

SCHEDULE OF RULES AND REGULATIONS

1. Application For Service. Each prospective Customer desiring electric service may be required to sign Distributor's standard form of application for service, or contract, before service is supplied by the Distributor.

2. Deposit Residential. A deposit or suitable guarantee shall be required prior to receiving residential electric services. The amount required will be determined by a third party credit score. The maximum deposit shall not exceed two (2) times the highest monthly bill of an average residential customer based on twelve (12) months historical usage. Upon termination of service, deposit may be applied by Distributor against unpaid bills of Customer, and if any balance remains after such application is made, said balance shall be refunded to Customer. (Additional information on Residential Deposits can be found in DES Policy No. 42.)

3. Deposit Commercial. A deposit or suitable guarantee of two times the highest monthly bill will be required of Commercial Customers before electric service is supplied. Upon termination of service, deposit may be applied by Distributor against unpaid bills of Customer, and if any balance remains after such application is made, said balance shall be refunded to Customer. (Additional information on Commercial Deposits can be found in DES Policy No. 42.)

4. Point Of Delivery. The point of delivery is the point, as designated by Distributor, on Customer's premises where current is to be delivered to building premises. All wiring and equipment beyond this point of delivery shall be provided and maintained by Customer at no expense to Distributor.

5. Customer's Wiring-Standards. All wiring of Customer must conform to Distributor's requirements and accepted modern standards, as exemplified by the requirements of the National Electrical Safety Code, the National Electrical Code, the Tennessee State Code and any local code having jurisdiction.

6. Inspections. Distributor shall have the right, but shall not be obligated, to inspect any installation before electricity is introduced, or at any later time, and reserves the right to reject any wiring or appliances not in accordance with Distributor's standards; but such inspection or failure to inspect or reject shall not render Distributor liable or responsible for any loss or damage resulting from defects in the installation, wiring, or appliances, or from violation of Distributor's rules, or from accidents which may occur upon Customer's premises.

7. Underground Service Lines. Customers desiring underground service lines from Distributor's overhead system must bear the excess cost incident thereto. Specifications and terms for such construction will be furnished by Distributor on request.

8. Customer's Responsibility For Distributor's Property. All meters, service connections, and other equipment furnished by Distributor shall be, and remain, the property of Distributor. Customer shall provide a space for and exercise proper care to protect the property of Distributor on its premises, and, in the event of loss or damage to Distributor's property arising from neglect of Customer to care for same, the cost of the necessary repairs or replacements shall be paid by Customer.

9. Right Of Access. Distributor's identified employees shall have access to Customer's premises at all reasonable times for the purpose of reading meters, testing, repairing, removing, inspecting, or exchanging any or all equipment belonging to Distributor.

10. Right Of Way Maintenance. Distributor's identified employees and/or contractors working for Distributor shall have access to Customer's property for the purpose of maintaining areas under the power lines. Distributor has an obligation to maintain these areas for both public safety and the safety of the employees of Distributor. The Distributor uses various methods to maintain right of way (ROW) including but not limited to mechanical trimming, tree removal, herbicide application, and other methods of brush

removal. Customers who refuse to allow access and/or attempt to prevent work deemed necessary can be held responsible for any damages and all cost incurred thereafter. ROW maintenance is a key component to providing reliable electric service. No customer may inhibit Distributor from performing this necessary function. In the event that a Customer refuses access or interferes with ROW maintenance, Distributor will send a certified letter to Customer, and Customer will have thirty (30) calendar days to either, at Customer's expense, have a Customer-hired contractor perform the necessary work to DES specifications or Distributor will clear the ROW and Customer will be responsible for the cost incurred.

11. Billing. Bills will be rendered monthly and shall be paid within fifteen (15) days from date of bill at the office of Distributor. Failure to receive bill will not release Customer from payment obligation. Should bills not be paid as above, Distributor may at any time thereafter, upon one (1) business day's notice to Customer, discontinue service. Bills paid on or before the final date of payment shall be payable at the net rates, but thereafter a 5% late payment charge is assessed and included, the gross rates shall apply, as provided in the Schedule of Rates and Charges. Should the final date for payment of the bill at the net rates fall on a Saturday, Sunday, or holiday, the business day next following the final date will be held as a day of grace for delivery of payment. (Additional information on Billing can be found in DES Policy No. 60.)

12. Discontinuance Of Service By Distributor. Distributor may refuse to connect or may discontinue service for the violation of any of its Rules and Regulations, or for violation of any of the provisions of the Schedule of Rates and Charges, or of the application of Customer or contract with Customer. Distributor may discontinue service to Customer for the theft of current or the appearance of current theft devices on the premises of Customer. The discontinuance of service by Distributor for any causes as stated in this rule does not release Customer from his obligation to Distributor for the payment of minimum bills as specified in application of Customer or contract with Customer. Distributor will not disconnect service for nonpayment in the case of hot or cold weather extremes, defined as follows: National Weather Service forecasted high for Dickson of 32 degrees Fahrenheit or lower during the day and/or below 20 degrees Fahrenheit during the night, or a forecasted high of 95 degrees Fahrenheit or above during the day. (Additional information on Discontinuance of Service by Distributor can be found in DES Policies No. 60 and 64.)

13. Connection, Reconnection, and Disconnection Charges. Distributor shall establish and collect standard charges to cover the reasonable cost, including administration, of connecting or reconnecting service, or disconnecting service as provided above. Higher charges may be established and collected when connections and reconnections are performed after normal office hours, or when special circumstances warrant.

14. Medical Exceptions. Distributor will allow additional time beyond the disconnect notice for Customers that provide documentation of a medical condition that requires electric service for a life-sustaining circumstance. Customer with an approved medical circumstance will have two (2) weeks from the disconnect notice to either pay the bill or be subject to disconnection. The discontinuance of service by Distributor under this exception as stated in this rule does not release Customer from their obligation to Distributor for the payment of all charges as specified in application of Customer or contract with Customer. (Additional information on Medical Exceptions can be found in DES Policy No. 61.)

15. Reconnection Charge. Whenever service has been discontinued by Distributor, as provided above, a charge of not less than forty-five dollars (\$45.00) may be collected by Distributor before service is restored, or continued. After 3:00 pm during regular business days or during weekends or holidays, additional charges will be applied.

16. Termination Of Contract By Customer. Customers who have fulfilled their contract terms and wish to discontinue service must give at least three (3) days' written notice to that effect, unless contract specifies otherwise. Notice to discontinue service will not relieve Customer from any minimum or guaranteed payment under any contract or rate.

17. Service Charges For Temporary Service. Customers requiring electric service on a temporary basis may be required by Distributor to pay all costs for connection and disconnection incidental to the supplying and removing of service. This rule applies to circuses, carnivals, fairs, temporary construction, and the like.

18. Interruption Of Service. Distributor will use reasonable diligence in supplying current, but shall not be liable for breach of contract in the event of, or for loss, injury, or damage to persons or property resulting from, interruptions in service, excessive or inadequate voltage, single-phasing, or otherwise unsatisfactory service, whether or not caused by negligence.

19. Shortage Of Electricity. In the event of an emergency or other condition causing a shortage in the amount of electricity for Distributor to meet the demand on its system, Distributor may, by an allocation method deemed equitable by Distributor, fix the amount of electricity to be made available for use by Customer and/or may otherwise restrict the time during which Customer may make use of electricity and the uses which Customer may make of electricity. If such actions become necessary, Customer may request a variance because of unusual circumstances including matters adversely affecting the public health, safety, and welfare. If Customer fails to comply with such allocations or restriction, Distributor may take such remedial actions as it deems appropriate under the circumstances including temporarily disconnecting electric service and charging additional amounts because of the excess use of electricity. The provisions of the Section entitled Interruption of Service of this Schedule of Rules and Regulations are applicable to any such allocation or restriction.

20. Voltage Fluctuations Caused by Customer. Electric service must not be used in such a manner as to cause unusual fluctuations or disturbances to Distributor's system. Distributor may require Customer, at his own expense, to install suitable apparatus which will reasonably limit such fluctuations.

21. Additional Load. The service connection, transformers, meters, and equipment supplied by Distributor for each Customer have definite capacity, and no addition to the equipment or load connected thereto will be allowed except by consent of Distributor. Failure to give notice of additions or changes in load, and to obtain Distributor's consent for same, shall render Customer liable for any damage to any of Distributor's lines or equipment caused by the additional or changed installation.

22. Customer owned Generation. Any Customer that installs equipment that produces electricity either on the Customer's side of the meter or metered generation located on the premises of Customer shall be reviewed and approved by the Distributor prior to connection. Customer shall not, directly or indirectly, parallel, such equipment with the electric system without the proper protective equipment and inspection by the State Electrical inspector and DES.

23. Standby and Resale Service. All purchased electric service (other than emergency or standby service) used on the premises of Customer shall be supplied exclusively by Distributor, and Customer shall not, directly or indirectly, parallel, sell, sublet, assign or otherwise dispose of the electric service or any part thereof.

21. Notice of Trouble. Customer shall notify Distributor immediately should the service be unsatisfactory for any reason, or should there be any defects, trouble, or accidents affecting the supply of electricity. Such notices, if verbal, should be confirmed in writing.

22. Non-Standard Service. Customer shall pay the cost of any special installation necessary to meet his peculiar requirements for service regulation other than required by standard practice.

23. Meter Tests. Distributor will, at its own expense, make periodical tests and inspections of its meter in order to maintain a high standard of accuracy. Distributor will make additional tests or inspections of its meters at the request of Customer. If tests made at Customer's request show that the meter is accurate within two percent (2%), slow or fast, no adjustment will be made in Customer's bill, and the testing charge of fifteen dollars (\$15.00) per meter will be paid by Customer. In case the test shows meter to be in excess of two percent (2%) fast or slow, an adjustment shall be made in Customer's bill over a period of not over thirty (30) days prior to date of such test, and cost of making test shall be borne by Distributor.

24. Relocation of Outdoor Lighting Facilities. Distributor shall, at the request of Customer, relocate or change existing Distributor-owned equipment. Customer shall reimburse Distributor for such changes at actual cost including appropriate overheads.

24. Billing Adjusted to Standard Periods. The charges set forth in the rate schedules are based on billing periods of approximately one month. In the case of the first billing of new accounts (temporary service, cotton gins, and other seasonal customers excepted) and final billings of all accounts (temporary service excepted) where the period covered by the billing involves fractions of a month, the demand charges, other charges designed primarily to recover fixed costs, and the customer charges under Schedule TGP and under Part B of the General Power Rate Schedule will be adjusted to a basis proportionate with the period of time during which service is extended.

25. Scope. This Schedule of Rules and Regulations is a part of all contracts for receiving electric service from Distributor, and applied to all service received from Distributor, whether the service is based upon contract, agreement, signed application, or otherwise. A copy of this schedule, together with a copy of Distributor's Schedule of Rates and Charges, shall be kept open to inspection at the offices of Distributor. (Additional information can be found in DES Policy 62.)

26. Revisions. These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time, without notice. Such changes, when effective, shall have the same force as the present Rules and Regulations.

27. Conflict. In case of conflict between any provision of any rate schedule and the Schedule of Rules and Regulations, the rate schedule shall apply.