

Ticaboo Electric Improvement District
Ticaboo, Utah

Original Sheet No. 1
P. S. C. Utah No. 1

Proposed TARIFF NO. 1
Applicable to the
TICABOO ELECTRIC IMPROVEMENT DISTRICT, UTAH

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

INDEX

<u>Description</u>	<u>Sheet No.</u>
Title and Authority	1
Index	2
Preliminary Statement	3
District Boundary Map	4
Rate Schedule	3
Rules and Regulations	4-39
Line Extension Policy	40-41

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

PRELIMINARY STATEMENT

This Tariff applies to all electric service rendered by the Ticaboo Electric Improvement District (the "District") within the District's boundaries as shown on the boundary map on the following page.

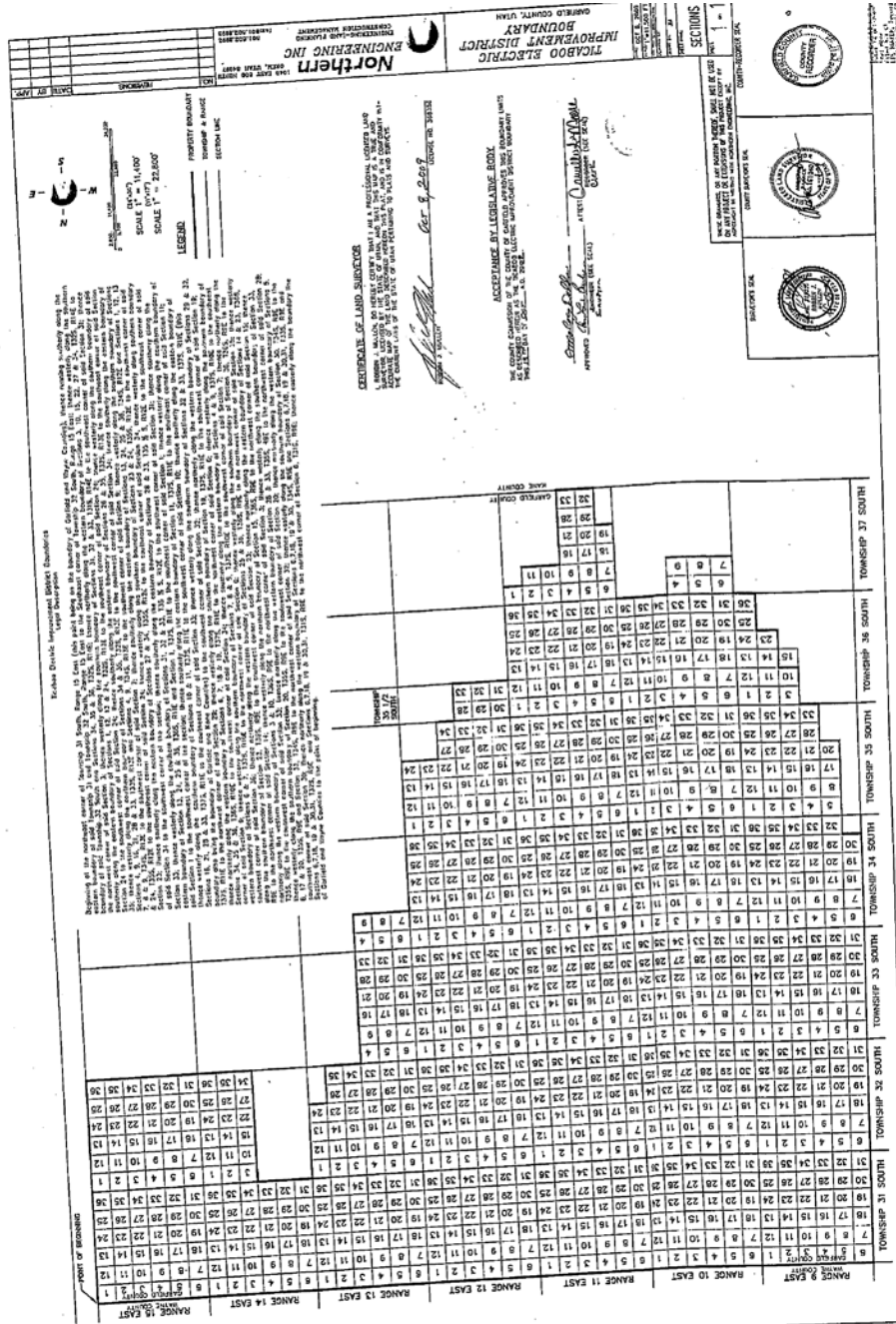
The District will provide general electric service to its customers, including residential, commercial, industrial, and governmental.

The District will generally provide electric service to all applicants within the District's boundaries, as long as the applicant meets all the requirements of this Tariff, and subject to the District's ability to provide those services.

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

DISTRICT BOUNDARY MAP



Filed: _____, 2009
 Advice Letter No. _____

Effective: _____

ELECTRIC SERVICE RATE SCHEDULE

Applicability

Applicable in entire District boundaries to electric service for all purposes, including residential, commercial, industrial, and governmental purposes at one point of delivery for use at a single dwelling unit, for commercial and industrial purposes at a single business connection, and for governmental, at a single connection.

Electric Usage Rate

The following rate is for the period of one month:

<u>Usage</u>	<u>Charges</u>
First 200 kWh	\$50.00 Fixed Charge
Over 200 kWh	\$0.26 per kWh
Inactive Fees	\$50.00 per ERU connection

Connection Charges

New Connection fee	\$500.00
Turn-on service where meter is already in place	\$ 50.00
Turn-off service	\$ 50.00

Records Requests

The District will charge the following rates for services provided in response to record requests under the Government Records Act and the Records Policy set forth below.

Reviewing a record to determine whether it is subject to disclosure. No Charge

Inspection of record by requesting person No Charge

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

Ticaboo Electric Improvement District
Ticaboo, Utah

Original Sheet No. 6
P. S. C. Utah No. 1

Photo copy of record	\$.25/page
Computer disk	Actual Cost (including District overhead and staff time)
Other forms of records. . .	Actual Cost (including District overhead and staff time)

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS

1.0 GOVERNMENT SUBDIVISION

1.1 Mission Statement

- 1.1.1 The Ticaboo Electric Improvement District (hereinafter referred to as “District”) was created in October 2009 as an independent local improvement district under Section 17B-2-301 of the Utah Code Annotated (“UCA”) (2009), by petition of the registered voters within the District to the County Commission of Garfield County, Utah, to provide the generation, distribution and sale of electricity. The District is a political subdivision and operates as an improvement district in accordance with Title 17B, Chapter 2a, Part 4 of the Utah Code (2009) and a local district in accordance with Title 17B, Chapter 1 of the Utah Code (2009). The District is a public utility subject to the jurisdiction of the Public Service Commission (except the District is not subject to UCA § 54-7-12). The District has received a certificate of public convenience and necessity from the Utah Public Service Commission to provide electricity within the District’s boundaries.

1.2 District Government Vested in the Board of Trustees

- 1.2.1 The District is governed by a Board of Trustees, hereinafter referred to as the “Board,” which shall manage and conduct the business and affairs of the District and shall determine all questions of District policy. The Board shall exercise all powers and perform all functions in the operation of the District and its properties as are ordinarily exercised by the governing body of a political subdivision of the State of Utah and as are necessary to accomplish the purposes of the District. (UCA § 17B-1-301 (2009)).

RULES AND REGULATIONS (continued)

1.2.2 The Board is composed of three (3) Trustees appointed by the Garfield County Commission for terms of four years, except that the initial terms shall be staggered so that the term of approximately half of the Board expires every two (2) years. (UCA § 17B-1-303 (2009)).

1.2.3 The District Manager and the subordinate officers and employees will execute the will of the Board as expressed by Board policy and direction.

1.3 Functions of the Board of Trustees

1.3.1 In every case, the will of the Board shall be expressed by at least a majority vote of the Board. No statement or act of any individual member of the Board shall be viewed as the will of the Board.

1.3.2 The Board shall appoint, as the need arises, qualified persons to function as District Manager and any other officers as the Board may be deemed necessary for the good government of the District and shall regulate and prescribe the powers and duties of all officers of the District, except as provided by law. The Board shall also approve the hiring of qualified persons or entities to provide legal, accounting, engineering, and other professional services, when necessary

1.3.2.1 The District Manager administers the policies and directives of the Board and manages the day-to-day operations and affairs of the District. The Board will review the District Manager's performance. When a non-Trustee is hired to fill this position, the Board will review the District Manager's compensation level annually.

1.3.3 The Board will review this document annually to ensure that it is pertinent and current.

1.3.4 No member of the Board may, while serving on the Board, be employed by the District, whether as an employee or under a contract, and no person employed by the District, whether as an employee or under a contract, may serve on the Board, unless (a) the job opening has had reasonable public notice and (b) the person employed is the best qualified candidate for the position. (UCA § 17B-1-311 (2009)).

1.4 Board Committees

1.4.1 The Board may from time to time appoint committees of its own members to conduct investigations into the conduct of District government, any District officer or any

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

matter relating to the welfare of the District, and delegate to those committees such powers of inquiry as the Board may deem necessary.

1.5 Oath of Office

1.5.1 Prior to assuming official duties, each Trustee shall take an oath before an officer authorized to administer oaths that the Trustee will support, obey and defend the Constitution of the United States and the Constitution of the State of Utah, and faithfully discharge the duties of the office of Trustee.

1.6 Chair of the Board of Trustees

1.6.1 The Board shall elect from its members a Chair every time Board membership changes, who shall serve at the pleasure of the Board unless the Board sets a term for officers.

1.6.2 The Chair shall:

1.6.2.1 Preside at all meetings of the Board.

1.6.2.2 Execute, on behalf of the District, all bonds, resolutions of the Board and, where required, contracts and other written obligations, and countersign disbursement checks.

1.6.2.3 Attend and, if appropriate, preside at ceremonial activities (including, but not limited to ribbon cutting, open houses, and receptions) in which ceremonial representation is needed or sought.

1.6.2.4 Be a spokesperson for the Board, unless the Board directs otherwise. When the Chair acts as a spokesperson for the Board or the District, the Chair should speak for the majority of the Board. When speaking in his or her capacity as an individual member of the Board, the Chair should clearly identify that limited capacity.

1.6.2.5 Not also be the District Clerk/Secretary or Treasurer.

1.6.2.6 Represent the will of the Board.

1.6.2.7 Have no duties other than those specified in this section.

1.6.3 The Chair has the right to vote as a Trustee.

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

1.7 District Clerk/Secretary

- 1.7.1 The Board shall appoint a District Clerk/Secretary who shall attend the Board's meetings and keep a record of the proceedings of the Board. (UCA § 17B-1-631 (2009)). The District Clerk/Secretary shall also maintain the financial records of the District and related subsidiary records. (UCA § 17B-1-632 (2009)). The District Clerk/Secretary may not also be the Chair or the Treasurer. The District Clerk/Secretary may, but need not, be a Trustee.
- 1.7.2 Until such time as there is an employee of the District who can act as the District Manager, the District Clerk/Secretary shall assume the duties of the District Manager.

1.8 Treasurer

- 1.8.1 The Board shall appoint a Treasurer who shall be the custodian of the funds of the District. (UCA § 17B-1-633 (2009)). The Treasurer may not also be the Chair or the District Clerk/Secretary. The Treasurer may, but need not, be a Trustee.

1.9 Trustee Compensation

- 1.9.1 Each member of the Board of Trustees shall receive reimbursement for necessary travel and other expenses actually incurred while engaged in the performance of official Board duties. (UCA § 17B-1-307 (2009)).
- 1.9.2 The Board may compensate its members for their service as Trustees up to the limit set forth in UCA § 17B-1-307 (2009), as it may be amended from time to time.

2.0 DISTRICT ADMINISTRATION

2.1 Structure of District Administration

- 2.1.1 District administration consists of the District Manager and other officers as may be needed in the discretion of the Board.
- 2.1.2 The administrative powers of the District are vested in and exercised by the District Manager.

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

2.1.3 Each officer of the District shall have such authority as is necessary to enable such officer to carry out duties and responsibilities as assigned by this Document or at direction of the District Manager. The designation of a duty or responsibility shall constitute such authority as is necessary to affect the duty or responsibility so imposed.

2.2 Fidelity Bonds

2.2.1 All elected or appointed officers of the District shall, before assuming the duties of office, obtain an official bond conditioned for the faithful performance of the duties of the office and the payment of all monies received by such officers according to the laws and ordinances of the District with corporate sureties. The premium of the surety bond shall be paid by the District. The coverage and amount shall be at least the minimum required by law or such other amounts as required by the courts, or financing obligations of the District. (UCA § 51-7-15 (2009)).

2.3 Appointment of the District Manager

2.3.1 The Board shall by majority vote hire an employee to serve as the District Manager solely on the basis of that individual's ability, integrity, and prior experience relating to the duties of the office, including but not limited to managerial capabilities that, in the opinion of the Board, will provide the District with the professional direction it needs.

2.4 Power and Duties

2.4.1 The District Manager shall:

2.4.1.1 Faithfully execute and enforce all applicable laws, rules and regulations and see that all franchises, leases, permits, contracts, licenses, and privileges granted by the District are observed;

2.4.1.2 Carry out the policies and programs established by the Board;

2.4.1.3 Establish standards, qualifications, criteria, and procedures to govern the appointment of employees within the District, subject to any applicable provisions of this Document and any future personnel rules and regulations adopted by the Board;

2.4.1.4 Submit to the Board plans and programs relating to the development and needs of the District, and annual or special reports concerning the financial, administrative and operational activities of the District;

Filed: _____, 2009
Advice Letter No. ____

Effective: _____

RULES AND REGULATIONS (continued)

2.4.1.5 Attend all meetings of the Board and take part in its discussions and deliberations;

2.4.1.6 Recommend to the Board for adoption such measures as deemed necessary or expedient;

2.4.1.7 Prepare a financial estimate of the annual budget and advise the Board of the financial condition and needs of the District;

2.4.1.8 Schedule such public hearings before the Board as are required by law including, but not limited to, rate hearings and budget hearings and cause notice thereof to be published as required by law;

2.4.1.9 Execute such contracts as are necessary for the good order and operation of the District, provided the expenditures pursuant to such contracts are within the appropriations contained within the appropriate budget as adopted by the Board;

2.4.1.10 Implement and administer such plans as approved by the Board for the compensation of District employees;

2.4.1.11 Approve expenditures made for official District business, provided such expenditures are within the appropriations contained within the appropriate budget as adopted by the Board;

2.4.1.12 Act as the Records Officer for the District (UCA § 63G-2-103(25) (2009));

2.4.1.13 Act as the HIPAA Privacy Officer and the HIPAA Security Officer under the Health Insurance Portability and Accountability Act of 1996 and any federal regulations enacted thereunder and shall be responsible for complying with such Act and related regulations; and

2.4.1.14 Discharge any other duties specified by statute or designated by the Board.

2.5 Removal of the District Manager

2.5.1 The District Manager serves at the pleasure of the Board and may be removed by unanimous vote of the Board.

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

3.0 DISTRICT FINANCE

3.1 Budget Officer

3.1.1 The District Manager shall function as the Budget Officer, as appointed by the Board in accordance with Title 17B, Chapter 1, Part 6 of the Utah Code (2009). The District Manager is authorized to make expenditures for:

3.1.1.1 Payroll;

3.1.1.2 Repetitive contractual obligations such as utility bills; and/or

3.1.1.3 All items approved by the Board in the annual budget or by specific Board action.

3.2 Preparation of Budget

3.2.1 Prior to the regularly scheduled meeting of the Board in November of each year, the Budget Officer shall present an outline of concepts for operating and capital project budgets, and any other budget for funds established and maintained by the District (collectively, the "Budget").

3.2.2 On or before the first regularly scheduled meeting of the Board in November of each year, the Budget Officer shall prepare for the ensuing fiscal year and file with the Board a tentative Budget, together with specific work programs and any other supporting data required by the Board (UCA § 17B-1-629 (2009)).

3.2.3 The Board shall review, consider and tentatively adopt the tentative Budget at any regular meeting or any special meeting called for that purpose. The Board may make any changes considered advisable in the tentative Budget prior to the public hearing to consider the adoption of the final Budget.

3.2.4 After holding a properly noticed public hearing on the Budget, the Board shall adopt by resolution the final Budget that shall be in effect for the budget year, subject to later amendment. During the budget year, the Board may, in any regular meeting or special meeting called for that purpose, review the Budget for the purpose of determining if any amounts therein should be increased.

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

- 3.2.5 The Budget may be reopened at any time during the fiscal year at a properly noticed meeting held in accordance with the law.
- 3.2.6 The Budget shall contain a reserve to pay any unanticipated expenses or to cover budget line items over-runs. The reserve may only be used upon approval by the Board.
- 3.2.7 When a total line item appropriation is exceeded, the over-run may be covered by a transfer from another line item in the Budget with the approval of the Board.

3.3 Financial Reports

- 3.3.1 The District Manager shall prepare and present to the Board quarterly summary financial reports showing the financial position and operations of the District for the quarter and year-to-date. (UCA § 17B-1-638).
- 3.3.2 Within 180 days after the close of each fiscal year, the District Manager shall present to the Board an annual financial report prepared in conformity with generally accepted accounting principles, as prescribed in the Uniform Accounting Manual for Local Districts. This requirement may be satisfied by presentation of an audit report furnished by an independent auditor. (UCA § 17B-1-639).
- 3.3.3 The District Manager will prepare and file an annual report, on the form provided by the Utah Division of Public Utilities, with the Utah Public Service Commission by or before March 31 of each year. (UCA § 54-3-22; R746-400)
- 3.3.4 The District Manager will prepare and file a Report of Gross Revenue with the Utah Public Service Commission by or before April 15 of each year. (UCA § 54-3-22; R746-400)
- 3.3.5 The District Manager will prepare and file any other reports required by the Public Service Commission of Division of Public Utilities. (UCA § 54-3-22; R746-400)

3.4 Certified Public Accountant and/or Independent Auditor

- 3.4.1 When either the revenues or expenses of all funds of the District equal or exceed \$100,000 but are less than \$200,000, the Board shall cause a compilation to be made of its accounts by a certified public accountant; when either the revenues or expenditures

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

of all funds equal or exceed \$200,000 but are less than \$350,000, the Board shall cause a review to be made of its accounts by a certified public accountant; when either the revenues or expenditures of all funds equals or exceeds \$350,000, the Board shall cause an audit to be made of its accounts by a competent certified public accountant. Copies of the annual financial report or the audit report furnished by the independent auditor shall be filed with the state auditor and shall be filed as a public document in the office of the District. If the District's revenues and expenditures of all funds is less than \$100,000, the Board may prepare and submit a fiscal report on forms provided by the state auditor. (UCA § 51-2a-201)

3.4.2 The District Manager shall, with the approval of the Board, select the District's competent certified public accountant and/or independent auditor.

3.5 Checks

3.5.1 All checks drawn on accounts of the District shall be signed by both the Chair and the Treasurer.

4.0 DISTRICT MEETINGS

4.1 Types of Meetings

4.1.1 Regular Meeting: A regularly scheduled meeting of the Board for which notice of the date, time and place has been given in the Annual Meeting Schedule.

4.1.2 Special Meeting: Any meeting of the Board that replaces or is held in addition to a regular meeting.

4.1.3 Emergency Meeting: A special meeting held as a result of unforeseen circumstances to consider matters of an urgent or emergency nature.

4.2 Public Notice of Meetings

4.2.1 Annual Schedule: An annual schedule of the regular meetings of the Board shall be posted at all times in a conspicuous place at the principal office of the District or, if none exists, at the building where the District's meetings are to be held and at the office of the Garfield County Commission in Panguitch, Utah.

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

4.2.2 Regular Meeting Notice: Notice of the date, time, place and agenda for each regular meeting shall be posted at the principal office of the District or, if none exists, at the building where the meeting is to be held, and at the office of the Garfield County Commission in Panguitch, Utah, not less than 24 hours before the beginning of each meeting.

4.2.3 Special Meeting Notice: Where possible, the notice described above in section 4.2.2 shall be given for special meetings; however, when unforeseen circumstances require a special meeting, including but not limited to an emergency meeting, such notice requirements may be disregarded and the best practicable notice given. No special meeting shall be held until a reasonable attempt has been made to notify all Trustees and a majority of such Trustees are contacted and polled and agree to hold such special meeting.

4.3 Conduct of Meetings

4.3.1 All meetings of the Board shall be conducted according to Robert's Rules of Order when so requested by any member of the Board.

4.3.2 Any member of the Board shall have the right to place any matter on the agenda if a reasonable notice is given. The meeting shall follow the agenda unless otherwise agreed.

4.3.3 The Board may hold electronic meetings provided the Board has first adopted a resolution governing the use of electronic meetings in accordance with UCA § 52-4-207 (2009).

4.4 Quorum

4.4.1 A majority of the actual number of Trustees shall constitute a quorum for the transaction of District business. A concurrence of a majority of the quorum in any matter within the scope of the duties of the Board shall be sufficient for the determination of such matter, except as otherwise required by statute or herein.

4.5 Presumption of Assent

4.5.1 A Trustee who is present at a meeting of the Board at which action on any matter is taken shall be presumed to have assented to the action taken unless such Trustee's dissent shall be entered into the minutes of the meeting and unless such Trustee shall

RULES AND REGULATIONS (continued)

file a written dissent to such actions with the Chair or the District Clerk/Secretary before the adjournment of the meeting. A written statement shall not apply to a Trustee who voted in favor of such action.

4.6 No Proxy

4.6.1 No Trustee may appoint another individual by proxy or otherwise to assume the responsibilities of the Trustee.

4.7 Open and Closed Meetings; Actions Taken

4.7.1 Open Meeting: All meetings of the Board, except for closed meetings as defined below in 4.7.2, shall be open to the public and noticed and held in accordance with Title 52, Chapter 4 of the Utah Code, the Open and Public Meetings Act.

4.7.2 Closed Meetings:

4.7.2.1 Purposes of Closed Meetings. Closed meetings may be held:

4.7.2.1.1 To discuss the character, professional competence, or physical or mental health of an individual;

4.7.2.1.2 To discuss deployment of security personnel, devices or systems;

4.7.2.1.3 To investigate allegations of criminal misconduct.

4.7.2.1.4 As strategy sessions to discuss collective bargaining;

4.7.2.1.5 As strategy sessions to discuss pending or reasonably imminent litigation;

4.7.2.1.6 As strategy sessions to discuss the purchase/exchange/lease of real property if public discussion would disclose property valuations or would prevent the District from getting the best possible terms; or

4.7.2.1.7 As strategy sessions to discuss the sale of real property if (a) public discussion would disclose property valuations or would prevent the District from getting the best possible terms; (b) prior public notice has been given that the property

RULES AND REGULATIONS (continued)

would be offered for sale; and (c) the terms of the sale are publicly disclosed before the sale is approved.

4.7.2.2 Procedures for Calling a Closed Meeting

4.7.2.2.1 The proposal for a closed meeting must be made in a properly noticed open meeting.

4.7.2.2.2 A quorum must be present at the open meeting.

4.7.2.2.3 The proposal for a closed meeting must be approved by two-thirds of the Trustees present at the open meeting.

4.7.2.2.4 The vote of each Trustee on the proposal must be recorded in the minutes.

4.7.2.2.5 The general reason(s) for the proposed closed meeting must be recorded in the minutes (e.g., to discuss a land purchase).

4.7.2.3 Except as otherwise directed by the Board, participation in closed meetings shall be limited to the Board, the District Manager, and other invited District staff.

4.7.2.4 No resolution, rule, regulation, contract, or appointment shall be approved in a closed meeting.

4.8 Minutes of Meetings to be Kept by District Clerk/Secretary

4.8.1 Open Meeting: An audio recording and written minutes shall be taken of all open meetings. The written minutes, once approved, shall be the official record of the meeting. Such minutes shall include:

4.8.1.1 the date, time, and place of the meeting;

4.8.1.2 the names of Trustees present and absent;

4.8.1.3 the names of all matters proposed, discussed, or decided, and a record, by individual Trustee, of votes taken;

RULES AND REGULATIONS (continued)

4.8.1.4 the names of all citizens who appeared and the substance in brief of their testimony;

4.8.1.5 any other information that any Trustee requests be entered in the minutes

4.8.2 Closed Meetings:

4.8.2.1 In closed meetings held to discuss the character, professional competence, or physical or mental health of an individual or to discuss deployment of security personnel, devices or systems, the presiding official in the closed meeting shall sign a sworn statement affirming that the sole purpose of the meeting was to discuss the character, professional competence, or physical or mental health of an individual or to discuss deployment of security personnel, devices or systems, and no other record of the meeting needs to be made.

4.8.2.2 In all other closed meetings, a complete and unedited audio recording and detailed written minutes shall be taken of the discussions that occur at the meeting. The recording and minutes shall include the date, time, and place of the meeting; the names of Trustees present and absent; and the names of all others present except where the disclosure would infringe on the confidentiality necessary to fulfill the original purpose of closing the meeting.

4.8.2.3 The written minutes shall be the official record of the meeting.

5.0 INDEMNIFICATION OF EMPLOYEES

5.1 Trustees, officers, and employees of the District shall be indemnified for acts and omissions occurring during the performance of their duties, within the scope of their employment or under color of authority pursuant to the provisions of the Utah Governmental Immunity Act.

6.0 ETHICAL CONDUCT

6.1 The purposes of this section are to establish standards of conduct for Trustees and officers and employees of the District and to require these persons to disclose actual or potential conflicts of interest between their public duties and their personal interests.

6.2 The conduct of Trustees and District officers and employees shall be consistent with, among other things and not by way of limitation, Title 67, Chapter 16 of the Utah Code,

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

the Utah Public Officers' and Employees' Ethics Act; UCA § 17B-1-637; Sections 105, 201, 202, 203 and 402 of Title 76, Chapter 8 of the Utah Code, Offenses Against the Administration of Government.

7.0 AUDIT COMPLIANCE

7.1 Cash Management

7.1.1 All funds are to be deposited on a daily basis when possible, or at least every three days (UCA § 51-4-2(2) (2009)).

7.2 Investments

7.2.1 The investment of any District funds shall be made only with institutions authorized by the Utah Money Management Act, Title 51, Chapter 7 of the Utah Code.

7.2.2 Funds may not be invested for terms which exceed the anticipated rate of the expenditure of the funds. (UCA § 51-7-11 (2) (2009)).

7.2.3 Funds may only be invested in instruments and assets authorized by the Utah Money Management Act (UCA § 51-7-11(3) (2009)).

7.2.4 All securities are to be delivered to an authorized safekeeping custodian within 15 days of the transaction (UCA § 51-7-11(7) (2009)).

7.2.5 Selections of investments shall be made with the exercise of that degree of judgment and care which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety for their capital, as well as the probable benefits to be derived. (UCA § 51-7-14 (2009)).

7.2.6 All public funds invested in deposit instruments should be invested with qualified depositories within Utah, unless national market rates on instruments of similar quality and term significantly exceed those offered by qualified depositories within the state.

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

7.3 Public Debt

7.3.1 The District shall have the power to incur indebtedness; however, it shall contract no debt in excess of state statutory limits.

7.4 Other General Compliance

7.4.1 Abandoned Property: Any tangible or intangible property which is presumed abandoned over one year will be submitted to the State Treasurer's Office. The annual abandoned property report (ST-2) will be filed regardless of whether or not the District holds any abandoned property.

7.4.2 The District shall provide annually its name, telephone number, and address to the telephone directory publisher serving the geographical area within the District.

7.4.3 No District officer or Trustee may employ, appoint, or vote for or recommend the appointment of a relative to any position or employment, when the salary, wages, pay, or compensation of the appointee will be paid from public funds and the appointee will be directly supervised by a relative, except as otherwise permitted by law (UCA § 52-3-1 et seq).

8.0 PURCHASING

8.1 Scope

8.1.1 This section shall, except where otherwise noted, govern the acquisition of real or personal property, supplies or services, and disposal of property, whether real or personal, by the District.

8.1.2 No purchase shall be made and no encumbrances shall be incurred for the benefit of the District except as provided herein.

8.1.3 No purchase shall be made and no encumbrance shall be incurred unless funds sufficient to cover the purchase or encumbrance have been budgeted and are available within the approved Budget or unless the purchase or encumbrance is approved by the Board by a vote at a regular Board meeting.

8.2 Chief Procurement Officer:

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

8.2.1 Designation: The District Manager shall act as and is herein designated to be the Chief Procurement Officer (the “CPO”) of the District, subject to final Board approval.

8.2.2 The CPO is hereby charged with the responsibility of staying within the Budget and authorizing no expenditures in excess of the Budget as required by Utah Fiscal Procedures Act for Local Districts.

8.3 Purchasing and Contacting Procedures:

8.3.1 Except as otherwise approved by the Board, a purchase of goods and services in an amount greater than \$2,000.00 requires the solicitation of price quotations from three prospective vendors or suppliers to reasonably ensure that the District receives the best price. Price quotes in excess of \$2,000.00 shall be in writing.

8.3.2 Except as otherwise approved by the Board, whenever the total amount of a contract or purchase exceeds \$10,000 the contract shall be awarded through competitive bidding or proposal process.

8.3.3 Funds designated for the purchase of goods or services under a particular Budget line item may not be used for the purchase of goods or services under a different Budget line item without the prior approval of the Board.

8.3.4 All purchases shall be reported to the Board for review at the next regular Board meeting.

8.3.5 Bond Construction Fund and Other Capital Fund Expenditures:

8.3.5.1 Projects shall be submitted to the Board for authorization of funding.

8.3.5.2 Construction Change Orders of 15% or less may be approved by the CPO and submitted to the Board for review at its next regular Board meeting.

8.3.5.3 Construction Change Orders exceeding 15% shall be submitted to the Board for approval.

8.3.5.4 Upon completion of each project, a final summary of costs shall be submitted to the Board for review.

RULES AND REGULATIONS (continued)

- 8.3.6 Other Expenditures or Fund Transfers: All other expenditures or fund transfers shall be submitted to the Board for review.
- 8.3.7 The Board may waive the above requirements at such time as the public good justifies such action and shall not be prohibited by the terms of this section from awarding contracts or purchase orders without advertisement or other solicitation if the item to be procured is a brand-name type product which can be procured from only one source. No contract or purchase order in excess of \$5,000.00 may be awarded for such brand-name type of product without the review of the Board.
- 8.3.8 An official copy of each awarded purchase order or contract, together with all necessary attachments, including assignments, shall be retained by the District Manager in an appropriate file open to the public for such period of time after termination of the contact as an action against the District might ensue under applicable statutes of limitations. After such period of time, purchase orders, contracts and attachments may be destroyed by the direction of the District Manager.

8.4 Emergency Procurements

- 8.4.1 Notwithstanding any of the provisions of these rules and regulations, when an imminent threat to public health, welfare, or safety exists, the CPO may make or authorize others to make emergency procurements, PROVIDED that the emergency procurements shall be made with as much competition as practicable under the circumstances.
- 8.4.2 A written determination of the basis for the emergency and the selection of the particular contractor shall be included in the contract file.

8.5 Exceptions to Competitive Bidding

- 8.5.1 Contracts which by their nature are not conducive to award by competitive bidding, such as personal service contracts, shall not require competitive bids.
- 8.5.2 Products for services currently defined and contracted for open purchase by the State of Utah shall not require competitive bids.

9.0 RECORDS MANAGEMENT

9.1 General Purpose

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

9.1.1 It is the District's policy to establish and implement guidelines for open government information recognizing the need to maintain and preserve accurate records, provide public access to public records and preserve the right of privacy of personal data collected or received by the District.

9.2 District Policy

9.2.1 In adopting the policy contained in this Article 9.0, RECORDS MANAGEMENT (the "Records Policy"), the District recognizes the enactment of Title 63G, Chapter 2 of the Utah Code, the Government Records Access and Management Act (the "Government Records Act") and the application of the Government Records Act to District records. The purpose of this section is to conform to UCA § 63-2-701 which provides that each political subdivision may adopt an ordinance or a policy relating to information practices including classification, designation, access, denials, segregation, appeals, management, retention and amendment of records. The District's Records Policy modifies the general provisions of the Government Records Act, as allowed by law, to best meet the public needs, operation, management capabilities and resources of the District.

9.3 Compliance with State Law

9.3.1 In adopting the Records Policy, the District recognizes that the Government Records Act applies to the District and is adopted by this reference as part of the District's Records Policy.

9.4 Definitions

9.4.1 In addition to the terms previously defined herein, the following definitions shall be applicable with regard to the Policy.

9.4.1.1 "Computer software program" means the series of instructions or statements that permit the functioning of a computer system in a manner designed to provide storage, retrieval, and manipulation of data from the computer system, and any associated documentation, manuals, or other source material explaining how to operate the software program. "Software" does not include the original data or records which are manipulated by the software.

9.4.1.2 "Controlled record" shall refer to a record containing data on individuals that is controlled as provided in the Government Records Act.

RULES AND REGULATIONS (continued)

9.4.1.3 “Data” shall refer to individual entries (for example, birth date, address, etc.) in records.

9.4.1.4 “Dispose” means to destroy, or render irretrievable or illegible, a record of the information contained in it by any physical, electronic, or other means, including unauthorized deletion or erasure of electronically recorded audio, visual, non-written formats, data processing or other records.

9.4.1.5 “District” means the Ticaboo Electric Improvement District, or any public or private entity which pursuant to contract with the District has agreed to produce and maintain public District records.

9.4.1.6 “Private record” shall refer to a record containing data on individuals that is private as provided the Government Records Act.

9.4.1.7 “Protected record” shall refer to a record that is classified protected as provided by the Government Records Act.

9.4.1.8 “Public record” means a record that is not controlled, private, or protected and is not exempt from disclosure as provided in the Government Records Act.

9.4.1.9 “Record” means all books, letters, documents, papers, maps, plans, photographs, films, cards, tapes, recordings, or other documentary materials, and electronic data regardless of physical form or characteristics, prepared, owned, used, received or retained by the District where all the information in the original is reproducible by some mechanical, electronic, photographic or other means.

9.4.1.10 “Record” does not mean temporary drafts or similar materials prepared for the originator’s personal use or prepared by the originator for the personal use of a person for whom he is working; materials that are legally owned by an individual in his or her private capacity; materials to which access is limited by the laws of copyrights or patent; junk mail or commercial publications received by the District or by an officer or employee of the District; proprietary computer software programs as defined in paragraph 10.4.1.2 above that are developed or purchased by or for the District for its own use; and other materials as provided by the Government Records Act.

9.5 Public Right to Records

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

- 9.5.1 Members of the public shall have to right to see, review, examine and take copies, in any format maintained by the District, of all District governmental records defined as a “public record” under the provisions of the Records Policy, upon the payment of a reasonable fee pursuant to the provisions of the Records Policy and the Government Records Act.
- 9.5.2 The District has no obligation to create a record series in response to a request from a member of the public, if the record requested is not otherwise regularly maintained or kept.
- 9.5.3 When a record is temporarily held by the District’s custodial agent pursuant to the custodial agent’s statutory functions, such as records storage, investigation, litigation or audit, the record shall not be considered a record of the custodial agent for the purposes of the Records Policy. The record shall be considered a record of the District and any requests for access to such records shall be directed to the District, rather than the custodial agent, pursuant to the Records Policy.

9.6 Public, Private, Controlled, and Protected Records

- 9.6.1 Public records of the District shall be made available to any person. All District records are considered public unless they are (1) expressly designated, classified, or defined otherwise by the District in accordance with policies and procedures established by the Records Policy, (2) are so designated, classified or defined by the Government Records Act, or (3) are made non-public by other applicable law.
- 9.6.2 Private records are those records defined as “private” within the meaning of the Government Records Act or are classified or designated as “private” by the District as provided in the Government Records Act or the Records Policy. Private records shall be made available to the following persons: (1) the subject of the record, (2) the parent or legal guardian of a minor who is the subject of the record, (3) the legal guardian of an incapacitated individual who is the subject of the record, (4) any person who has power of attorney or a notarized release from the subject of the record or his or her legal representative, or (5) any person in possession of or serving a legislative subpoena or a court order issued by a court of competent jurisdiction.
- 9.6.3 Controlled records are those records defined as “controlled” within the meaning of the Government Records Act or are classified or designated as “controlled” by the District as provided in the Government Records Act or the Records Policy. Controlled records shall be made available to a physician, psychologist, or licensed social worker who

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

submits a notarized release from the subject of the record or any person presenting a legislative subpoena or a court order issued by a court of competent jurisdiction.

- 9.6.4 Protected records are those records defined as “protected” within the meaning of the Government Records Act or are classified or designated as “protected” by the District as provided in the Government Records Act or the Records Policy. Protected records shall be made available to (1) the person who submitted the information in the record, (2) a person who has power of attorney or a notarized release from any person or governmental entity whose interests are protected by the classification of the record, (3) any person presenting a legislative subpoena or a court order regarding the release of the information issued by a court of competent jurisdiction.

9.7 Privacy Rights

- 9.7.1 The District recognizes and upholds the personal right of privacy retained by persons who may be the subject of governmental records.
- 9.7.2 The District may, as determined appropriate by the District Manager, notify the subject of a record that a request for access to the subject’s record has been made.
- 9.7.3 The District may require that the requester of records provide a written release, notarized within thirty (30) days before the request and from the subject of the records in question before access to such records is provided.

9.8 Designation, Classification and Retention

- 9.8.1 All District records and record series, regardless of format, shall be designated, classified and scheduled for retention according to the provisions of the Government Records Act and the Records Policy. Any records or record series generated in the future shall also be so designated, classified and scheduled for retention. Records shall be designated, classified and scheduled for retention under the supervision of the District Records Officer.

9.9 Procedures for Records Request

- 9.9.1 Records requests shall be in writing and presented to the District on forms provided by the District. The date and time of the request shall be noted thereon and will start the time periods contained in the Records Policy. Persons requesting a record that is not a “public record” within the meaning of the Government Records Act and the Records

RULES AND REGULATIONS (continued)

Policy shall adequately identify themselves and their status prior to receiving access to such a record.

9.9.2 The District may respond to a request for a record by approving the request and providing the records, denying the request, or such other appropriate response as may be established by the District.

9.9.2.1 Except as provided below in paragraph 10.9.3.2, the District shall respond to a written request for a public record within ten (10) business days of the receipt of the request.

9.9.2.2 In the event of extraordinary circumstances as defined below, the District shall be allowed more than ten (10) business days to respond to a written request for a public record as may be reasonably necessary to respond to the request, as determined by the District Manager. Extraordinary circumstances shall include but not be limited to the following:

9.9.2.2.1 Some other governmental entity is currently and actively using the record.

9.9.2.2.2 The record request is for a voluminous quantity of records or requires the District to review a large number of records or perform extensive research to locate the requested record;

9.9.2.2.3 The District is currently processing a large number of record requests and/or is subject to extraordinary seasonal work loads in the processing of other work;

9.9.2.2.4 The record request involves an analysis of legal issues to determine the proper response to the request.

9.9.2.2.5 The record request involves extensive editing to separate public data in a record from that which is not public; or

9.9.2.2.6 Providing the requested record requires computer programming or other format manipulation.

RULES AND REGULATIONS (continued)

9.9.2.3 When a record request cannot be fulfilled within the (10) days, the District Manager shall give the requester an estimate of the time required to respond to the request.

9.9.3 The failure or inability of the District to respond to a record request within the time frames set forth herein, or the District's denial of such a request, shall give rise to the right to appeal as provided in Section 10.11 herein.

9.10 Appeal Process

9.10.1 Any person aggrieved by the District's denial of a record request or claim of extraordinary circumstances in responding to a record request may appeal such denial or claim by filing a written notice of appeal with the District Manager within 30 days of the District's action. The notice of appeal shall contain the petitioner's name, address, and phone number and the relief sought; and may contain a short statement of the facts, reasons and legal authority for the appeal.

9.10.2 If the appeal involves a record that is subject to business confidentiality or affects the privacy rights of an individual, the District Manager may send a notice of the appeal to the affected person.

9.10.3 The District Manager shall make a decision regarding the appeal within fifteen (15) days after receipt of the notice of appeal. During that 15-day period, the District Manager may schedule an informal hearing or request any additional information deemed necessary to render a decision. A copy of the District Manager's decision shall be mailed by the District to all appropriate parties promptly thereafter and shall include the reasons for the District Manager's determination.

9.10.4 If the District Manager affirms the denial in whole or in part, the denial shall include a statement that the requester has a right to appeal the denial to the District's Board.

9.10.5 A written notice of appeal of the District Manager's decision shall be filed with the Board within 30 days of the decision and the appeal shall be heard at the next regularly scheduled meeting of the Board. If there is no meeting scheduled in the next 30 days, the Board shall schedule a meeting for the purpose of hearing the appeal. The final decision of the Board shall be by majority vote of a quorum of the Board. The Board shall prepare a written decision stating their final determination and reasons therefore.

Filed: _____, 2009
Advice Letter No. ____

Effective: _____

RULES AND REGULATIONS (continued)

9.10.6 If the Board affirms the denial, in whole or in part, the Board's decision is subject to judicial review in district court as provided in UCA § 63G-2-404.

9.11 Reasonable Accommodation

9.11.1 Reasonable accommodations regarding access to governmental records shall be provided to persons with disabilities in accordance with the Americans with Disabilities Act upon specific request of the record requester.

9.12 Record Amendments

9.12.1 Government records held by the District may be amended or corrected as needed. Requests for amendments, corrections, or other changes to records within the custody of the District shall be made in writing, setting forth, with specificity, the amendment or correction requested. When an amendment or correction of a government record is made, only the amended or corrected record shall be retained, unless provided otherwise by the Government Records Act or other State or Federal law.

9.13 Penalties

9.13.1 District employees who knowingly refuse to permit access to records in accordance with the Government Records Act and this Records Policy, who knowingly permit access to records that are not "public records," or who knowingly, without authorization or legal authority, dispose of, alter, or remove records or allow other persons to do so in violation of the provisions of the Act, the Records Policy or other law or regulation may be subject to criminal prosecution and disciplinary action, including termination.

9.13.2 In accordance with the Act, the District, the Trustees, and District officers and employees shall not be liable for damages resulting from the release of a record where the requester presented credible evidence of authority to obtain the record, even if it may be subsequently determined that the requester had no such authority.

9.14 Records Officer

9.14.1 The Records Officer shall be the District Manager. The Records Officer shall oversee and coordinate records access, management and archives activities. The Records Officer shall make annual reports of record service activities to the Board.

RULES AND REGULATIONS (continued)

9.15 Records Maintenance

- 9.15.1 Records maintenance procedures shall be developed to ensure that due care is taken to maintain and preserve District records safely and accurately over the long term. The Records Officer shall be responsible for monitoring the application and use of technical processes in the creation, duplication and disposal of District records. The Records Officer shall also monitor compliance with required standards of quality, permanence, and admissibility pertaining to the creation, use and maintenance of records.
- 9.15.2 All District records shall remain the property of the District unless federal or state legal authority provides otherwise. Property rights to District records may not be permanently transferred from the District to any private individual or entity, including those legally disposable obsolete District records. This prohibition does not include the providing of copies of District records produced for release or distribution under this Records Policy.
- 9.15.3 Custodians of any District records shall, at the expiration of their terms of office, appointment or employment, deliver custody and control of all records kept or received by them to their successors, supervisors, or the District's Records Officer.

10.0 General Rate and Connection Rules and Regulations

10.1 Tariff and Rate Schedules

- 10.1.1 The schedule of rates may be revised and amended from time to time when in the opinion of the District's Board of Trustees, revisions are necessary to yield revenues adequate for the payment of operating expenses, capital improvements, bond indebtedness, and other obligations existing against the system together with any interest due thereon.
- 10.1.2 Prior to the implementation of any rate increase, the District will hold a public meeting for all its customers and members. Notice will be mailed at least ten days prior to the meeting. In addition, any schedule of new rates or other change that results in new rates must be approved by the District's Board of Trustees.
- 10.1.3 All charges not specifically listed in this Tariff which are the responsibility of the applicant or customer, including for example, the cost of cutting and replacing pavement and cement where necessary, shall be fixed and charged as determined by the District Manager.

Filed: _____, 2009
Advice Letter No. ____

Effective: _____

RULES AND REGULATIONS (continued)

- 10.1.4 All actual costs occasioned by a nonstandard request of a customer shall be paid by the customer. The District's rates for items necessitated by such requests, as set forth in this Tariff, shall also be paid by the customer.
- 10.1.5 Unless the District is otherwise contractually bound, the rates shall be determined from the Tariff in effect at the time service is rendered and shall not be determined by any estimate received from the District. There shall be no guarantee that any quoted rate, whether oral or written, will be in effect when the service is actually rendered.
- 10.1.6 The District Manager shall file with the Public Service Commission for informational purposes only the current Tariff at least annually, and any time the rates are increased. (UCA § 54-4-1.1 (2009))
- 10.1.7 This Tariff will be produced in loose-leaf form and contain all the requirements as described in Rule R746-405. An effective copy of this Tariff will be maintained and open for public inspection at the District's office at all times. The District will post in a conspicuous place in its office a notice to the effect that copies of the schedule of applicable rates in the District are on file and may be inspected by anyone desiring to do so. (R746-405-2(F))
- 10.1.8 The District will ensure that canceled tariff sheets are removed from the binder of currently effective tariffs. The District will permanently retain a file of all canceled tariff sheets. (R746-405-2(B))
- 10.1.9 The District hereby incorporates the terms of Residential Utility Service Rules (R746-200) into the Tariff.

10.2 Electric Connections

- 10.2.1 All applicants for electrical connections shall pay the applicable fees, including but not limited to engineering, connection, impact fees, meter set, inspection, and permit fees. The applicant is responsible for all installation costs in addition to the District's fees.

10.3 Inspections

- 10.3.1 Prior to commencing any service, District personnel shall have the right to inspect all lines and related facilities within and upon the premises. If the District Manager does not approve of the same, the applicant shall cause each deficiency identified to be

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

corrected at the applicant's sole expense so as to meet the requirements of the District and of any other governmental entity having jurisdiction.

- 10.3.2 After service has commenced, District personnel shall have the right to inspect all lines, and related facilities within and upon the premises with reasonable notice to the customer to ensure that the District's rules and regulations are being complied with and may require that deficiencies and/or violations be corrected at the customer's sole expense.
- 10.3.3 Any customer of the District may have any appliance used in the measurement thereof tested, upon paying the fees fixed by the public service commission. (UCA § 54-4-20 (2009)).
- 10.3.4 The applicant or customer must pay all reasonably required inspection fees.

11.0 CUSTOMER SERVICE

11.1 New Connections

- 11.1.1 All new customers shall provide a security deposit equal to \$200.00 at the time of connecting to the District's system. Additionally, all customers who are tenants and not the owners of the property on which they desire service shall provide a security deposit equal to \$200.00 at the time of connecting to the District's system.
- 11.1.2 The District shall pay interest on all security deposits at the rate of 1.0% per annum. The deposit paid, plus accrued interest, is eligible for return to the customer after the customer has paid the bill on time for 12 consecutive months.
- 11.1.3 A residential customer has the right to pay a security deposit in at least three equal monthly installments if the first installment is paid when the deposit is required. (R746-200-3(A)(3))
- 11.1.4 When service is extended to a customer, the District will provide the customer with a consumer information pamphlet approved by the Public Service Commission which clearly describes and summarizes the substance of Public Service Commission's rules. The District mail or deliver a copy of this pamphlet to its residential customers annually in September or October. Copies of this pamphlet will be prominently displayed in the District office and furnished to consumers upon request. The District will inform its customers of significant amendments to those rules. (R746-200-1(E))

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

11.1.5 When electric service is extended to a customer, annually, and upon first notice of an impending service disconnection, the District will provide a copy of the "Customer's Statement of Rights and Responsibilities" as approved by the Commission. The Statement of Rights and Responsibilities will be a single page document. It will be prominently displayed in the District's office. (R746-200-1(G))

11.2 Meters and Other Equipment

11.2.1 All customers of the District shall be metered.

11.2.2 The District shall have access to high grade testing instruments, working standards, to test the accuracy of meters or other instruments used to measure electricity consumed by its customers. The error of accuracy of the working standards at both light load and full load shall be less than one percent of 100 percent of rated capacity. This accuracy shall be maintained by periodic calibration against reference standards. (R746-310-3(A)(2))

11.2.3 All new meters shall be tested before installation. Removed meters shall be tested before or within 60 days of installation. In-service meters shall be periodically or sample tested. Upon written request, the District shall promptly test the accuracy of a customer's meter. If the meter has been tested within 12 months preceding the date of the request, the District may require the customer to make a deposit. The deposit shall not exceed the estimated cost of performing the test. If the meter is found to have an error of more than two percent of tested capacity, the deposit shall be refunded; otherwise, the deposit may be retained by the District as a service charge. Customers shall be entitled to observe tests, and utilities shall provide test reports to customers. In the event of a dispute, the customer may request a referee test in writing. The Commission may require the deposit of a testing fee. Upon filing of the request and receipt of the deposit, if required, the Commission shall notify the District to arrange for the test. The District shall not remove the meter prior to the test without Commission approval. The meter shall be tested in the presence of a Commission representative, and if the meter is found to be inaccurate by more than two percent of rated capacity, the customer's deposit shall be refunded; otherwise, it may be retained. (R746-310-3(B))

11.2.4 If a meter tested pursuant to this section is more than two percent fast, the District shall refund to the customer the overcharge based on the corrected meter readings for the period the meter was in use, not exceeding six months, unless it can be shown that the error was due to some cause, the date of which can be fixed. In this instance, the overcharge shall be computed back to, but not beyond that time. (R746-310-3(C))

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

- 11.2.5 If a meter tested pursuant to this section is more than two percent slow, the District may bill the customer for the estimated energy consumed but not covered by the bill for a period not exceeding six months unless it can be shown that the error was due to some cause, the date of which can be fixed. In this instance, the bill shall be computed back to, but not beyond that time. (R746-310-3(C))
- 11.2.6 If a meter does not register, the District may bill the customer for the estimated energy used but not registered for a period not exceeding three months. (R746-310-3(C))
- 11.2.7 The District shall maintain records for each meter until retirement. This record shall contain the identification number; manufacturer's name, type and rating; each test, adjustment and repair; date of purchase; and location, date of installation, and removal from service. The District shall keep records of the last meter test for every meter. At a minimum, the records shall identify the meter, the date, the location of and reason for the test, the name of the person or organization making the test, and the test results.
- 11.2.8 The District will cause to be installed a suitable meter on an applicant's premises in a location furnished by the applicant and approved by the District, which shall be located on the exterior of the structure and shall be accessible for reading, testing and maintaining the meter. No rent or other charge shall be made by the applicant for the use of this location.
- 11.2.9 In multiple occupancy buildings where a number of meters are required to measure the electricity supplied, all meters shall be located on the exterior of the structure at a central point and each meter socket or panel will be clearly marked to indicate the particular location supplied through it.
- 11.2.10 All meters will be sealed by the District at the time of installation and no seal shall be altered or broken except by one of its authorized employees.
- 11.2.11 All service switches, disconnects, meter sockets, and similar devices, irrespective of voltage, required by law in connection with a service and meter installation on a customer's premises shall be furnished and installed by the customer, subject to District approval.
- 11.2.12 The District shall install the instruments necessary to obtain a record of the load on its systems, showing at least the monthly peak and a monthly record of the output of its plants. If the District ever purchase electrical energy then the District shall install the instruments necessary to furnish information regarding monthly purchases of electrical energy, unless those supplying the energy have already installed instruments from which

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

that information can be obtained. The District Manager shall maintain records indicating the data obtained by station instruments.

11.2.13 The District shall own or have access to portable indicating voltmeters or other devices necessary to accurately measure, upon complaint or request, the quality of electric service delivered to its customer to verify compliance with the standard established in Subsection R746-310-4(B)(1). The District shall make periodic voltage surveys sufficient to indicate the character of the service furnished from each distribution center and to ensure compliance with the voltage requirements of these rules.

11.2.14 The District shall inspect titt poles, towers and other similar structures with reasonable frequency in order to determine the need for replacement, reinforcement or repair. Unless otherwise ordered by the Commission, the requirements contained in the National Electrical Safety Code, as defined at R746-310-1(B)(13), constitute the minimum requirements relative to the following: 1. the installation and maintenance of electrical supply stations; 2. the installation and maintenance of overhead and underground electrical supply and communication lines; 3. the installation and maintenance of electric utilization equipment; 4. rules to be observed in the operation of electrical equipment and lines; and 5. the grounding of electrical circuits. (R746-310-4)

11.2.15 Facilities owned or operated by the District and used in furnishing electricity shall be designed, constructed, maintained and operated so as to render adequate and continuous service. The District shall, at all times, use every reasonable effort to protect the public from danger and shall exercise due care to reduce the hazards to which employees, customers and others may be subjected from the District's equipment and facilities. (R746-310-5)

11.3 Billings

11.3.1 The District will bill customers on a monthly basis, based on actual or estimated meter readings. Actual meter readings will be used unless a meter reader is unable to gain access to a meter reading, in which case the District will take appropriate additional measures in an effort to get an actual meter reading. These measures shall include, but are not limited to, scheduling of a meter reading at other than normal business hours, making an appointment for meter reading, or providing a prepaid postal card with a notice of instruction upon which a customer may record a meter reading. If after two regular route visits, access has not been achieved, the District will notify the customer that he must make arrangements to have the meter read as a condition of continuing service. If the District cannot make an actual meter reading, after taking all of the previous steps, then

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

the District will give an estimated bill for the current billing cycle, provided that actual readings shall occur at least once in each two month period. (R746-200-4(B))

- 11.3.2 Customers shall have 20 days from the date a bill is prepared to pay the new balance, which date will be the statement due date. (R746-200-4(E)) Any balance not paid within 30 days of the statement due date shall bear interest at the rate of 10.0% per annum on the unpaid balance until paid in full.
- 11.3.3 All disputes concerning bills will attempt to be resolved by negotiation. If the negotiation does not resolve the dispute, the account holder may obtain informal and formal review of the dispute as set forth in Section R746-200-8, Informal Review, and R746-200-9, Formal Review. While an account holder is proceeding with either informal or formal review of a dispute, no termination of service shall be permitted if amounts not disputed are paid when due. (R746-200-4(F)).
- 11.3.4 An applicant or customer who cannot pay a delinquent account balance on demand will have the right to receive residential utility service under a deferred payment agreement subject to R746-200-5(B) unless the delinquent account balance is the result of unauthorized usage of, or diversion of, residential utility service. If the delinquent account balance is the result of unauthorized usage of, or diversion of, residential utility service, the District will not allow the use of a deferred payment agreement. (R746-200-5(A)).
- 11.3.5 An applicant or customer shall have the right to a deferred payment agreement, consisting of 12 months of equal monthly payments, if the full amount of the delinquent balance plus interest shall be paid within the 12 months and if the applicant or customer agrees to pay the initial monthly installment. The customer shall have the right to pre-pay a monthly installment, pre-pay a portion of, or the total amount of the outstanding balance due under a deferred payment agreement at any time during the term of the agreement. The customer also has the option, when negotiating a deferred payment agreement, to include the amount of the current month's bill plus the reconnection charges in the total amount to be paid over the term of the deferred payment agreement. (R746-200-5(A)).

11.4 Backbills (R746-310-8)

- 11.4.1 As used in this subsection, the term "backbill" is that portion of a bill, other than a levelized bill, which represents charges not previously billed for service that was actually delivered to the customer during a period before the current billing cycle, and the term "catch-up bill" is a bill based upon an actual reading rendered after one or more bills based on estimated or customer readings. A catch-up bill which exceeds by 50 percent or

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

more the bill that would have been rendered under a utility's standard estimation program is presumed to be a backbill.

- 11.4.1.1 The account holder may be notified by mail, by phone, or by a personal visit, of the reason for the backbill. This notification shall be followed by, or include, a written explanation of the reason for the backbill that shall be received by the customer before the due date and be sufficiently detailed to apprise the customer of the circumstances, error or condition that caused the underbilling, and, if the backbill covers more than a 24-month period, a statement setting forth the reasons the utility did not limit the backbill under Subsection R746-310-8(D).
- 11.4.1.2 The District shall not render a backbill more than three months after the District actually became aware of the circumstance, error, or condition that caused the underbilling. This limitation does not apply to fraud and theft of service situations
- 11.4.1.3 The District shall not bill a customer for service rendered more than 24 months before the District actually became aware of the circumstance, error, or condition that caused the underbilling or that the original billing was incorrect.
- 11.4.1.4 In case of customer fraud, the District shall estimate a bill for the period over which the fraud was perpetrated. The time limitation of Subsection R746-310-8(D)(1) does not apply to customer fraud situations.
- 11.4.1.5 The District shall permit the customer to make arrangements to pay a backbill without interest over a time period at least equal in length to the time period over which the backbill was assessed. If the District has demonstrated that the customer knew or reasonably should have known that the original billing was incorrect or in the case of fraud or theft, in which case, interest will be assessed at the rate applied to past due accounts on amounts not timely paid in accordance with the established arrangements.

11.5 Overbilling (R746-310-9)

11.5.1 Billing under the following conditions constitutes overbilling:

- 11.5.1.1 a meter registering more than two percent fast, or a defective meter;
- 11.5.1.2 use of an incorrect watt-hour constant;
- 11.5.1.3 incorrect service classification, if the information supplied by the customer was not erroneous or deficient;

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

11.5.1.4 billing based on a switched meter condition where the customer is billed on the incorrect meter;

11.5.1.5 meter turnover, or billing for a complete revolution of a meter which did not occur;

11.5.1.6 a delay in refunding payment to a customer pursuant to rules providing for refunds for line extensions;

11.5.1.7 incorrect meter reading or recording by the District; and

11.5.1.8 incorrect estimated demand billings by the District.

11.5.2 Interest

11.5.2.1 The District shall provide interest on customer payments for overbilling. The interest rate shall be the greater of the interest rate paid by the District on customer deposits, or the interest rate charged by the District for late payments.

11.5.2.2 Interest shall be paid from the date when the customer overpayment is made, until the date when the overpayment is refunded. Interest shall be compounded during the overpayment period.

11.5.3 The District shall not be required to pay interest on overpayments if offsetting billing adjustments are made during the next full billing cycle subsequent to the receipt of the overpayment.

11.5.4 The District shall be required to offer refunds, in lieu of credit, only when the amount of the overpayment exceeds \$50 or the sum of two average month's bills. However, the District shall not be required to offer a refund to a customer having a balance owing to the District, unless the refund would result in a credit balance in favor of the customer.

11.5.5 If a customer is given a credit for an overpayment, interest will accrue only up to the time at which the first credit is made, in cases where credits are applied over two or more bills.

11.5.6 The District shall not be required to make a refund of, or give a credit for, overpayments which occurred more than 24 months before the customer submitted a complaint to the District or the Commission, or the District actually became aware of an incorrect billing which resulted in an overpayment.

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

11.5.7 When the District can demonstrate before the Commission that a customer knew or reasonably should have known an overpayment to be incorrect, the District shall not be required to pay interest on the overpayment.

11.6 Termination of Service

11.7 The District may terminate service for any of the following reasons: Residential utility service may be terminated for the following reasons: (a) Nonpayment of a delinquent account; (b) Nonpayment of a deposit when required; (c) Failure to comply with the terms of a deferred payment agreement or Public Service Commission order; (d) Unauthorized use of, or diversion of, residential utility service or tampering with wires, pipes, meters, or other equipment; (e) Subterfuge or deliberately furnishing false information; or (f) Failure to provide access to meter during the regular route visit to the premises following proper notification and opportunity to make arrangements. (R746-200-7(B))

11.7.1 When an account is delinquent, the District will issue a written late notice to inform the customer of the delinquent status. The late notice will include the following information: (a) a statement that the account is a delinquent account and should be paid promptly; (b) statement that the account holder should communicate with the District's collection department, by calling the company, if he or she has a question concerning the account; and (c) a statement of the delinquent account balance, using a term such as "delinquent account balance." (R746-200-7(A)(2))

11.7.2 The following shall be insufficient grounds for termination of service: A delinquent account, accrued before a divorce or separate maintenance action in the courts, in the name of a former spouse, cannot be the basis for termination of the current account holder's service; Cohabitation of a current account holder with a delinquent account holder whose utility service was previously terminated for non-payment, unless the current and delinquent account holders also cohabited while the delinquent account holder received the utility's service, whether the service was received at the current account holder's present address or another address; When the delinquent account balance is less than \$25.00, unless no payment has been made for two months; Failure to pay an amount in bona fide dispute before the Commission; Payment delinquency for third party services billed by the regulated utility company, unless prior approval is obtained from the Commission.

11.7.3 Service by the District may not be terminated and will be restored if terminated when the termination of service will cause or aggravate a serious illness or infirmity of a person

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

living in the residence. Utility service will be restored or continue for one month or less as stated in Subsection R746- 200-7(C)(2) (R746-200-7(C))

11.7.3.1 Upon receipt of a statement, signed by an osteopathic physician, a physician, a surgeon, a naturopathic physician, a physician assistant, a nurse, or a certified nurse midwife, as the providers are defined and licensed under Title 58 of the Utah Code, either on the health care provider's letterhead stationery, which statement legibly identifies the health infirmity or potential health hazard, and how termination of service will injure the person's health or aggravate their illness, the District will continue or restore residential utility service for the period set forth in the statement or one month, whichever is less; however, the person whose health is threatened or illness aggravated may petition the Commission for an extension of time.

11.7.3.2 During the period of continued service, the account holder is liable for the cost of residential utility service. No action to terminate the service may be undertaken, however, until the end of the period of continued service.

11.7.3.3 The District shall not terminate service to a residence in which the account holder or a resident is known by the District to be using an iron lung, respirator, dialysis machine, or other life-supporting equipment whose normal operation requires continuation of the District's service, without specific prior approval by the Commission. Account holders eligible for this protection can get it by filing a written notice with the District, which notice form is to be obtained from the District, signed and supported by a statement consistent with that required in Section 11.7.3.1 above,, and specifically identifying the life-support equipment that requires the utility's service. Thereupon, the District shall mark and identify applicable meter boxes when this equipment is used.

11.7.4 The District may terminate residential utility service without notice when, in its judgment, a clear emergency or serious health or safety hazard exists for so long as the conditions exist, or when there is unauthorized use or diversion of residential utility service or tampering with wires, pipes, meters, or other equipment owned by the utility. The utility shall immediately try to notify the customer of the termination of service and the reasons therefor. (R746-200-7(F))

11.8 Notice of Proposed Termination of Service –

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

11.8.1 At least 10 calendar days before a proposed termination of service, the District will give written notice of disconnection for nonpayment to the customer. The 10-day time period is computed from the date the bill is postmarked. The notice shall be given by first class mail or delivery to the premises and shall contain a summary of the following information:

- 11.8.1.1 Statement of Customer Rights and Responsibilities under existing state law and Commission rules;
- 11.8.1.2 the District's policy on termination of service;
- 11.8.1.3 the availability of deferred payment agreements and sources of possible financial assistance including but not limited to state and federal energy assistance programs;
- 11.8.1.4 informal and formal procedures to dispute bills and to appeal adverse decisions, including the Public Service Commission's address and telephone number;
- 11.8.1.5 specific steps, printed in a conspicuous fashion, that may be taken by the consumer to avoid termination of service; and
- 11.8.1.6 the date on which payment arrangements must be made to avoid termination of service.

11.8.2 At least 48 hours before termination of service is scheduled, the utility shall make good faith efforts to notify the account holder or an adult member of the household, by mail, by telephone or by a personal visit to the residence. If personal notification has not been made either directly by the utility or by the customer in response to a mailed notice, the utility shall leave a written termination of service notice at the residence. Personal notification, such as a visit to the residence or telephone conversation with the customer, is required only during the winter months, October 1 through March 31. Other months of the year, the mailed 48-hour notice can be the final notice before the termination of service.

11.8.3 If termination of service is not accomplished within 15 business days following the 48-hour notice, the utility company will follow the same procedures for another 48-hour notice.

11.8.4 The District will send duplicate copies of 10-day termination of service notices to a third party designated by the customer and will make reasonable efforts to personally contact the third party designated by the customer before termination of service occurs, if the

Filed: _____, 2009

Effective: _____

Advice Letter No. ____

RULES AND REGULATIONS (continued)

third party resides within its service area. The district will inform its customers of the third-party notification procedure at the time of application for service and at least once each year.

- 11.8.5 In rental property situations where the tenant is not the customer and that fact is known to the utility, the utility shall post a notice of proposed termination of service on the premises in a conspicuous place and shall make reasonable efforts to give actual notice to the occupants by personal visits or other appropriate means at least five calendar days before the proposed termination of service. This notice provision applies to residential premises when the customer has requested termination of service or the customer has a delinquent bill. If nonpayment is the basis for the termination of service, the District will advise the tenants that they may continue to receive utility service for an additional 30 days by paying the charges due for the 30-day period just past.
- 11.8.6 Upon expiration of the notice of proposed termination of service, the District will terminate residential utility service. Except for service diversion or for safety considerations, utility service shall not be disconnected between Thursday at 4:00 p.m. and Monday at 9:00 a.m. or on legal holidays recognized by Utah, or other times the utility's business offices are not open for business. Service may be disconnected only between the hours of 9:00 a.m. and 4:00 p.m.

11.9 Disconnection of Service

- 11.9.1 A customer shall advise the District at least three days in advance of the day on which the customer wants service disconnected to its residence. The District will disconnect the service within four working days of the requested disconnect date. The customer shall not be liable for the services rendered to or at the address or location after the four days, unless access to the meter has been delayed by the customer.
- 11.9.2 A customer who is not an occupant at the residence for which termination of service is requested shall advise the District at least 10 days in advance of the day on which the customer wants service disconnected and sign an affidavit that he is not requesting termination of service as a means of evicting his tenants. Alternatively, the customer may sign an affidavit that there are no occupants at the residence for which termination of service is requested and thereupon the disconnection may occur within four days of the requested disconnection date.

12.0 HEAT Program

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

RULES AND REGULATIONS (continued)

12.1 The District shall allow its customers to participate in the HEAT program. The District Manager shall coordinate all contact with the customer, HEAT Program Manager, and any other person or entity required for the customer to participate in the program.

12.2 The District will not discontinue utility service to a low-income household for at least 30 days after receipt of utility payment from the state program on behalf of the low-income household.

13.0 **RULES OF CONSTRUCTION**

13.1 The singular number includes the plural where the context and application of the rules and regulations contained herein reasonably suggest.

13.2 Words used in the present tense include the future.

13.3 Words used in the masculine gender comprehend, as well, the feminine and neuter.

13.4 The work "person" includes bodies politic and any individual, partnership, association, corporation or group of individuals, however styled or designated.

14.0 **CONFLICTS AND INVALIDITY CLAUSE**

14.1 If any provision, paragraph, word, section, or chapter hereof is invalidated by any court of competent jurisdiction or by any state or federal statute, the remaining provisions, paragraphs, words, sections, and chapters hereof shall not be affected and shall continue in full force and effect.

LINE EXTENSION POLICY

1. Overview. This Line Extension Policy governs the basic rights and duties of the District and the customer, for the extension of new electrical service. This Policy is not intended to cover every specific situation or eventuality. The Board of Trustees is therefore authorized to make policy adjustments to accommodate those unique situations as they arise.
2. Definition of Extension. An extension is any continuation of, or branch from, the nearest available existing service line of the District, including any increase in capacity of an existing line to meet the customer's requirement.
3. Costs. The total cost of an extension, including engineering, labor and material shall be paid by the applicant. The District shall provide to the customer or applicant a good faith estimate of the cost of the project which shall be based upon the actual necessary cost of constructing and installing the line extension and facilities necessary to adequately supply the service requested by the customer or applicant. Where more than one applicant is involved in an extension, the costs shall be prorated on the basis of the street frontage distances involved. Sufficient infrastructure shall be included with every installation. The applicant must pay 100% of the extension cost of the line.
4. Construction Standards. Facility sizes shall be designed by the District, but the size shall never be smaller than necessary for sufficient transmission and voltage. The District shall be responsible for choosing the contractor, but may provide a list of approved contractors from which the customer may choose.
5. Ownership. Completed facilities shall be owned, operated, and maintained by the District, including the meters, as detailed in the Rules and Regulations.
6. Electric Power Supply. All costs, other than line extension costs, for providing needed electric power supply shall be paid by the District. This cost shall include the installation and operation of transformers and voltage regulators as required for proper regulation of the system.
7. Temporary Service. The customer will pay the total cost for the installation and removal of any extensions for service to a venture of a temporary or speculative permanency. The District will receive the estimated cost from the customer before beginning work on the extension.
8. Service from Prior Extension. Customers desiring service from a prior extension less than five (5) years old, to which a contribution has been made by another customer, must pay their proportionate share of that contribution in advance of construction. This amount is in addition to any contributions required by this policy.

Filed: _____, 2009
Advice Letter No. ___

Effective: _____

LINE EXTENSION POLICY (continued)

9. Refunding Contributions. The District shall refund contributions by new customers on a preexisting line extension, to the contributor(s) to that extension, or to the current owners of the affected properties. The purpose of this refund is that all customers served from the extension share proportionally in the cost of the extension. Refunds apply to monetary contributions only and shall be made to the legal owner(s) of the property(s) served by the extension at the time of the refund.

Filed: _____, 2009
Advice Letter No. ___

Effective: _____