

## **Rules and Regulations of Johnson City Power Board (JCPB)**

**Effective February 1, 2017**

- 1) **Application/Contract for Service**– Each prospective Customer desiring electricity, herein referred to as service, will enter into an application/contract for service with JCPB, post a deposit and/or other security, and be billed an administrative fee on the first month’s bill (as described in Implementation of Service Policy CS-100). This application/contract may be made in person, with at least one picture identification presented, or an acceptable online request may be made provided all verifications are met. JCPB shall make a credit investigation as a prevention method for identity theft and fraud to determine credit worthiness for deposit consideration. For rental properties, Customers may be required to provide proof of being the authorized tenant via a lease or verbal confirmation with the landlord. Service will not be supplied by JCPB to any applicant who makes a fraudulent attempt to apply for service as deemed by JCPB personnel. Any unpaid debt of the Customer to JCPB must be satisfied as a condition of service. If new applicant (Customer) was the occupant of record at a location and used JCPB services under another responsible party’s name, then new applicant must pay those unpaid billings prior to obtaining service at that location or any other location. The occupant of record and/or a former Customer (includes areas described above) that has their primary residence at a location with utility services in another listed responsible party’s name and owes JCPB an unpaid debt may not avoid paying for the debt by utilizing services that are listed in another responsible party’s name. JCPB will transfer the unpaid debt to the listed responsible party if JCPB substantiates that the former Customer is the occupant of record and/or the location is their primary address of residence as deemed by JCPB personnel. Customer (listed as responsibility party) accepts responsibility for any unpaid debts owed to JCPB by any occupant utilizing service at that location as described above. After completing application/contract for service and meeting all the requirements of JCPB’s Rules and Regulations, typically JCPB will connect an existing electric service, in locations that do not require an inspection, within three (3) business days after meeting all requirements.
- 2) **Deposit/Residential:** A deposit or other security may be required before service is supplied. JCPB will perform a credit check with a national credit bureau (Online Utility Exchange) as part of this process. For residential customers, the deposit may be waived or reduced if the Customer: 1) has a current account with JCPB for a minimum of 12 months and has established a satisfactory credit rating as deemed by JCPB personnel and/or 2) has a satisfactory credit rating via a “green” rating (deposit waived) or “yellow” rating (deposit reduced). Residential deposits are as follows: waived is \$0, reduced is \$200, and standard is \$300 (“red” rating). There are situations in which a customer may be defined as high risk due to being disconnected for nonpayment, owing JCPB an unpaid debt, or tampering with a JCPB metering device in any way. When a customer meets the criteria for high risk, a deposit of two times the highest bill at that location may be required. If a customer requests installment arrangements on a deposit due to

financial hardship, JCPB may consider accepting 50% of the deposit at time of application and billing the remaining 50% on the first month's statement. Failure to pay the deposit may result in disconnection of services. Residential deposits shall be retained until the account is closed. Residential deposits shall earn interest at an annual rate based upon the passbook savings account rate offered by JCPB's main financial institution. Such earned interest will be credited to the Customer's utility account annually (January). Customers may review deposit and interest records with the Customer Service Department. Upon termination of service, any deposit and accrued interest then existing will be applied to the account. JCPB shall have the right of recoupment and/or to offset the deposits against a Customer's account. JCPB reserves the right to require a deposit/additional deposits should the account reflect collection activity.

- 3) **Deposit/Commercial/Industrial:** The standard deposit is equal to twice the highest estimated monthly bill. Commercial deposits shall be retained until the account is closed. If an existing commercial or industrial customer has made a service request that would initiate a request for additional deposits, JCPB may consider reducing the deposit if the customer has an excellent payment history at the current location for a minimum of 12 months. Any existing security on current accounts must be maintained. Scenarios that would be considered:
- moving from one location to another
  - expanding electrical consumption capacity at the current location(s)
  - continuing service at the existing location and adding a new service location(s)

At the request of the customer and/or JCPB personnel, annual reviews with the option to increase or reduce an existing commercial and industrial deposit will be viable. In lieu of a cash deposit, JCPB may accept a surety bond or irrevocable standby letter of credit from a JCPB approved organization in the amount equal to twice the highest monthly bill. These instruments should renew automatically from year to year. In the event that the Customer's surety bond or irrevocable standby letter of credit lapses, JCPB will bill the Customer the full amount of the deposit requirement. All commercial and industrial cash deposits shall earn interest at an annual rate based upon the passbook saving account rates offered by JCPB's main financial institution. Such earned interest will be credited to the Customer's utility account annually (January). Customers may review deposit and interest records with the Customer Service Department. Upon termination of service, any deposit and accrued interest then existing will be applied to the account. JCPB shall have the right of recoupment and/or to offset the deposits against a Customer's account. JCPB reserves the right to require a deposit/additional deposits should the account reflect collection activity.

- 4) **Billing** – Bills will be rendered monthly and shall be due fifteen (15) days from the date of the billing by JCPB. Bills paid on or before the “due date” for current charges shall be considered as paid on time, but thereafter unpaid amounts may be assessed a “late fee” charge, (refer Schedule of Administrative and Operational Fees and Charges hereafter referred as Schedule A) which shall be applied to any portion of the bill remaining unpaid. Should the “due date” of the bill fall on a Saturday, Sunday, or a JCPB recognized holiday, the next business day following

the “due date” will be held as a day of grace for payment delivery. If a customer wishes to contest the billing, please refer to section #32 titled “Dispute.” Failure to receive a bill will not release Customer from payment obligation. A separate final written notice before disconnection of service will be issued two business days after the due date for any remaining unpaid amount. No further written notice will be sent. JCPB may disconnect service for non-payment if payment is not received within seven calendar days from the date the disconnection notice was issued. Refer to the section, “Discontinuance of Service by JCPB”, for more information. Customers enrolling in electronic billing presentment and electronic final notice delivery have consented to such based on their choice of settings with JCPB’s SmartHub mobile offering. Customers must specifically consent to allow JCPB to utilize optional notification methods delivered to wireless phone number such as automated outbound calling and texting. Customer authorizes JCPB to use any reasonable method, (including but not limited to telephone calls, emails, text messages, traditional mail, mobile alerts, and onsite notification), for the purpose of communicating business information and services to the customer, unless otherwise limited by consent or law. Customer energy consumption data for the prior twelve months is available via JCPB SmartHub mobile offering at any time or by making a written or verbal request to JCPB’s customer service personnel.

- 5) **Service Fee (Administrative Fee)** – An Administrative fee (see Schedule A) may be billed for any new connection of service, transfers of service, and name changes. Charges for services not otherwise covered within the Rules and Regulation will be at JCPB’s reasonable cost, but in no case will the charge be less than the fee listed in the currently effective Schedule of Administrative and Operational Fees and Charges (Schedule A).
- 6) **Reconnection Fee** – A reconnection fee (see Schedule A) will be billed to an account for reconnection of terminated service during normal working hours. If at the Customer’s request the reconnection is made after normal working hours, an afterhour’s reconnection fee (see Schedule A) will be billed to the reconnected account. JCPB expects full payment of any past due amounts prior to reconnection for a Customer that has been disconnected due to non-payment.
- 7) **Trip Charges** – If a trip is made to terminate a past due account, there will be a trip charge (see Schedule A) for each such trip. In the event Customer causes JCPB to make an unnecessary service call at the customer’s premises, JCPB reserves the right to charge Customer with all reasonable costs associated with the trip.
- 8) **Returned Check Charges** – There will be a returned check charge (see Schedule A) for all checks returned unpaid to JCPB. JCPB may refuse to accept checks as payment from those customers that have an established history of returned (NSF) checks.
- 9) **Temporary Services** – JCPB will furnish and install a temporary service pedestal to Customers who request electrical service on a temporary basis. An installation charge (see Schedule A) will be billed in addition to a service fee. There will be a Temporary Service Monthly Rental Fee (see Schedule A) billed in addition to the monthly energy and customer charges in accordance with the appropriate rate

schedule. In the event of loss or damage to the temporary service pedestal, the Customer will be liable for the costs of necessary repairs or replacements. JCPB defines temporary as a period of time less than twelve (12) months and may at its discretion remove the temporary service without notice to Customer after a twelve (12) month service period.

- 10) **Discontinuance of Service by JCPB** – JCPB may refuse to connect or may discontinue service for violation of any of its Rules and Regulations, for violation of any provisions of JCPB’s Schedule of Rates and Charges, application for service, or any JCPB’s contracts or agreements. JCPB may discontinue service to Customer for the theft of service, appearance of theft, or tampering with JCPB metering devices and/or equipment. Service will be discontinued to Customers with past due accounts after notice as described in the section titled “Billing.” (Payment in full, including trip charges and reconnection fees, may be required prior to service restoration. Also, a deposit may be required before service will be restored.) In the event of extreme weather conditions, JCPB’s Customer Service Directive #11 provides the criteria and procedures for postponing non-payment disconnection orders from being worked. The discontinuance of service by JCPB for any causes stated in the Rules and Regulations does not release the Customer from his obligation to JCPB for the payment of minimum bills as specified in JCPB’s contract and/or application with the Customer or for any other amounts due to JCPB. Customers have the right to dispute any bill or situation under a hearing as defined in the section titled “Dispute.”
- 11) **Termination of Contract by Customer** – Customers who have fulfilled their contract terms and wish to discontinue service must give at least three (3) days acceptable notice to that effect, unless contract specifies otherwise. Notice to discontinue service prior to expiration of the contract term will not relieve Customer from any minimum or guaranteed payment under any contract, rate, or schedule.
- 12) **Advanced Metering Infrastructure** –All JCPB customers are required to have an advanced meter that provides outage reporting, usage, voltage, and other alarms. These meters are integral to management of its network and deemed an absolute necessity. Remote connect and reconnect functionality is available at select sites where there are higher instances of field trips.
- 13) **Point of Delivery** – The point of delivery is the point, as designated by JCPB, on Customer’s premises where service is to be delivered. All wiring and equipment beyond this point, except the meter, shall be provided and maintained by the Customer at no expense or responsibility to JCPB. Point of delivery is further defined as that point where obligation ends for JCPB to furnish and install conductor or conduit, and where obligation begins for Customer to furnish and install conductor or conduit.
- 14) **Customer’s Wiring Standards** – Customer’s wiring must comply with the standards set forth by the National Electric Code, State of Tennessee, the local City or County codes, and JCPB requirements. The National Electric Code is superseded by the state or local codes when the state or local code is more stringent than the National Electric Code. However, when the National Electric Code is not superseded it will be the minimum acceptable standard. All meter

locations for any service must be approved by a representative of JCPB. JCPB shall not be obligated to provide protective equipment for Customer's lines, facilities, or equipment. The Customer shall provide surge protection equipment as necessary for the protection of its own property and operations.

- 15) **Inspections** - Inspections and approval of Customer's wiring, as certified by a certificate of final inspection, issued by the designated building and/or electrical inspector, or the local government shall be required prior to JCPB furnishing service. JCPB reserves the right to inspect any installation for wiring and/or equipment before electricity is introduced or at a later time, and shall have the right to reject any wiring, appliances, or equipment not in accordance with JCPB standards. However, such inspection or failure to inspect or reject shall not render JCPB liable or responsible for any loss and/or damage resulting from defects in the installation, wiring, appliances, or violations from National, State, local, and JCPB codes and standards, or accidents that occur upon the Customer's premises. JCPB reserves the right to act as directed by the City of Johnson City on any potential electrical hazards by disconnecting the services. JCPB will attempt to notify the customer of record before disconnecting the service.
- 16) **Construction (Overhead & Underground), Line Extensions, Facilities Upgrades- Specifications and Outdoor Lighting** – Detail, terms, and requirements for such will be furnished by JCPB upon request to the JCPB Engineering Department (per currently effective Aid to Construction Charges).
- 17) **Non-Standard or Modified Service** – The Customer shall pay for any special installations necessary to meet his particular requirements for other than JCPB standard or planned voltage or standard voltage regulation. This includes making Customer requested changes in existing installations. Details, terms, and requirements for such will be furnished upon request to the JCPB Engineering Department.
- 18) **Transformers** – After aid to construction amount (from Engineering) has been paid by the customer, JCPB will furnish, install, and maintain the necessary transformers for Customer loads. For large loads or for various three phase power installations, the meter may be at secondary voltage at a point designated by JCPB. Customers may choose to furnish, install, and maintain their own transformers for their required service. For such installation, the metering will be at the primary voltage at a point designated by JCPB. Details, terms, and requirements for such will be furnished upon request to the JCPB Engineering Department. Customer is responsible for all facilities beyond the metering point unless otherwise designated by these Rules and Regulations and/or by specific contract or agreement. Existing situations not in compliance with these provisions are “grandfathered” only until such time as the existing facilities require revision in any manner (such as replacement, addition, or supplement), whether at the Customer's request, mandated by law, or by JCPB's initiative for normal maintenance, replacement purposes, and/or safety issues.
- 19) **Customer's Responsibility for JCPB Property** – All meters, service connections, mobile home pedestals, temporary services, and other equipment furnished by JCPB shall be, and remain, the property of JCPB, unless specified by contract between JCPB and Customer. As part of the consideration for service,

each Customer shall be JCPB's trustee/bailee/steward of such facilities and shall accordingly desist from interfering with, impairing the operation of, or causing damage to such facilities. Customer shall control existing trees/shrubbery and refrain from new plantings so as to prevent interference with utility lines and other property of JCPB. Customer and/or Customer's contractor should refrain from digging or construction without contacting Tennessee One-Call System (call 811 or 1-800-351-1111) and allow time for marking of underground lines. In the event such facilities are interfered with, impaired in their operation, or damaged by Customer, or by any other person when the Customer's reasonable care and surveillance could have prevented such, the customer shall indemnify JCPB or any other person against death, injury, loss, or damage resulting there from, including but not limited to JCPB's cost of repairing, replacing, or relocating any such facilities. In the event such facilities are entered into, or tampered with in such a manner as to allow electricity illegally consumed or the measurement of that usage to be impaired, a meter tampering fee (see Schedule A) will be assessed to the Customer of record and/or occupant of the property where such tampering occurred. In addition, such Customer of record and/or occupant shall indemnify JCPB for its estimated loss of revenue, if any, resulting there from. A deposit may be required of the Customer of record and/or occupant (see Deposits).

**20) Right of Access** – JCPB identified employees, contractors, vehicles, and equipment shall have access to Customer's premises at all reasonable times for the purpose of reading meters, inspecting, testing, repairing, removing, or exchanging any or all equipment of JCPB. JCPB may opt to utilize or upgrade existing facilities on Customer's property for the additional purpose of serving other properties. JCPB will require right of ways for all properties prior to JCPB installation of new facilities. In these cases, JCPB will work with property owner to secure a right of way. JCPB will require that the customer keep the right of way clear from obstructions, including trees. Customer agrees to allow JCPB to trim and/or remove trees/vegetation that may cause outages or block access. Meters and the meter bases shall not be inside a building or structure. At the direction of the City of Johnson City, JCPB may require a Customer, at their own expense, to have the meter and meter base moved to the outside of the building or structure. For those customers that participate in JCPB's load management program, referred to as TALO; JCPB identified employees and contractors shall have access to load control devices installed on the customers' premises at reasonable times for the purposed of testing and repairing the load management devices.

**21) Interruption of Service** - JCPB will use reasonable diligence in supplying service. However, JCPB is not liable for breach of contract in the event of, or for loss, injury, or damage to a person's property resulting from interruptions in service, excessive or inadequate voltage, single-phasing or otherwise unsatisfactory service, whether or not caused by negligence. In the event of an emergency or other condition causing a shortage in the amount of electricity for JCPB to meet the demand on its system, JCPB may, by a JCPB approved allocation method, adjust the amount of electricity to be made available for use by the Customer and/or may otherwise restrict the time during which Customer may

- make use of electricity. If such actions become necessary, Customer may request a variance because of unusual circumstances including matters adversely affecting public health, safety, and welfare. If Customer fails to comply with such allocation or restriction, JCPB may take such remedial actions as it deems appropriate under the circumstance including temporarily disconnecting service and charging additional amounts because of excess use.
- 22) Voltage Fluctuation Caused by Customer** – Electric service must not be used in such a manner as to cause unusual fluctuations or disturbances to JCPB’s system. JCPB’s guidelines for acceptable limits of power disturbance that a customer’s service (load) can place on the JCPB electrical distribution system are found in the Institute of Electrical and Electronic Engineers (IEEE) Standard 519. IEEE 519 covers items such as voltage and current distortion, power levels of various harmonics by frequency, and by total harmonic distortion (THD). JCPB may require Customer, at his/her own expense, to install suitable apparatus that will reasonably limit such fluctuations and disturbances.
- 23) Additional Load** – The service connection, transformers, meters, and equipment supplied by JCPB for each Customer shall have definite capacity, and no additions to the equipment or load connected thereto will be allowed except by consent of JCPB. Failure to give notice of additions or changes in load, and to obtain JCPB consent for same, shall render Customer liable for any damage to any of JCPB lines or equipment caused by the additional or changed installation.
- 24) Customer Generated Electricity** – The Customer may not add generation capacity that has the ability to flow back to the JCPB meter or impact JCPB’s electrical network without the express written consent of JCPB. Examples of possible generation would be photovoltaic systems, low impact hydro, wind generation, and combustion generation of any type. JCPB may discontinue service in order to protect its network or until such time the Customer meets all JCPB, local, state, Tennessee Valley Authority, and Federal Energy Regulatory Commission requirements. For approved installations, any additional capacity added at a later date must also be approved by JCPB in advance.
- 25) Standby and Resale Service** – All purchased electricity (other than emergency or standby service) used on the Customer’s premises shall be exclusively supplied by JCPB, and Customer shall not, directly or indirectly, sell, sublet, assign, or otherwise dispose of the electric power or any part thereof. Customer must follow guidelines of the in effect governing body of the JCPB service territory.
- 26) Notice of Trouble** – Customer shall notify JCPB immediately should the service be unsatisfactory for any reason, or should there be any defects, trouble, or accidents affecting the supply of electricity. Such notices, if verbal, should be confirmed in writing.
- 27) Meter Tests** – JCPB will, at its own expense, make periodic tests and inspections of its meters to maintain a high standard of accuracy. JCPB will make additional tests or inspections of its meters at the request of Customer for a meter test fee (see Schedule A). If the tests made at Customer’s request show that the meter is accurate within two percent (2%) slow or fast, no adjustment will be made in Customer’s bill. In case the test shows meter to be in excess of two percent (2%) fast or slow, an adjustment shall be made in Customer’s bill over a period not to

exceed thirty (30) days prior to date of such test, and cost of the metering test shall be covered by JCPB.

- 28) Billing Adjusted to Standard Periods**- The base charges, usage, and minimum bill charges for electricity set forth in the Schedule of Rates and Charges are based on billing periods of approximately one month. In the case of the first billing of new accounts (seasonal customers exempted), only devices may be prorated. For a final billing of all accounts where the period covered by the billing involves fractions of a month, there is no pro-ration made for any usage and/or minimum bill charges, only devices.
- 29) Load Management Program** – JCPB has a load management program referred to as TALO. JCPB may have load control equipment placed on the premises or equipment of Customers. At any time, either party, Customer or JCPB, at their option, may cancel by written notice their participation in the Load Management Program, after which the load control equipment will be removed from their premises. JCPB is not responsible for the replacement of any Customer equipment or be responsible for malfunctions or damages caused by Customer equipment. Manufacturers’ warranties, if any, will apply to Customer equipment. JCPB has the right to activate/operate load control equipment placed on the premises or equipment of the Customer per the TALO program guidelines.
- 30) Scope** – This Schedule of Rules and Regulations is a part of all contracts for receiving service from JCPB and applies to all service received from JCPB, whether the service is based upon contract, agreement, signed application, or otherwise. Customers are informed about rates and service policies upon application of service. A copy of this Schedule, together with a copy of the JCPB Schedule of Rates and Charges, shall be available for inspection at the offices of JCPB and on JCPB’s website [www.jcpb.com](http://www.jcpb.com).
- 31) Medical Hardship** - Customers with a medical condition, where disconnection of electric service would create a life-threatening medical situation for the Customer or other permanent resident of the household, may have their medical doctor complete a medical necessity form. Once JCPB has received and accepted this form, JCPB would provide a best efforts attempt to notify Customer in the field in addition to the standard notification for any non-payment disconnection of service. This postponement may be for a single business day. A life threatening medical condition does not relieve the Customer of the obligation to pay for electric service, including any late fees or other applicable charges. If full payment of past due amount or a payment arrangement has not been established, service will be disconnected as described in CS Policy #110 Disconnection for Non-Payment/Medical Hardship. This applies only to accounts in collection activity with normal restoration and in no way is applicable to power outages.
- 32) Dispute** - JCPB has a board approved policy for contested billing (reference CS-103) that is available on request and a copy is posted in the lobby at JCPB’s office. Any dispute of issues outside the scope of a contested billing may be addressed by a member of the management team by calling the Customer Service Department at 423-952-5000. In the event an issue is not resolved, customers may make a final appeal to the CEO. Also, if a customer would like to address any concern with the board of directors by being added to the agenda for the regularly



scheduled monthly board meeting, the customer may contact JCPB's Administrative Assistant to the CEO no less than 7 days prior to the scheduled board meeting by calling 423-952-5039. The Tennessee Valley Authority (TVA) is JCPB's regulatory authority. If the Customer has an issue or complaint that has not been resolved with JCPB, TVA provides a complaint resolution process by calling the TVA Regulatory Hotline at 1-888-289-8409 or emailing TVA at [complaintresolution@tva.gov](mailto:complaintresolution@tva.gov). Additional information on TVA's complaint resolution process can be found at [www.tva.gov/complainresolution](http://www.tva.gov/complainresolution).

- 33) Conflict** - In case of conflict between any provision of any Schedule of Rates and Charges and the Schedule of Rules and Regulations, the Schedule of Rates and Charges shall apply.
- 34) Revisions** -These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time, without notice. Such changes, when effective, shall have the same force as the present Rules and Regulations. The Schedule of Administrative and Operational Fees and Charges (Schedule A) that this document refers to may be updated from time to time with the currently effective fees and charges as determined by JCPB without notice to Customers. JCPB provides information on current and new retail electric rates on its website [www.jcpb.com](http://www.jcpb.com) . If JCPB elects to have a retail rate increase greater than TVA's wholesale pass-through rate increase, it will be publicized on our website.
- 35) Default of Contracts, Agreements, Applications, and any other JCPB/Customer Relationships** - In the event of any default where legal action becomes necessary and/or unpaid accounts are turned over to a collection agency; JCPB shall be entitled to recover all expenses of enforcement and collection of amounts owed under this agreement including reasonable attorney's fees and collection agency fees. JCPB Contracts, Agreements, Applications, and other JCPB/Customer relationships shall be interpreted under the laws of Tennessee and any litigation arising hereunder shall be commenced in the courts of Tennessee having jurisdiction in Johnson City, Tennessee unless otherwise mandated by law. Customer may not assign any JCPB contract, agreement, application, and any other JCPB/Customer relationship without the written consent of JCPB.

## **JCPB**

### ***Schedule of Administrative and Operational Fees and Charges (Schedule A)*** ***(This Schedule is referenced in the Rules and Regulations)***

#### **Schedule A**

1.	Service Fee (New, Transfer, & Update)	
	Next Day	\$ 40.00
	Same Day	\$ 60.00
	Bucket Truck Required	\$150.00
2.	Trip Charge (Onsite but no disconnection)	\$ 60.00
	Trip Charge (Bucket truck)	\$150.00
3.	Reconnection Charge Mon-Fri	
	8:00 AM-9:00 PM	\$ 60.00
	Mon-Fri after 9:00 PM & Holidays and Weekends	\$130.00
	Requires Service Truck	\$150.00
4.	Return Check Charge (NSF check charge)	\$ 30.00
5.	Meter Test Charge (Single phase electric meter)	\$ 70.00
	(Meter tests for three phase electric meters are based on actual costs but no less than \$70)	
6.	Temporary Electric Service Installation	\$150.00
	(Service fee in addition to this charge)	
7.	Temporary Service Monthly Rental Fee	\$ 30.00
	(In addition to standard monthly billing per rates)	
8.	Meter Tampering Penalty	
	Broken Seal Only	\$110.00
	Broken Seal and Usage	\$150.00
	Broken Seal, Usage, and Meter Damage	\$225.00
	Installation of a Locking Band	\$ 25.00
9.	Late Payment Fee	
	First \$1000 of Billing	5.0 %
	Additional Billing Above \$1000	1.5 %
	(Applies to current billing excluding taxes)	

**\*Note: A request for non-standard service may require additional charges. See the Rules and Regulations for additional information.**