. Other Primary Service

- 1.7.1. Unless a Customer and LCUB agree to a lower standard voltage, LCUB reserves the right to provide the metered primary service at the highest available voltage.
- 1.7.2. Customers taking primary service shall have an LCUB-approved three-phase interrupting device, such as a circuit breaker, as a method to disconnect the main service.

## 1.8. Renewable Energy Connections

- 1.8.1. Customers may request to connect renewables (for interconnected Solar, Wind, Low-Impact Hydropower, Biomass, etc.) by submitting an *Application for Interconnection of Renewable Generation*. Customers whose applications are approved will be required to provide proof of a successful electrical inspection, complete a *Facilities and Parallel Operation Agreement*, and



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demonstrate they meet the safety and reliability requirements defined therein. Note that LCUB does not offer any credits, rebates, or cash incentives for excess power sent back to the grid.

- 1.8.2. Applications for interconnection of solar generation will be reviewed and processed by LCUB in accordance with LCUB's *Solar Installation Workflow* outlined on the *LCUB Renewable Energy Connections Program Website*.
- 1.8.3. Customers may choose to install solar "behind the meter" and use the energy produced to offset energy usage for the premises. They shall submit an *Application for Interconnection of Renewable Generation*. Under this option, however, the system is not directly connected to the LCUB distribution system. The Customer shall provide proof of an electric inspection to ensure compliance with safety requirements and that LCUB's system is not inadvertently impacted.

## 1.9. Electric Vehicle Chargers

- 1.9.1. Customers may choose to install electric vehicle chargers on their premises to support the charging of personal or Customer vehicles with the assistance of a licensed electrician. Prior to installation, Customers should assess their home's electric capacity to ensure it can handle the additional load of an EV charger.
- 1.9.2. If Customers decide to increase capacity, they should notify LCUB beforehand. This allows LCUB to analyze the system to ensure it will sufficiently manage the load or if additional system modifications may be required.

## 1.10. Limitations of Liability

- 1.10.1. LCUB's limitation of liability will not extend beyond the Customer's point of delivery.
- 1.10.2. In accordance with TVA operating rules, LCUB is not liable for lightning damage, power surges, and resulting damage, low or high voltage conditions, loss of power, or any other abnormal, temporary system condition caused by weather, long-term equipment failures, or other causes not due to direct negligence by LCUB or its employees. The Customer is responsible for purchasing and installing any protective devices required to protect equipment from any temporary, abnormal system conditions that may occur occasionally.

## 2. Utility Deposits

- 2.1.1. LCUB requires a security deposit for all Customers. More information about the security deposit is available in LCUB's *Security Deposit Policy*. Failure to meet the deposit requested by LCUB will give LCUB the right to declare the contract forfeited and refuse or terminate electric service.

## 3. Point of Delivery

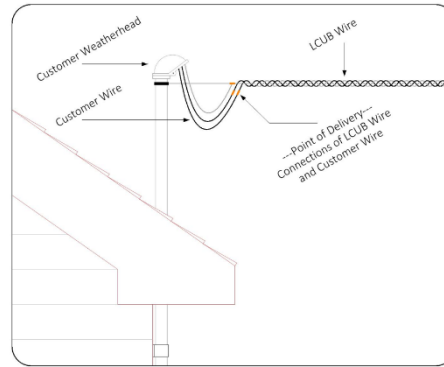
### 3.1. General

- 3.1.1. As identified in the definitions, the delivery point is defined as the point at which LCUB's facility connects with the Customer's premises. All wiring or equipment beyond this point of delivery (except by special written agreement) shall be installed, owned, and maintained by the Customer, except the meter which LCUB shall install, own, and maintain.
- 3.1.2. LCUB shall not be liable for any loss, injury, or damage that occurs to the Customer's wiring, equipment, or other property located beyond the point of delivery.

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## 3.2. Overhead Service

3.2.1. For an overhead service, the point of delivery shall be the point at which current is delivered to the building or premises. Typically, for overhead services, this location is the Customer-owned weatherhead as shown in the figure below:

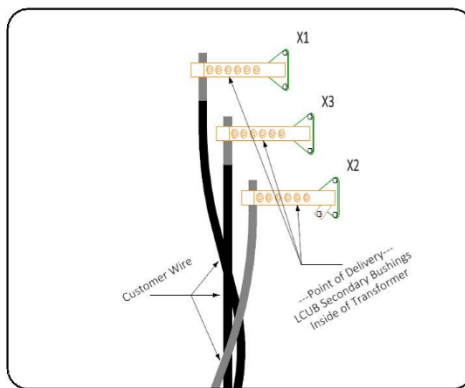


**Point of Delivery for Overhead Service**

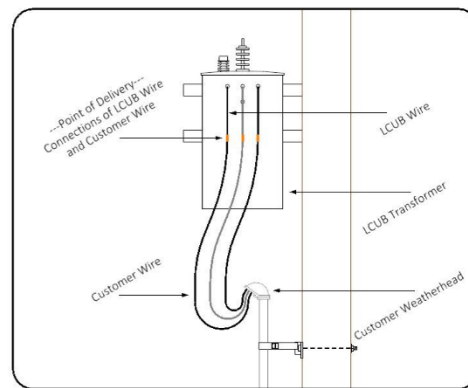
## 3.3. Underground Service

3.3.1. For underground service, the point of delivery is at LCUB’s transformer secondary bushings as shown in the figure on the left below.

3.3.2. If the underground service is attached to LCUB’s overhead facilities, the point of delivery shall be the Customer-owned weatherhead as shown in the figure on the right below.



**Point of Delivery for Underground Service From Pad Mount Transformer**



**Point of Delivery for Underground Service From Overhead Transformer**

## 3.4. Primary Metered Service

3.4.1. For all new primary metered services, the point of delivery shall be determined on a case-by-case basis and defined within the Customer’s service contract.

## 4. Service Guidelines

4.1.1. Additional information regarding the process and requirements for service installation can be found within *LCUB’s Residential Service Guidelines and Commercial Service Guidelines*.





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## 5. Billing

### 5.1. General

- 5.1.1. LCUB bills on a monthly cycle and mails a bill to each service location. Failure to receive a bill does not relieve the Customer of their payment obligation. Due dates are at least fifteen (15) days after the bill's mailing date. If the due date falls on a weekend or holiday, the due date automatically becomes the next business day.
- 5.1.2. If a Customer fails to pay their bill by the due date, late fees and/or penalties will be assessed. Late fees are calculated at a flat five percent (5%) charge of the first \$250.00 of the electric bill plus one percent (1%) of all charges above the first \$250.00, excluding other charges and sales tax, if applicable.

### 5.2. Equal Pay Plan

- 5.2.1. LCUB offers Customers the option of an equal pay (budget billing) plan. More information is available on LCUB's *Equal Pay Plan* page.

### 5.3. SmartPay Plan

- 5.3.1. LCUB offers approved single-phase, non-demand residential Customers the option to establish a prepaid account under their SmartPay Program. A SmartPay account will be subject to automated disconnection at any time an account has a negative balance. SmartPay Customers can track usage, charges, and payments and modify/receive account notifications via [myusage.com](http://myusage.com). More information regarding the SmartPay Program's applicability, the application process, details, and restrictions are available on LCUB's *SmartPay Plan* page.

### 5.4. Service Termination and Collection

- 5.4.1. LCUB reserves the right to terminate service for nonpayment in accordance with our *Service Termination and Collection Policy*. Reference *LCUB's Service Termination and Collection Policy* for additional information.

## 6. Interruption of Service

### 6.1. General

- 6.1.1. LCUB has the right to shut off the electric supply when necessary or desirable to perform construction, operation, maintenance, or repairs to LCUB's electric system.
- 6.1.2. As LCUB is required to comply with TVA regulations and requirements (including their Emergency Load Curtailment Program (ELCP), discussed further in Section 6.2 of this document), Operations are subject to change based on updates to TVA policies and programs.
- 6.1.3. Customers shall notify LCUB immediately should there be any defects, trouble, or accidents affecting the supply of electricity or if their electric service is considered unsatisfactory for any reason.
- 6.1.4. LCUB shall not be liable for personal injuries or damages resulting from interruptions or from high voltage, low voltage, or fluctuations in voltage or current on LCUB's distribution system. The



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Customer is responsible for protecting the service from current and voltage fluctuations by installing fuses, circuit breakers, and other standard safety devices.

- 6.1.5. LCUB will notify Customers impacted by outages related to planned work or maintenance.

## 6.2. Shortage of Electricity

- 6.2.1. In scenarios of electricity shortage, and in accordance with the direction of TVA's Emergency Load Curtailment Program (ELCP), LCUB will first review and work to reduce in-house non-critical and nonessential loads (such as heating, lighting, air conditioning, etc. that are not required for core operations, personnel safety or that prevents equipment damage), especially during periods of peak demand.
- 6.2.2. If electricity shortages worsen, resulting in TVA implementing the next step of their ELCP, LCUB may request Customers to reduce their consumption voluntarily. This might include adjusting thermostats, turning off unnecessary lights, and not using major appliances (ovens, washers, and dryers, etc.) during times of peak usage. LCUB will also reach out to large commercial Customers to request assistance in the voluntary reduction of nonessential loads, especially during periods of peak demand.
- 6.2.3. In the event of an emergency or extreme weather conditions causing a significant shortage in the amount of electricity for the supplier (TVA) or LCUB to meet the demand on its system, TVA may initiate mandatory electric load reduction as a part of their ELCP in order to help avoid major widespread outages across the area or Customers experiencing extended outages. LCUB is required to follow the steps and provisions outlined by TVA to assist in these efforts.
- 6.2.4. In situations where mandatory load reduction is required, LCUB will begin by curtailing large commercial Customers that are not critical to public health and safety to essential loads. Should conditions worsen and additional load reduction be required by TVA, LCUB will reduce load by implementing limited periodic interruptions to Customers (15 minutes in duration) to minimize adverse consequences for those affected. Customers will be forewarned of these interruptions to the extent possible. Customers are still asked to continue voluntary curtailment during this time.
- 6.2.5. Customers may request a variance because of unusual circumstances, including matters adversely affecting public health, safety, and welfare (e.g., hospitals, etc.); however, LCUB reserves the right to deny the variance at their discretion.
- 6.2.6. If severe shortages continue, the ELCP may reach Step 60, and TVA may assert control of operating LCUB's system.

## 7. Voltage Fluctuations by Customer

### 7.1. General

- 7.1.1. The Customer shall maintain a load balance satisfactory to LCUB.
- 7.1.2. Customer load must not be used in a way that causes unusual fluctuations or disturbances to LCUB's electric system. Should fluctuations be identified as a result of the Customer's load, LCUB may require the Customer to, at their own expense, install a suitable apparatus to limit fluctuations.
- 7.1.3. LCUB will not be responsible for any damage to equipment related to Customer-caused voltage fluctuations or disturbances.

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## 7.2. Capacitors Installed by Customers

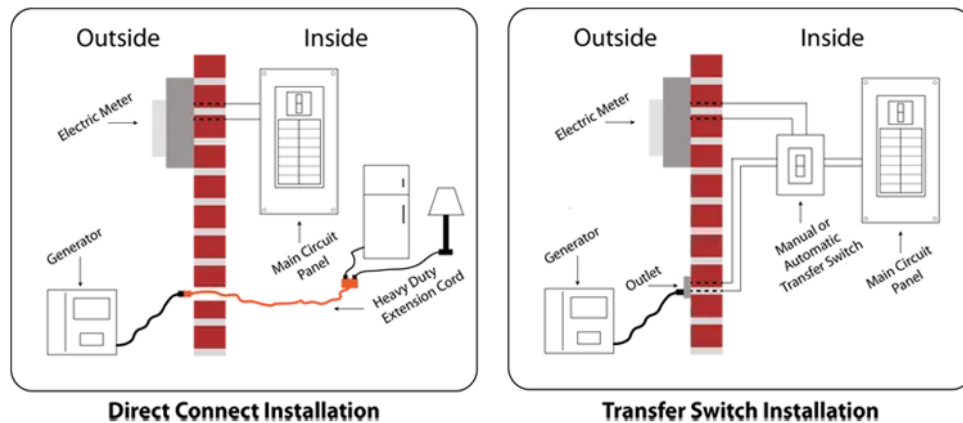
- 7.2.1. Capacitors installed by LCUB Customers shall be switched in such a manner that at no time will the power factor become leading at the service entrance.
- 7.2.2. If the Customer conducts switching at a capacitor bank, switching shall be performed such that it does not cause voltage fluctuations that impact LCUB.
- 7.2.3. LCUB may require the Customer to update switching procedures or install additional protections if they identify system impacts related to Customer switching.

## 7.3. Motors

- 7.3.1. Customers shall identify motors over 25hp and the related motor size on LCUB’s *Load Request Form*. LCUB reserves the right to hold Customers to a maximum kVA start value to prevent power quality issues or voltage fluctuations on LCUB’s system. The Customer is responsible for providing motor starting procedures or other protective equipment required to ensure these criteria are met.

## 7.4. Generators

- 7.4.1. Customer-installed generators shall be configured to avoid back-feeding LCUB’s system. This can cause fires or deadly injury to you, neighbors, or LCUB employees working to restore power during an outage.
- 7.4.2. Generators shall be installed using the “Direct Connect” or “Transfer Switch” methods illustrated in the figures below. Consult a certified electrician to assist with the installation of the transfer switch as needed.



- 7.4.3. Customers interested in installing whole home generators shall notify LCUB’s Engineering department to ensure no adverse impacts to their electric service or LCUB’s system.

## 8. Non-Standard Service

- 8.1.1. The Customer is required to cover the cost of any special installation necessary to meet non-standard requirements.



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- 8.1.2. This includes services other than standard voltage or for the supply of voltage regulation closer to that required by standard practice. The Customer shall identify specific voltage requests on LCUB's *Load Request Form*.
- 8.1.3. LCUB's standard voltages are defined in the Table below:

LCUB Standard Voltages	
Voltage	Phase / Wire
120/208v (208 Grd Y/120)	3 Phase 4 Wire
120/240v	1 Phase 3 Wire
240/480v	3 Phase 4 Wire
277/480v (480 Grd Y /277)	3 Phase 4 Wire

- 8.1.4. The Customer shall consult LCUB's Engineering Department to discuss any non-standard voltage for new services over 480V or any additional non-standard service requests not addressed herein.

## 9. Underground Service or Underground Service Conductors

- 9.1.1. Customers desiring underground service lines are responsible for preparing the premises for underground service and bearing any excess cost associated with obtaining access. *LCUB's Construction Standards and Underground Specifications* will be provided by LCUB upon request.
- 9.1.2. Customers shall be responsible for furnishing and installing all conduit and underground service connectors required by standards and specifications.
- 9.1.3. Customers shall obtain LCUB approval prior to installing service risers on LCUB poles. After receiving approval, Customers are responsible for installing service risers with stand-off brackets on LCUB poles.
- 9.1.4. LCUB is responsible for connecting the Customer and LCUB's facilities. At their discretion, LCUB may make temporary connections and/or relocate the Customer's underground electric service conductors and conduit.
- 9.1.5. When LCUB replaces poles with Customer service risers attached, LCUB will move the conduit to a new pole when possible, using standoff brackets. At LCUB's discretion (if the existing conduit cannot be relocated to the new pole without damaging the conduit or creating right-of-way hazards, etc.), LCUB will install a pull box at the base of the pole and splice the cable. Customers who do not agree to the splicing of the cable will be responsible for the replacement and/or relocation of their service riser within 30 days from LCUB notification.

## 10. Relocation of and Changes to LCUB's Facilities

- 10.1.1. Any Customer or owner whose premises do not extend to a public right of way from which electric service can be safely and economically provided shall be responsible for providing and maintaining an easement for LCUB's electric facilities between the Customer's premises and the public right of



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way, at no cost to LCUB. The Customer is also responsible for providing and maintaining all electric facilities beyond the point of delivery. This applies to Customers, including those occupying apartments, office buildings, condominiums, shopping centers, parks, projects, developments, subdivisions, and other similar land uses.

10.1.2. Customers who would like to change the location of LCUB facilities (poles, lines, transformers, etc.) on their property shall be entitled to have the facilities relocated only if the following conditions are met:

- a) an easement for a suitable substitute location acceptable to LCUB is provided at no cost, and
- b) satisfactory arrangements are made with LCUB for all relocation expenses to be paid by the Customer.

10.1.3. No one shall have the right to require LCUB to remove their facilities, even if they are not in active use at the time.

10.1.4. No one shall modify the property or premises to endanger/damage existing facilities.

10.1.5. When the public right of way changes for the benefit of private interests, and LCUB's facilities must be adjusted to accommodate the change, all costs for making the change shall be paid in advance by requesting parties.

## 11. Meters

### 11.1. General

11.1.1. Meters and meter equipment installed by LCUB shall remain the property of LCUB unless agreed upon in writing.

11.1.2. As discussed in LCUB's Rules and Regulations, LCUB shall be granted access to the customer's premises at all reasonable times for the purpose of reading and testing meters.

11.1.3. Customers are responsible for determining and/or constructing the meter base in accordance with LCUB's construction specifications and having it inspected by a licensed electrician prior to connection.

11.1.4. Meter bases shall be readily accessible and approved by LCUB prior to meter installation.

11.1.5. No new meter bases shall be installed on LCUB poles.

11.1.6. If metering changes are made at the Customer's request/convenience, the Customer shall be responsible for paying all estimated associated costs. Any necessary changes in wiring will also be required to be completed by the Customer before LCUB begins making any changes.

11.1.7. Large residential Customers shall coordinate with LCUB for guidance. Large residential Customers are defined as Customers with:

- a) Apartments, townhomes, or similar multi-dwelling units that require more than a single meter per building
- b) Services greater than 400A
- c) Three-phase services

11.1.8. Large commercial or industrial installations shall be in accordance with special contracts or agreements.



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## 11.2. Meter Testing

- 11.2.1. All new meters are lab-tested or tested by the Manufacturer. Factory tested meters are also spot checked by LCUB in the lab to verify accuracy.
- 11.2.2. LCUB will complete periodic tests and/or inspections of its meters in order to maintain a high standard of accuracy. Primary meters are tested more frequently (LCUB reserves the right to test up to once per year).
- 11.2.3. LCUB will perform additional tests or inspections of its meters at the request of a Customer. If tests made at the Customer's request show that the meter is accurate within two percent (2%), slow or fast, no adjustment will be made to the Customer's bill, and the Customer will pay LCUB's standard testing charge. If the test shows the meter is more than two percent (2%) fast or slow, an adjustment shall be made to the Customer's bill over a period of not more than thirty (30) days before the date of such test, and the cost of test performance.

## 11.3. Meter Tampering

- 11.3.1. No one shall tamper with LCUB's electric system or perform acts with the intent to obtain utility services without paying the total charge.
- 11.3.2. No one shall do anything to interfere with or prevent the proper registration of a meter. No one shall tamper with or work on an LCUB meter without the written permission of LCUB. No one shall install any wires or devices that will cause electricity to pass through or around the meter without the passage of the electricity being registered fully by the meter.
- 11.3.3. No one, except authorized LCUB employees, Contractors, or authorized agents, shall cut, break, or otherwise access a meter (or cut, break, or remove a seal).
- 11.3.4. LCUB will assess charges against anyone who tampers with or damages any LCUB electric facilities as outlined within Appendix A.

## 12. Responsibility for Violation of Rules and Regulations

- 12.1.1. The Customer shall be responsible to LCUB for all violations of the Rules and Regulations, Service Procedures, and Rate Schedule that occur on the premises served or in connection with such electric service.

## 13. Unauthorized Use or Interference with Electric Supply

- 13.1.1. No person shall operate any of LCUB's switches or equipment without LCUB's permission or authority from LCUB.

## 14. Electric Schedule of Charges and Fees

- 14.1.1. Appendix A includes a detailed listing of pre-defined fees or charges for requests for new service and/or work being performed by LCUB at the request of the Customer.

## 15. Contract Requirements

- 15.1.1. LCUB may require contracts for electric service. Contract requirements provided under the Rate Schedule will be updated as necessary to reflect changes in business practices, economic factors, and the adoption of new and/or revised Rate Schedules by the board.



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## Appendix A. Electric Deposits, Charges, and Fees

### Utility Deposits

Residential	\$100
Commercial	Contact LCUB for more information

### Service Fees

Customer Service Installation Fee	\$25
Reconnection Fee	\$25
Return Trips (During Business Hours)	\$25
Call Out Fee (After Hour/Weekend Service Calls)	Cost
Administrative Service Charge (New Acct. Name)	\$25
Security Light Installation	\$75
Security Light and Pole Installation	\$175
Reconnect Existing Security Light	\$25
Meter Test	\$25
Attachment Fees	Contact Engineering

### Billing/Collection Fees

Late Fees	5% for the first \$250, then 1%
Collection Fee	\$15
Return Check Fee	\$20*

\*After more than 3 returned checks in a 24-month period, the fee increases to \$25

### Other Charges

Tampering Charge	\$250
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# Electric Service Procedures

## Appendix B. LCUB's Contributions in Aid of Construction for Commercial Developments

To aid in the cost of electric infrastructure in an area that does not have existing services, LCUB will require that the commercial Customer or developer provide contributions in aid of construction (CIAC). To receive service, the Customer shall pay LCUB CIAC to build the infrastructure and maintain the assets and then “contribute” these to LCUB, so they do not need to retain ownership.

LCUB engineering will calculate an engineering estimate of total costs to serve the Customer, such as poles, overhead conductors, underground conductors, transformers, etc. The Customer will be required to pay 50% of this cost upfront.

The Commercial Developer/Customer will provide the energy and demand to LCUB. If LCUB can confidently project annual revenues, LCUB will perform an analysis and provide the commercial Customer an upfront credit equal to the net present value (PV) of 5 years of projected margin. See the payback calculation below for an example.

If LCUB cannot project the margin with a high degree of certainty, then a CIAC contract will be required. This contract will define an agreement between the Developer/Customer and LCUB to use a methodology of actual energy and demand usage to determine the CIAC amount. The refund or reimbursement to the Customer cannot exceed the cost paid to LCUB for facilities installed to serve the Customer.

The Customer will have up to five years to claim their reimbursement. The reimbursement will be calculated each year in December. The Customer can claim their refund at any one-year interval if desired. The CIAC will be calculated based on their actual usage for the prior year. Therefore, if the Customer thinks their load will increase over the next five years, creating a greater refundable amount, they may wait until year five to claim reimbursement. If the Customer does not feel their load will increase, they can claim it at any one-year interval within that five-year timeframe. Once claimed, the refund ceases to exist even if claimed at a value lower than the initially calculated amount. The lower amount would be due to their actual load not reaching their estimated load amount.

\*Under certain circumstances, a longer PV may be used if approved by the CEO / General Manager of LCUB.





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## Payback Calculation Procedure:

Calculate project cost.

Calculate monthly LCUB margin based on the current rate schedule (note: this is the resale energy charge component listed for each rate) and verify the current interest rate on existing capital.

Estimate the monthly consumption (kwh/kW).

Multiply the monthly margin by 12 to obtain the yearly margin.

Use the Present Worth Formula to calculate the present worth (PV):

$$PV = A \times \frac{(1+i)^n - 1}{i(1+i)^n}$$

A = yearly return, i = interest rate, n = years in service

CIAC = Total Project Cost - PV

## Example:

Project Cost = (\$8000) \* .5 = \$4,000

Interest on existing capital = 6%

Average monthly kwh = 2,400

Commercial project = 5 years

Monthly Return = 2,400 X \$.00791 (GSA -1) = \$18.98

Yearly Return = A = \$18.98 x 12 = \$227.76

Present Worth Calculations

$$PV = A \times \frac{(1+i)^n - 1}{i(1+i)^n} = \$227.76 \times \frac{(1+0.06)^5 - 1}{0.06(1+0.06)^5} = \$959.41$$

A = yearly return, i = interest rate, n = years in service

CIAC = \$4,000 - \$959.41 = \$3040.59

**Contributions in Aid of Construction is \$3040.59**

**Refund Amount is \$959.41**