

**PUBLIC UTILITY DISTRICT NO. 1
OF OKANOGAN COUNTY, WASHINGTON
Resolution No. 832
GENERAL PROVISIONS AND ELECTRIC RATE SCHEDULES**

A RESOLUTION Relating to the Electric Power System of Public Utility District No. 1 of Okanogan County, Washington, Regulating the Use, Sale and Price of Electric Energy, Defining Offenses and Prescribing Penalties, and Repealing Regulations in Conflict Herewith.

Section A. GENERAL

1. Effective Date:

This Resolution is to take effect and be in force on and after the 26th day of January, 1976, except that default penalties under Section I-1.6(c) shall not be effective until and on April 1, 1976.

2. Definitions:

The words "Person" and "Customer" whenever used in this Resolution shall be held to mean and include any legal entity whatsoever and natural persons of either sex, whether acting for themselves or through a servant, agent or employee; and singular shall be held and construed to include the plural; and the masculine pronoun to include the feminine. The word "District" shall mean the Public Utility District No. 1 of Okanogan County, Washington.

3. District Obligations:

3.1 **Commitments in Writing Only:** No promise, agreement or representation of any employee or agent of the District shall be binding on the District unless the same shall be in writing and is in accordance with the provisions of this Resolution.

3.2 **No Employee Compensation:** No inspector, agent, or employee of the District may ask, demand, receive or accept any personal compensation for any service rendered.

3.3 **Right to Refuse Service:** Nothing contained in this Resolution shall be construed as requiring the District to enter into any contract or to furnish electric energy to any person applying therefore, and specifically the District reserves the right to refuse service to any appellant if such service adversely will affect service to other customers, or if the applicant has not complied with State, municipal, or District regulations.

4. Validity:

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If any section, sub-section, sub-division, sentence or clause or phrase of this Resolution is for any reason held to be unconstitutional or void, such invalidity shall not thereby affect the validity of the remaining portions of this Resolution.

Section B. AVAILABILITY OF SERVICE

1. Application for Service:

The customer shall furnish to the District information requested relating to service such as to establish credit, to establish ownership of property, to establish details relating to service required, shall furnish all rights-of-way as required by the District, sign an application for service form and a guarantee contract if required. The taking of electric service by the customer is agreement to these regulations as written, and as revised thereafter, regardless of whether or not the customer has signed an application for service and/or other agreement. Revisions of these regulations are subject to customer comment and review at District Board meetings.

2. Deposits and Fees:

2.1 Deposits: The District may require the customer to deposit with it a sum determined by the District to be reasonable in view of the District investment and risk. Minimum deposits shall be subject to periodical change from time to time. The deposit normally shall equal the amount of bills, which it is estimated will accrue during a two-month period; however, a larger deposit will be required when the District determines that circumstances warrant such a deposit. The deposit is security for payment of bills or other claims of the District. Deposits normally shall be paid at time of application; however, the District may allow special deposit payment arrangements, but service will be terminated if the deposit is not paid accordingly.

The District may return the deposit to the customer after revenues have equaled the entire investment by the District and satisfactory credit rating has been established. Nothing in this rule shall prevent the requirement of an additional or new deposit when credit conditions warrant.

2.2 Fees: A charge of predetermined amounts will be made under the following conditions:

(a) An account service charge will be made to partially offset the cost of processing applications for service to a new customer-occupant at any facility

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previously served by the District (does not include landlord temporarily retaining service, or change of name by present occupant).

- (b) A handling charge will be made if a customer check is returned to the District because of insufficient funds, account closed, or payment stopped.
- (c) In addition to the account service charge under (a) above, a connection charge will be made if customer requests connection outside of regular working hours, or if the request is made after 4:00 p.m. for connection that same day and connection cannot be made by the District before 5:00 p.m.

3. Available Phase and Voltage:

- 3.1 **Advise Customer:** The District shall advise the customer of and supply him with the most suitable phase and voltage available upon established circuits, or which might be available at the most economical cost to the District. Non-standard voltages or special regulation may be supplied if customer prepays extra cost to District for special equipment and plant.
- 3.2 **Balanced Load Required:** The customer will be required to balance load between phases when an unbalance causes a problem for any customer, or to the District.
- 3.3 **Three-Phase Service:** Standard three-phase service will be from a three-phase primary line. The District will provide three-phase service from a V-phase (two-phase) primary line at customer request; however, equipment must not be loaded to more than ninety percent of nameplate rating, and such service is provided without liability to the District as to equipment damage or performance.
- 3.4 **Additional Primary Phases Made Available:** Additional primary phases may be made available according to the extension policy at a cost to the District not to exceed the allowable ratio for added or new revenue.

4. Service Extension Policy:

Within the means and ability of the District, it is the declared policy to extend service to new customers under the following conditions; however, the following can be only a declaration of policy and each extension to be subject to study as to feasibility and desirability.

- 4.1 **Availability:** To permanent customer for permanent service in all areas within or adjacent to territory now served by existing facilities of the District, and which territory is not excluded by territorial agreement.

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- 4.2 Extension Agreement: The extension agreement is a written contract which the customer may be required to enter into with the District under which the customer agrees to pay for a minimum amount of electric service specified in dollars per anniversary year, and the agreement shall extend for a period of three years. The minimum amount of dollars per year shall be one-third of the District investment. The customer shall be entitled to receive electric service for this minimum annual guarantee under the appropriate District rate schedule(s) which apply to the service.

Contract minimums will apply to any premises for a period of three (3) years whether occupied by the original customer or another. Each succeeding customer assumes the minimum guarantee, or the District shall terminate service.

For the convenience of the District in billing customers receiving service under an extension agreement, the annual guaranteed minimum may be billed on a monthly basis, the monthly minimum being fixed in advance on the basis of reasonable estimates of monthly consumption of electric energy.

The annual minimum payment may be deferred during the first year at the discretion of the District if for acceptable reason the customer could not make full use of the service during the first year; however, the minimums for both the first and second years then become due.

- 4.3 Extension Rules: Subject to feasibility and desirability, the District will make extensions from its system as follows:

(a) Ratio for New or Added Load: The District may invest toward making its electric service available to the customer up to three times the estimated annual revenue from a new load, less 15% of that amount which 15% is a contribution in aid of construction and must be prepaid by the customer. A load or service moved to a new location within three (3) years of the original time of service will be served only after payment of balance of District investment not equaled by revenue. Improvements to be made by the District that are not caused by the customer's load shall be District investment without customer participation.

(b) Customer Contribution: In event the total construction cost is in excess of the three-to-one ratio, the customer may contribute to the District the deficiency, plus 15% of the amount within the three-to-one ratio, in which case the District may proceed to make the extension; however, the District in no case shall be obligated to make an extension where there is a deficiency. Adjustments between estimated and actual construction cost will be made if

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the resultant refund will be more than \$25 per customer. An adjustment also will be made for each customer (not less than \$25) if three times the second year of revenue, from the original service only, exceeds the actual construction costs.

Industrial, commercial and all residential accounts which serve a residence must pay a system capacity charge. Such charge will be based upon the customer's electrical requirements and the distance from the closest substation using the most feasible circuit routing. All other customer classes will not be assessed a capacity charge; however, if any circuit rebuilding is necessary to serve their electrical requirements, such costs shall be included as construction costs under the line extension policy.

- (c) **Prepayment Refund Provision:** A customer who has made a contribution in aid of construction for a line extension under 4.3(a) or 4.3(b) in an amount in excess of \$7,500 shall have an opportunity to recover up to 50% of such contribution if additional customers are served directly from such extension. Additional customers are expected to reimburse the original customer on a pro-rata basis based on the contribution made by the original customer. Such reimbursement obligation shall terminate five (5) years from the date the construction is completed and is non-transferable. The above \$7,500 amount shall not include undergrounding payments, line relocation payments, payments for providing special phase or voltages, payments for special routing or payments made by developers under 4.3(d).

If agreement on reimbursement conditions cannot be obtained, the District reserves the exclusive right to provide service as needed from any District facilities. The District can require any reimbursement amount be made to the District to reduce any delinquent bill.

- (d) **Full Prepayment Requirements:**
- (1) The primary backbone system required to serve developments must be provided by the developer without refund except as provided in (2) below. Service to individual lots will be provided under the normal line extension policy.

In addition to the backbone system, the developer will be required to compensate the District for system capacity and/or improvements necessary to serve the electrical requirements of the development.

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To satisfy the above obligations, the developer may install the necessary facilities to District specifications, prepay the amounts established by the District for such facilities, or provide other financial security satisfactory to the District.

The system capacity charge shall be calculated as provided in Section 4.3(b).

- (2) If the primary backbone system has not been installed or the District has not been compensated for system capacity or improvements and service is requested by an owner of an individual lot(s), such owner must prepay that portion of the primary backbone system plus system capacity improvements needed to serve their lot(s). If service is extended to new customers from such system, such owner can request reimbursement of the backbone system cost in accordance with Section 4.3(c).
- (3) Full prepayment, or security satisfactory to the District, may be requested by the District when the District determines the load to be served may not be permanent or service might be terminated with subsequent loss to the District. In that case, except for developers, the District will refund at the end of each anniversary year an amount equal to the revenue received (less rate schedule minimums) from the original load served, less 15% until the prepayment has been refunded or three (3) years have expired. Any customer, except developers, may be served on this basis instead of under 4.3(a) and 4.3(b) if the customer prefers.

(e) Construction Prerequisites:

- (1) The customer applying for service must obtain all necessary easements, using the District's standard easement form, before construction will be commenced. The District reserves the exclusive right to make any number of connections to any power line to serve additional customers at any location including the end, and without compensation to any customers except for prearranged compensation for actual damage to property incurred by such construction. Any connections to be made are subject to the terms of both existing easements and easements to be obtained to make a new extension.

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The District will cooperate with customer to determine the most acceptable route that does not result in extra cost to the District.

If an applicant for service does not desire to provide easements across his property in conformity with District policy, the applicant may receive service by prepaying for the extension without refund by the District. The District will determine the metering location and type, and that metering point divides the District system and ownership from that of the customer. The District may disconnect the line past the metering point when and if it is not maintained by the applicant to District standards. No additional connections to the line will be made by the customer or the District except by mutual agreement.

- (2) The District will not construct an extension unless and until there is substantial construction evidence in progress on site to insure the District the customer will complete contemplated construction within one year.
- (3) The cost estimate shall be revised if the line construction start is delayed by the customer for thirty days or more, and related payment and guarantees will be revised accordingly.

- (f) Routing: The District shall take the most direct and feasible route considering roads, maintenance and future customers. When a customer requests that line be constructed on an indirect more costly route than the route chosen by the District, and the indirect route is satisfactory to the District, an added investment may be authorized to a maximum of one-year expected revenue, but never to exceed the three-to-one ratio policy, and the customer must contribute a minimum amount equal to one-fourth of the extra District investment.

The proportioning of cost as above also applies when it is necessary to construct the extension on an indirect route because of trees. An extension will not be constructed over or through trees unless there is not any other route, in which case the trees must be removed as necessary for appropriate right-of-way as specified by the District. If the District removes the trees the cost shall become part of the regular construction cost to serve.

- (g) Load Added by Existing Customer: When a load is added by an existing customer to an account presently served, and the added load requires a facilities change, the change will be made according to the above service extension policy without the 15% contribution in aid of construction.

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If the District determines that no change in facilities is necessary to serve the added load, the customer requests a change (example: change in voltage or phase), the change may be made according to Section F, 1.2(d).

4.4 Extension Rules for Underground:

- (a) Requirement: The District may require an extension to be underground rather than overhead whenever it is to the best interests of the District. The District also may refuse requested undergrounding when and if it is determined that undergrounding would be detrimental to the District.
- (b) Rules: The rules for overhead construction as stated above apply to underground construction, and in addition, the following applies:
 - (1) The customer shall at all times prepay the costs of excavation, preparation, and repairs needed for laying cable, including but not limited to trenching, bedding, backfilling, road and ground repair, driving of conduit. The customer may do this work to reduce the prepayment only if it can be arranged and performed satisfactorily for the District.
 - (2) When the construction cost exceeds the line extension ratio, the customer shall prepay the excess, plus the standard 15% contribution in aid of construction.
 - (3) When the construction cost is less than the line extension ratio, it will be necessary to calculate construction costs for both underground and overhead and the customer shall prepay the difference, plus the standard 15% contribution in aid of construction; except in established underground areas where overhead facilities do not exist, the customer shall pay the standard 15% contribution in aid of construction.
 - (4) The customer shall pay all costs to maintain the service because of damage for which he was responsible. The District shall not be liable for damage to premises when maintaining service for any reason, unless District was negligent.

5. Provisions for Temporary Service:

Temporary service, subject to all general provisions of this Resolution will be installed as follows:

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- (a) **Service Which Will be Removed:** Temporary service which will be removed. Customer to prepay the District's estimate of cost to install, plus cost to remove, less salvage value.
- (b) **Construction of Permanent Building:** Temporary service for construction of permanent building. If the permanent service may be installed overhead and later merely transferred to permanent building, it shall be installed along with total facilities, under the Line Extension Policy. Otherwise it shall be as (a) above.
- (c) **Mobile Home:** Service to a mobile home is provided under (a) above when home is on leased property or is known to be installed for a limited time.

6. Material Sales to Customers:

If a local merchant does not stock sufficiently, and the item cannot be secured in a timely manner through the local merchant, then the District will sell normal stock items only to customers of the District, and only for their use. No materials will be sold for resale.

All sales will normally be on a cash basis before the material is issued. The selling price will be the District's inventory cost, plus applicable stores expense, plus sales tax.

The District will not accept a return of conductor, will accept the return of an entire sale lot (except conductor), but will not accept returns of a portion of a sale lot. Refund will be sale price less additional stores expense.

Section C. SERVICE REQUIREMENTS AND STANDARDS

1. Location of Service Entrance, District Access, and Metering Standards:

1.1 **Location of Entrance and Condition:** The customer shall provide a suitable service entrance to the premises to be served at the point of easiest access to the distribution line from which service is to be taken. Customer and electrician shall obtain prior approval for location satisfactory to the District. Such entrance shall be continuous, and free from the possibility of unwarranted tampering or interference. All wiring on customer's premises shall be done at the customer's expense. Service entrance shall be kept in good repair. District may notify customer of repairs needed, in which case service will be terminated thirty (30) days after such notice is mailed if repairs have not been made.

1.2 **District Access and Protection:** The customer shall furnish a convenient and safely accessible place for the District in which to install and read the metering devices which are required for the proper rendition of service, such place to be suitable to the preservation of the integrity of the metering device and to be free from any conditions which would adversely affect such devices. Meters shall be installed on the outside of buildings or service structures as approved by the District.

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Meters shall not be installed in places difficult of access, such as inside residences, over open pits, moving machinery, hatchways or in the path of water from eaves or rain spouts, or subject to live steam or corrosive vapors. It shall be the responsibility of the customer to maintain a clear space in front of and to the sides of the meter. If the District determines there has been excessive damage to the meter the customer shall provide an approved cover. Customers shall not permit access to such devices by other than accredited representatives of the District. If District's property on customer's premises is damaged the customer will be billed all costs to repair.

The District shall have free access at any reasonable time to any and all premises furnished with electric energy by the District for the purpose of inspecting any wires, or electric devices on said premises, reading or installing meters and removing or repairing any property of the District, or for any other reasonable purpose, connected with the electric system of the District. If customer locks are to be installed which prevent easy access for District personnel, prior approval must be obtained from the District and keys supplied to the District or service may be discontinued.

- 1.3 Metering Standards and Testing: Provision for metering devices shall meet the standards of the District as set forth in separate "Metering Standards".

Meter testing will be performed at the request of the customer; however, if meter is found to be within two percent plus or minus accuracy and repeat testing is requested, the cost of the test will be billed to the customer.

2. Separate Meters and Single Metering:

- 2.1 Separate Meters: When the consumer desires to use electricity for purposes classified under different rates, separate meters must be installed to measure the energy supplied at each rate, and the electricity registered by each meter must be charged for at prices specified in the rate schedules for such separate use, except as specified below.

- 2.2 Single Metering: For a commercial service, two or more points of service, or two or more buildings, may be served through one meter when all of the following conditions are met:

- (a) Service is under Commercial Rate Schedule only and no other rate schedules or types of service are involved.
- (b) The complex served is under one account number, buildings and land are owned and occupied by one and only one owner, and will continue to be only one owner.

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- (c) The customer-owner shall provide all service wiring from point of metering. The number of services allowed will be limited by the District according to physical conditions and risk.
- (d) The complex is served from only one transformer location, or in the case of more than one transformer location the customer-owner may purchase the District plant (or construct to District specifications and own the plant) and single metering may be accomplished at the point of connection to the District system if the District determines that such single metering satisfactorily serves District needs (i.e. whether the District must retain ownership to serve future customers, or for other reasons which adversely would affect other customers, in which case single metering cannot be allowed).

3. Inspection of Wiring:

The District may cause the service outlets, metering facilities, wiring, appliances, and fixtures to be carefully inspected; and until they are properly located and put in satisfactory condition the District shall not connect the service wires with the District's circuit. The District shall have the right at any time to disconnect the service from any premises where the wiring, appliances or fixtures shall become or are found to be defective or dangerous until the same are repaired to the satisfaction of the District; however, the District is not obligated to inspect the customer's electric properties, and assumes no liability for the condition of, or resultant damage or injury from, the customer's electric properties.

4. Service Connections and Customer Installations:

- 4.1 **Connect by District Only--Penalty:** Only employees acting for the District shall connect any house, premises, wire or other appliances with the District's electric circuits for the purpose of securing electric energy therefrom or for any other purpose whatsoever, and any such violation of this condition shall be construed as a transgression, the perpetrator of which shall be liable to an action under the law.
- 4.2 **Protective Devices:** Suitable electrical and physical protective devices on the customer's premises will be required whenever the District deems such installation necessary to protect its property or that of its customers.
- 4.3 **Customer Wiring Condition:** The customer shall at all times keep his wiring and appliances in such condition that they can be used for the purposes set forth in his application, without causing damage, delay, or loss to the District.
- 4.4 **District Not Liable:** In the interest of economic savings to the customer, a main protective and disconnect device may be eliminated when conditions are satisfactory

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for approval by the District, and the customer installation meets the requirements of the District. See Section E,3.5 for liability of the customer.

5. District Property on Customer Premises:

All equipment, meters, wires, lamps, electrical contrivances, and other appliances supplied by the District shall be and remain the property of the District.

Section D. DISTRICT SERVICE RESPONSIBILITY

1. Interruption of Customer Service:

The District shall exercise diligence and care to furnish and deliver a continuous supply of electric energy to the customer, but will not be liable for interruption or shortage of supply due to an accident or conditions beyond the District's control. In the event of such interruption or shortage, the District shall not be liable for any loss or damage occasioned thereby.

The District, whenever it shall find it necessary for the purpose of making repairs or improvements to its system, shall have the right to temporarily suspend the delivery of electric service, but in all such cases, when practicable, public notice shall be given to the customer and the repairs or improvements will be prosecuted with diligence, and insofar as it is feasible, at such times as will cause the least inconvenience to the customer. In the event of such suspension of service the District shall not be liable for loss or damage occasioned thereby.

2. Power Curtailment:

It shall be the policy of this District to cooperate in power curtailment programs, to institute a mandatory curtailment program if required to do so, and the District shall not be liable for injury to persons or damage to products, property, or electrical equipment resulting from such curtailment.

3. Not Responsible Post Service Entrance:

The District is responsible for the condition of the District system only, which terminates at point of connection with the customer premises and wiring.

Section E. CUSTOMER RESPONSIBILITY AND PENALTIES:

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1. Liability for Violating Provisions of This Resolution:

Any person violating any of the provisions of this Resolution shall be prosecuted in accordance with the law; and in addition to the penalty which may be meted out by the Court, the service of any person found guilty of violating the provisions of this Resolution shall be terminated, and the person violating shall be liable for all damage and expense incurred by the District and for all extra energy used by reason of such violation.

2. Electricity Not Subject to Resale:

No purchaser of electric energy shall connect his service with that of any other person, or in any way re-sell, re-bill, or supply any other person or premises with electric energy through his service unless covered by the terms of a written contract with the District, and customer shall take electric service from the District only.

3. Customer Equipment and Operation:

3.1 Protective Devices: It shall be the customer's responsibility to provide protective devices to fully protect his equipment. The District will take all reasonable precautions to prevent phase-failure or abnormal voltage variations but cannot guarantee that such conditions may not occur. If three-phase equipment is used it shall be the responsibility of the customer to install protective devices on all three phases and set such devices properly to protect the equipment against phase failure or over and under voltage conditions within reasonable technical limitations.

3.2 Interference and Starting Controls: In case equipment is installed which uses electric energy intermittently or with violent fluctuations which may interfere with normal service, the District may require the customer to provide at his own expense equipment that will limit such fluctuation. The District reserves the right to refuse to supply service to loads of a character which may seriously impair service to any customer and shall have the right to discontinue service to any customer who shall continue to use appliances or apparatus detrimental to the service after being notified by the District of such detriment to the service. District may require reduced-voltage starting equipment, may allow across-the-line starting, and may allow only certain voltages, all dependent upon circuit characteristics and according to customer location.

3.3 Hazardous Condition: It shall be the obligation of the customer to notify the District of any unsatisfactory service or hazardous condition. Any persons or organizations are liable for damage to District property caused by their negligence or by an incident involving their property, their person, or their personnel.

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- 3.4 Customer Load Increases: Before substantially increasing his requirements for electrical equipment, the customer shall notify the District sufficiently in advance to permit the installation of additional service facilities by the District necessary to supply adequate service. Failing to so notify the District, the customer shall be responsible for any damage to the District's equipment resulting from overload caused by addition of appliances or other electrical equipment on his premises, and the District shall not be liable for damage to the customer's equipment.
- 3.5 District Responsibility - Customer Equipment: Nothing in these rules and policy shall be construed as placing upon the District any responsibility for the condition or maintenance of the customer's wiring, current-consuming devices or other equipment. The customer agrees when taking electric service that the District is not liable for loss, damage, or personal injury resulting from defects in the customer's installation, wiring, or equipment, or from the use of the service on the premises of the customer whether the District approves elimination of a main protective disconnect device or not.

4. Trouble Calls:

When the customer has an electrical problem, before reporting the trouble to the District he should check his equipment (fuses, breakers, etc.) to assure as much as possible that the trouble is not his own equipment or wiring. If after checking the District determines the problem was with customer equipment or wiring a charge of a predetermined amount will be made if the call was made outside of regular hours.

Section F. CHANGES TO, CONVERSION OF, DISTRICT PLANT

1. Changes, Moving, Disconnecting, Reconnecting District Plant:

- 1.1 Unlawful to Tamper: It is unlawful for any person to tamper in any way with the District plant without prior approval from the District.
- 1.2 Costs: Upon request by a customer changes to District plant may be made on the following bases:
- (a) Customer Cost: Any cost to the District will be prepaid on basis of estimate with refund if estimate exceeds actual costs by \$25 or more.
 - (b) New or Added Load: According to service extension policy only if change is necessary for District to serve added or new load.
 - (c) Benefit to District: District will absorb costs for benefit to the District.

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- (d) Customer Prepay: Except for benefits to District, customer shall prepay estimated cost; and where applicable that cost shall be cost of new plant less depreciation to date, less salvage, plus costs of removal and/or relocation.

2. Conversion to Underground:

Objective shall be that the District will maintain an investment equal to cost of overhead.

Total prepayment by customer will be the total cost of the underground system, plus cost to remove existing overhead system involved, less amount overhead system is depreciated, less salvage.

Section G. BILLING AND METER READING

1. Meter Reading and Billing Periods and Methods:

Meter reading and billing will be accomplished as required for the most efficient operation of the District. The meter reading date will be the same periodically as feasible and practical. There will be different periods and methods of meter reading as follows:

- 1.1 Monthly reading and billing.
- 1.2 Bi-monthly reading and billing: When read bi-monthly the billing will be on the basis of the rate schedule for two separate full months.
- 1.3 Estimated readings may be made, and billing made according to the estimate, for the following reasons:
 - (a) When the District is not able to read the meter for reasons beyond the District's control.
 - (b) When the meter seal has been broken or the meter has not registered properly.
 - (c) When established on regular basis for efficiency and economics.
 - (d) For fraction of a billing period. If there is appreciable error, the estimated reading and consumption will be adjusted after an actual meter reading made at the next scheduled reading date, or at the end of a predetermined period of time.
- 1.4 Fractional Billing Period: Thirty (30) and sixty (60) days (depending on reading period) will be used for fractional billing calculations such as accounts opened or

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closed for fraction of billing period. Proration will only apply to the late schedule minimum on a ratio basis to the full period.

- 1.5 Customer Meter Readings: The District may issue meter reading cards to the customers, customer to read their own meter accordingly, and return the card to the District for billing purposes. This method may be used for any billing periods. The District will read such meters periodically, and if meter reading errors are found the necessary billing adjustments will be made at that time.

2. Power Factor Adjustment:

- 2.1 Loads supplied under schedules providing for a kilowatt (kw) demand charge: When the power factor of the customer's load supplied from any service is less than ninety five (95) percent lagging as determined under actual load conditions, the kilowatt demand shall be increased by one percent for each one (1) percent or major fraction thereof by which the average power factor is less than ninety five (95) percent lagging, unless the rate schedule specifies otherwise.

Section H. PAYMENT AND TERMS

1. Name of District:

For the purpose of accepting payment by check money order or other evidences of cash and for other purposes not involving the validity of any official acts of the District, the short name "PUD No. 1 of Okanogan County", "Okanogan PUD", "PUD", and "Okanogan County PUD", will be construed to mean "Public Utility District No. 1 of Okanogan county, Washington".

2. Responsibility for Payment and Termination of Agreement:

- 2.1 The person who applies for service and in whose name the account is billed shall be responsible for payment of all bills rendered, and such liability shall terminate only after the customer has notified the District of termination of service, and in addition has satisfied all bills and liabilities pertaining to that property and service at time of notification; however, such termination of service does not terminate liability for payment of bills rendered according to any agreement, and all persons who signed such agreement remain liable for such payments.

The agreement will be terminated at the request of the customer upon payment in lump sum of the agreement balance plus power cost, plus estimated cost to remove facilities, less estimated salvage.

- 2.2 In event a customer becomes delinquent in the payment of a bill for electrical service and service had been disconnected, then the District shall have the right to refuse

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service or disconnect a new service to such customer until payment of the prior delinquent account has been made even though such customer's present service is in another party's name or is being paid for by another party.

3. Terms:

- 3.1 All bills rendered for service and minimum charges are due and payable upon receipt, and become delinquent fifteen (15) days from mailing date.
- 3.2 When existing service is being rendered through one meter to more than one customer-family, living quarters, or business, the blocks and minimums of the rate schedule shall be multiplied by the number of meters that should be involved.

Section I. TERMINATION OF SERVICE AND PENALTIES:

1. Termination of Service for Default:

- 1.1 **Right to Terminate:** The right to terminate service for default (delinquency) of payment may be exercised whenever and as often as default shall occur and neither delay nor omission on the part of the District to enforce this rule at any one or more times shall be deemed a waiver of its rights to enforce the same at any time, so long as there is default. Any delinquent balance may be transferred to the customer's active account for collection purposes.
- 1.2 **Notice:** Written notice, in accordance with "Due Process" requirements will be given the customer before service is discontinued, except for fraudulent use of service or previous delinquency, in which case the District may discontinue service without notice. Notice shall be considered to have been given if placed in the United States mail at least five (5) days in advance.
- 1.3 **Arrangements to Pay:** A customer who disputes his bill or is unable to pay the full amount of his bill due to financial difficulties shall have the right of an informal conference with designated employees of the District's local office serving the customer's account or employees of the District's collection department. Said designated employees shall have the authority to make arrangements with the customer for a deferred payment schedule of that particular bill. However, the District shall not be required to enter into a deferred payment arrangement with a customer who has not fully and satisfactorily complied with the terms of previous arrangements.
- 1.4 **Right to Hearing:** If the customer is not satisfied with the results of the informal conference he shall have the right to appeal to the District's hearing officer. Such request by the customer for a hearing with the District's hearing officer must be made

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within five (5) days after the date of the "notice of Service Disconnection for Non-Payment", and the hearing shall take place within seven (7) days.

The District's hearing officer shall provide the customer with a written decision following the appeal. The written decision shall be hand delivered to the customer immediately following the hearing, if possible; otherwise, it shall be sent to the customer by certified mail. The customer shall have three (3) days following the mailing of the written decision to make any payment required in the written decision.

If the customer refuses to accept delivery of the written decision or fails to make the payments as required, the District shall disconnect service without further notice to the customer.

1.5 Customer Insolvency: If the District believes a customer is insolvent, is in financial difficulty, or considering bankruptcy, the District may take appropriate action to secure payment of previous and present charges for electric service. Such action may include obtaining an adequate security deposit, collecting payment personally on a daily or weekly basis or whatever circumstances are reasonable under the situation.

1.6 Requirements and Reconnect Fees: The following listed payments shall be made as applicable in case of default:

- (a) Delinquent amount must be paid in full.
- (b) A deposit is required.
- (c) A payment of a predetermined amount in addition to (a) and (b) above must be made as follows:
 - (1) for collection of bill outside of District office.
 - (2) for reconnect during regular work hours.
 - (3) for reconnect outside of regular work hours.

2. Termination for Other than Payment Default:

2.1 The District reserves the right to terminate service for any of the following:

- (a) If the customer fails to comply with any of the regulations as set forth in this Resolution, or the provisions of an agreement.
- (b) To protect District property.
- (c) For fraudulent use of the service or District property.

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- (d) If service to the customer will adversely affect the service to other customers, or if customer is in violation of State, County, Municipal, or District regulations; however, such contemplated disconnect shall first be brought before the Board of Commissioners.

Section J. RATES AND CONDITIONS

1. General:

- 1.1 **Rate Subject to Change:** The rates and conditions specified in the District's schedules for electric light and electric power service devoted to public use are subject to change in accordance with the laws of the State of Washington, any amendments thereof, and in accordance with Resolutions changing rates. All billings shall be reclassified from schedules now in effect to the proper schedules as set forth in succeeding Resolutions.
- 1.2 **Rate Area and Single Service:** All rates for electric energy apply to customers located on the established circuits of the District unless otherwise stated. All rates in the District's schedules are based on a single service to the premise of one customer through one meter unless otherwise stated.
- 1.3 **Tax Adjustment:** The rates named in the District's schedules are subject to proportional increases to compensate for any new State, County or municipal tax or increase in the rate thereof, imposed after May 12, 1945, upon or in respect of the right of the District to operate or do business within the jurisdiction imposing the tax.

2. Various Rates by Schedule Numbers, and Included as part of Resolution No. 832 and Amendments Thereto:

Schedule 2.	Residential
Schedule 3.	General Service
Schedule 4.	Primary Industrial
Schedule 5.	New Large Single Load
Schedule 6.	Crop Irrigation and Frost Control
Schedule 7.	Frost Control Service
Schedule 8.	Street Lighting
Schedule 10.	Area Lighting

NOW BE IT RESOLVED that these regulations and policy shall govern the use, sale, and pricing of electric energy until and unless changed by appropriate action of the Board of Commissioners of Public Utility District No. 1 of Okanogan County, Washington.

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PASSED AND APPROVED by the Board of Commissioners of Public Utility District No. 1 of Okanogan County, Washington this 26th day of January, 1976.

/s/ Raymond E. Colbert _____
Raymond E. Colbert, President

/s/ George A. Hymer _____
George A. Hymer, Vice President

ATTEST:

/s/ Irvin R. Woods _____
Irvin R. Woods, Secretary

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