

## RESOLUTION NO. 1608

### A Resolution Adopting an Updated and Revised Policy Entitled “General Provisions and Electric Rate Schedules”

WHEREAS, the District adopted by Resolution No. 832, in January of 1976, a Policy entitled “General Provisions and Electric Rate Schedules”; and

WHEREAS, said Policy adopted policy and procedures for the lease and sale of electric energy and fixed the price thereof; and

WHEREAS, said Policy has been updated and amended as follows:

Resolution No. 838	Dated 03/15/1976
Resolution No. 839	Dated 05/03/1976
Resolution No. 841	Dated 06/14/1976
Resolution No. 861	Dated 09/26/1977
Resolution No. 872	Dated 03/13/1978
Resolution No. 884	Dated 06/12/1979
Resolution No. 890	Dated 10/23/1979
Resolution No. 891	Dated 12/18/1979
Resolution No. 897	Dated 02/05/1980
Resolution No. 903	Dated 09/16/1980
Resolution No. 918	Dated 12/22/1981
Resolution No. 929	Dated 04/27/1982
Resolution No. 930	Dated 05/04/1982
Resolution No. 931	Dated 06/08/1982
Resolution No. 943	Dated 11/16/1982
Resolution No. 950	Dated 02/08/1983
Resolution No. 968	Dated 03/20/1984
Resolution No. 972	Dated 06/ /1984
Resolution No. 976	Dated 07/24/1984
Resolution No. 985	Dated 06/11/1985
Resolution No. 1012	Dated 03/03/1987
Resolution No. 1036	Dated 10/11/1988
Resolution No. 1044	Dated 05/23/1989
Resolution No. 1098	Dated 02/16/1993
Resolution No. 1104	Dated 08/31/1993
Resolution No. 1115	Dated 03/08/1994
Resolution No. 1126	Dated 12/29/1994
Resolution No. 1127	Dated 03/14/1995
Resolution No. 1140	Dated 01/09/1996
Resolution No. 1158	Dated 02/25/1997
Resolution No. 1168	Dated 04/14/1998
Resolution No. 1174	Dated 04/13/1999
Resolution No. 1183	Dated 12/28/1999
Resolution No. 1188	Dated 04/25/2000
Resolution No. 1209	Dated 04/10/2001
Resolution No. 1225	Dated 10/30/2001
Resolution No. 1252	Dated 03/11/2003

Resolution No. 1274	Dated 03/09/2004
Resolution No. 1337	Dated 06/26/2007
Resolution No. 1490	Dated 08/18/2009
Resolution No. 1506	Dated 05/04/2010
Resolution No. 1514	Dated 10/01/2010
Resolution No. 1517	Dated 11/02/2010
Resolution No. 1523	Dated 02/22/2011
Resolution No. 1538	Dated 03/06/2012
Resolution No. 1548	Dated 10/09/2012
Resolution No. 1558	Dated 03/05/2013
Resolution No. 1565	Dated 06/25/2013
Resolution No. 1567	Dated 07/30/2013
Resolution No. 1584	Dated 04/07/2014
Resolution No. 1607	Dated 06/22/2015

WHEREAS, staff has proposed the attached updated and revised Policy; and

WHEREAS, the Board has reviewed said proposed revisions; and

WHEREAS, the Board finds it to be in the best interest of the District to adopt said revised Policy.

NOW, THEREFORE, BE IT RESOLVED that:

1. The Board of Commissioners of Public Utility District No. 1 of Okanogan County hereby adopts the Policy attached hereto, which is entitled: "General Provisions and Electric Rate Schedules" dated August 10, 2015.
2. This Policy shall become effective immediately.
3. All policies in conflict herewith are hereby repealed.

Dated this 10<sup>th</sup> day of August, 2015.

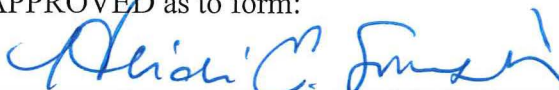
  
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 Steve Houston, President

  
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 Ernest J. Bolz, Vice President

ATTEST:

  
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 Scott Vejraska, Secretary

APPROVED as to form:

  
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 Heidi Smith, General Counsel

**Public Utility District No. 1  
of Okanogan County, Washington**

**GENERAL PROVISIONS AND ELECTRIC RATE SCHEDULES**

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## **Section A. GENERAL**

### 1. Effective Date:

This Policy has been approved by Resolution No. 1608, effective August 10, 2015.

### 2. Definitions:

The definitions in this section apply throughout the General Provisions and Electric Rate Schedules unless the context clearly requires otherwise.

“Customer” means any person or entity that purchases electricity from the District for ultimate consumption and not for resale.

“District” means the Public Utility District No. 1 of Okanogan County.

“Person” means any natural person or entity with the legal capacity to transact business with the District.

### 3. District Obligations:

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

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

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

### 4. Validity:

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

## **Section B. AVAILABILITY OF SERVICE**

### 1. Application for Service:

The customer shall furnish to the District information requested relating to service such as to establish credit, to establish ownership of property, to establish load and location details

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

## 2. Deposits and Fees:

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

The District may return the deposit to the customer after a satisfactory credit rating has been established. Nothing in this rule shall prevent the requirement of an additional or new deposit when credit conditions warrant.

- 2.2 Fees: A charge of predetermined amounts will be made under the following conditions:
- (a) An account service charge will be made to partially offset the cost of processing applications for service to a new customer-occupant at any facility previously served by the District (does not include landlord temporarily retaining service or change of name by present occupant).
  - (b) A handling charge will be made if a customer check is returned to the District because of insufficient funds, account closed or payment stopped.
  - (c) In addition to the account service charge under (a) above, a connection charge will be made if customer requests connection outside of regular working hours or if the request is made after 4:00 p.m. for connection that same day and connection cannot be made by the close of business.

## 3. Available Phase and Voltage:

- 3.1 Advise Customer: The District shall advise the customer of, and supply customer with, the most suitable phase and voltage available upon established circuits, or which might be available at the most economical cost to the District. Non-standard voltages or special regulation may be supplied if customer prepays the extra cost to the District for special equipment and plant.

- 3.2 Balanced Load Required: The customer will be required to balance load between phases when an unbalance causes a problem for any customer or to the District.
- 3.3 Three-Phase Service: Standard three-phase service will be from a three-phase primary line. The District may provide three-phase service from a V-phase (two-phase) primary line at the District's discretion; however, equipment must not be loaded to more than ninety percent (90%) of nameplate rating, and such service is provided without liability to the District as to customer equipment damage or performance.
- 3.4 Additional primary phases required to serve new or existing load will be provided by the District, and all associated costs will be paid by the customer.

4. Line Extension Policy:

The District's Line Extension Policy will be based on a cost causer, cost payer methodology. It is the declared policy to extend service to customers under the following conditions; however, the following can be only a declaration of policy and each extension will be subject to study as to feasibility and desirability.

- (a) Cost Causer, Cost Payer Methodology: Construction costs are not to be subsidized by existing customers. A customer pays for those costs created by their request to hook to the District's electrical system. The installed cost for any new poles, conductor (overhead and/or underground), vaults, conduit, secondary conductor, meter(s) and any modifications necessary to existing District facilities to serve this load are the responsibility of the customer.
- (b) Availability: To permanent customer for permanent service in all areas within or adjacent to territory now served by existing facilities of the District, and which territory is not excluded by territorial agreement.
- (c) New or Added Load: All required facility changes or additions to serve new load or added customer load will be prepaid by the customer based on the final engineering cost estimate. Improvements to be made by the District that are not caused by the customer's load shall be paid by the District. The District will not require the customer to pay for distribution transformer costs.

If the estimated construction cost exceeds the actual cost by Twenty-Five Dollars (\$25.00) or more, a refund of the difference will be made to the customer.

4.1 Full Prepayment Requirements:

- (a) New or Added Load: All required facility changes or additions to serve new load or added customer load will be prepaid by the customer based on the final engineering cost estimate. Improvements to be made by the District that

are not caused by the customer's load shall be paid by the District. The District will not require the customer to pay for transformer costs.

(b) Primary Backbone System: Developers of backbone systems will be required to prepay for any system improvements necessary to serve the electrical requirements of the development. At its sole discretion, the District may allow developers to install the necessary facilities to District specifications or prepay the final engineering cost estimate for the District to install such facilities.

(c) Construction Prerequisites:

(1) The customer applying for service must obtain all necessary easements, using the District's standard easement form, before construction will be commenced. The District reserves the exclusive right to make any number of connections to any power line to serve additional customers at any location, including the end, and without compensation to any customers except for prearranged compensation for actual damage to property incurred by such construction. Any connections to be made are subject to the terms of both existing easements and easements to be obtained to make a new extension. The District will cooperate with the customer to determine the most acceptable route that does not result in extra cost to the District. If a customer asks for more than two (2) iterations of possible routes, then the customer will be required to prepay for the engineering time necessary to design those iterations and provide the engineering cost estimate.

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

(2) The engineering cost estimate is valid for six (6) months. It shall be revised if the line construction start is delayed by the customer past the six (6) month timeframe.

If the customer has not prepaid for construction within one year of the final engineering cost estimate, the work order will be canceled and the customer will be required to start the process over again.



- (3) Prepay will be refunded to the customer, less charges to date, if the work order is not completed due to customer delay within two (2) years of the date the customer made the prepay.
  - (4) A work order specific to this line extension work will be sent to Operations for construction once the customer's service has passed a Labor and Industries inspection, any needed easement(s) have been acquired, any permit(s) needed have been acquired, and the customer has made the required prepay.
- (d) Routing: The District shall take the most feasible route for the line extension considering roads, maintenance and future customers. When a customer requests that the line extension be constructed on an indirect, more costly route than the route chosen by the District, and the indirect route is satisfactory to the District, the customer shall pay such added costs.

An extension will not be constructed over or through trees unless there is no other route, in which case the trees must be removed as necessary for appropriate right-of-way as specified by the District. If the District removes the trees, the cost shall become part of the regular construction cost to serve.

- (e) Load Added by Existing Customer: When a load is added by an existing customer to an account presently served, and the added load requires a facilities change, the costs of any system changes required to serve the increased load will be borne by the customer.
- (f) The District will provide two (2) engineering cost estimates at no charge to the customer. Additional engineering cost estimates shall be prepaid by the customer based on the labor involved. Developers shall pay all design and estimate costs incurred by the District.

#### 4.2 Extension Rules for Underground:

- (a) Requirement: The District may require an extension to be underground rather than overhead whenever it is in the best interests of the District (Example: tree danger, fire hazard and existing underground area). The District may refuse requested undergrounding when and if it is determined that undergrounding would be detrimental to the District.
- (b) Rules: The rules for overhead construction as stated above apply to underground construction. In addition, the following applies:
  - (1) The customer shall prepay the costs of excavation, preparation and any repairs needed for laying cable, including but not limited to trenching, bedding, backfilling, road, asphalt, sidewalk, curbing and ground repair. The customer may do this work to reduce the

prepayment only if it can be arranged and performed satisfactorily for the District.

5. Provisions for Temporary Service:

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

- (a) Temporary Service Which Will Be Removed: Customer to prepay the District's engineering cost estimate to install, plus cost to remove. The District will cover any transformer costs.
- (b) Temporary Service for Construction of Permanent Building: If the permanent service may be installed overhead and later merely transferred to a permanent building, it shall be installed along with total facilities under the Line Extension Policy. Otherwise, it shall be as (a) above.
- (c) Temporary services must be transferred to a permanent service within one (1) year unless otherwise waived in writing by the District. Temporary services will be removed after one (1) year.

6. Material Sales for Customers of the District:

Customers or their contractor can purchase material for use on their work order from the District when a local merchant does not have the material needed or the material cannot be secured in a timely manner. Material is not intended for resale.

- All sales will be paid for before the material is issued. The selling price will be the District's inventory cost, plus applicable stores expense, plus sales tax.
- The District will not accept a return of conductor.
- The District will accept the return of an entire sale lot (except conductor), but will not accept returns of a portion of a sale lot. Refund will be sale price less additional stores expense.

**Section C. SERVICE REQUIREMENTS AND STANDARDS**

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

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

- 1.2 District Access and Protection: Meters shall be installed on the outside of buildings or service structures as approved by the District.

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

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

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

Meter testing will be performed at the request of the customer; however, if the meter is found to be within two percent (2%) plus or minus accuracy and repeat testing is requested, the cost of the test will be billed to the customer.

2. Separate Meters and Single Metering:

- 2.1 Separate Meters: When the customer desires to use electricity for purposes classified under different rates, separate meters must be installed to measure the energy supplied at each rate, and the electricity registered by each meter must be charged for at prices specified in the rate schedules for such separate use, except as specified below.
- 2.2 Single Metering: For a General Service (Large or Small), two or more points of service or two or more buildings may be served through one meter when all of the following conditions are met:
- (a) Service is under General Service Rate Schedule only and no other rate schedules or types of service are involved.
  - (b) The complex served is under one account number, and buildings and land are owned and occupied by one and only one owner and will continue to be only one owner.

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

3. Inspection of Wiring:

New or altered services/facilities must be inspected and approved by the Washington State Labor and Industries Electrical Inspector, as required by State law, before connection or reconnection by the District. The District may cause the service outlets, metering facilities, wiring, appliances and fixtures to be carefully inspected; and until they are properly located and put in satisfactory condition, the District shall not connect the service wires with the District's circuit. The District shall have the right at any time to disconnect the service from any premises where the wiring, appliances or fixtures shall become or are found to be defective or dangerous until the same are repaired to the satisfaction of the District; however, the District is not obligated to inspect the customer's electric facilities beyond the point of connection and assumes no liability for the condition of, or resultant damage or injury from, the customer's electric facilities.

4. Service Connections and Customer Installations:

- 4.1 Connect by District Only--Penalty: Only employees acting for the District shall connect any house, premises, wire or other appliances with the District's electric system for the purpose of securing electric energy therefrom or for any other purpose whatsoever. Any such violation of this condition shall be construed as a transgression, the perpetrator of which shall be liable to an action under the law.
- 4.2 Protective Devices: Suitable electrical and physical protective devices on the customer's premises will be required whenever the District deems such installation necessary to protect its property or that of its customers.
- 4.3 Customer Wiring Condition: The customer shall at all times keep his wiring and appliances in such condition that they can be used for the purposes set forth in his application, without causing damage, delay or loss to the District.

5. District Property on Customer Premises:

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

**Section D. DISTRICT SERVICE RESPONSIBILITY**

1. Interruption of Customer Service:

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

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

2. Power Curtailment:

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

3. Not Responsible Post Service Entrance:

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

**Section E. CUSTOMER RESPONSIBILITY AND PENALTIES:**

1. Liability for Violating Provisions of this Resolution:

Any person violating any of the provisions of this Resolution which constitutes a crime under State law will be referred to the Okanogan County Sheriff and/or Prosecutor for prosecution. In addition, the service of any person found to have violated the provisions of this Resolution may be terminated, and the person violating shall be liable for all damage and expense incurred by the District and for all extra energy used by reason of such violation.

2. Electricity Not Subject to Resale:

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

3. Customer Equipment and Operation:

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

3.2 Short Circuit Fault Withstand: It shall be the customer's responsibility to ensure that their system and equipment can withstand the short circuit fault current available at the District's serving transformer.

3.3 Customer Caused Interference to District's Electric Service to Other Customers: Customer shall be responsible for mitigating, at customer's expense, any interference to other customers of the District's electric service caused by customer's equipment. Examples of such interference would include, but not be limited to, flicker, harmonic distortion and radio frequency interference. The District will require the customer to provide at customer's expense equipment that will limit such fluctuation. The District reserves the right to refuse to supply service to loads of a character which may seriously impair service to any customer and shall have the right to discontinue service to any customer who shall continue to use appliances or apparatus detrimental to the District's customers after being notified by the District of such detriment.

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

3.5 Customer Load Increases: Before increasing load requirements for electrical equipment, the customer shall notify the District in writing and sufficiently in advance to permit the District to determine if upgrades to any District facilities are necessary. Other than transformer costs, the customer will be responsible for the entire cost of any required upgrades to supply adequate service. If the customer fails to notify the District, the customer shall be responsible for any damage to the District's or other customers' equipment resulting from this added load and the District shall not be liable for damage to the customers' equipment.

3.6 District Responsibility - Customer Equipment: Nothing in these rules and policy shall be construed as placing upon the District any responsibility for the condition or maintenance of the customer's wiring, current-consuming devices or other equipment. The customer agrees when taking electric service that the District is not liable for loss, damage or personal injury resulting from defects in the customer's installation, wiring or equipment, or from the use of the service on the premises of the customer .

4. Trouble Calls:

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

**Section F. CHANGES TO, CONVERSION OF, DISTRICT PLANT**

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

1.1 Unlawful to Tamper: It is unlawful for any person to tamper in any way with the District plant without prior approval from the District.

1.2 Costs: Upon request by a customer, changes to District plant may be made on the following basis:

- (a) Customer Cost: Any cost to District will be prepaid based on a final engineering cost estimate with refund if estimate exceeds actual costs by Twenty-Five Dollars (\$25.00) or more.
- (b) New or Added Load: According to line extension policy only if change is necessary for District to serve added or new load.
- (c) Benefit to District: District will absorb costs for benefit to District.
- (d) Customer Prepay: Except for benefits to District, customer shall prepay final engineering cost estimate; and where applicable that cost shall be cost of new plant less cost of the transformer plus costs of removal and/or relocation.

2. Conversion to Underground:

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

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

## **Section G. BILLING AND METER READING**

### **1. Meter Reading and Billing Periods and Methods:**

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

1.1 Monthly or periodic reading and billing.

1.2 Estimated readings may be made, and billing made according to the estimate, for the following reasons:

- (a) When the District is not able to read the meter for reasons beyond the District's control.
- (b) When the meter seal has been broken or the meter has not registered properly.
- (c) When established on a regular basis for efficiency and economics.
- (d) For fraction of a billing period. If there is appreciable error, the estimated reading and consumption will be adjusted after an actual meter reading is made at the next scheduled reading date, or at the end of a predetermined period of time.

1.3 Fractional Billing Period: Fractional billing calculations such as accounts opened or closed for the fraction of a billing period will be made on a prorated basis. Proration will only apply to the rate schedule minimum. For the purpose of fractional billings, thirty (30) days will be considered a month.

### **2. Power Factor Adjustment:**

2.1 Loads supplied under schedules providing for a kilowatt (kw) demand charge: When the power factor of the customer's load supplied from any service is less than ninety-seven percent (97%) lagging as determined under actual load conditions, the kilowatt demand shall be increased by one percent (1%) for each one percent (1%) or major fraction thereof by which the average power factor is less than ninety-seven percent (97%) lagging, unless the rate schedule specifies otherwise. The threshold for the power factor adjustment may change at any time the power factor requirements of the District's wholesale power suppliers change.

## **Section H. PAYMENT AND TERMS**

### **1. Name of District:**

For the purpose of accepting payment by check, money order or other evidences of cash and for other purposes not involving the validity of any official acts of the District, the short



name "PUD No. 1 of Okanogan County", "Okanogan PUD", "PUD", and "Okanogan County PUD" will be construed to mean "Public Utility District No. 1 of Okanogan County, Washington".

2. Responsibility for Payment and Termination of Agreement:

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

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

2.2 In the event a customer becomes delinquent in the payment of a bill for electrical service and service had been disconnected, then the District shall have the right to refuse service or disconnect a new service to such customer until payment of the prior delinquent account has been made. Due to difficulties and expense, the District will no longer be required to pursue collection of delinquent accounts older than six (6) years and less than One Hundred and Fifty Dollars (\$150.00).

3. Terms:

3.1 All bills rendered for service and minimum charges are due and payable upon receipt and become delinquent twenty-six (26) days from the mailing date.

**Section I. TERMINATION OF SERVICE AND PENALTIES:**

1. Termination of Service for Default:

1.1 Right to Terminate: The right to terminate service for default (delinquency) of payment may be exercised whenever and as often as default shall occur, and neither delay nor omission on the part of the District to enforce this rule at any one or more times shall be deemed a waiver of its rights to enforce the same at any time so long as there is default. Any delinquent balance may be transferred to the customer's active account for collection purposes.

1.2 Notice: Written notice, in accordance with "due process" requirements, will be given the customer before service is discontinued, except for fraudulent use of service or previous delinquency, in which case the District may discontinue service without notice. Notice shall be considered to have been given if placed in the United States mail at least five (5) days in advance. During winter months, the District will comply with the disconnect notification requirements outlined in WAC

480-100-138, Payment Arrangements, as well as WAC 480-100-143, Winter Low-Income Payment Program.

- 1.3 Arrangements to Pay: A customer who disputes his bill or is unable to pay the full amount of his bill due to financial difficulties shall have the right of an informal conference with designated employees of the District's local office serving the customer's account or employees of the District's collection department. Said designated employees shall have the authority to make arrangements with the customer for a deferred payment schedule of that particular bill. However, the District shall not be required to enter into a deferred payment arrangement with a customer who has not fully and satisfactorily complied with the terms of previous arrangements.
- 1.4 Right to Hearing: If the customer is not satisfied with the results of the informal conference, the customer shall have the right to appeal pursuant to Resolution No. 1167.
- 1.5 Customer Insolvency: If the District believes a customer is insolvent, is in financial difficulty, or considering bankruptcy, the District may take appropriate action to secure payment of previous and present charges for electric service. Such action may include obtaining an adequate security deposit, collecting payment personally on a daily or weekly basis, or whatever circumstances are reasonable under the situation.
- 1.6 Requirements and Reconnect Fees: The following listed payments shall be made as applicable in case of default:
  - (a) Delinquent amount must be paid in full.
  - (b) A deposit is required.
  - (c) A payment of a predetermined amount in addition to (a) and (b) above must be made as follows:
    - (1) for collection of bill outside of District office.
    - (2) for reconnect during regular work hours.
    - (3) for reconnect outside of regular work hours.

## 2. Termination for Other Than Payment Default:

- 2.1 The District reserves the right to terminate service for any of the following:
  - (a) If the customer fails to comply with any of the regulations as set forth in this Resolution or the provisions of an agreement.
  - (b) To protect District property.

- (c) For fraudulent use of the service or District property.
- (d) If service to the customer will adversely affect the service to other customers, or if customer is in violation of State, County, Municipal, or District regulations.

**Section J. RATES AND CONDITIONS**

1. General:

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

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

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