

**ELECTRIC SERVICE REGULATIONS  
of  
MINNESOTA POWER**

**PURPOSE AND CONTENTS**

These Service Regulations govern the supplying and taking of electric service. The regulations are designed to provide each Customer the greatest practicable latitude in the use of service consistent with reliable, economical and safe service to all Customers.

These Service Regulations, together with Extension Rules and Rate Schedules, are on file in the Company's various offices, and copies are obtainable by any Customer upon request made in person, by telephone or by mail, at any office of the Company.

<p><b>Section I—Definitions</b></p> <p>1 Customer</p> <p>2 Company</p> <p>3 Electric Service</p> <p>4 Point of Delivery</p> <p>5 Customer's Installation</p> <p>6 Service Drop</p> <p>7 Service Entrance Conductors</p> <p>8 Month</p> <p>9 Service Agreement</p> <p>10 Notice</p> <p>11 Meter</p> <p>12 Customer Extension</p> <p><b>Section II—Service Agreements</b></p> <p>13 Form and Execution of Service Agreements</p> <p>14 Contract Period of Service Agreements</p> <p>15 Renewal and Termination of Service Agreements</p> <p>16 Customer's Right to Cancel Service Agreement or to Suspend Service</p> <p>17 Successors and Assigns</p> <p><b>Section III—Supplying and Taking of Service</b></p> <p>18 Supplying of Service</p> <p>19 Disconnection of Service</p> <p>20 Reconnection of Service</p> <p>21 Service Relock Penalty</p> <p>22 Continuity of Service</p> <p>23 Suspension of Service for Repairs and Changes</p> <p>24 Use of Service</p> <p>25 Customer's Responsibility</p> <p>26 Right-of-Way</p> <p>27 Access to Premises</p> <p>28 Location of Point of Attachment</p> <p><b>Section IV—Customer's Installation</b></p> <p>29 Nature and Use of Installation</p> <p>30 Inspection by Company</p> <p>31 Changes in Installation</p>	<p><b>Section V—Company's Installation</b></p> <p>32 Installation and Maintenance</p> <p>33 Protection by Customer</p> <p>34 Customer Extensions</p> <p>35 Relocation of Facilities</p> <p><b>Section VI—Metering</b></p> <p>36 Installation</p> <p>37 Evidence of Consumption</p> <p>38 Tests</p> <p><b>Section VII—Parallel Generation</b></p> <p>39 Design</p> <p>40 Disconnection</p> <p>41 Customer Responsibility</p> <p><b>Section VIII—Billing</b></p> <p>42 Billing Periods</p> <p>43 Separate Billing for Each Point of Delivery</p> <p>44 Adjustment for Inaccurate Meter Registration</p> <p>45 Late Payment Charge</p> <p>46 Delinquent Bills</p> <p>47 Unlawful Use of Service</p> <p>48 Charge for Restoring Service</p> <p>49 Selection of Schedule</p> <p>50 Proration of Bills</p> <p><b>Section IX—Deposits and Guarantees</b></p> <p>51 When Required</p> <p>52 When Refunded</p> <p>53 Interest on Deposits</p> <p>54 Conditional Service Prior to Establishment of Credit</p> <p>55 Conditions Requiring Established Credit</p> <p><b>Section X—Miscellaneous Regulations</b></p> <p>56 Conflicts</p> <p>57 Franchise Limitations</p> <p>58 Regulation and Jurisdiction</p>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**SECTION I—DEFINITIONS**

The following terms when used in these Service Regulations, in Rate Schedules and in Service Agreements, shall, unless otherwise indicated, have the meanings given below:

1. **Customer:** Any individual, partnership, association, firm, public or private corporation or governmental agency having Company's electric service at any specified location.
2. **Company:** Minnesota Power & Light Company, a Minnesota Corporation, also known as Minnesota Power.

**3. Electric Service:** The supplying of electric power and energy, or its availability, irrespective of whether any electric power and energy is actually used. Supplying of service by Company consists of the maintaining by it, at the point of delivery, of approximately the agreed voltage and frequency by means of facilities adequate for carrying Customer's contracted load.

**4. Point of Delivery:** The end of Company's service drop, or the point where Company's wires are joined to Customer's service entrance conductors or apparatus, unless otherwise specified in Customer's Service Agreement.

**5. Customer's Installation:** In general, all wiring, appliances and apparatus of any kind or nature on Customer's side of the point of delivery (except Company's meter installation), useful in connection with Customer's ability to take electric service.

**6. Service Drop:** The wires, owned by Company, connecting Company's distribution mains to Customer's service entrance conductors.

**7. Service Entrance Conductors:** The wires provided by the Customer extending from Customer's main line switch or center at which circuits originate, to the terminal of the Company's service drop.

**8. Month:** An interval of approximately thirty days between successive meter reading dates, except when the calendar month is specified.

**9. Service Agreement:** The agreement or contract between Company and Customer pursuant to which service is supplied and taken.

**10. Notice:** Unless otherwise specified, a written notification delivered personally or mailed by one party to the other at such other party's last known address, the period of notice being computed from the date of such personal delivery or mailing.

**11. Meter:** The meter or meters, together with auxiliary devices, if any, constituting the complete installation needed to measure the power and energy supplied to any Customer at a single point of delivery.

**12. Customer Extension:** Any branch from, or continuation of, an existing line to the point of delivery to Customer, including increases in capacity of any of Company's existing facilities, or the changing of any line to meet the Customer's requirements, and including all transformers, service drops and meters.

## SECTION II - SERVICE AGREEMENTS

**13. Form and Execution of Service Agreements:** Each application for service normally is made on Company's standard form of application, which, when properly executed by Customer and Company, becomes binding and along with the applicable Rate Schedules, Rules and Regulations, is termed a Service Agreement.

If for any reason an application is not signed by the Customer, the giving of service by the Company and the accepting of such service by the Customer shall impose the same obligation on each as if a Service Agreement had been executed.

**14. Contract Period of Service Agreements:** The contract period shall be as indicated in the applicable Rate Schedule, unless otherwise provided for in the Service Agreement.

**15. Renewal and Termination of Service Agreements:** Renewals shall be as provided for in the Service Agreement. Unless otherwise provided in the Service Agreement or Rate Schedule, Customer may terminate service at any time by notifying Company not less than three days prior to the date termination is desired. Customer will be held responsible for all service supplied to vacated premises until such notice has been received by Company. Notification may be made by writing, by telephone or by visiting the office during regular business hours.

When the contract period of a Service Agreement is extended, the demand previously established by Customer is considered as having been established under the extended contract period.

When a new Service Agreement is entered into, the demand previously established by Customer is considered as having been established under the contract period of the new Service Agreement except that, when the contract demand under the new Service Agreement is less than 60% of the highest actual demand established in the previous contract year, the Company will waive the above requirement.

**16. Company's Right to Cancel Service Agreement or to Suspend Service:** Company, in addition to all other legal remedies, may terminate the Service Agreement, or suspend delivery of service, for any default or breach of the Service Agreement by the Customer, but no such termination or suspension will be made by Company without five (5) days written notice, excluding Sundays and legal holidays, to Customer, stating in what particular the Service Agreement has been violated, except in cases of unlawful or unauthorized use of service by Customer, or dangerous leakage or short circuit on Customer's side of the point of delivery, or in case of utilization by Customer of service in such manner as to cause danger to persons or property. Failure of Company at any time to either suspend delivery of service or to terminate the Service Agreement, or to resort to any other legal remedy, or its adoption of either one or the other of such alternatives, shall not affect Company's right to resort to any of such remedies for the same or any future default or breach by Customer.

**17. Successors and Assigns:** Service Agreements inure to the benefit of and are binding upon the respective heirs, legal representatives, successors and assigns of the parties thereto; but no assignment by Customer shall be binding upon Company until accepted in writing by the latter.

### SECTION III - SUPPLY AND TAKING OF SERVICE

**18. Supplying of Service:** Service is supplied only under and pursuant to these Service Regulations and the applicable Rate Schedule, Riders, and Regulatory Rules. Service is supplied under a given Rate Schedule only at such points of delivery as are adjacent to facilities of Company adequate and suitable, as to capacity and voltage, for the service desired.

Service will be subject to disconnection and deposit requirements as provided by rules of the Minnesota Public Utilities Commission and other applicable law, if, at the time of application for service, the customer is indebted to the Company for service previously supplied at the same or another address.

**19. Disconnection of Service:**

A. With Notice - Service may be disconnected with notice for any reason under Minn. Rules Part 7820.1000 or as may otherwise be provided in Company's Service Regulations, Service Schedules or Service Agreements.

B. Without Notice - Service may be disconnected without notice for any reason under Minn. Rules Part 7820.1100 or as may otherwise be provided in Company's Service Regulations, Service Schedules or Service Agreements.

**20. Reconnection of Service:** Company shall reconnect service following disconnection for non-payment only after all past due accounts, deposits and reconnection fees, where applicable, shall have been paid.

A. The Service Reconnection Fee shall be as follows:

- i. \$20.00 between the hours of 8:00 AM and 4:30 PM Monday through Friday.
- ii. \$100.00 after 4:30 PM, before 8:00 AM and on Saturdays, Sundays and legal holidays.

B. Where service has been disconnected under Minn. Rules Part 7820.1100.B., a reconnection fee will not be required.

C. Following disconnection under Minn. Rules 7820.1100.A., reconnection will occur only after Company has received payment from Customer of the following:

- i. Power and energy not recorded on the meter at the appropriate rate, the amount of which may be estimated by Company based on the best available data.
- ii. All expenses incurred by Company due to any such unauthorized act or acts.

**21. Service Relock Penalty:** Company shall assess a Service Relock Penalty of \$100.00 for disconnecting service where Company has previously disconnected service and is required to subsequently returned to relock or redisconnect the service after it was connected by a customer without Company authorization.

**22. Continuity of Service:** Company will endeavor to provide continuous service but does not guarantee a constant supply of electric energy and shall not be liable to Customer for damages occasioned by interruption, except as provided by law. The Company shall not be liable for any loss of profits, special, or consequential damages resulting from the use of service or any interruption or disturbance of service.

In the event of power shortage any curtailment among Customers shall be made as nearly as practical pro rata without liability on the part of Company to any Customer affected.

If any part of service furnished by Company is employed for purpose of pumping water, Company assumes no obligation to maintain an adequate supply for fire protection, or any other purpose, whatsoever, and such use shall not subject Company to any liability to any party for damages to person or property due to failure of water supply resulting from an interruption or deficiency of electric service from whatsoever cause the same may arise.

**23. Suspension of Service for Repairs and Changes:** When necessary to make repairs to or changes in its lines or system, Company may, without incurring any liability therefor, suspend service for such periods as may be necessary, and in such manner as to minimize inconvenience to Customer.

**24. Use of Service:** Service is for Customer's use only. Company permits redistribution and submetering only where allowed by law. The electric service equipment and associated building wiring of buildings shall be arranged by the owner to permit individual metering of the electrical consumption of each building and occupancy unit to comply with Minn Stat. 116J.27 and any law amendatory thereto. If desired by the owner, the Company will install and maintain necessary individual Company meters to measure consumption and render bills on the applicable Rate Schedules to each Customer and separately occupied building and occupancy unit.

In no case may Customer, except with the written consent of Company, extend or connect an installation to lines across or under a street, alley, lane, court or avenue or other public or private space in order to obtain service for adjacent property through one meter even though such adjacent property be owned by Customer. Such consent may be given when such adjacent properties are operated as one integral unit under the same name and for carrying on parts of the same business.

In case of unauthorized remetering, sale or extension of service to another person, Company, after five (5) days written notice excluding Sundays and legal holidays, may discontinue the supplying of service to Customer until such unauthorized act is discontinued and full payment is made for all service supplied or used, billed on proper classification and Rate Schedule, and reimbursement in full made to Company for all extra expenses incurred, including expenses for clerical work, testing and inspections.

**25. Customer's Responsibility:** Customer assumes all responsibility on Customer's side of the point of delivery for the service supplied or taken, as well as for the electrical installation, appliances and apparatus used in connection therewith, and shall save Company harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from such service or the use thereof on Customer's side of the point of delivery.

**26. Right-of-Way:** Customer shall, without compensation, make or procure satisfactory conveyance to Company of right-of-way for Company's lines necessary and incidental to the furnishing of service to Customer and for continuing or extending said lines over, under, across or through the property owned or controlled by Customer in a manner deemed appropriate by the Company.

**27. Access to Premises:** Company personnel may enter Customer's premises only as authorized by applicable law and regulations.

**28. Location of Point of Attachment:** Customer's Point of Attachment is to be located at a point readily accessible to Company's distribution mains. Customer shall install and maintain a point of attachment for Company's service drop. Said point of attachment shall be of sufficient mechanical strength to support the wind and ice loaded weight of the service drop and shall be located as determined by the Company.

#### **SECTION IV - CUSTOMER'S INSTALLATION**

**29. Nature and Use of Installation:** All of Customer's wires, apparatus and equipment shall be selected with the view to obtaining safety, good efficiency, good voltage regulation and the highest practicable power factor and shall be installed in accordance with standard practices. Customer shall install and maintain, on Customer's side of point of delivery, suitable protective equipment as may be required by the Company for the protection of its service to other customers and may not employ or utilize any equipment, appliance or device so as to affect adversely Company's service to Customer or to others. The Company's failure to require such equipment shall not operate to relieve Customer from the obligation to utilize and comply with standard practices. Company may require auto starters or other suitable starting devices for motors above 5 horsepower. When polyphase service is supplied by Company, Customer shall control the use thereof so that the load at the point of delivery will be maintained in reasonable electrical balance between the phases.

Installations of neon, fluorescent, mercury vapor lamps or tubes, or other types of gaseous tube lamps, or other devices having low power factor characteristics, should be equipped with corrective apparatus to increase the power factor of each unit or separately controlled group of units to not less than approximately 90% lagging.

**30. Inspection by Company:** Company retains the right, but does not assume the duty, to inspect Customer's installation at any time and will refuse to commence or to continue service whenever it does not consider such installation to be in good operating condition, but Company does not in any event assume any responsibility whatever in connection with such matters.

**31. Changes in Installations:** As Company's service drops, transformers, meters, and other facilities used in supplying service to Customer have a definite limited capacity, Customer shall give notice to Company, and obtain Company's consent, before making any material changes or increases in Customer's installation. Company as promptly as possible after receipt of such notice will give its approval to the proposed change or increase, or will advise Customer upon what conditions service can be supplied for such change or increase. Failure to secure Company's approval shall make Customer liable for any damage to Company's facilities.

## SECTION V - COMPANY'S INSTALLATION

**32. Installation and Maintenance:** Except as otherwise provided in these Service Regulations, in Service Agreements or Rate Schedules, Company will install and maintain its lines and equipment on its side of the point of delivery, but shall not be required to install or maintain any lines or equipment, except meters, on Customer's side of the point of delivery. Only Company's agents are authorized to connect Company's service drop to Customer's service entrance conductors and to connect Company's meters.

(a) **Electrical Permit:** The Company is prohibited from connecting its service drop to Customer's service entrance conductors until permitted by the governmental authority having jurisdiction.

(b) **Standard Connection:** The ordinary method of connection between Company's distribution mains and Customer's service entrance conductors will be by overhead wires except as otherwise provided for in Company's Extension Rules. If Customer desires to have connection made in any other manner, special arrangements will be made between Customer and Company by which the connection will be made and maintained at Customer's expense.

(c) **Suitable Space:** The Customer shall provide at no cost to Company a suitable room or space for Company's transformers and equipment specifically used in providing service to Customer when such room or space is deemed necessary by Company.

**33. Protection by Customer:** Customer shall protect Company's wiring and apparatus on Customer's premises and shall permit no one except Company's agents or persons authorized by law to inspect or handle same. In the event of any loss or damage to such property of Company or other person caused by or arising out of carelessness, neglect or misuse by Customer or other unauthorized persons, the cost of making good such loss or repairing such damage shall be paid by Customer.

Company shall not be responsible to Customer or any other party because of any damage resulting from such installations which are not readily subject to inspection from the ground and the exterior of the premises, or from the meter location, unless Customer shall have notified Company of a condition which, in the reasonable opinion of the Customer, requires attention and the Company shall have had a reasonable time within which to inspect and, if necessary, repair the same.

**34. Customer Extensions:** The Company, at its own expense, makes extensions where the revenue therefrom is sufficient, in Company's opinion, to justify the necessary expenditure.

Where the Company cannot be assured that the business offered is of sufficient duration, where unusual expenditures are necessary to supply service because of location, size or character of installation, or where area requirements of regulatory bodies may control, the Customer or customers shall make arrangements satisfactory to Company dependent upon the particular conditions of each situation.

**35. Relocation of Facilities:** Company will, at its discretion, alter, relocate or remove Company's facilities as may be requested in writing by Customer. Customer shall pay Company for all costs, except as limited below, associated with such alteration, relocation or removal including any new facilities required to provide service after the alteration, relocation or removal.

Customers requesting the alteration, relocation, or removal shall pay the estimated cost for the change, less salvage, of the facilities required to effect such change prior to Company committing funds for the work. Where the actual cost is different from the estimated cost upon which the advance payment was based, as determined upon completion of the requested alteration, relocation, or removal, Company will refund any excess payment made by Customer or render a bill for any additional amount due. However, where Company's estimated cost is less than \$5,000, and actual cost exceeds such estimate, the additional amount due by Customer shall not exceed 15 percent of the estimate, regardless of the amount of actual cost.

## SECTION VI - METERING

**36. Installation:** Company shall furnish and install the necessary meter or meters, and Customer shall provide and maintain a location, free of expense and satisfactory to Company, all in accordance with Company's Metering Standards.

**37. Evidence of Consumption:** Unless proven to be inaccurate, the registration of Company's meter shall be accepted and received at all times and places as prima facie evidence of the amount of power and energy taken by Customer.

**38. Tests:** Company tests its meters and maintains their accuracy of registration in accordance with good practice. On request of Customer, Company will make a special test which will be done at the expense of the Company. If the Customer requests another test before the expiration of a twelve-month period, the Customer shall bear the cost of the test if the meter is found to be in error by less than 2%, fast or slow. The average registration accuracy of a meter is taken as the mean of full load (100% of rated load) accuracy, and light load (5-10% of rated load) accuracy. At Company's discretion, tests may be made under average load conditions.

## SECTION VII - PARALLEL GENERATION

**39. Design:** Customer's electric generating equipment shall be designed (1) to operate in synchronization with Company's system and (2) to automatically disconnect the facility from Company's system in the event Company's system becomes de-energized. All synchronizing and protective devices to accomplish this mode of operation shall be provided and maintained by Customer.

**40. Disconnection:** Customer shall provide and maintain a manual, lockable disconnect switch providing a visible open and capable of isolating the Customer's generator from the Company's electrical system. This disconnect switch shall be readily accessible to Company personnel at all times, shall include a provision for padlocking it in the open position, and shall meet all other reasonable requirements established by Company.

**41. Customer Responsibility:** Customer shall pay for the cost of rebuilding and/or modifying Company facilities to provide adequate capacity for the parallel generation system and adequate protection for the Company's electrical system.

Customer shall be subject to Company's Safety Standards and Interconnection Requirements Applicable to Cogenerators and/or Small Power Producers of Minnesota Power and Light Company as filed annually with the Commission. Copies of such standards shall be made available to Customer upon request.

## SECTION VIII - BILLING

**42. Billing Periods:** Bills ordinarily are rendered regularly at monthly intervals, but may be rendered more or less frequently at Company's option. Non-receipt of bills by Customer does not release or diminish the obligation of Customer with respect to payment thereof.

**43. Separate Billing for Each Point of Delivery:** At each point of delivery the use of service is metered separately for each Customer served. Whenever for any reason Company furnishes two or more meter installations for a single Customer, or supplies service under a Rate Schedule which does not require a meter, each point of metering and/or point of delivery where no meter is required is considered as a separate service. A separate Service Agreement is required, and bills are separately calculated, for each such separate service, except where Company may, under special circumstances, waive this requirement.

**44. Adjustment for Inaccurate Meter Registration:** In the event that any routine or special test of a Company meter discloses its average accuracy of registration to be in error by more than 2%, fast or slow, Company will refund the overcharge for a fast meter or charge for electricity consumed, but not included in the bills previously rendered for a slow meter. The refund or charge for both fast and slow meters will be based on corrected meter readings for a period equal to one-half the time elapsed since the last previous test but not to exceed six (6) months, unless it can be established that the error was due to some cause, the date of which can be fixed with reasonable certainty, in which case the refund or charge will be computed to that date, but in no event for a period longer than one (1) year.

Whenever any bill or bills have been adjusted or corrected as provided above, Company will refund to existing Customer any amount due when the amount due exceeds one (\$1) dollar or to previous Customer any amount due when the amount due exceeds two (\$2) dollars or Company will bill Customer for any amount owed when the amount owed exceeds ten (\$10) dollars, as the case may be.

**45. Late Payment Charge:** Company shall assess a Late Payment Charge of 1-1/2% or \$1.00 per monthly billing period, whichever is greater, on that portion of a retail Customer's account representing charges for utility service(s) past due, if the unpaid balance exceeds \$10.00. All late payments received will be credited against the oldest outstanding account balance before the application of any Late Payment Charge. The unpaid utility account balance for a Customer under the Budget Billing Plan or another Company approved payment plan shall mean that the utility budget arrears balance and not the accumulated actual utility balance will be subject to a Late Payment Charge. No Late Payment Charge will be charged on the portion of the utility balance in dispute while dispute procedures are underway. A Late Payment Charge may be retroactively charged on the settled amount after dispute procedures are completed. At Company's discretion, any Late Payment Charge, or portion thereof, may be waived provided such waiver is consistent with the Minnesota Public Utilities Act.

**A. Residential customer:** A Late Payment Charge shall be added to any utility account for which payment is not received and credited by Company by the next scheduled billing date. Residential Customer who qualifies for assistance under the Low Income Home Energy Assistance Program (LIHEAP) may request waiver of the Late Payment Charge on the "current bill" portion of each monthly bill. Self-qualification using LIHEAP income guidelines will be permitted for Senior Citizens at age 62 or older. Efforts will be made by Company to work with local governmental agencies to pre-qualify customers where administratively feasible. Customer accounts must be re-qualified annually.

**B. Nonresidential customer:** A Late Payment Charge shall be added to any utility account for which bill payment is not received and credited by Company within fifteen (15) days from the current billing date.

**46. Delinquent Bills:** Bills become delinquent if not paid on or before the past due date as shown on bill and service may be discontinued upon five (5) days written notice, excluding Sundays and legal holidays, to Customer after becoming delinquent. During the cold weather months, October 15 through April 15, service may be disconnected only as provided by the applicable regulatory rules. For residential customers, such written notice of disconnection shall specify a disconnection date not earlier than the third working day after the next scheduled billing date.

**47. Unlawful Use of Service:** In any case of tampering with meter installation or interfering with the proper functioning thereof or any other unlawful use or diversion of service by any person, or evidence of any such tampering, interfering, unlawful use or service diversion, Customer is liable to immediate discontinuance of service, without notice, and to prosecution under applicable laws, and Company shall be entitled to collect from Customer at the appropriate rate for all power and energy not recorded on the meter by reason of such tampering, interfering, or other unlawful use or service diversion (the amount of which may be estimated by Company from the best available data), and also for all expenses incurred by the Company on account of such unauthorized act or acts.

**48. Charge for Restoring Service:** If service to Customer is discontinued by Company for valid cause, then before service is restored, Customer shall pay Company all permitted costs of discontinuing and restoring service. There will be no charge for reconnection when service has been discontinued in the event of a condition determined to be hazardous to Customer, to other Customers of Company, to Company's equipment, or to the public.

If Customer requests that service be discontinued and subsequently requests restoration of service at same premises within twelve (12) months of discontinuance, the charge for restoring service will be the sum of minimum bills during the elapsed period but not less than all costs of discontinuing and restoring service.

**49. Selection of Schedule:** The Company's Rate Schedules are designed for service supplied to Customer on a continuous annual basis. Customer may elect to take service under any of the Rate Schedules applicable to such service. Company will advise Customer of the Rate Schedules which, in its judgment, are best adapted to Customer's needs on an annual basis, but such advice must be based upon Customer's statements as to Customer's installation and requirements for service and Company assumes no responsibility for the selection of the Rate Schedule made by Customer. If Customer changes selection of a Rate Schedule, Customer may not go back to the previous Rate Schedule for a period of twelve (12) months; provided, however, that a Large Light and Power Customer whose normal monthly firm demand is below 10,000 kW shall be billed on the Large Power Service Schedule in months in which its measured demand, as adjusted for power factor, exceeds 10,000 kW, and shall go back to the Large Light and Power Service Schedule when its demand falls below 10,000 kW. Rules applicable to specific Rate Schedules shall apply when Customer desires service on other than a continuous annual basis, or the term of service provision of the Rate Schedule is greater than one (1) year.

If, for any cause a Service Agreement is entered into in which is specified a Rate Schedule not applicable to the class of service taken, on discovery of the error all bills rendered during the preceding twelve (12) months will be recalculated in accordance with the properly applicable Rate Schedule and Company will refund to existing Customer any amount due, when the amount due exceeds one (\$1) dollar or to previous Customer any amount due, when the amount due exceeds two (\$2) dollars, or Company will bill Customer for any amount owed, when the amount owed exceeds ten (\$10) dollars, as the case may be. If the amount due Company is not paid within ten (10) days from presentation of bill, or Customer does not agree to payment over a reasonable period of time, or Customer fails to sign a new Service Agreement, Company may, after five (5) days written notice excluding Sundays and legal holidays, disconnect service.

**50. Proration of Bills:** Bills for energy used during a billing period that is longer or shorter than the normal billing period by more than five (5) days shall be prorated on a daily basis, but no billing will be made for three (3) or less days when no energy is used. However, in no event will the total length of service between initial and final service be taken as less than one (1) month.

No bill will be prorated for change in operating level within the billing period.

## **SECTION IX - DEPOSITS AND GUARANTEES**

**51. When Required:** Company may require Customer to make a deposit or guarantee satisfactory to Company to secure the payment of bills as they become due. Specific conditions requiring deposits or guarantees are identified in Regulation 54. The amount of such deposit shall not exceed twice the average monthly bill of Customer as estimated by Company from Customer's statement in his application or as thereafter ascertained.

**52. When Refunded:** The deposit shall be refunded to Customer after twelve (12) consecutive months of prompt payment of all utility bills. Company may, at its option, refund the deposit by direct payment or as a credit on the bill. Upon termination of service, the deposit with accrued interest shall be credited to Customer's final bill and the balance, if any, shall be returned within forty-five (45) days to Customer.

**53. Interest on Deposits:** Interest shall be paid annually on all deposits at the rate specified by the laws of the State of Minnesota and will be applied against the electric service bill. Any unpaid interest at time of final settlement of Customer's accounts will be credited to Customer's accounts.

**54. Conditions Requiring a Deposit or Guarantee:** Company may require a deposit or guarantee of payment as condition of obtaining new service or continuing existing service under Minn. Rules Part 7820.4300, 7820.4400 or as may otherwise be provided below.

A. Customer has outstanding a prior utility service account with another electric or gas utility which at the time of request for service remains unpaid and not in dispute.

B. Information requested under Minn. Rules Part 7820.4300 or 7820.4400 is not provided within twenty (20) days of the request for service (except where Customer has sought but not yet received credit information from a prior utility).

C. Information provided pursuant to Minn. Rules Part 7820.4300 or 7820.4400 is determined to be false or erroneous.

**55. Conditional Service Prior to Establishment of Credit:** Conditional service shall be provided expeditiously upon receipt of an application for service, and for up to twenty (20) days until credit has been satisfactorily established. Conditional service may be disconnected immediately without notice if required information or a required deposit or guarantee has not been received twenty (20) days after Company's request.

#### **SECTION X - MISCELLANEOUS REGULATIONS**

**56. Conflicts:** In case of conflict between any provision of these Service Regulations, Customer's Service Agreement or a Rate Schedule, the provision of the Service Agreement takes precedence, followed by the provision of the Rate Schedule.

**57. Franchise Limitations:** All Service Agreements are subject to existing franchise limitations.

**58. Regulation and Jurisdiction:** Electric service shall be available from Company at the rates and under the terms and conditions set forth in the currently applicable Rate Schedule or other superseding Rate Schedules in effect from time to time. All the rates and regulations referred to herein are subject to amendment and change by Company. Any such amendments or changes may be subject to acceptance or approval by any regulatory body having jurisdiction thereof.