

Schedule of Rules and Regulations, Service Policies

These policies have been approved by the Bolivar Energy Authority Board of Directors and The Tennessee Valley Authority.

Service Policies and current rates are available on the Bolivar Energy Authority website; bea-tn.com or in writing at the Bolivar Energy Authority office upon request.

Rental rate changes made by Bolivar Energy Authority will be noted on the Bolivar Energy Authority website.

The Tennessee Valley Authority is the regulatory authority for Bolivar Energy Authority operations.

1. Application for Service

Customers applying for service must present two (2) forms of identification, one must be an approved government photo ID, Driver's License, etc.

Customer may apply for service by notarized fax, notarized email or in person.

The last four digits of customers Social Security Number is required.

Customer must show proof of ownership or notarized written permission from property owner to establish electrical service or have a legal lease.

2. Residential Service

Residential services are limited to dwellings with a single phase electrical load less than 50kw and where more than 50% of electrical usage is for the purpose of housing an individual or single family. **As defined by TVA contract.**

2.1 Rate: All electrical usage will be billed at the current residential rate in effect on the billing/meter reading date.

2.2 Service/Connection Fees: All customers must pay a fee, set by the Bolivar Energy Authority Board, to cover costs of creating or changing an account. Currently \$20.

2.3 Deposit: Current customers of Bolivar Energy Authority will not be required to pay a deposit for a new service if they have been a customer for a minimum of twelve months and have not been charged a late fee during the preceding twelve months.

All other customers must pay a deposit as set by Board of Directors equal to 2 ½ months average bill of all residential customers as a class. Currently \$300. This is to cover the financial exposure of Bolivar Energy Authority should a service be terminated due to non-payment.

Interest will be added to the amount of deposit annually. Interest rate applied will be equal to the average rate paid on Bolivar Energy Authority's primary (checking) account. Deposits will be applied to customer's final bill; any surplus will be returned to the individual whose name the account is in. Deposits may be transferred from one customer to another by written notarized permission from the customer in whose name the deposit is held.

Detailed deposit information is available at the Bolivar Energy Authority office.

3. General Power Service

General Power services include ALL services that do not qualify for Residential Service. **As defined by TVA contract.**

3.1 Rate: All electrical usage will be billed at the current general power rate in effect on the billing date.

3.2 Service/Connection Fees: All customers must pay a fee, set by the Bolivar Energy Authority Board, to cover costs of creating or changing an account. Currently \$20.

3.3 Deposit:

A. Services of one hundred (100) amps or smaller: \$100.00 cash deposit

B. Temporary Service

Existing Customer: No Deposit

New Customer: \$120 Deposit

C. Services larger than one hundred (100) amps will be required to post a deposit of two and one half (2 ½) months estimated average usage. Deposits less than \$1000.00 must be paid in cash. Deposits of \$1000.00 or more may be posted by:

1. Cash deposit (non-interest bearing)
2. Letter of credit from a bank within Tennessee
3. Certificate of deposit in the name of Bolivar Energy Authority. Interest from certificate may be paid directly to customer.
4. Enhanced security deposit thru TVPPA: if available

Interest will be added to the amount of any cash deposit annually. Interest rate applied will be equal to the average rate paid on Bolivar Energy Authority's primary (checking) account.

Deposits will be applied to customer's final bill; any surplus will be returned to the individual whose name the account is in. Deposits may be transferred from one customer to another by written notarized permission from the customer in whose name the deposit is held.

Detailed deposit information is available at the Bolivar Energy Authority office.

4. Billing

Billing will be based on meter readings on or about the 5th, 10th, 15th, 20th, or 25th of each month. Customer's meter reading date is determined by service location and electrical load and may not be changed. Customers may receive bills through conventional mail or electronic notification. Failure to receive a bill either by mail, email, text message or other means does not relieve customer from the responsibility to pay bill. Late fees and termination policy remain in effect.

Bills are due and payable upon receipt and are past due after the corresponding billing date the following month: 5th, 10th, 15th, 20th or 25th.

Bills will be calculated based on the applicable rate in effect on the meter reading date.

A late fee will be applied to all bills paid after the corresponding past due date. Currently 5% on the first \$250 and 1% thereafter. Late fees may not be waived.

Customer may view a 12 month history of their billing on the Bolivar Energy Authority website, the Bolivar Energy Authority APP or receive, at no charge, one printed copy per month by visiting the Bolivar Energy Authority office.

5. Termination of Service

Bolivar Energy Authority provides electrical service to customers in its service territory and is legally obligated to collect for all energy used by Customers. Customers receiving electrical service are legally obligated to pay for the service they receive. To this end, electrical service shall be terminated to Customers subject to the following conditions.

5.1 Customer Request: Customer, in whose name the account is in, may request termination of service. Customer must provide a photo identification or last four digits of Social Security Number prior to termination of service. Termination of service will be performed within 72 hours of request, during normal working hours.

5.2 Theft of Service TCA 65-35-101-107; TCA 65-35-104: The theft of electric service is a crime under Tennessee State Law. Cutting of seals and/or unauthorized entry to any meter equipment is illegal under Tennessee State law. Any Customer found receiving unauthorized/unmetered service or access to metering equipment shall be subject to the following penalties:

1. Notification of police authority having jurisdiction for possible arrest or prosecution.
2. Penalties not less than:
 - a. If paid prior to prosecution: twice estimated damages

- b. At prosecution: three times damages
- c. Damages shall be calculated by Bolivar Energy Authority
- 3. Fees associated with actual costs incurred by Bolivar Energy Authority in finding and prosecuting offenders. These fees shall be no less than the fees incurred for installing/removing meters. Currently \$20 during regular working hours; \$40 after regular working hours.
- 4. Fees covering all damage to Bolivar Energy Authority equipment.
- 5. Immediate disconnection of electrical service until, at the discretion of Bolivar Energy Authority, all fees and penalties has been paid.

5.3 Violation of TCA 65-35-102:

It is unlawful for a person to:

- (1) A) Knowingly tap, cut, burn, break down, injure, destroy or otherwise interrupt or interfere with the current, lines, cables, poles, towers, fixtures or appliances utilized to furnish service to the general public by any telephone or telegraph company, or electric light or power company engaged in furnishing communication, light, heat or power by electricity; or

(B) In any way injure, remove, destroy or interfere with any gas, sanitary sewer, or water fixtures or appliances;
- (2) Obtain or attempt to obtain, by the use of any fraudulent scheme, device, means or method, telephone or telegraph service or the transmission of a message, signal or other communication by telephone or telegraph, or over telephone or telegraph facilities with intent to avoid payment of the lawful price, charge or toll therefore, or for any person to cause another to avoid such payment for such service, or for any person for the purpose of avoiding payment, to conceal or to assist another to conceal from any supplier of telecommunication service or from any lawful authority the existence or place of origin or of destination of any telecommunication, or for any person to assist another in avoiding payment for such service, either through the making of multiple applications for service at one (1) address, or otherwise;
- (3) Obtain or attempt to obtain by use of any fraudulent scheme, device, means or method, electric, sanitary sewer, water, or gas service, with intent to avoid payment of the lawful price, charge or toll therefore, or for any person to cause another to avoid such payment for such service, or for any person to assist another in avoiding payment for electric, sanitary sewer, water, or gas service, either through the making of multiple applications for service at one (1) address, or otherwise;
- (4) Divert or use electrical power with the intent to defraud or deprive any public or private electric power supplier from receiving proper charges or payment for such electrical power; or

(5) Commit any of the following acts which would make gas, electricity, telephone, sanitary sewer service, or water available to tenant or occupant by committing any of the acts:

A) Connect any tube, pipe, wire or other instrument with any meter, device or other instrument used for conducting telephone, gas, electricity, sanitary sewer service, or water in such a manner as to permit the use of the telephone, gas, electricity, sanitary sewer service, or water without same passing through a meter or other instrument recording the usage for billing;

(B) Alter, injure or prevent the action of a meter, valve, stopcock, or other instrument used for measuring quantities of telephone, gas, electricity, sanitary sewer service, or water;

(C) Break, deface or cause to be broken or defaced any seal, locking device or other parts that make up a metering device for recording usage of telephone, gas, electricity, sanitary sewer service, or water or a security system for such recording device;

(D) Remove a metering device for measuring quantities of telephone, gas, electricity, sanitary sewer service, or water;

(E) Transfer from one (1) location to another a metering device for measuring utilities of telephone, gas, electricity, sanitary sewer service, or water;

(F) Use a metering device belonging to the utility that has not been assigned to the location and installed by the utility;

(G) Adjust the indicated consumption, jam the measuring device, bypass the meter or measuring device with a jumper so that it does not indicate use or registers incorrectly or otherwise obtain quantities of telephone, gas, electricity, sanitary sewer service, or water from the utility without same passing through a metering device for measuring quantities of consumption for billing; or

(H) Fabricate or use a device to pick or otherwise tamper with the locks used to deter electric current diversion, telephone diversion, gas diversion, water diversion, sanitary sewer service diversion, meter tampering and meter thefts.

5.4 Denial of Access: Due to safety, legal and contractual obligations, Bolivar Energy Authority employees must be able to access, without delay, all property owned, operated and maintained by Bolivar Energy Authority at any time 24/7. Failure to provide access shall result in termination of service.

5.5 Hazardous Conditions: Should it be determined that continued electrical service to a Customer shall impose a hazard to said Customer, the General Public or Bolivar Energy Authority employees; electrical service shall be terminated as soon as possible. Determination of hazard may be performed by and at the full discretion of The State of Tennessee Electrical

Inspector; Local or State of Tennessee Fire Department or Fire Marshall; Local, State or Federal Law enforcement personnel; or employees of Bolivar Energy Authority. This shall have priority over all offer disconnect policies.

5.6 Payments Denied by Financial Institutions: Payments denied by a financial institution including but not limited to Banks, Credit Card Companies, etc. shall result in immediate termination of service. Should termination of service not be possible or practical or in the case of multiple violations, prosecution may be initiated. All fees incurred due to the denial of payment must be paid prior to reinstatement. Cash, a money order or cashier check are the only acceptable means of payment for a returned check.

5.7 Resale of Electricity: It is unlawful to resell electricity purchased from Bolivar Energy Authority.

5.8 Failure to Pay: Bills not paid in full within ten days of the past due date (5th, 10th, 15th, 20th, and 25th of each month) shall be terminated on the eleventh day. Should this date fall on a weekend or holiday, termination shall occur on the next business day. Exceptions to termination for failure to pay are:

Medical Emergency: Customers with a current, valid doctors excuse (Form provided by Bolivar Energy Authority) stating that the Customer is currently in a life threatening condition such as Hospice shall receive an additional 30 days to pay their bill. In no case shall the bill exceed 30 days past due. Should this occur Bolivar Energy Authority shall make reasonable efforts to notify Customer of impending termination of service. Failure to bring account current within 30 days past due shall result in termination of service.

Good Payment Record: Customers with No late payments in the previous 12 months (defined as not paying a late fee during this period) shall be given an additional 3 days to pay past due bill. Should bill not be paid at the end of this period, service shall be terminated.

Minimum Account Balance: Should an account balance on the eleventh day after past due date be \$20 or less, management may elect to postpone termination of service until the following month.

Hazardous Weather: Temporary postponement of service termination may occur under the following circumstances:

Excessive Heat: Termination of service may be postponed on any day the National Weather Service issues an excessive Heat Warning. Service shall be terminated on the next business day in which an excessive Heat Warning is not issued.

Excessive Cold: Termination of service may be postponed on any day the National Weather Service predicts temperatures below 32 degrees for the next 24 hours. Service shall be terminated on the next business day that temperatures are predicted to rise above 32 degrees.

Reconnect Fees: Fees for reconnection of service within one week of disconnect.

Services not requiring bucket truck/service crew. Currently \$20

Single phase services which require a bucket truck/service crew. Currently \$60

Three phase services. Actual Cost, minimum \$60

5.9 Closed Accounts: Accounts which have been disconnected for 7 days will be closed on the 8th day. Customers will then need to reapply for service and pay all fees required.

5.10 Notice of Termination of Service: Accounts with past due amounts of \$20 or more will have the following notice printed on the next month bill:

This bill contains a past due amount. If this past due amount is not paid in full 10 days after the previous past due date, service will be terminated on the 11th day without further notice. Should you have any questions concerning this bill you may contact Customer Service at 800-332-0457 or 731-658-5257.

If this amount has already been paid please disregard this notice!

6. Prepay Policy

6.1 Prepay Service: This method of billing is available to any Residential or General Power service which has a self-contained AMI meter with an internal disconnect. Customer pays for electricity prior to usage the same as depositing money into a debit account.

6.2 Connection Fees: All customers must pay a connection fee to cover costs of creating and implementing a new service.

6.3 Deposit: No deposit required. Bolivar Energy Authority has no financial exposure under this billing method.

6.4 Prepay Monthly Fee: Customer will reimburse Bolivar Energy Authority for the monthly costs incurred from the Prepay provider.

6.5 Electrical Usage: All electricity used will be billed at the current rate at the time of usage as approved by TVA. Customers may choose to be notified of account balance by automated phone call, email, text message, and Bolivar Energy Authority web site or by personal appearance at Bolivar Energy Authority office. It is the responsibility of the Customer to monitor account balance and need for payment. Bolivar Energy Authority is not responsible for any costs incurred by Customer in receiving these alerts or for maintaining services, such as but not limited to internet, cell phone, etc., required to receive alerts.

6.6 Minimum Payment: The minimum payment that can be made to an account is \$20.

6.7 Termination of Service: Electrical Service will be terminated automatically by AMI system at approximately 9:00am the morning after account balance reaches below \$0.00! Customer must keep a positive balance in their account to receive electrical service. Service will be reconnected when the Customer establishes an account balance of a minimum of \$20.00. Due to the additional monthly fee for Prepay Service there will be no reconnect fee.

6.8 Customers Changing Billing Methods:

Changing from Conventional Service: Customers who wish to change from conventional service to Prepay may do so under the following conditions.

Deposit – Any deposit currently on account shall be applied to current bill.

Outstanding Balances – Due to the lag in billing under the Conventional Service method any Customer changing to Prepay will have an outstanding balance of electrical usage either not yet paid or billed. Therefore 50% of payments made to Customer’s account shall apply to outstanding balance until said balance is paid in full. Failure to pay outstanding balance in full shall result in termination of service until said balance is paid in full.

All Prepay Policies apply.

Changing from Prepay to Conventional Service:

Customer must remain on Prepay for a minimum of 6 months before switching to conventional service.

All conventional service policies apply including deposit and connection fee.

7. Seasonal Service

7.1 Requirements:

Limited to customers who sign contract for a maximum of 2500 KW demand.

Service must remain in use a minimum of 2 months when energized.

Service must be in use a minimum of once per calendar year.

Customer is responsible for notifying Bolivar Energy Authority when service is to be connected/disconnected. Customer must provide a minimum of 48 hours and maximum of 5 days’ notice. Bolivar Energy Authority will connect/disconnect service as soon as possible during normal business hours, however restoration of service to existing customers whose service has been interrupted due to storms, automobile accidents, etc. shall take precedence.

7.2 Charges/Rates:

A connection fee of \$50 shall be charged for services with a demand less than 50 KW, \$150 shall be charged for services in excess of 50 KW each time the service is energized.

A deposit shall be required equal to the average monthly bill at the seasonal rate, months when service is not in use shall not be considered in calculating deposit. Deposit may be based on prior usage history if available. If not the Bolivar Energy Authority shall estimate the deposit based on connected load. Deposit shall be credited to the last bill when service is permanently terminated. Any remaining funds shall be remitted to the customer whose name the service is listed.

The rate for seasonal service shall include all charges under the General Power Rate, as adjusted, plus an additional seasonal use charge as follows:

- a. If the customer's billing demand and its contracted demand, if any, are each 50 kw or less:
\$.01 per KWH for the first 15,000 KWH of the customer's energy takings for the month.
- b. If the customer's billing demand or its contract demand exceeds 50 kw:
\$.01 per KWH per month of the lesser of (1) the amount computed by multiplying 300 hours by the customer's billing demand or (2) the customer's energy takings for the month

Customer may arrange for equipment testing once during any calendar year without additional cost.

For such customers, the minimum bill provided for in the General Power Rate shall not apply. Other charges as specified by Bolivar Energy Authorities such as, but not limited to, in-lieu-of construction fees, special metering equipment fees, etc. shall apply.

Bolivar Energy Authority may require additional charges to provide recovery of costs for customer-specific distribution facilities.

8. Temporary Service

Deposit of \$120 is required.

Temporary service will be limited to 12 months.

Temporary service will be billed on the General Power rate.

Detailed specifications available from Bolivar Energy Authority Engineering Department.

Service/Line extension policy applies.

9. Service/Line Extensions

In order to ensure electric rates as low as possible payments in lieu of construction may be required. **These payments are not refundable and do not transfer ownership of the distribution line.** All distribution lines/structures constructed by Bolivar Energy Authority remain the sole property of Bolivar Energy Authority.

Customer must contact Bolivar Energy Authority prior to construction to locate service/line extensions, meter location, minimum specifications, etc.

All construction must meet Bolivar Energy Authority, NEC and NESC specifications. All electrical services in the State of Tennessee are required by law to be inspected and passed by the State of Tennessee Electrical Inspector prior to connection.

9.1 Residential Service:

Overhead Distribution Lines: Electrical rates include a construction allowance, currently \$1,600/meter as set by Bolivar Energy Authority Board of Directors, to cover service extensions. All costs in excess of this amount will be paid in lieu of construction by the customer prior to construction.

Underground Distribution Lines:

In lieu of Construction costs:

Secondary Service (240volt or less): \$2.50 per foot. This linear footage includes footage from the transformer to the meter base.

All other service including but not limited to pad mount transformers, switch gear, primary cable, etc. at cost.

Detailed specifications available from Bolivar Energy Authority Engineering Department.

9.2 All General Power Service:

Single Phase installations:

Overhead Distribution Lines: Electrical rates include a construction allowance, currently \$1,600/meter as set by Bolivar Energy Authority Board of Directors, to cover service extensions. All costs in excess of this amount will be paid in lieu of construction by the customer prior to construction.

Underground Distribution Lines:

In lieu of Construction costs:

Secondary Service (240volt or less): \$2.50 per foot per service run. This linear footage includes footage from the transformer to the meter base.

All other service including but not limited to pad mount transformers, switch gear, primary cable, etc. at cost.

Detailed specifications available from Bolivar Energy Authority Engineering Department.

Three Phase Services:

Overhead Distribution Lines: Electrical rates include a construction allowance, currently \$1,600/meter as set by Bolivar Energy Authority Board of Directors, to cover service extensions. All costs in excess of this amount will be paid in lieu of construction by the customer prior to construction.

Underground Distribution Lines:

1. Services 200 amp and smaller

In lieu of Construction costs:

Secondary Service (240volt or less): \$5.00 per foot per service run. This linear footage includes footage from the transformer to the meter base.

All other service including but not limited to pad mount transformers, switch gear, primary cable, etc. at cost.

2. Services over 200 amp.

Customer provides secondary wire per Bolivar Energy Authority specifications.

In lieu of Construction costs:

All other service including but not limited to pad mount transformers, switch gear, primary cable, etc. at cost.

9.3 Subdivisions:

Developers with approved subdivision plans may obtain electrical service for the subdivision by:

- a. Paying the entire construction fee prior to construction. The Developer will be reimbursed the fee allotted for each residential lot (\$1600), for each meter installed within the first two years after construction is

complete. The amount reimbursed shall not exceed the amount paid by the Developer.

- b. Deferring the responsibility of obtaining the electrical service to the individual lot owners.

Individual lot owners shall be provided electrical service under the provisions for Construction Fees for Permanent Installations .

9.4 Industrial Service:

Manufacturing Customers with demands in excess of 1,000 KW.

Customers have two options:

- a. In lieu of construction costs in advance. No stranded invest costs apply.
- b. Contract, maximum 10 years, to cover total cost of service, stranded costs apply if terminated before end of contract term.

10. Yard Lights

Yard lights will be installed only at sites which currently have an active electrical service.

Yard light must be placed on an active electrical service account at the location of the yard light installation.

Yard lights must be installed on a pole, owned and maintained by Bolivar Energy Authority.

Customer requesting yard light must have no outstanding bills with Bolivar Energy Authority.

Installation Fee:

New services - yard lights installed in the process of constructing facilities to a new customer will be installed at no additional charge. Providing the request for the yard light is made prior to Bolivar Energy Authority construction personnel departing from the construction site.

Existing Services - an installation fee of \$25.00 per light will be charged. This is an installation fee only. The yard light and all equipment remain the property of the Bolivar Energy Authority.

Installations requiring a new pole specifically for a yard light will be required to sign a twelve month contract to cover costs. This charge is for installation only. The pole and all equipment installed on it remain the property of the Bolivar Energy Authority. A maximum of one pole per yard light may be installed.

The installation of any non-standard lighting must be approved by Bolivar Energy Authority Management. The total cost of installation must be paid by the customer with all equipment remaining the property of Bolivar Energy Authority.

A monthly fee will be added to the customer's bill for each yard light. The fee will be determined by the current electrical rates as adopted by the Bolivar Energy Authority Board of Directors.

11. Inactive Service

Due to safety, maintenance and in-lieu-of tax payment issues; electrical lines inactive for 90 days shall be retired from service at management's discretion. Services where buildings, service poles, etc. have been removed or no longer able to receive electrical service due to but not limited to fire, physical destruction, removal, etc., shall be retired from service as soon as feasible.

12. Right of Way Maintenance

The safe and reliable operation of the electric distribution system is the primary goal of Bolivar Energy authority. State and Federal law mandates that Bolivar Energy Authority maintain its right of way in a manner to ensure public safety and reliability of the distribution system. Therefore Bolivar Energy Authority must use the resources at its disposal to achieve the above goals and comply with changing safety and reliability standards.

To this end Bolivar Energy Authority (BEA) reserves the right to maintain the electric system right of way in a manner which, at the discretion of BEA, will achieve these goals and to use whatever methods currently available to this end.

General rules to achieve these goals include, but are not limited to:

1. BEA will not make appointments or give prior notice for right of way maintenance. This would cause major undue delays which could result in unsafe conditions and reduce reliability.
2. BEA will not cut or trim trees that, in the opinion of BEA personnel, do not pose a danger to the distribution system. To do so would be an improper use of funds under TVA contract and State Law. Exceptions may be made upon request by TEMA or other emergency service organizations but only if the exception will not interfere with the restoration of the distribution system to a safe and reliable state.
3. Secondary service lines (voltage less than 2,400v) will only be maintained if, in the opinion of BEA personnel, they have and are currently causing damage to secondary service lines.
4. Minimum right of way for the primary distribution system (2,400v and greater) will be 30 feet, 15 feet either side of center line. This right of way will be considered "earth to sky".
5. BEA may at times use chemicals to maintain the right of way. BEA will comply with all State and Federal regulations covering the use of these chemicals.
6. Danger trees, trees outside of the above mentioned right of way may be cut if, in the opinion of BEA personnel, they pose an immediate threat to the safe and reliable operation of the distribution system.
7. BEA will only remove debris from the immediate area of homes or businesses. The determination of "immediate area" shall be at the discretion of BEA personnel. BEA will not remove storm debris.

8. BEA may remove any vegetation which, due to storm or other damage, impedes the safe restoration of the distribution system.
9. Clearing of right of way at the specific request of the property owner will only be done if, in the opinion of BEA personnel, it poses a danger to the distribution system. Clearing of debris will be the responsibility of the property owner.
10. While BEA does possess legal authority to maintain the right of way, vegetation in the right of way remains the property of the property owner. BEA accepts no liability for storm damage, damage due to right of way clearing by third parties or normal damage due to age/disease.
11. BEA must have unlimited access to its right of way for reasons of public safety and reliability. Failure to provide access may result in the discontinuance of electrical service to the property.

12. Meter Testing Policy

In order to assure proper collection of revenue electric meters shall be maintained within tolerances mandated by TVA contract, applicable law and industrial standards. This will be accomplished in the following manner:

Residential Meters – Residential meters in excess of twenty (20) years of age shall not be placed back in service but replaced with a new meter.

General Power (< 50kw) – General Power meters < 50kw demand will be tested or replaced with a new or tested meter every twenty (20) years.

General Power Meters (> 50kw) – General Power meters > 50kw demand shall be tested or replaced with a new or tested meter every five (5) years.

Failure to adhere to this schedule shall not be construed as a breach of contract with TVA or the customers of Bolivar Energy Authority.

Meters will not be tested due to high bill complaints.

Additional testing shall be at the discretion of Bolivar Energy Authority Management.

13. Non-Smoking Policy

The Bolivar Energy Authority office building located at 815 Tennessee Street, Bolivar, TN. Is a Non – Smoking facility. This policy applies to all Employees and Customers. Customers will be asked to extinguish all smoking material or leave the premise.