

SALT RIVER PROJECT AGRICULTURAL
IMPROVEMENT AND POWER DISTRICT
RULES AND REGULATIONS

**SRP RULES
AND
REGULATIONS
(Last Revised March 6, 2023)**

(Note: Please refer to the SRP Home Page at www.srpnet.com for the version of these Rules and Regulations now in effect.)

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SRP RULES AND REGULATIONS

DEFINITIONS

- 1.1 The following terms, when used herein, have the meaning specified:
- 1.1.1 **ACT:** The Arizona Electric Energy Reliability Act consists of the provisions of Title 30, Chapter 6 (§ 30-801, et seq.) of the A.R.S., as amended.
 - 1.1.2 **AGREEMENT FOR ELECTRIC SERVICE:** The terms and conditions, either standard or non-standard, to provide electric service and specify the Price Plan and other terms and conditions under which a Customer will pay for that service from SRP.
 - 1.1.3 **A.R.S.:** Arizona Revised Statutes.
 - 1.1.4 **BALANCING AUTHORITY:** The responsible entity that integrates resource plans ahead of time, maintains Load-interchange-Generation balance within a Balancing Authority Area, and supports interconnection frequency in real time.
 - 1.1.5 **BALANCING AUTHORITY AREA:** The collection of Generation, Transmission, and Loads within the metered boundaries of the Balancing Authority. The Balancing Authority maintains Load resource balance within this area.
 - 1.1.6 **BILLING PERIOD:** The time interval between two consecutive bills, typically 30 or 31 days.
 - 1.1.7 **BOARD:** The SRP Board of Directors.
 - 1.1.8 **BUILDING:** A structure that stands alone or is separated from adjoining structures by fire walls with all openings therein protected by fire doors. If this definition conflicts with local building codes, the local code definition will prevail.
 - 1.1.9 **CAPACITY:** The continuous Load-carrying ability of Generation, Transmission, or other electrical equipment, expressed in megawatts (MW), megavolt-amperes (MVA), kilowatts (kW), or kilovolt-amperes (kVA).
 - 1.1.10 **CLASS OF USE:** A classification of Customer usage type, defined by end use, voltage level, electricity use pattern, Price Plan, or other criteria (e.g., residential, general service, lighting).

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- 1.1.11 COMMON FACILITIES: Facilities providing electric service to Persons other than the owner that use Energy registered through a single meter when the owner owns all Distribution facilities beyond the Point of Delivery.
- 1.1.12 CONNECTED LOAD: The sum of the ratings of the Customer's Power-consuming equipment that is or may be connected to SRP's electric system.
- 1.1.13 CONSUMER OMBUDSMAN: An SRP representative who works with Customers to investigate and resolve certain non-Transmission related Customer disputes in accordance with A.R.S. § 30-803.
- 1.1.14 CONTINGENCY: The unexpected failure or outage of an electric system component, such as a generator, Transmission line, circuit breaker, switch, or other element. The failure also may include multiple components that are related by situations leading to simultaneous component outages.
- 1.1.15 CONTRIBUTION IN AID OF CONSTRUCTION (CIAC): Advance payment from a Customer for the design and construction of new or additional facilities, or Enhanced Distribution Facilities and related costs, and for other purposes as provided in these Rules and Regulations.
- 1.1.16 CUSTOMER: Any Person receiving electric service from SRP for one or more accounts, including Transmission service, Distribution service, and Ancillary Services necessary to deliver and measure Electrical Energy and Power. Where the context requires, the term "Customer" includes an applicant for SRP service.
- 1.1.17 DEDICATED: Electric service provided to a Customer via facilities usually used only to serve that Customer.
- 1.1.18 DEDICATED FACILITIES: Facilities that, by contractual arrangement, are utilized by only one Customer to receive electric service.
- 1.1.19 DEMAND: The rate at which Electrical Energy is delivered to or by an electric system or part of an electric system at a given instant or averaged over any designated interval of time. Demand may be expressed in kilowatts (kW), kilovolt-amperes (kVA), megawatts (MW), or other suitable units. The designated interval can be specified in the Standard Electric Price Plan, the Agreement for Electric Service, or within these Rules and Regulations. Types of Demand may include:
- a. AVERAGE DEMAND: The Electrical Energy delivered during any interval of time as determined by dividing the total Energy by the units of time in the interval.

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- b. **BILLING DEMAND:** Demand, usually expressed in kilowatts (kW), used for calculation of the bill. It may be the Connected Load, the measured Demand, or a modification of either as provided for in an Agreement for Electric Service, Price Plan, or any Special Contracts. It may be based on the contract year, a contract minimum, or a previous maximum and, therefore, may not coincide with the actual Demand measured during the Billing Period.
 - c. **COINCIDENT DEMAND:** As it applies to Totalizing, the total Energy Demand required by a Customer occurring simultaneously during a particular time period for the Service Equipment under consideration.
 - d. **DEMAND INTERVAL:** The time period during which Electrical Energy is measured, usually in 15-, 30-, or 60-minute increments.
 - e. **INSTANTANEOUS DEMAND:** The rate at which Electrical Energy is delivered at a given instant.
 - f. **INTEGRATED DEMAND:** The average of the Instantaneous Demands during the Demand Interval.
 - g. **INTERRUPTIBLE DEMAND:** The amount of Customer Demand that, in accordance with contractual arrangements, can be interrupted by direct control of the electric system operator or by action of the Customer at the direct request of the electric system operator. In some instances, the Demand reduction may be initiated by the direct action of the electric system operator (remote tripping) with or without notice to the Customer in accordance with contractual provisions.
 - h. **PEAK DEMAND:** The highest electric requirement occurring in a given period (e.g., an hour, day, month, season, or year). For an electric system, it is equal to the sum of the metered net outputs of all generators within a system and the metered Line flows into the electric system, less the metered Line flows out of the electric system.
- 1.1.20 **DISTRIBUTED GENERATION FACILITY:** Any electricity generating technology capable of Parallel Operation that is connected on the Customer's side of the retail meter.
- 1.1.21 **DISTRIBUTION/DISTRIBUTION SYSTEM:** The portion of SRP's electric system used to deliver Electrical Energy to Customers from points on the Transmission System.

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- 1.1.22 DISTRIBUTED ENERGY DEVICE: A Distributed Generation Facility or an Energy Storage Facility.
- 1.1.23 ELECTRIC SERVICE SPECIFICATIONS: SRP’s requirements for wiring, metering, equipment, and other matters as specified in the relevant SRP manual.
- 1.1.24 ELECTRICAL ENERGY/ENERGY: The Generation or use of electric Power by a device during a period of time, expressed in kilowatt-hours (kWh), megawatt-hours (MWh), or gigawatt-hours (GWh).
- 1.1.25 EMERGENCY DISCONNECT: See Section 4.15.2.
- 1.1.26 ENERGY: See “Electrical Energy/Energy.”
- 1.1.27 ENERGY STORAGE FACILITY: An energy storage device or multiple devices at a single location capable of Parallel Operation, that is connected on the Customer’s side of the retail meter.
- 1.1.28 ENHANCED DISTRIBUTION SYSTEM/FACILITIES: Any improvements or modifications made to SRP’s standard Distribution System at the request of, or to benefit, a Customer or potential Customer or as mandated by SRP’s Distribution operational requirements.
- 1.1.29 EXECUTIVE DISPUTE RESOLUTION COMMITTEE: A three-person committee of SRP executive representatives that has final management decision-making responsibility for resolution of any dispute within its purview that is referred to it.
- 1.1.30 EXTENSION: Lines and/or Service Laterals required to extend electric service from SRP’s existing permanent facilities to the Point of Delivery.
- 1.1.31 FACILITIES CHARGE: An amount to be paid by the Customer as a lump sum or periodically, for Transmission or Distribution facilities provided by SRP.
- 1.1.32 FROZEN: Refers to Price Plan or rider for which new Customers or new accounts are no longer accepted. A Frozen Price Plan may or may not have an expiration date. Frozen Price Plans and their associated riders may be changed in the same manner as any other Price Plan or rider.
- 1.1.33 GENERATION: The process of producing Electrical Energy from other forms of energy; also, the amount of Electrical Energy produced, usually expressed in kilowatt-hours (kWh) or megawatt-hours (MWh).

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- 1.1.34 GOVERNMENTAL ENTITY: A county, city, or other governmental authority having jurisdiction over a particular matter.
- 1.1.35 HIGH-RISE BUILDING: Any Building, residential or commercial, typically having more than four stories within which the most economically feasible electrical Distribution System exceeds 240 volts and step-down transformation is necessary to serve the ultimate Customer.
- 1.1.36 INTERCONNECTION AGREEMENT: An agreement between SRP and a Person who interconnects a Distributed Energy Device to SRP's electric system.
- 1.1.37 INTERCONNECTION SERVICE: Service available to a Customer or other Person that owns, leases, or operates a Distributed Energy Device, if approved by SRP. Such service permits a Customer to interconnect with SRP's electric system.
- 1.1.38 KILOVOLT-AMPERE (kVA): 1,000 volt-amperes.
- 1.1.39 KILOWATT (kW): A unit of Power equal to 1,000 watts or approximately 1.341 horsepower.
- 1.1.40 KILOWATT-HOUR (kWh): The amount of Energy delivered in one hour when delivery is at a constant rate of one kilowatt (kW).
- 1.1.41 LINE: A system of poles, ducts, wires, conduits, cable, equipment, and fixtures used for the Transmission and Distribution of electricity.
- 1.1.42 LOAD: An end-use device or Customer facility that receives Power from the electric system.
- 1.1.43 LOAD FACTOR: The ratio of Average Demand to Peak Demand during a specific period of time, expressed as a percentage.
- 1.1.44 OBSOLETE: Refers to a Price Plan, rider, or Price Plan equipment that is no longer available. Prices for Obsolete equipment may be changed in the same manner as any other Price Plan or rider.
- 1.1.45 PARALLEL OPERATION: When any electricity generating technology or Energy Storage Device is capable of sending energy on to SRP's electric system.
- 1.1.46 PARTY: In addition to any other Person that may, under applicable law, be deemed a "party," a Person will be considered a Party for purposes of these Rules and Regulations if that Person (a) is entitled to notice under A.R.S. §

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48-2334(A)(3); (b) is considered an “interested person” under A.R.S. § 2334(A)(2); or (c) submits a written comment, proposal, question, or document request, makes a presentation to the Board, or interviews any employee of SRP or consultant of the Board, in connection with a Public Process.

- 1.1.47 PERSON: Any individual, partnership, corporation, limited liability company, Governmental Entity, or other entity.
- 1.1.48 POINT OF DELIVERY: The location at which SRP’s electric facilities make contact with a Customer's Service Equipment.
- 1.1.49 POWER: The time rate of transferring Energy, usually expressed in kilowatts (kW).
- 1.1.50 POWER FACTOR: The ratio of real Power (kilowatts (kW)) to apparent Power (kilovolt-amperes (kVA)) for any given Load and time and generally expressed as a percentage.
- 1.1.51 PRICE PLAN: See “Standard Electric Price Plan.”
- 1.1.52 PRIMARY GENERAL SERVICE: Electric service that does not require transformation by SRP below the voltage level at the low side of a Distribution substation.
- 1.1.53 PUBLIC NOTICE: The public notice required by A.R.S. § 48-2334(B) regarding proposed changes to any Standard Electric Price Plan.
- 1.1.54 PUBLIC PROCESS: A proceeding undertaken by the Board under A.R.S. § 48-2334 for purposes of changing any Standard Electric Price Plan.
- 1.1.55 RULES AND REGULATIONS: These Rules and Regulations, which have been adopted by SRP pursuant to A.R.S. § 48-2301 et seq., the Act, and other pertinent authority. The Rules and Regulations have also been referred to by SRP as “Electric Service Guidelines.”
- 1.1.56 SECONDARY GENERAL SERVICE: Electric service that requires transformation by SRP below the voltage level at the low side of a Distribution substation.
- 1.1.57 SERVICE EQUIPMENT: The necessary electrical facilities, usually consisting of a circuit breaker or switch and fuses, conductors, and accessories constituting the main control and cutoff of the delivery of Electrical Energy to a Customer, and which are installed, owned, and maintained by the Customer.

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- 1.1.58 SERVICE LATERAL: A system of wires, fixtures, equipment, and sometimes poles, or the equivalent ducts, conduits, and cables, used to deliver Electrical Energy from the Line or Distribution transformer to the Point of Delivery.
- 1.1.59 SPECIAL CONTRACT: A written agreement between SRP and a Customer that contains provisions expressly intended to supersede provisions in these Rules and Regulations or the Standard Electric Price Plans. Special Contracts require the prior approval of the Board.
- 1.1.60 SPECIAL PRICING MEETING: See Section 2.2.3.d.
- 1.1.61 SRP: The Salt River Project Agricultural Improvement and Power District.
- 1.1.62 SRP DISTRIBUTED GENERATION INTERCONNECTION HANDBOOK: SRP's requirements for Customers who desire to connect a Distributed Energy Device to SRP's electric system. These Guidelines are available from SRP upon request.
- 1.1.63 SRP GUIDELINES FOR CUSTOMER OWNERSHIP OF SUBSTATION EQUIPMENT: SRP's requirements for Customers who own substation equipment connected directly to the SRP 69kV or greater voltage Transmission System. These Guidelines are available from SRP upon request.
- 1.1.64 STANDARD ELECTRIC PRICE PLAN (PRICE PLAN): SRP's published Standard Electric Price Plans (including riders and similar documents) for standard contract Customers, including residential, industrial, commercial, lighting, and pumping Customers. There may be more than one Price Plan setting forth the charges and conditions for a particular class or type of service. A Price Plan usually includes an identification letter and number, class of service, character or applicability, prices, conditions, and references to these Rules and Regulations.
- 1.1.65 STANDBY SERVICE: Service supplied to a Customer who normally receives Power and Energy requirements from sources other than SRP.
- 1.1.66 TOTALIZING: For billing purposes on the appropriate Price Plan, the measurement of the simultaneous Demand and Electrical Energy of a Customer who receives electric service from more than one service entrance section at a single site or campus.
- 1.1.67 TRANSMISSION/TRANSMISSION SYSTEM: The interconnected group of Lines and associated equipment used by SRP for the movement or transfer of Electrical Energy between points of supply and points at which

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it is transformed for delivery to Customers or is delivered to other electric systems.

- 1.1.68 UP AND DOWN COSTS: All labor, material, and other charges to install and/or remove SRP's electrical facilities. The removal (down) costs will be reduced by the salvage value, if any, of any removed material.
- 1.1.69 VOLT-AMPERE: The apparent Power when one ampere flows between two points having a potential difference of one volt.

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GENERAL PROVISIONS

2.1 INTRODUCTION

- 2.1.1 These Rules and Regulations define the terms and conditions of SRP's agreement with a Customer to supply electric and related services, and, except as expressly provided otherwise in a Special Contract, supersede any other policies or procedures. These Rules and Regulations shall apply to all SRP Customers.
- 2.1.2 Implementation and administration of these Rules and Regulations is supplemented by the appropriate Standard Electric Price Plan and the Electric Service Specifications. Upon request, SRP will provide Customers with copies of the specifications relating to their service installations and a copy of the applicable Price Plan. These Rules and Regulations, the Price Plans, and the Electric Service Specifications are also available at www.srpnet.com.
- 2.1.3 If an issue arises that is not addressed, or is only partially addressed, in these Rules and Regulations or other applicable documents, SRP reserves the right to then consider the issue and implement policy or practice pertinent to it.
- 2.1.4 The citation or referencing of any document or portion thereof in these Rules and Regulations also means any applicable successor document or portion thereof.
- 2.1.5 The descriptive headings of the various sections of these Rules and Regulations have been inserted for convenience of reference only and in no way define, modify, or restrict any of the terms and provisions thereof.
- 2.1.6 When used herein, the terms "include" and "including" mean without limitation.
- 2.1.7 The waiver by SRP of any breach of any term, covenant, or condition herein contained shall not be effective unless such waiver is in writing, and any waiver shall not be deemed a waiver of any breach of any other term, covenant, or condition, or any subsequent breach of the same or any other term, covenant, or condition herein contained.
- 2.1.8 SRP will provide service under these Rules and Regulations without regard to race, creed, color, sex, marital status, religion, disability, or national origin.

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- 2.1.9 To be binding on SRP, all promises, agreements, or representations made by an employee or agent of SRP must be set forth in a written agreement, signed by an employee of SRP duly authorized to make such promises, agreements, or representations.
- 2.1.10 These Rules and Regulations shall be deemed to have been made in the State of Arizona and shall be construed and governed in accordance with the laws of the State of Arizona without regard to its choice of law provisions. Venue for any legal proceeding arising out of or in connection with these Rules and Regulations shall be exclusively in a state or federal court located in Maricopa County, Arizona, and SRP and Customer irrevocably submit to the jurisdiction of any such court.
- 2.1.11 Customer and SRP each expressly waives any rights that it may have to a trial by jury with respect to any legal proceeding arising out of or in connection with these Rules and Regulations whether such legal proceeding brought by or against it or any of its affiliates.
- 2.1.12 If any provision of these Rules and Regulations is found by a court of competent jurisdiction to be unenforceable, the remainder shall be enforced as fully as possible and the unenforceable provision shall be deemed modified to the limited extent required to permit its enforcement in a manner most closely representing the intention of SRP as expressed herein.
- 2.2 CHANGES TO SRP'S RULES AND REGULATIONS AND STANDARD ELECTRIC PRICE PLANS
- 2.2.1 The Board may change these Rules and Regulations at any time. Further, SRP's management is authorized to make non-material, administrative updates to these Rules and Regulations.
- 2.2.2 The Board may change any Standard Electric Price Plan or any other price, fee, charge, minimum, Demand charge, rate, credit, or other pricing term at any time, unless expressly agreed otherwise by a written contract, subject to compliance with the applicable procedural requirements of A.R.S. § 48-2334, as applicable, as amended from time to time, and those set forth in this Section 2.2.
- 2.2.3 The following rules and procedures apply with respect to each Public Process.
- a. Management of Communications. In accordance with A.R.S. §48-2334, the Corporate Secretary will coordinate each Public Process, and will be the single point of contact for all requests for information, documents, and interviews, and the submission of any

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comments, questions, or proposals, with regard to the subject of the Public Process. The Public Notice shall prescribe the means of communicating with the Corporate Secretary for purposes of the foregoing requests and submittals.

The Corporate Secretary will create and maintain a list of Persons or entities that submit written comments, proposals, questions, or document requests, make presentations to the Board, or interview any employee of SRP or consultant of the Board, in connection with a Public Process. The Corporate Secretary is responsible for acknowledging receipt of each request and submittal (whether directed to SRP management, the Board, or the Board's consultant(s)), and ensuring that all such communications are fairly, timely, and accurately presented to the Board and other appropriate Persons.

- b. Interviews. In accordance with this subsection, interested Persons or their representatives may interview SRP management concerning proposed changes to the Standard Electric Price Plans and may interview the consultant(s), if any, selected by the Board to assist it in evaluating such proposed changes. Each Public Notice will state that such interviews may be requested, and will include the instructions and deadline(s) for requesting interviews, and the proposed date(s), time(s), and place(s) for such interviews. Unless other arrangements are made, any Board consultant will be available for interviews only on the date(s), time(s), and place(s) specified in the Public Notice. Interview requests must be submitted in the manner, and by the deadline, set forth in the Public Notice, and must describe the general topic(s) related to the Public Process for which the interview is requested. Interested Persons or their representatives may request interviews of a particular SRP employee, but SRP will have sole discretion to select, based on availability and knowledge, the employee(s) to be interviewed. SRP will make reasonable efforts to make the most knowledgeable employee(s) available, and will instruct interviewed employee(s) to answer the questions to the best of their ability; however, the employee(s) may, when further consideration is warranted, provide responses to some questions subsequent to the interview.

Following the completion of each interview, SRP will make available upon request, or post on its website, either an interview transcript or a written summary of the questions asked, and responses provided, during the interview.

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- c. Written Questions and Requests for Documents. In accordance with this subsection, interested Persons or their representatives may submit, through the Corporate Secretary, written comments and questions on the proposed changes to the Standard Electric Price Plans and may request documents relative to the proceedings. The Public Notice will state that such comments, questions, and document requests may be submitted, and will include the instructions and deadline(s) for submitting the same. Comments, questions, and document requests must be submitted in the manner, and by the deadline(s), set forth in the Public Notice. SRP will make reasonable efforts to provide timely responses to questions submitted, and accommodate document requests in a timely manner, but reserves the right, to the extent permitted by applicable law, to decline requests for documents or information that are unduly burdensome. Persons requesting copies of meeting transcripts or other materials prepared by a third party may be required to obtain such materials from the third-party preparer, with payment of applicable fees.
- d. Board Meetings. SRP will use reasonable efforts to hold the Board meeting required under A.R.S. § 48- 2334(D) (the “Special Pricing Meeting”) on the date that is 60 days after the Public Notice. To help ensure that the Board can accomplish its purposes and hear a range of viewpoints, the Board may, to the extent permitted by applicable law, impose reasonable rules and requirements with respect to public comments at the Special Pricing Meeting or other Board meetings at which the Board permits public comments. Such rules may include reasonable time limits on speakers, limitations on the number of speakers, and a requirement that prepared remarks be added to the record without being read aloud.
- e. Publication. SRP will publish on its website at www.srpnet.com, within one business day of approval by the Board, any changes to the Standard Electric Price Plans, and will publish notice of such changes in a newspaper of general circulation as soon as reasonably practicable. In addition, SRP will give notice to each affected Customer (or its designated agent) with or prior to the first billing to such Customer under the new or revised Price Plans. Such notice may be provided by mail or other means reasonably expected to reach each affected Customer (or its designated agent) including e-mail. If sent by United States mail, notice will be deemed given when deposited in the mail.

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2.3 CONSUMER PROTECTION

2.3.1 Confidentiality:

In accordance with state law, SRP will not release Customer-specific information to third parties unless (a) the information is reasonably required for legitimate account collection activities or credit analysis activities, or when such information aids in providing safe and reliable service to the Customer, (b) the Customer specifically authorizes in advance the release of such information in writing, or (c) release is required by court order. SRP may provide certain Customer-specific information to its contractors and vendors for billing, remittance, research, Customer service, marketing, and related SRP purposes.

2.3.2 Unfair, Deceptive, and Abusive Business, Marketing, and Advertising Practices:

SRP adheres to the requirements of applicable laws, rules, and regulations regarding advertising and marketing (including telemarketing).

2.3.3 Customer Complaints or Questions Regarding SRP Services:

- a. If a residential service Customer has a question or problem concerning electric services provided by SRP, the Customer may call SRP Residential Customer Services at 602-236-8888 or toll free at 1-800-258-4777.
- b. Commercial, industrial, and all other Customers who have a question or problem concerning electric services provided by SRP may contact their SRP Energy Manager about the matter, or call SRP's Business Center at 602-236-8833 or toll free at 1-800-258-4777.
- c. If the SRP representative contacted is unable to resolve the issue, the representative will document it on behalf of the Customer and direct it to the appropriate SRP department for further review and response.
- d. Customers whose annual Energy usage is less than 100,000 kilowatt-hours (kWh) may submit disputes to a Consumer Ombudsman for a review and determination. If the Customer does not accept the Consumer Ombudsman's determination, the Customer may request an informational hearing with SRP's Director of Consumer Affairs, who will render a final decision on behalf of SRP.

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- e. SRP electric Customers with annual Energy usage equal to or greater than 100,000 kilowatt-hours (kWh) may submit billing, payment, and credit disputes to SRP's Executive Dispute Resolution Committee which will render a final decision on behalf of SRP.

PROVISION OF SERVICE

APPLICATION FOR SERVICE

3.1 General:

- 3.1.1 Except where the terms of a Special Contract provide otherwise, SRP provides service to a Customer under and in accordance with these Rules and Regulations. In applying for service, the Customer agrees to be bound by the terms and conditions of these Rules and Regulations, the Standard Electric Price Plans, the Electric Service Specifications, SRP Distributed Generation Interconnection Handbook, SRP Guidelines for Customer Ownership of Substation Equipment, and any Agreement for Electric Service between SRP and the Customer, as applicable.
- 3.1.2 SRP will assess a Customer a service fee each time SRP is requested to establish or re-establish Distribution service to that Customer. As necessary, SRP will redetermine the service fee from time to time to reasonably compensate SRP for associated costs.
- 3.1.3 In the case of a new service or a connection to an established service, a Customer, if requested by SRP, will provide the following information with the application for service:
- a. Purpose for which service is to be used including a description of major appliances, motors, and other electric use equipment.
 - b. Location (service address).
 - c. Address to which bills are to be mailed.
 - d. Documentation supporting Customer's authority over the premises either as an owner, tenant, property manager, or otherwise. An application to establish an active Customer account will be accepted only from the Person accepting responsibility for billing payment, or an authorized agent thereof.
 - e. Date the Customer will be ready for service.
 - f. Whether premises have been previously supplied with electrical service.
 - g. Sufficient identification and other information about the Customer to enable SRP to confirm the Customer's identity.

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under the terms and conditions provided in the Standard Electric Price Plans determined by SRP to apply from time to time. Continuance of service beyond the term of such Agreement for Electric Service will not constitute a waiver of SRP's right to discontinue service for Customer's breach of or lack of an Agreement for Electric Service.

- 3.2.3 An application for service may be made by telephone through SRP's Business Center at 602-236-8833 or toll free at 1-800-258-4777, or by any other method approved by SRP.

3.3 Residential:

An application for service may be made by telephone through Residential Customer Services at 602-236-8888 or toll free at 1-800-258-4777, or by any other method approved by SRP.

CONDITIONS OF SERVICE

3.4 General:

- 3.4.1 Each type of electric service may not be available at a given location. Before making any installation or purchasing equipment, the Customer should inquire from SRP as to the exact character of service that will be available at the Customer's service location. For very large installations or special applications, SRP may supply service under terms and conditions other than those generally available.
- 3.4.2 For all Distributed Energy Devices, the Customer must allow metering and monitoring equipment at the site of the device in order to verify the reliability and quality of the electric Power connected to SRP's electrical system. The type of metering and units to be metered shall be at SRP's option. Meters and the location of metering will conform to the specifications, terms, and conditions outlined in Section 5.6.
- 3.4.3 For all Distributed Energy Devices, the Customer must submit an application for Interconnection Service, comply with the Distributed Generation Interconnection Handbook, and sign an Interconnection Agreement as outlined in Section 3.14. Upon SRP's request and in its sole discretion, SRP may also require a third-party owner or operator of an electrical Distributed Energy Device to sign SRP's Interconnection Agreement.

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3.5 Frequency, Voltage, and Phase:

Service supplied will be alternating current at a regulated frequency of approximately 60 hertz. Single-phase and three-phase services with accompanying voltages are set forth in the Electric Service Specifications.

3.6 Motor Loads:

Motor Loads are subject to limitations set forth in the Electric Service Specifications.

CLASSIFICATION OF SERVICE – STANDARD ELECTRIC PRICE PLANS

3.7 General – Applicability or Qualifications for Price Plans and Riders:

Customers should consult the Standard Electric Price Plans to determine the Price Plans under which they qualify for service. Price Plans available to Customers at any given time may be viewed on the SRP website at www.srpnet.com or may be requested by phone from SRP's Residential Customer Services or SRP's Business Center (see Sections 3.2.3 and 3.3 for contact information).

The Customer's service characteristics and service requirements determine the applicable Standard Electric Price Plan(s). SRP can help determine the most advantageous Price Plan or rider for the Customer. However, because of varying Customer usage patterns, SRP cannot guarantee that the Price Plan a Customer selects is the most economical. In the absence of SRP error or SRP's agreement in advance, SRP will not provide any refunds if the Customer would have paid less for service had the Customer been billed on an alternate Price Plan or rider.

3.8 Residential Service Price Plans:

The following types of installations and no others qualify for residential Price Plan service:

3.8.1 Individual residence, individual apartment, or individual manufactured home. In the case of apartment Buildings and manufactured home parks, excluding complexes owned or controlled by a cooperative or other unincorporated association, a Customer must take service under the appropriate general service Price Plan, including service to all Common Facilities.

3.8.2 Accessory Buildings and outdoor lighting, including Buildings located on the same premises and occupied as living quarters by household employees of a Customer, or guest houses not rented by the Customer to permanent or transient guests, when served through the Customer's meter. SRP will not

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serve commercial establishments such as hotels and motels under residential Price Plans.

- 3.8.3 A residential dwelling used primarily as a home that maintains standard residential service but is also used for business purposes. If service enhancement is needed to serve the residence/business, SRP will consider it general service, not residential. The Customer will then need to select an applicable general service Price Plan.

3.9 General Service Price Plans:

- 3.9.1 The Standard Price Plan for General Service (E-36) applies to any class of service for which no other Price Plan is available.

- 3.9.2 Temporary service will be furnished under the Standard Price Plan for General Service (E-36). SRP, at its sole discretion, will determine whether a Customer's proposed service is temporary. Charges for other than a standard Billing Period will be prorated.

3.10 Secondary, Primary, and Dedicated Large General Service Price Plans:

- 3.10.1 SRP may begin service under one of these Price Plans for new accounts with expected monthly startup consumption greater than 300,000 kWh. Service will continue under the Price Plan provided that actual consumption exceeds 300,000 kWh during each of the first three consecutive months of service. If actual consumption does not meet the Price Plan criteria, SRP may transfer the account to an applicable General Service Price Plan E-32 or E-36.

- 3.10.2 SRP charges a Facilities Charge to Customers who use SRP facilities for the transformation and Distribution of electricity below the 69 kV level. The Facilities Charge is determined under the Facilities Rider Supplemental to Price Plans E-61, E-63, E-65, E-66, and E-67.

- a. Installation of new or additional Dedicated Facilities shall be subject to the terms and conditions of a separate construction contract. The Customer may be responsible for (i) replacement and installation of Dedicated Facilities substation equipment or other Dedicated Facilities through a Contribution in Aid of Construction, (ii) a change in the monthly Facilities Charge, or (iii) both.
- b. SRP may charge the Customer to recover costs incurred by SRP to remove Dedicated Facilities.

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- c. To the extent not recovered by SRP's Price Plans, Customers who own substation facilities will pay a monthly Facilities Charge to recover the cost of serving that Customer from SRP's Transmission or sub-Transmission System.

3.11 Pumping Service Price Plans:

These Price Plans are applicable to pumping water for commercial agricultural production or municipal water utilities.

3.12 Traffic Signal Lighting Service Price Plan:

SRP will estimate kilowatt-hour (kWh) consumption for billing purposes based on Connected Load and duration of its use. As a condition of service, the Customer must provide SRP notice of any changes in Connected Load after the initial installation.

3.13 Lighting Service Price Plans:

3.13.1 Customers with lighting controllers will pay a monthly Facilities Charge pursuant to the Price Plan, based on the maximum Load rating of the controller.

3.13.2 SRP will estimate kilowatt-hour (kWh) consumption for billing purposes based on Connected Load and duration of its use. SRP may meter any installation.

3.13.3 SRP will maintain the lighting system except when the Customer owns the lights. SRP installation and ownership of new municipal public lighting facilities is not available.

3.13.4 If SRP provides lighting equipment, the prices will be as stated in the Lighting Equipment Rider, Municipal/Non-Municipal Public Lighting Equipment Riders, or the Private Security Lighting Equipment Rider, to the extent applicable.

CLASSIFICATION OF SERVICE – OTHER

3.14 Interconnection Service:

3.14.1 Except as required by applicable law, Interconnection Service is at the sole option of SRP.

3.14.2 Prior to receiving service, the Customer must enter into an Interconnection Agreement. That Agreement supplements the SRP Distributed Generation Interconnection Handbook, the applicable Price Plan, and these Rules and

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Regulations, and details the rights and obligations of SRP and the Customer pertaining to Interconnection Service. All costs of interconnection and metering are the responsibility of the Customer, unless otherwise provided in an agreement between SRP and the Customer. SRP reserves the right to require any Customer who desires to install a Distributed Energy Device to go through SRP's Open Access Transmission Tariff interconnection process.

- 3.14.3 Purchases by SRP of electric Power and Energy from Customers with Distributed Energy Devices will be made based upon the applicable Price Plan or rider.

MONETARY PROVISIONS

DEPOSITS AND CONTRIBUTIONS IN AID OF CONSTRUCTION

4.1 Form of Security:

4.1.1 Generally, SRP will require a cash deposit or other form of security acceptable to SRP to secure payment of an account or accounts for electricity and related services provided by SRP to a Customer whenever, in SRP's sole discretion, Customer's anticipated billings exceed limits determined by SRP or there is a significant risk or indicator of non-payment of indebtedness. In making its determination, SRP may consider the financial condition or creditworthiness of the Customer, the Customer's payment history with SRP, the Customer's payment history with other creditors, the level of services provided by SRP, and the quality of documentation provided to confirm the identity of the Customer, among other factors.

4.1.2 A cash deposit accepted as security for payment of electric service will earn interest at the rate established by SRP until a turn-off for the relevant account is processed, provided such deposit has been held by SRP for at least 180 days. All accrued interest will be credited to the Customer as of December 31 of each calendar year (or another date as may be determined from time to time by SRP) or upon return of the deposit to the Customer, whichever occurs first.

4.2 Refunds of Deposits:

4.2.1 SRP will return a cash deposit to the Customer when service is discontinued after first applying the deposit and accrued interest to any amounts owed to SRP under any account, or accounts, for which Customer is responsible.

4.2.2 SRP will return a cash deposit on an account upon the establishment of a credit history satisfactory to SRP and provided adequate documentation of the identity of the Customer of record is on file, as determined by SRP. For those residential accounts where the Customer is eligible for a deposit refund, SRP may provide refunds automatically. Customers may request refunds on other accounts.

4.2.3 Refunds of cash deposits will be made by check, by application to the account, or by other appropriate mechanism as determined by SRP.

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4.3 Waiver of Deposit:

- 4.3.1 SRP, in its sole discretion, may waive or reduce a security deposit when, for example:
- a. The risk of loss is not significant,
 - b. The maximum credit exposure under SRP's standard payment terms is nominal, or
 - c. The Customer and SRP agree to accelerated payment terms and a shorter notification timeline for disconnection than otherwise provided by these Rules and Regulations.
- 4.3.2 SRP may revoke a deposit waiver, require a deposit, and/or require an additional deposit if a Customer's identity cannot be established to SRP's satisfaction or, as determined by SRP, based upon the Customer's financial condition or creditworthiness, the Customer's payment history with SRP or other creditors, the Customer's billings exceeding limits determined by SRP, or other significant risk or indicator of non-payment of indebtedness.

4.4 Contributions in Aid of Construction:

4.4.1 General:

- a. SRP does not pay interest on Contributions in Aid of Construction. Contribution in Aid of Construction payments are generally non-refundable. However, SRP may, in its sole discretion, refund unused design fees if a Customer cancels a project prior to construction.
- b. If SRP must add to, expand, or upgrade its facilities due to the increased Load of an existing Customer or the projected Load of a new Customer, SRP may require the Customer to pay a Contribution in Aid of Construction.
- c. SRP may require a Customer who requests relocation, conversion (undergrounding), modification, or other alteration of SRP's facilities to pay a Contribution in Aid of Construction.
- d. SRP may require a Contribution in Aid of Construction payment for any Enhanced Distribution System or Enhanced Distribution Facilities installed at the request of, or to benefit, a Customer or potential Customer.

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- e. SRP may require a Contribution in Aid of Construction payment for any design, construction, and related costs performed at the Customer's request and that is not specifically covered by these Rules and Regulations. Work will begin only after SRP determines the proper Contribution in Aid of Construction amount and documents in a written agreement any necessary additional terms and conditions.
- f. SRP will require a Customer who requests temporary service facilities to provide a Contribution in Aid of Construction payment in the amount of the estimated Up and Down Costs prior to SRP performing any work.
- g. SRP may require a Contribution in Aid of Construction for the facilities required to serve any Load that, based on SRP estimates, will not provide SRP an adequate return on investment.
- h. For platted residential developments with four or more contiguous lots of one acre or less in size, SRP may require a Contribution in Aid of Construction.
- i. For Distribution Systems in master planned areas and commercial/industrial subdivisions, SRP may require a non-refundable Contribution in Aid of Construction.
- j. For Service Laterals, SRP requires the Customer or developer to provide all trenching, backfill, boring, and conduit when facilities are requested or required to be placed underground, or pay a Contribution in Aid of Construction for the cost of such work.
- k. SRP may require a Contribution in Aid of Construction for any facilities that will be installed to provide service to the Customer.
- l. SRP may, at its option, compute its charges on the basis of standard unit costs as determined from periodic studies made by SRP of similar construction or removal.

4.4.2 Line Extensions:

- a. Any Distribution Line or Service Lateral Extension or reconstruction of existing single- or dual-phase facilities to dual- or three-phase facilities over 1,000 feet in length will be individually evaluated. Such Line or Service Lateral Extension or reconstruction may require payment of a Contribution in Aid of Construction.

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- b. For underground Line or Service Lateral Extensions, SRP may require a Customer to pay a Contribution in Aid of Construction to SRP for the cost of all trenching, backfill, boring, and conduit.

4.5 Refunds of Contributions in Aid of Construction:

- 4.5.1 SRP will refund any portion of a Contribution in Aid of Construction designated as refundable, according to the terms of the written agreement between SRP and Customer.
- 4.5.2 To be eligible for refund, the Customer must make a refund request and present satisfactory supporting documentation within the time frame provided in the agreement. SRP will make a reasonable effort to pay refunds due within 90 days of a timely request by the Customer.
- 4.5.3 SRP will not make cash refunds of Contributions in Aid of Construction unless all amounts owing to SRP have been paid in full. SRP may apply such refunds to any amounts owed to SRP by the Customer, including other electric service accounts for which Customer is responsible.

BILLING AND PAYMENT

4.6 Meter Readings:

- 4.6.1 SRP will utilize meter readings that are normally 30 or 31 calendar days apart for purposes of rendering a monthly bill. If, for any reason, the meter reading interval exceeds or falls short of the regular interval by five calendar days or more, SRP will prorate the monthly service charges, kilowatt (kW) charges and, if applicable, kilowatt-hour (kWh) charges in the applicable Price Plan. At its sole discretion, SRP may change the frequency of meter reading.
- 4.6.2 SRP may compute bills under any Price Plan based on a reasonable usage estimate made by SRP if any of the following conditions apply:
 - a. The meter fails to register accurately;
 - b. The meter reader is unable to obtain a meter reading because of locked gates, safety concerns, inclement weather, lack of access, or other hindrance;
 - c. Service is temporarily supplied without a meter;

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- d. A contrivance has been used to circumvent the accurate registration of metering devices or there is other evidence of fraud, as described in Section 4.14;
 - e. The meter reading schedule has been officially changed so that readings are taken at other than monthly intervals and estimation is necessary to compute the monthly bill; or
 - f. The meter, when capable of electronic communication with SRP, fails to communicate a meter read on a timely basis.
- 4.6.3 Any failure of SRP to render a complete monthly bill shall not be a waiver of SRP's right to payment for services supplied by SRP.
- 4.6.4 Meters will be considered accurate for billing purposes when their registered usage is maintained within plus or minus 3% of 100% accuracy. The range will not exceed the variation established by standard utility practice, except when such allowable range is otherwise specifically limited by Special Contractual provisions. When a meter test confirms the registered usage variation to be in excess of the allowable variation, SRP will adjust the billing, and either debit or credit the Customer retroactively for a time period reasonably estimated by SRP to be the period of the metering error. When a requested meter test confirms that registered usage is within the registration accuracy standards, SRP may assess the Customer a service fee.
- 4.6.5 When the Customer's service entrance is energized for the Customer's convenience, but unmetered, the Customer will pay SRP a daily charge determined by SRP.
- 4.7 Billing and Terms:
 - 4.7.1 SRP will mail, email, or otherwise provide the Customer a bill for electric services provided by SRP and other SRP charges. Except as provided in Section 4.9 or as otherwise agreed by SRP, the Customer must pay the bill before it becomes delinquent. At SRP's option, any Person, other than the Customer of record, who benefited from electric services provided by SRP may be held responsible for payment.
 - a. If one or more of the applicable charges of the Price Plans change during a Billing Period, SRP may prorate the charges accordingly.
 - b. Unless otherwise provided in these Rules and Regulations, a charge may be imposed for connection or reconnection of service. A service

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fee may also be charged for other SRP actions related to a Customer's account.

- c. SRP increases or decreases bills in proportion to, and Customer shall pay, any taxes, fees, or charges (excluding federal or state income taxes) levied or imposed by any Governmental Entity and payable by SRP for any services, Power, or Energy provided by SRP.

4.7.2 Bills will be delinquent unless payment is received by the due date listed on the bill. SRP may charge interest on all delinquent amounts owed to SRP at a rate not to exceed the maximum legal interest rate, and SRP may assess a late payment fee on delinquent amounts.

4.7.3 At the option of SRP, kilowatt (kW) Demand for billing purposes will be determined on a Connected kilovolt-amperes (kVA) Load basis for spot welder and arc welding machines, X-ray apparatus, or any other intermittent or fluctuating Loads. The Customer must consult SRP before installation of any such equipment.

4.7.4 When a Person causes SRP to incur unusual administrative, labor, material, or other costs, SRP may assess a fee to recover such costs.

4.8 Billing and Payment Options:

The most current billing and payment options available to Customers may be viewed on the SRP website at www.srpnet.com or may be requested by phone from SRP's Residential Customer Services or Business Center (see Sections 3.2.3 and 3.3 for contact information).

4.9 Payment Disputes:

4.9.1 The Customer should notify SRP of discrepancies in SRP's billing for services provided by SRP. If a Customer advises SRP in good faith that an amount is in dispute, SRP will not commence collection action against the amount in dispute until SRP has verified that the bill was correct; provided, however, that the Customer notifies SRP of the dispute claim before the amount becomes delinquent and pays all other amounts billed by SRP.

4.9.2 Disputes may be submitted to a Consumer Ombudsman or SRP's Executive Dispute Resolution Committee in accordance with Section 2.3.3.

4.10 Collection of Terminated Accounts:

4.10.1 A Customer whose account has been terminated will be issued a final bill, which must be paid in full upon presentation. If a final bill becomes

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delinquent, SRP may use any legal means available to collect the amount due from the Customer or any other responsible Person. The Customer or any other responsible Person shall reimburse SRP for all costs and expenses incurred by SRP to collect the amount due.

- 4.10.2 If SRP disconnects an account for non-payment and the Customer does not pay the account in full, SRP may use any legal means available to collect the amount due from the Customer or any other responsible Person. The Customer or any other responsible Person shall reimburse SRP for all costs and expenses incurred by SRP to collect the amount due.

DISCONTINUANCE AND RECONNECTION

4.11 General:

Failure of SRP at any time to suspend the delivery of service, to terminate an Agreement for Electric Service, or to seek any other legal remedy upon default or breach by the Customer will not affect SRP's right to seek any such remedies for the same or any future default or breach by the Customer. If a Customer fails to perform as required by these Rules and Regulations, the Price Plans, the Electric Service Specifications, or the Customer's Agreement for Electric Service, SRP may disconnect service. No personal visit to a Customer's premises is required prior to disconnection of service. SRP also may disconnect service to the Customer when necessary to comply with any law or regulation applicable to SRP or the Customer, or if a Governmental Entity revokes its clearance for the provision of electrical service.

4.12 Reconnect After Disconnect for Non-Payment:

- 4.12.1 Seven calendar days prior to disconnecting service for a delinquent SRP billing, SRP will mail, e-mail, or personally deliver to the Customer's premises a written notice stating the delinquent amount and that SRP intends to disconnect service unless the delinquent amount is promptly paid. This notification requirement does not apply to delinquent extensions for payment of prior billings when a seven-day notice was previously given, to delinquent extensions for payment of deposits or other up-front charges that were billed as a courtesy to the Customer, to a pre-pay account when the Customer controls timing of the disconnection based on self-management of the pre-pay balance, or to insufficient funds regarding the Customer's payment.
- 4.12.2 Once SRP disconnects service, SRP will not reconnect service until the Customer (a) applies for service; (b) pays all amounts the Customer owes SRP, including past-due bills and any charges for the cost of disconnecting and reconnecting service; and (c) corrects the condition that resulted in the

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disconnection. SRP may require an additional security deposit based on its evaluation of the Customer's creditworthiness.

4.13 Disconnect and Reconnect Pursuant to a Request of a Governmental Entity:

4.13.1 If SRP receives a request to discontinue service from a Governmental Entity stating that it has revoked its clearance for the provision of electrical service, SRP may immediately disconnect service to the Customer without notice.

4.13.2 Once SRP disconnects service due to a request by a Governmental Entity, SRP will not reconnect service until it receives notice that the clearance for the provision of electrical service has been restored by the Governmental Entity.

4.14 Fraud:

4.14.1 No Person shall connect a wire or contrivance to any apparatus used by SRP to supply electricity to a Customer, nor shall any Person provide Power to any device by induction from SRP's Lines, in such manner that the Person takes electricity that is not properly metered or accounted for. No meter or other instrument installed for measuring the quantity of electricity consumed may be wrongfully obstructed, altered, injured, or prevented from functioning. When a meter seal has been broken by someone other than SRP's personnel, SRP may assess a reconnection fee to the Customer's billing. Bills for unmetered electricity may include the full cost or expense incurred by SRP to investigate and confirm diversion of electricity. SRP also reserves the right to impose additional charges, as it deems appropriate, when a provision of this Section 4.14.1 has been violated. Bills for all such charges are due and payable immediately upon presentation unless otherwise agreed by SRP. In addition to the remedies herein, SRP reserves all legal rights available to it including pursuing criminal prosecutions against, and criminal and civil damages from, any Party that violates this Section 4.14.1 or applicable law.

4.14.2 If SRP has evidence that any Customer has caused or allowed any of the conditions of Section 4.14.1 to exist, SRP may, at any time, without notice, discontinue the supply of electricity to the Customer and remove the meter or meters, apparatus, wires, and Service Lateral, as well as any evidence of the condition.

4.14.3 SRP will charge the Customer for periods of unmetered service, estimated using data from available records and information. In the event of damage to meters or Service Equipment, the current Customer of record shall pay SRP based on estimated Energy usage not previously billed as well as any SRP costs associated with restoring proper metering or service.

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- 4.14.4 If SRP disconnects service to the Customer because of a violation of these Rules and Regulations, SRP will not restore service to the Customer until all amounts due SRP have been paid. SRP will include the full cost or expense incurred by SRP for the removal and reinstallation of the meter or meters, apparatus, wires, and Service Lateral. The Customer's service entrance must comply with SRP's then-current Electric Service Specifications before it can be re-energized.
- 4.15 Other Reasons for Discontinuance:
- 4.15.1 SRP may terminate an Agreement for Electric Service with a Customer or suspend the delivery of service for any other default or breach of the Agreement by the Customer, but, except as expressly provided otherwise in these Rules and Regulations, SRP will not terminate or suspend service without first giving written notice to the Customer, stating in what particular way the Agreement has been violated.
- 4.15.2 SRP may terminate or suspend delivery of service in the event of a short circuit or other electrical system failure on the Customer's side of the Point of Delivery or, if the utilization of the service by the Customer, in SRP's sole discretion, is a safety hazard or may cause damage to Persons or property ("Emergency Disconnect"). Notwithstanding any other provision of these Rules and Regulations, the Price Plans, the Electric Service Specifications, a Customer's Agreement for Electric Service, or the Distributed Generation Interconnection Handbook, no advance notice need be given to the Customer in the event of an Emergency Disconnect.
- 4.15.3 Upon prior written notice, SRP may terminate or suspend the delivery of service if: (a) the Customer refuses to grant or is unable to procure easements necessary for or incidental to SRP's facilities or its provision of service to the Customer according to Section 5.1.5 or any written agreement between SRP and the Customer, or (b) SRP is not provided proper access to SRP Lines, Service Laterals, meters, or other equipment located on property owned or controlled by the Customer to perform maintenance or repair of SRP facilities, to provide service to the Customer, or to read meters on the Customer's premises.
- 4.15.4 Notwithstanding any other provision of these Rules and Regulations, the Price Plans, the Electric Service Specifications, or the Customer's Agreement for Electric Service or the Distributed Generation Interconnection Handbook, SRP may disconnect a Customer at any time, without notice, and remove the meter or meters if the Customer has misrepresented his or her identity in any manner.

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- 4.15.5 Upon prior written notice to Customer, SRP may terminate or suspend the delivery of electric service to any Customer who: (a) without obtaining SRP's prior written approval, connects or allows the connection of a Distributed Energy Device to any portion of such Customer's electric system; (b) is required to sign SRP's Interconnection Agreement but refuses to do so; (c) fails to procure the signature of a third-party owner or operator on SRP's Interconnection Agreement; or (d) fails to comply with the SRP's Distributed Generation Interconnection Handbook.
- 4.15.6 SRP may terminate or suspend delivery of electric service at any time, without notice, if a Customer's identity cannot be established to SRP's satisfaction.

RESALE OF ENERGY

4.16 General:

- 4.16.1 Without written notice to and assent from SRP, a Customer may not resell, redistribute, or re-deliver Energy supplied by SRP except as stated in the following Sections.
- 4.16.2 Written notice is not required if: (a) the Customer is the owner of the premises being served, (b) the Customer elects to accept delivery of Energy to all facilities through one Point of Delivery, (c) the delivery of Energy is measured through one meter, and (d) Energy is delivered only to lessees of Customer.
- 4.16.3 An owner that elects to deliver Energy to lessees as described in Section 4.16.2 shall be responsible for the expense, installation, and maintenance of any submeters or other devices installed in the Customer's Distribution System to determine the lessees' electrical usage.
- 4.16.4 Revenues collected by the owner from a lessee for lessee's electrical usage must be in accordance with the laws, codes, rules, and regulations established by the Governmental Entities thereof.
- 4.16.5 If a Customer violates any provision of Section 4.16, SRP may terminate or suspend the delivery of electric service, may refuse to supply electricity, and may seek any other available legal remedy to enforce compliance with such provision.

CONSTRUCTION

LINES AND SERVICE LATERALS

5.1 General:

- 5.1.1 Lines and electric connections necessary to supply service to the Customer will be provided by SRP in accordance with accepted utility engineering practice and subject to the applicable conditions and provisions of these Rules and Regulations and SRP's Electric Service Specifications. All connections to SRP's Lines will be made by SRP unless otherwise agreed to in writing by SRP.
- 5.1.2 Only one Service Lateral per Building will be constructed and service will be supplied only under a single set of conditions, such as voltage and number of phases, except that, where two or more Classes of Use are required or if, in SRP's opinion, the Building is exceptionally large or has extraordinary electric Capacity requirements, SRP may approve more than one Point of Delivery to the Building. Separate applications for service must be made for each delivery and each must be metered separately.
- 5.1.3 SRP reserves the right, at any time, to designate the location of its Lines on a Customer's premises and the location of the Point of Delivery and/or Customer's Service Equipment. Customer's Service Equipment must be installed in accordance with SRP's Electric Service Specifications.
- 5.1.4 If SRP is not given adequate assurance of a satisfactory return on investment to extend its facilities, SRP will extend those facilities only after satisfactory arrangements have been made with the Customer to reimburse SRP for the cost of the required installation and the cost of operation thereof.
- 5.1.5 Upon SRP's request, the Customer shall provide SRP easements satisfactory to SRP for Lines, Service Laterals, transformers, capacitors, and other equipment necessary or incidental to the provision of service by SRP. Acquisition of easements on third-party property shall be the responsibility of the Customer requesting service; provided, however, that SRP may in its sole discretion and with no obligation or guarantee, assist Customer in acquiring third-party easements and Customer shall reimburse SRP for all incurred costs. SRP is not obligated to commence the design, installation, or modification of electrical facilities for a Customer, nor to construct an Extension of its electric system for service to the Customer until each Customer to be served by such electrical facilities or the Extension has obtained and delivered to SRP easements satisfactory to SRP for such facilities or the Extension. For residential services and existing non-residential services without easements, the Customer shall be deemed

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- to have granted an easement to SRP for all Service Laterals located upon the premises of the Customer.
- 5.1.6 Upon SRP's request, the Customer shall allow installation and maintenance of equipment of other utilities within SRP's easements or other rights-of-way located upon property owned or controlled by the Customer.
- 5.1.7 If the Customer requests relocation or removal of SRP's facilities upon or from the premises of the Customer, such relocation or removal will be made at the expense of the Customer.
- 5.1.8 If electrical service to a location is terminated, SRP may, in its sole discretion, either remove its Service Lateral and related facilities or leave all or any portion of such Service Lateral and related facilities in place. If any portion of the Service Lateral is not removed by SRP and any Person, including the owner of the premises, later requests relocation or removal of such Service Lateral, the relocation or removal will be made at the expense of the requesting Person.
- 5.1.9 The length of Line or Service Lateral to be used in computing the additional required Contribution in Aid of Construction, if any, will be measured along the shortest practical distance, as determined by SRP.
- 5.1.10 Any overhead or underground Extension not specifically addressed by these Rules and Regulations or the Electric Service Specifications will be constructed only after special study by SRP to determine the required Contribution in Aid of Construction and to document all additional terms and conditions.
- 5.2 Service Laterals:
- 5.2.1 SRP will install an overhead or underground Service Lateral from existing overhead or underground Lines provided the point of attachment is within the distance limits established by SRP's construction standards, and provided that adequate clearance can be maintained from any obstructions or hazards. A Contribution in Aid of Construction payment may be required.
- 5.2.2 Where only underground Lines are available, overhead Service Laterals will not be constructed to serve Customers.

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EXTENSIONS

5.3 Construction – Line Extensions:

- 5.3.1 SRP will extend its Lines to serve a Customer where such Lines are contiguous to the existing electrical utility system (i.e., an Extension must be a branch from, a continuation of, or an addition to, an existing SRP Line).
- 5.3.2 SRP may construct Line Extensions with greater Capacity than that required by the Customer's electrical Load. The Customer will not be required to bear the cost of such additional Capacity unless the excess is specifically requested or needed to supply anticipated Load growth of the Customer.
- 5.3.3 Distribution Line Extensions in excess of 1,000 feet for a single Customer or project must be agreed to in writing by the Customer(s) and SRP.
- 5.3.4 When special Lines are constructed to serve a large Load, and such Lines would not otherwise provide SRP with a satisfactory return on investment, nor would they be constructed except for the revenue derived from the requesting Customer, then other Customers will be served from said Lines only upon their execution of Agreements for Electric Service. Such Agreements will provide for the discontinuance of service in the event of a loss of revenue derived from the large Load or, at the option of SRP, will require the other Customers to pay an additional monthly minimum charge and/or a Contribution in Aid of Construction.
- 5.3.5 When a Customer requests electric service that requires a three-phase Line Extension, SRP will extend any three-phase feeder Line required to serve the Extension if: (a) in the opinion of SRP, the feeder Line will promote the overall efficiency and reliability of its electric system; (b) the feeder Line is a continuance of SRP's existing three-phase Distribution System; and (c) the remaining Capacity of the existing feeder is greater than the sum of the Loads of the Customers for whom the Extension and any adjacent Extension is being constructed.

OTHER CONSTRUCTION STANDARDS

5.4 Building and Service Entrance:

- 5.4.1 Customers will provide all wiring within Buildings on their premises and between the Buildings and the service entrance. The location of the service entrance must be approved in advance by SRP.
- 5.4.2 The Customer must install, operate, and maintain its electrical facilities in a safe and adequate manner at all times. The SRP Electric Service

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Specifications manual may be used as a guide. SRP will provide the Customer with sections of those specifications relevant to the Customer's installation upon request. The manual adheres to the "National Electric Code (NFPA 70)" and the "Electric Utility Service Equipment Requirements Committee" and is generally compatible with local municipal codes. The SRP Electric Service Specifications are subject to such additions and revisions required to remain current with code changes and SRP policy.

5.4.3 SRP is not obligated to inspect the Customer's wiring, electrical facilities, or any installation downstream of the Point of Delivery. SRP may refuse or discontinue service to a Customer if, in SRP's opinion, any portion of the Customer's electrical system or installation is unsafe or creates a safety hazard.

5.5 High-Rise Buildings:

5.5.1 The Customer will provide and own all the Distribution facilities within a High-Rise Building, except when a study by SRP indicates a concentration of electrical usage sufficient to justify the additional investment and ownership of such facilities by SRP.

5.5.2 When SRP will provide and own the Distribution facilities, the Customer or Building owner must provide rights-of-way within the High-Rise Building that are satisfactory to SRP. In all cases, the raceways dedicated for use of SRP's facilities will be separated from all other raceways, shafts, etc. within the Building.

5.6 Meters and Equipment:

5.6.1 SRP will furnish and install the meter or meters to measure the electricity used by the Customer. The SRP meter or meters may be installed on the Customer's side of the Point of Delivery and will remain the property of SRP. The Customer must furnish sufficient space and proper devices for the installation of meters. The meter location must be approved by SRP and must offer adequate protection of metering equipment. The location must also provide sufficient space and reasonable access for service and meter-reading functions. Any Customer contemplating a change in installation or location of meters or equipment must file the proper application for such change with SRP. After an application has been filed, SRP may grant to the Customer or Customer's agent permission to access the service entrance meter area.

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- 5.6.2 The Customer must protect all property of SRP, including Lines, Service Laterals, transformers, capacitors, meters, structures, and other equipment located on the Customer's premises from theft, damage, or interference.
- a. The Customer shall be responsible for loss of or damage to SRP property located on the Customer's premises arising from the Customer's neglect, carelessness, or misuse and shall reimburse SRP for the cost of necessary repairs or replacements.
 - b. The Customer must notify SRP of any failure of SRP equipment.
- 5.6.3 SRP will install one meter or set of measuring devices for each Service Lateral, except where individual metering is necessary to bill multiple Customers or different Classes of Use.
- 5.6.4 To qualify for Totalizing, a Customer must comply with SRP's Totalizing policies and procedures, as described in the Electric Service Specifications. SRP offers Totalizing of electrical usage in the following scenarios:
- a. A Customer desiring the advantages of having the total electrical usage at a given premise or enterprise billed as a unit must bring wiring to a central point so that the entire Load for a given type of service may be supplied through a single Service Lateral and one meter. If SRP determines a Customer's Load exceeds SRP's ability to serve through a single Service Lateral, the installation of additional SRP facilities, Customer service entry sections, and associated metering may be required. If the Customer desires the total electrical usage billed as a unit, the additional service entry sections must be placed adjacent to the existing service entry sections. Under any circumstance, the decision to bill the total electrical usage as a unit will be at the sole discretion of SRP.
 - b. Totalizing may be permitted when a Customer is fed from a dedicated feeder and has multiple services and meters. At minimum, all of the following conditions must be met: (i) the Customer accounts must be on the same E-60 series Price Plan, (ii) the multiple services must be located on the same or immediately adjacent property, and (iii) Totalizing shall not commence until the Customer has begun paying the full dedicated Facilities Charge.
- 5.6.5 When two or more Classes of Use exist within a Building, a separate application must be made for each Class of Use. SRP may require that each Class of Use be metered separately. Different Classes of Use may be supplied through a separate Service Lateral at the sole discretion of SRP.

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- 5.6.6 When two or more meters are to be installed on the same Building to service different Customers, they must be grouped at a common point. The meter loops for each Customer must be clearly designated. The placement of meter loops and meter boards must be made by the Customer or owner of the Building at a location or locations to be designated by SRP, and must be installed in accordance with the SRP Electric Service Specifications or as required by authorized Governmental Entities.
- 5.6.7 When electric meters are to be installed on a switchboard, the Customer is responsible for all drilling necessary for SRP to mount and connect its meters before installation of the meters. A template for such drilling can be obtained from SRP.
- 5.6.8 Metering transformers, if required, will be furnished and installed by SRP. A Contribution in Aid of Construction may be required for them.
- 5.6.9 Except as may be provided in the Customer's Agreement for Electric Service, any device or equipment installed by SRP on the Customer's premises will be owned and maintained solely by SRP regardless of any Contribution in Aid of Construction or deposit that may have been provided.
- 5.6.10 If a Customer, such as the operator of a mobile home park, desires that the master meter being used to bill the Customer be replaced with multiple meters billed individually to individual tenants, the Customer shall contact SRP regarding the matter. SRP will then inspect the Customer's premises and determine the physical changes required to convert from master metering to individual metering. The Customer may be required to pay a Contribution in Aid of Construction for any new or upgraded facilities that SRP determines are necessary. The Customer will also be responsible for removal of all Customer-owned electrical facilities no longer required to provide electric service.
- 5.7 Point of Delivery:
- 5.7.1 In all cases, SRP will determine the Point of Delivery.
- 5.7.2 The Customer is responsible for construction, operation, and maintenance of all electrical facilities downstream from the Point of Delivery. SRP is responsible for construction, operation, and maintenance of all facilities upstream from the Point of Delivery. SRP will at all reasonable times, as a condition of service and in accordance with these Rules and Regulations, have the right of access to SRP's facilities, including termination connections.

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5.8 Voltage:

5.8.1 SRP will furnish and install the necessary transformation equipment to furnish the Customer with service at one of the nominal voltages specified in the applicable SRP Price Plan. SRP reserves the right to install the transformer and related facilities in a manner that promotes the overall efficiency and reliability of SRP's electrical system and that provides service consistent with recognized utility practices to the Customer's Point of Delivery in accordance with these Rules and Regulations.

5.8.2 SRP will provide service to large industrial and commercial Customers from SRP's facilities built based on SRP standards applicable to the type and character of service to be furnished.

LIABILITY AND RESPONSIBILITY

CUSTOMER'S EQUIPMENT AND ITS OPERATION

6.1. General:

SRP may refuse or disconnect service when the Customer's wiring or equipment is so designed or operated as to disturb service to other Customers or constitutes a physical or electrical hazard, as determined by SRP. All motors connected to SRP Lines must be of a type that will not require starting current deemed unreasonable by SRP, or shall be equipped with protective devices that restrict the starting current to limits acceptable to SRP. SRP may require that motor Loads of less than five horsepower be single phase.

6.1.1 Harmonics and Voltage Flicker:

Customers may not connect Loads to the SRP electric system that cause unacceptable voltage fluctuations (incandescent lamp flicker) and/or distortions (voltage/current harmonics) to the electric system. Examples of Loads that may cause voltage fluctuations, distortions, or harmonics include welders, hoists, X-ray machines, gaseous-discharge lamps, rectifiers, motors, adjustable speed drives, and arc furnaces. SRP may require that such Loads be supplied from a separate, dedicated service and/or that corrective equipment be installed at the Customer's expense. The Customer shall be responsible for all associated costs. To prevent unacceptable voltage fluctuations and/or distortions, SRP enforces the following guidelines and may install specialized metering equipment and collect all associated costs, to ensure compliance:

Flicker Guidelines:

For voltage systems less than 1,000 volts, the following standards will apply, as applicable:

- IEEE Std 141, "IEEE Recommended Practice for Electric Power Distribution for Industrial Plants" (1993 or latest edition).
- IEEE Std 241, "IEEE Recommended Practice for Electric Power Systems in Commercial Buildings" (1990 or latest edition).

For voltage systems of 1,000 volts or higher, the following standards will apply, as applicable:

- IEC 61000-3-7, "Assessment of emission limits for the connection of fluctuating installations in MV, HV, and EHV power systems" (2008 or latest edition).

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- IEEE Std 1453, “IEEE Recommended Practice for the Analysis of Fluctuating Installations on Power Systems” (2015 or latest edition).

Harmonic Guidelines:

- IEEE Std 519, “IEEE Recommended Practice and Requirements for Harmonic Control in Electric Power Systems” (2022 or latest edition).

6.2. Distributed Energy Devices on Customer’s Premises:

- 6.2.1 Energizing equipment connected to the SRP electric system could act as a source of electrical backfeed, causing injury or death to electrical utility personnel working on Lines, Service Laterals, or other SRP electrical facilities in the vicinity. Customers shall refer to the SRP’s Distributed Generation Interconnection Handbook (which is available on SRP’s website at www.srpnet.com and may be changed from time to time at the sole discretion of SRP) for requirements for and technical information about connecting Distributed Energy Devices to the SRP electric system. Any Customer whose electric system is connected to a Distributed Energy Device shall comply with SRP’s Distributed Generation Interconnection Handbook. No Distributed Energy Device may be connected to any portion of a Customer’s electric system that is connected to the SRP electric system unless SRP has first been notified of and approved such connection. Such notification and approval shall both be in writing.
- 6.2.2 If a Customer desires its or a third party’s Distributed Energy Device to be directly or indirectly connected to SRP’s electric system through the Customer’s electric system, the Customer shall first sign SRP’s Interconnection Agreement. Upon SRP’s request and in its sole discretion, SRP may also require a third-party owner or operator of an electrical Distributed Energy Device to sign SRP’s Interconnection Agreement.
- 6.2.3 For Customer Load normally served from the SRP system, which can also be switched to a Customer’s Distributed Energy Device if the SRP electric system is deenergized, an open transition transfer switch shall be installed between SRP’s and the Customer’s electric systems. This switch shall electrically and mechanically prevent connection of the Customer’s Distributed Energy Device to SRP’s electric system. The Customer should contact SRP if the Customer has any questions regarding these requirements.
- 6.2.4 Except in cases of SRP’s gross negligence or willful misconduct, the Customer shall indemnify and hold harmless SRP from and against all claims, whether arising in tort, contract, strict liability, or any other legal

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theory, for loss of or damage to property or injury to Persons arising out of the design, construction, or operation of any Distributed Energy Device connected to the SRP electric system by or on behalf of the Customer.

6.3. Customer-Owned Substation Equipment:

Customers who own substation equipment shall conform to the SRP Guidelines for Customer Ownership of Substation Equipment, which may be changed from time to time at the sole discretion of SRP. A copy of the Guidelines may be obtained from the Customer's SRP Account Representative.

6.4. Polyphase Circuit Balance:

A Customer receiving three-phase electric Energy must maintain, as nearly as is reasonably possible, equal currents in the three phases at the Point of Delivery. If, at any time, the current in any phase exceeds the average of the currents in the three phases by more than 5%, the amount to be paid by the Customer for the period during which the imbalance occurs may be increased by a percentage equal to that of the imbalance.

6.5. Power Factor:

SRP may include adjustments to bills for Loads for which the Power Factor falls below 85% leading or lagging at any metering point during any Billing Period. If a Customer's Load operates at less than 85% leading or lagging Power Factor, SRP may, in addition to taking other measures set forth in the Price Plan, require the Customer to provide, at Customer's expense, corrective equipment to correct the Power Factor to an acceptable level.

6.6. Single Phasing and Phase-Reversal Protection:

6.6.1 SRP shall not be responsible to the Customer for, and the Customer shall release SRP from, damage to motors, other current-consuming equipment, and/or devices mechanically or electrically connected to such equipment, resulting from any phase reversals, single-phasing of three-phase service, or other similar conditions except when such damage is the direct result of SRP's gross negligence or willful misconduct.

6.6.2 For three-phase motors driving elevators, hoists, tramways, cranes, conveyors, or other equipment that could create hazard to life in the event of uncontrolled reversal of motor rotation, the Customer must provide reverse-phase and open-phase protection, at the Customer's expense, to completely disconnect the motors from their Electrical Energy source in the event of phase reversal or loss of one or more phases.

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6.7. Changes in Installation:

Each of SRP's service wires, transformers, meters, and other devices used to supply electricity to the Customer's installation has a maximum Capacity. Customer must obtain prior written consent of SRP to increase the Connected Load. Failure to obtain such consent may result in damage to SRP's equipment, extended interruption of the Customer's service, and damage to equipment of other Customers. When such damage is due to failure of the Customer to obtain consent, SRP may require the Customer to pay any and all damages including the cost to repair or replace the damaged equipment.

LIABILITY

6.8. Liability – General:

6.8.1 SRP makes no warranty, express or implied, as to the adequacy, safety, operation, or other characteristics of any of the structures, equipment, wires, conduits, appliances, or devices owned, installed, operated, or maintained by the Customer or leased by the Customer from third parties.

6.8.2 Except in cases of SRP's gross negligence or willful misconduct, the Customer shall indemnify and hold harmless SRP from and against all claims, whether arising in tort, contract, strict liability, or any other legal theory, for loss of or damage to property or injury to Persons arising out of the delivery or use of electric service at or on the Customer's side of the Point of Delivery, and the Customer's delivery of electricity to SRP.

6.8.3 Except in cases of SRP's gross negligence or willful misconduct, SRP shall not be liable, whether in tort, contract, strict liability, or any other legal theory, for the loss of or damage to property (but not including bodily injury) arising (a) out of the delivery of electricity, or (b) from the presence or operation of SRP's facilities, wires, equipment, or structures on or near the Customer's premises.

6.9. Service Interruptions, Variations, and Curtailments – Limitation on Liability:

6.9.1 SRP does not guarantee a regular and uninterrupted supply of service to Customers. SRP makes no warranty, express or implied, as to the adequacy, consistency, safety, character, or any other characteristic of the electricity or the supply or delivery thereof. SRP expressly disclaims all warranties, express or implied, regarding the supply and delivery of electricity to Customer.

6.9.2 SRP may, without liability, interrupt or limit the supply of service in order to make repairs, changes, or improvements to any part of its system for the general good of the service or the safety of the public or to prevent or limit any actual or threatened instability or disturbance of the system.

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- 6.9.3 If a shortage of electricity occurs and SRP apportions its available supply of electricity, or reduces the system voltage, or temporarily disconnects service, SRP shall not be liable for any resulting loss or damage.
- 6.9.4 If Load reduction is required, Customer Load will be curtailed as deemed practicable by SRP in its sole discretion.
- 6.9.5 SRP shall not be liable, except in cases of SRP's gross negligence or willful misconduct, whether in tort, contract, strict liability, or any other legal theory, for any losses, costs, damages, or expenses, other than for bodily injuries, arising out of any interruption, variation, and/or curtailment of service, including but not limited to an interruption, variation, and/or curtailment of service permitted by this Section 6.9 or caused by an uncontrollable force. The term "uncontrollable force" shall include but not be limited to accident, flood, earthquake, tornado, storm, lightning, and other natural catastrophes, fire, epidemic, failure of facilities, war, riot, civil disturbances, terrorism, labor disturbances, labor disputes, strikes, sabotage, restraint by court or public authority, action or non-action by any Governmental Entity or authority, or failure to obtain the necessary permits, licenses, authorizations, or approvals from any Governmental Entity or authority, state or municipal interference, or any other cause beyond SRP's control. SRP shall exercise due diligence to restore service in the event interruptions occur. Nothing herein shall be construed to require SRP to settle a strike or labor dispute.
- 6.9.6 For all service interruptions, variations, and/or or curtailments of any nature, including any interruption, reversal, spike, surge, or variation in supply or voltage, transient voltage, or any other failure in the supply of electricity, to the extent the liability of SRP has not been precluded altogether pursuant to these Rules and Regulations, the liability of SRP to Customers or other Persons for damages, of whatever nature, including loss of business, loss of production, or damage to computers or other electronic equipment and appliances, shall in no event exceed the cost of necessary repairs of physical damage proximately caused by the service failure to those electrical delivery facilities of Customers that were then equipped with the protective safeguards recommended or required by the then-current edition of the National Electrical Code, or liquidated damages in the amount of \$10,000, whichever is less.
- 6.9.7 Service to Customer is expressly conditioned upon, and, in consideration for the services being rendered to Customer by SRP, the Customer hereby releases and agrees to release SRP from any direct, indirect, or consequential loss, damage, claim, charge, cost, or expense of any kind or nature that has resulted or may result in connection with variations, curtailment, and/or interruption to electric service to the Customer.

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- 6.9.8 A variety of protective devices and alternate power supplies that may prevent or limit damage that may arise as a result of the events described in this Section 6.9 are available for purchase by the Customer from third parties. In addition, insurance coverage for such damage may be available for purchase by the Customer. Unless the Customer has entered into a written contract with SRP for temporary backup generation, SRP has no obligation to provide backup generation in the event of a scheduled or unscheduled outage, or otherwise. The Customer assumes full responsibility for obtaining the necessary protective devices, alternate power supplies, and insurance, and SRP shall in no event be liable for any loss, damage, claim, charge, cost, or expense of any kind or nature that Customer could have prevented or insured against through procurement of protective devices, alternate power supplies, and insurance.
- 6.9.9 Customer shall use reasonable efforts to avoid or mitigate its damages or losses suffered as a result of SRP's conduct under this Section 6.9.

ACCESS

6.10. Access to Premises:

- 6.10.1 In accepting service, the Customer grants to SRP's employees and agents an unconditional right of access to the premises of the Customer at all reasonable times for purposes such as installing, connecting, reading, testing, repairing, adjusting, disconnecting, removing, inspecting, or maintaining any of SRP's meters, wires, poles, or other equipment, and providing notices.
- 6.10.2 Customers with electronic gated access to their premises or community shall install or cause to be installed SRP-approved access switch assemblies on the property access gate(s) that will allow SRP employees and agents to enter and exit the gated property through the access gate(s) using an SRP proprietary key. The Customer shall be responsible for installation and maintenance of the SRP-approved switches at Customer's expense. The Customer hereby releases SRP from and waives any claim it may have against SRP if installation of an SRP-approved switch invalidates or voids any warranty covering the Customer's electronic gate. SRP shall not be liable to the Customer for, and the Customer shall indemnify and hold harmless SRP from and against, any claims for damage to the Customer's gate(s) or to property of the Customer or any third party and death or injury to Persons arising out of the installation or use of the access switch assemblies, regardless of whether or not the access switch assemblies are purchased from or approved by SRP. If the Customer is not required by law, ordinance, or code to provide manual or electronic control of the Customer's access gate(s) to emergency service personnel or the US Postal

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Service, and if an access gate is continuously guarded by the Customer, the Customer shall not be obligated to install an access switch assembly on the continuously guarded access gate. An access gate shall be deemed to be continuously guarded if a Customer or its employee or contractor is assigned to operate the access gate 24 hours a day, seven days a week, and such individual operating the access gate is present at a station located adjacent to the access gate, so that such individual is immediately accessible at all times to any SRP employee attempting to enter or exit the Customer's property through the access gate.

- 6.10.3 All employees authorized to do work for SRP on the premises of the Customer will carry badges or other suitable identification, which they are instructed to show to the Customer upon request.

ENCROACHMENTS

6.11. Vegetation Encroachments and Hazards:

- 6.11.1 The Customer, not SRP, is responsible for pruning or removing vegetation (trees, shrubs, vines, etc.) on the Customer's property that interfere or may interfere with Lines, Service Laterals, transformers, meters, or other SRP facilities. The Customer shall hire a qualified Line clearance tree trimmer to clear encroaching vegetation from such facilities. The Customer shall, and shall cause any contractor hired by the Customer to, comply with all applicable laws when pruning or removing vegetation near SRP equipment and facilities, including Arizona Revised Statutes Sections 40-360.41 et seq. (regarding activities near overhead power lines).
- 6.11.2 Vegetation on a Customer's premises must comply with any planting and encroachment requirements established by SRP. A Customer shall not plant or maintain any vegetation near any SRP electric facilities (whether overhead or underground) in a manner that encroaches or could foreseeably encroach upon SRP's electric facilities, or interferes with SRP's ability to safely operate, access, maintain, and protect SRP's electric system. If vegetation on a Customer's premises encroaches or could foreseeably encroach upon any of SRP's Lines, Service Laterals, transformers, meters, or other equipment, or interferes with SRP's ability to safely access, operate, maintain, and protect the SRP electric system or to read meters, SRP may prune or remove the vegetation and may charge the Customer for SRP's costs to do so. Upon prior written notice to the Customer, SRP shall be provided access to property owned or controlled by the Customer in order to prune or remove, at Customer's expense, such vegetation. SRP shall not be liable to the Customer for, and the Customer releases SRP from, any claims for damages associated with the pruning or removal of such vegetation including the value of or replacement cost of such vegetation.

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- 6.11.3 The Customer is responsible for maintaining a clear, dry, landscaped area three feet from and around the edges of all transformer and other equipment pads, as described in SRP's Electric Service Specifications and any planting and encroachment standards established by SRP.
- 6.11.4 If a Customer fails to remove or remedy a vegetation encroachment or hazard as described herein, fails to provide access to SRP to prune or remove such vegetation, or fails to reimburse SRP for its reasonable costs of pruning, removal, or remediation, SRP may terminate service to the Customer's account(s) until the Customer removes or remedies the vegetation encroachment or hazard or reimburses SRP for the costs of doing so.
- 6.11.5 If SRP is required to bring a lawsuit to enforce these provisions, SRP shall be entitled to all remedies available under the law, including injunctive relief, authorizing SRP to immediately prune or remove the vegetation that encroaches or could foreseeably encroach upon any of SRP's Lines, Service Laterals, transformers, meters or other equipment or interferes with SRP's ability to safely operate, access, maintain, and protect SRP's electric system or to read meters.
- 6.12. Structural Encroachments and Hazards:
- 6.12.1 A Customer shall not construct or install (or allow to be constructed or installed) any structure (including walls, fences, mailboxes, propane tanks, sheds, and other permanent objects) or excavate or place fill near any SRP electric facilities (whether overhead or underground) in such a manner that such structure, excavation, or fill encroaches upon SRP's electric facilities or interferes with SRP's ability to safely operate, access, maintain, and protect the SRP electric system. Customer must at all times maintain all clearances from SRP facilities as specified in the National Electric Safety Code, in Arizona Revised Statutes Section 40-360.21 et seq. (regarding activities near underground facilities) and Sections 40-360.41 et seq. (regarding activities near overhead power lines), in any applicable SRP easement or other right-of-way document, or as otherwise required by law, rule, or regulation. The Customer is responsible for properly locating and protecting underground SRP facilities by obtaining an appropriate clearance before any excavation is made. Appropriate clearance may be obtained by calling Arizona 811 (formerly Blue Stake) at (602) 263-1100, or 1-800-STAKE-IT.
- 6.12.2 SRP reserves the right to remove or modify any structure, fill any excavation, or remove any fill, wet landscaping, or irrigation system that encroaches upon or could damage SRP's electric facilities (whether overhead, underground, or streetlight) or interferes with SRP's ability to safely operate, access, maintain, and protect the SRP electric system, and

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SRP may charge the Customer for SRP's costs to do so. SRP shall not be liable to the Customer for any loss of or damage to the Customer's property resulting from such action.

- 6.12.3 If a Customer fails to remove or remedy a structural encroachment or other hazard as described herein, or if a Customer fails to reimburse SRP for its reasonable costs of such removal or remediation, SRP may terminate service to the Customer's account(s) until the Customer removes or remedies the structural encroachment or hazard or reimburses SRP.

APPENDIX A

The following pricing terms have the meaning specified:

- 7.1 **ANCILLARY SERVICES CHARGES:** Charges used to recover costs related to ancillary services. Ancillary Services are the following services, as further described in SRP's Open Access Transmission Tariff, that are necessary to support the transmission of capacity and energy from resources to loads while maintaining the reliable operation of the transmission system.
- 7.1.1 **ANCILLARY SERVICE 1 (Scheduling, System Control, and Dispatch Service):** Service required to schedule the movement of Power through, out of, within, or into a Balancing Authority Area.
- 7.1.2 **ANCILLARY SERVICE 2 (Reactive Supply and Voltage Control from Generation or Other Sources Service):** Service required to maintain Transmission voltages within limits generally accepted in the region and consistently adhered to by SRP.
- 7.1.3 **ANCILLARY SERVICE 3 (Regulation and Frequency Response Service):** Service necessary to provide continuous balancing of resources (Generation and interchange) with Load and to maintain scheduled interconnection frequency at 60 Hz.
- 7.1.4 **ANCILLARY SERVICE 4 (Energy Imbalance Service):** Service provided when SRP is participating in the Energy Imbalance Market and when the Energy Imbalance Market has not been suspended to supply or absorb Energy during each hour when a difference occurs between the scheduled and the actual delivery of Energy to a Load within a Balancing Authority Area.
- 7.1.5 **ANCILLARY SERVICE 5 (Operating Reserve – Spinning Reserve Service):** Service needed to serve Load immediately in the event of an electric system Contingency.
- 7.1.6 **ANCILLARY SERVICE 6 (Operating Reserve – Supplemental Reserve Service):** Service needed to serve Load in the event of an electric system Contingency. Such service is available to serve Load within a short period of time but not immediately.
- 7.2 **BILLING AND CUSTOMER SERVICE CHARGE:** A charge used to recover costs related to support customer applications, contracts, orders and bills for delivery and collection, receiving preparing recording and handling customer billing data, customer account records, routine orders for service, disconnections and transfers, providing assistance, and communicating with customers.

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- 7.3 DISTRIBUTION DELIVERY CHARGE: A charge used to recover costs related to the Distribution System, in particular, substation and primary costs.
- 7.4 DISTRIBUTION FACILITIES CHARGE: A charge used to recover costs related to the distribution system, in particular, secondary costs comprising secondary transformers, conductors, conduits, switches, and other secondary appurtenances, and some directly assigned customer enhancement-related expenses.
- 7.5 GENERATION CHARGE: A charge to collect expenses incurred directly in the production of power, less the Fuel and Purchased Power and Ancillary Services expenses.
- 7.6 METER CHARGE: A charge to recover costs related to owning and maintaining the electric meter.
- 7.7 SYSTEMS BENEFIT CHARGE: A charge included in all Price Plans to fund certain programs benefiting the general public
- 7.8 TRANSMISSION CHARGE: A charge to recover costs related to the Transmission System.