



Electric Division
Rules and Regulations



Knoxville Utilities Board

Rules and Regulations for the Electric Division

TABLE OF CONTENTS:

Section I:	Purpose
Section II:	Scope
Section III:	Definitions
Section IV:	Initiation of <i>Electric Service</i>
Section V:	Connections to <i>KUB Electric System</i>
Section VI:	Interruption of <i>Electric Service</i>
Section VII:	Shortage of <i>Electricity</i>
Section VIII:	Termination of <i>Electric Service</i> ; Refusal to Connect <i>Electric Service</i>
Section IX:	Rates for <i>Electric Service</i>
Section X:	Billing for <i>Electric Service</i>
Section XI:	Authority to Levy Charges and <i>Fees</i>
Section XII:	<i>KUB Electric System</i> Extensions
Section XIII:	Prohibition of <i>Electricity</i> Resale
Section XIV:	<i>Sub-metering</i>

Section I. Purpose

It is the intent of the *Knoxville Utilities Board* (“*KUB*”) that these *Rules and Regulations* promote the following principles:

1. Assure the safe and efficient use, administration, operation, expansion, extension, and preservation of *KUB’s electric system*.
2. Assure its *customers’* compliance with these *Rules and Regulations, Rate Schedules* for *electric service* adopted by the *Board* and *Service Procedures* established by *KUB* to implement these *Rules and Regulations*.
3. Promote fair, reasonable, and uniform treatment of *customers* in each of the *rate classes* of *KUB’s Electric Division*.
4. Protect our environment through the professional management of our *system* and maintain public confidence in *KUB’s electric system*.
5. Encourage economic development by promoting extensions of the *KUB electric system*.
6. Simplify, clarify, and modernize the policies governing the operation of *KUB’s Electric Division*.
7. Assure that the *KUB electric system* operating practices are as uniform as appropriate.
8. Promote the continued evolution and development of *KUB’s electric system* operating guidelines and practices.

Section II. Scope

These *Rules and Regulations* apply to the application, implementation, and operation of *KUB’s electric system* and the provision of *electric service* and have been adopted pursuant to authority granted the *Board* by Section 1106(G) of the *City Charter*.

1. Conflict. In addition to these *Rules and Regulations*, the following documents, listed in order of precedence, are hereby made a part of all contracts and enforceable through all contracts, actual and implied, for *customers* and *users* receiving *electric service* from *KUB* and apply to all *electric services* received by *customers*, whether the service is based upon contract, agreement, signed application or otherwise:

- i) the *Electric Division Rate Schedules*;
- ii) these *Rules and Regulations* as may be amended from time to time; and
- iii) the *Service Procedures*.

In the event of a conflict between the documents listed above, the order of precedence shall govern.

2. Severability. If any clause, sentence, paragraph, section or part of these *Rules and Regulations*, any applicable *Electric Division Rate Schedule*, or any provision of the *Service Procedures* shall be declared invalid or unconstitutional, it shall not affect the validity of the remaining parts of these *Rules and Regulations*, the applicable *Electric Division Rate Schedule*, or the *Service Procedures*.

3. Authority. Subject to the limitations set forth in the Charter, these *Rules and Regulations*, applicable *Rate Schedules* and any other official *Board* action or resolution, the *President and CEO*, and his/her designees, has all rights, powers, duties and authorities to implement, and enforce these *Rules and Regulations*. The *President and CEO*, and his/her designees has all rights, powers, duties, and authorities to establish and enforce *Service Procedures* and other such policies and programs necessary to implement these *Rules and Regulations*.

4. Rules and Regulations Oversight Committee. The *Rules and Regulations Oversight Committee* shall consist of the *Chief Operating Officer (COO)*, and other members of *KUB* management, as so designated by the *President and CEO*. The *COO* shall chair the *Committee*. The *Rules and Regulations Oversight Committee* will provide oversight of the implementation, enforcement and administration of the *Rules and Regulations*. The *Rules and Regulations Oversight Committee* is responsible for recommending changes to the *Rules and Regulations* to the *President and CEO*. Any substantive amendments or changes to these *Rules and Regulations* are subject to the approval of the *President and CEO* and adoption by the *Board* in accordance with the *Board's* procedures.

5. Access to Premises. The *customer, user*, and if a different *person*, owner of *premises* to which *electric service* is provided shall, by its receipt and acceptance of *electric service*, grant to *KUB* permission to access the *premises* at all times, including immediate access if determined to be necessary by *KUB* in the event of an emergency, for the purpose of:

- i. Reading meters;
- ii. Installing, testing, inspecting, repairing, operating, maintaining, removing, and replacing any *KUB electric system* component;
- iii. Vegetation management including but not limited to tree-trimming;
- iv. Clearing hazards away from *KUB's electric system*;
- v. Inspecting and operating the *customer's, user's*, and if a different *person*, owner's electric facilities;
- vi. Inspecting the *premises*; and
- vii. Providing notifications

in order to determine that *KUB's Rules and Regulations* and/or *Service Procedures* implementing the *Rules and Regulations*, the National Electric Code, and the National Electric Safety Code are being complied with and to ensure compliance with applicable federal, state, and local law(s) and regulation(s).

6. Responsibility for KUB's Property. The *customer, user*, and if a different *person*, owner shall provide a space for and exercise proper care to protect any *KUB* property on the *premises*; and in the event of loss or damage to *KUB's* property, arising from the negligence to care for said property, the cost of necessary repairs or replacements shall be paid by the negligent party.

The customer is solely responsible for trimming and/or removing any vegetation impeding (including but not limited to any tree) the installation, operation, repair, maintenance, removal or replacement of the electric service lines and related electric facilities.

No *person* shall cause or allow to exist on the *premises* any building, trees or anything else that interferes with the installation, operation, maintenance, removal or replacement of *KUB's* service and related electric facilities.

No *person* shall perform excavation without a valid TN811 locate request ticket. The Tennessee Underground Utility Damage Prevention Act specifies the requirements for safe digging or other work near utilities.

7. Responsibility for Compliance with Rules and Regulations. Every *customer, user*, and if a different *person*, owner shall comply with these *Rules and Regulations, Rate Schedules* for the *Electric Division* adopted by the *Board*, and *Service Procedures* established by *KUB* to implement these *Rules and Regulations*.

8. Promotion of Technology. *KUB* may establish and maintain processes consistent with these *Rules and Regulations* that promote and utilize new technologies for the operation of its *electric system* which improve system reliability, increase operational flexibility and/or lower costs of operation. Examples include, but are not limited to, automated remote metering, estimated metering, etc.

9. Health and Safety. All *Rules and Regulations* and *Service Procedures* affecting health and safety, including (without limitation) all provisions relating to inspection, general safety precautions for utilization, operation and maintenance of *KUB's electric system*, and rules governing installations, are for the guidance and benefit of *customers, users*, and if a different *person*, owners, and *KUB* shall not be responsible for the health

and safety thereof, or for any loss, damage, or injury resulting from any violation thereof, but *KUB* reserves the right, in its discretion, to refuse to furnish *electric service*, or to discontinue furnishing *electric service*, where the *customer, user*, and if a different *person*, owner fails to comply therewith.

10. Interpretation. It is the intent of *KUB* that these *Rules and Regulations* be liberally interpreted.

Section III. Definitions

For the purpose of these *Rules and Regulations*, and unless the context specifically indicates otherwise, the following terms shall have the meaning ascribed:

Wherever the context shall require, words used herein in the singular shall include the plural, words used in the plural shall include the singular, words used in the masculine shall include the feminine, and words used in the feminine shall include the masculine.

Board shall mean the *KUB Board of Commissioners*, as appointed from time to time by the Mayor and City Council of the City of Knoxville, Tennessee.

Chief Executive Officer or President and CEO shall mean the *President and Chief Executive Officer of the Knoxville Utilities Board*.

Chief Operating Officer or COO shall mean the *Chief Operating Officer of the Knoxville Utilities Board*. The *COO*, subject to the supervision of the *CEO*, shall administer, implement, and enforce the provisions of these *Rules and Regulations*.

City shall mean the City of Knoxville, Tennessee.

Commercial and industrial use shall mean all uses with the exception of *domestic use* as defined in these *Rules and Regulations*.

Connection shall mean any physical tie or hookup made to the *KUB electric system*.

Contribution in Aid of Construction (CIAC) shall mean a payment required of the *customer* for the extension of *KUB's electric system*.

Customer shall mean any *person* who receives *electric service* from *KUB* under either an express or implied contract requiring such *person* to pay

KUB for such service. The term shall also include illicit *users* of *electric service* from *KUB*.

Domestic use of the *electric system* shall be defined and limited to single-family, multifamily, apartment or other *dwelling unit* or *dwelling unit equivalent* connecting to *KUB's electric system* and used for residential purposes only.

Dwelling unit shall mean any structure occupied by one or more *persons* of a single family for residential purposes. Apartment buildings and other structures occupied by more than one family shall be considered multiple *dwelling units*.

Electric Division or *division* shall mean the part of the *KUB* system having charge of the physical operation and financial oversight of *KUB's electric system*.

Electric system shall mean all facilities for transmitting, distributing, and receiving *electricity*.

Electricity and/or electric service means energy made available for consumption by *KUB* for its *customers, users*, and if a different *person*, owners for *domestic, commercial and/or industrial use* by transmitting or distributing energy via the flow of an electric charge through a conductor.

Fee is any amount levied that is: (1) infrequent in nature, and/or (2) generally not consumption based, and/or (3) set at the discretion of management of *KUB* as authorized by the *Board*, but does not include a *rate*.

Knoxville Utilities Board, or KUB, shall mean the *Knoxville Utilities Board* of the City of Knoxville, Tennessee, or, as the context requires, the management of *KUB*, its contractors or agents.

Overhead electric service line (service drop) shall mean an overhead extension of *KUB's electric system* required to *connect* the *customer's, user's*, or if a different *person*, owner's *premises* and/or *dwelling* to the *electric system*. The *overhead electric service line (service drop)* shall be owned by *KUB* and thus be considered a part of *KUB's electric system*.

Person shall mean any individual, partnership, firm, company, association, society, corporation, limited liability company, trust, estate, governmental entity, or any other legal entity, or its legal representatives, agents, or assigns. This definition includes all federal, state and local governmental entities and shall also include illicit *users* of *electric service* from *KUB*.

Point of Delivery, for overhead electric service, shall mean the point at which the *overhead electric service line (service drop)* connects to the *customer's, user's, or if a different person, owner's premises*, as determined by *KUB*; for underground electric service, it shall mean the point at which the *underground electric service conductors (service lateral)* connects to *KUB's electric system*, as determined by *KUB*.

Premises shall mean any structure, group of structures, or property, whether occupied or unoccupied, operated as a single business, enterprise, or *dwelling unit*, but shall not include more than one *dwelling unit*.

Rate is any quantitative value used to determine an amount levied on a *customer* directly related to the provision and/or consumption of *electricity* typically associated with utility usage, as set forth in an *Electric Division Rate Schedule* adopted by the *Board*.

Rules and Regulations means the rules and regulations adopted by the *Board* governing the operation and use of *KUB's electric system*.

Service Procedures means those governing procedures set forth in a document or document(s) adopted by the *President and CEO* implementing the *Rules and Regulations* for the *KUB electric system* and outlining the guidelines necessary to oversee daily operation of *KUB's electric system*.

Stand-by Service is support *electric service* that is not regularly used by the *customer* that is made available as needed to supplement a *customer's electric service* requirements as authorized by the *KUB Rate Schedule(s)* for the *Electric Division* and/or a *customer* contract.

Standards and specifications shall mean a set of processes or procedures regarding certain aspects of the *KUB electric system*, which may be in effect from time to time, but may not be included in the *Service Procedures*.

Sub-metering shall mean metering equipment not owned by *KUB* that is used to measure and bill *electric* consumption at a *premises* and/or *dwelling unit* for payment of *electric* consumption to an entity other than *KUB*.

Underground electric service conductor (service lateral) shall mean an underground extension of electric facilities and related appurtenances required to connect the customer's, user's, or if a different person, owner's premises and/or dwelling to KUB's electric system. *Underground electric service conductors (service lateral)* shall be owned by the individual property owner.

User shall mean any premise having a connection to the KUB electric system or having access thereto. The term shall include illicit users of electric service from KUB.

Section IV. Initiation of *Electric Service*

1. Residential use. A formal request for either original or additional *electric service* must be made to KUB by the customer and be duly approved by KUB before connection to the KUB electric system is made. The request shall be in the prescribed form according to the *Service Procedures*. The receipt by KUB of a prospective customer's request for *electric service* shall not obligate KUB to render the *electric service*. KUB may, at its sole discretion, require the customer to provide security, assurance, or guaranty prior to KUB rendering *electric service*.

2. Commercial and industrial use. A formal request for either original or additional *electric service* must be made to KUB and be duly approved before connection is made. The request shall be in the prescribed form according to the *Service Procedures*. The receipt by KUB of a prospective customer's request for *electric service* shall not obligate KUB to render the *electric service*. KUB may, at its sole discretion, require the customer to provide security, assurance, or guaranty prior to KUB rendering *electric service*.

3. Intergovernmental agreements. At KUB's sole discretion, KUB may enter into agreements with municipalities and unincorporated areas for the distribution and/or transmission of *electric service*. Any such agreement must comply with all applicable federal, state and local laws, ordinances, regulations and KUB's *Rules and Regulations*. There shall be no liability on the part of KUB to the requestor for refusal of such service.

4. Private electric systems. At KUB's sole discretion, KUB may allow the connection of private *electric systems* to the KUB electric system. Any person owning or controlling premises either within or without the current KUB electric system area of service desiring to install a private *electric system* and to connect to the KUB electric system must comply with all applicable federal, state and local laws, ordinances, regulations and KUB's *Rules and Regulations* and *Service Procedures*. KUB may enter into an agreement with said persons at KUB's sole discretion. There shall

be no liability on the part of *KUB* to the requestor for refusal of such service.

Section V. Connections to *KUB Electric System*

1. *Electric System extension or relocations.* *Customer* extensions or relocations, both overhead and underground, will be located in a right-of-way or dedicated easement acceptable to *KUB*. Unless approved by *KUB*, the right-of-way must be adjacent to a road that is suitably maintained so as to permit *KUB* to have direct access to the *KUB electric system*. Should the right-of-way be adjacent to a private road, rights of ingress and egress shall be granted to *KUB*, and a dedicated easement shall be provided to *KUB* without cost before any *overhead electric service line* extension and/or *underground electric service conductors* are constructed. If additional easements are required, the *customer* shall bear *KUB's* costs of obtaining said easements.

KUB may offer temporary *electric service* in accordance with its *Rate Schedules* and/or *Service Procedures*.

2. *Point of delivery*

- A. The *point of delivery*, for overhead electric service, shall mean the point at which the *overhead electric service line (service drop)* connects to the *customer's, user's, or if a different person, owner's premises*, as determined by *KUB*; for underground electric service, the *point of delivery* shall mean the point at which the *underground electric service conductors (service lateral)* connects to *KUB's electric system*, as determined by *KUB*.
- B. All connections to the *KUB electric system* are to be made in accordance with all applicable *KUB standards and specifications*. In the event of a discrepancy between *KUB standards and specifications* and the National Electric Code, the National Electric Code shall prevail.
- C. The Codes Inspector for the *City* for *connections* within the *City* and the appropriate regulatory authority for the area for *connections* outside the *City*, including but not limited to the State Inspector, must inspect and approve the *electric service connection* before any meter is set by *KUB*. For *connections* for government entities within *KUB's* service area, the appropriate regulatory authority, if any, shall make electrical inspections, before any meter is set by *KUB*.
- D. Costs and expenses incident to the installation, connection and inspection of the wiring and equipment beyond the *point of delivery*

shall be borne by the *customer, user*, and if a different person, *owner*. All wiring or equipment (except *KUB's* metering) beyond the *point of delivery* shall be owned and maintained by the *customer, user*, and if a different *person, owner* unless otherwise agreed to in writing by *KUB*.

- E. Each *customer, user*, or if a different *person, owner* shall be entirely responsible for the maintenance, including repair and rehabilitation, of the *underground electric service conductors (service lateral)* in accordance with *KUB's standards and specifications*, these *Rules and Regulations*, the most recent Electrical Code, as modified and adopted by the *City*, or the appropriate regulatory authority for the area of connection outside of the *City*, and all applicable codes and ordinances.

The *customer, owner*, and if a different *person, owner* shall also be entirely responsible for the trimming and/or removal of vegetation in order to maintain a reasonable clearance between said vegetation and the *underground electric service conductors (service lateral)* and/or the *overhead electric service line (service drop)*.

- F. *KUB* operates, maintains, repairs, and replaces all portions of the *KUB electric system*. *KUB* shall perform all work in accordance with National Electric Code regulations, *KUB's standards and specifications*, these *Rules and Regulations*, and any other applicable codes and ordinances.
- G. The location of *KUB's metering equipment* shall not change the location of the *point of delivery*.
- H. *KUB* shall not be liable for any injury to *persons* or property on account of any defect or negligence in the installation, maintenance, or use of the *customer's, user's*, and if a different *person, owner's* equipment beyond the *point of delivery*.

3. Voltage Fluctuations. *Electric service* must be used by the *customer, user*, and if a different *person, owner* in such a manner as to not cause unusual fluctuations or disturbances to *KUB's electric system*. *KUB* may require any such party, at their expense, to install a suitable apparatus that will reasonably limit such fluctuations. *KUB* shall inspect and approve any such apparatus and will require installation to meet all applicable codes and *KUB standards and specifications*.

4. Additional Load. The service *connection*, transformers, meters and equipment supplied by *KUB* for each *customer, user*, and if a different *person, owner* have definite capacity and no major addition to the equipment or load connected thereto, as determined by *KUB* in its sole

discretion, will be allowed except by consent of *KUB*. Failure to give written notice of major additions or changes in load, as determined by *KUB* in its sole discretion, and to obtain *KUB*'s written consent for same shall render said party liable for any damage to *KUB*'s *electric system* caused by the additional or changed installation.

5. *Stand-by Service.* A qualified *customer* may request *stand-by service* provided the stand-by capacity can be provided and made available. The determination of the economic contribution made by *KUB*, if any, toward providing *stand-by service* for a *customer* shall be determined by *KUB* on the basis of economic and/or technical feasibility. In making such determination, *KUB* shall consider the total capital cost, the anticipated revenues, the estimated expenses associated with the extension, such other economic factors as the *KUB* may deem appropriate under the circumstances, and the availability of stand-by capacity. Costs in excess of *KUB*'s investment, if any, shall be borne by the *customer* and shall constitute a *CIAC*. All expenses incident thereto, including testing, repair, maintenance, billing and reading the meter for the *stand-by service*, shall be borne by the *customer*. A *customer* must receive approval from *KUB* prior to the installation of a *stand-by service*.

6. *Interconnection.* No interconnection of any kind shall be permitted between *KUB*'s *electric system* and any *electric* supply from any other source, nor shall any *electric* supply from any other source be permitted to migrate into *KUB*'s *electric system*, unless approved in writing by the *COO* or the *President and CEO*. Additionally, *KUB* will require technical information, including but not limited to manufacturer drawings, equipment layout, and details concerning the transfer switch apparatus, in regard to the interconnection or *electric* backup system. *KUB* reserves the right to alter or modify the requesting party's plans to address safety concerns or *KUB*'s *electric system* integrity.

Section VI. Interruption of *Electric Service*

KUB shall not be liable for any damage resulting from failure of any *KUB electric system* component, or by discontinuing the operation of any segment of its *electric system* for repair, extensions or connections, or from the accidental failure of its *electric system* from any cause whatsoever, or the termination of *electric service* as the result of violations by any *customer, user*, and if a different *person*, owner of any applicable federal, state and local laws and/or these *Rules and Regulations* or *KUB's Service Procedures*, or damage resulting from *KUB*'s failure to terminate *electric service* after notice of termination of *electric service* by the *customer*. In cases of emergency, *KUB* shall have the right to restrict the use of its *electric system* in any reasonable manner for the protection of *KUB*'s *electric system, customers, the public, and the environment*.

Section VII. Shortage of *Electricity*

In the event of an emergency or other condition causing a shortage in the amount of *electricity* for *KUB* to meet the demands on its *electric system*, *KUB* may, by a method deemed equitable by *KUB*, fix the amount of *electricity* to be made available for use by *customers* and/or may otherwise restrict the time and purpose of *electric* use by *customers*. A method for the distribution of *electricity* under such circumstances may be set forth in the *Service Procedures*.

If such conditions become necessary, a *customer* may request a variance because of unusual circumstances including matters adversely affecting public health, safety, and welfare. If the *customer* fails to comply with such restriction, *KUB* may take such remedial action, as it deems appropriate under the circumstances including but not limited to temporarily terminating *electric service* or charging additional amounts because of the excess use of *electricity*.

KUB also reserves the right to grant no further applications for *electric service* until such time that the shortage of *electricity* for *KUB* to meet the demands on its *electric system* has been alleviated.

Section VIII. Termination of *Electric Service*; Refusal to Connect *Electric Service*

KUB has the right to terminate or refuse *electric service* based on outstanding debts owed to *KUB* related to the non-payment of utility bills, a dispute as to the ownership or right of occupancy of the *premises* requesting *electric service*, a violation of these *Rules and Regulations*, a violation of *Service Procedures*, a violation of a *customer* contract, non-payment of a utility bill by the *customer*, non-usage of *electric service* for a reasonable period of time, a violation of the National Electric Safety Code or any other applicable rule, law, or ordinance, or any other legitimate reason deemed in *KUB's* best interests and the best interests of *KUB's electric system*.

Section IX. *Rates for Electric Service*

Electric service rates shall be set forth in the *Electric Division Rate Schedules* as adopted by the *KUB Board*.

Section X. Billing for *Electric Service*

The billing for *electric service* shall be in accordance with the *Rate Schedules* of the *Electric Division* as approved by the *Board* and this section of the *Rules and Regulations*.

1. **Minimum charges.** The minimum charge, if any, will be as stated in the *Rate Schedules* of the *Electric Division*.

2. **Estimated billing.** *KUB* may periodically estimate a *customer's electric* consumption and submit to *customer* for payment such estimated service bill.
3. **Billing adjustments.** *KUB* may adjust *customer* billing for reasons including but not limited to the following: billing for over or under registration of meters, for the determination of *electric* consumption by *customers* when meters have been inoperative, for an obviously incorrect meter reading, or for other recognized and proper adjustments as are determined by *KUB*.

Section XI. Authority to Levy Charges and Fees

Under the provisions of the City Charter and of the general laws of the State of Tennessee, *KUB* is authorized and empowered to fix, levy and collect *fees*, rents, tolls or other charges for the use of or in connection with the *KUB electric system*. This authorization includes but is not limited to the establishment, levy and collection of a service charge, improvement charge or other charges deemed necessary. The *CEO* and/or his/her designee may establish *Service Procedures* addressing the establishment of charges and *fees* associated with *electric service*.

Section XII. *KUB Electric System Extensions*

1. General Extension Policy

- A. The investment that *KUB* will make, if any, toward an extension of the *KUB electric system* will be equitably determined by *KUB* on the basis of economic and/or technical feasibility. In making such determination, *KUB* shall consider the total capital cost, the anticipated revenues, the estimated expenses associated with the extension, such other economic factors as *KUB* may deem appropriate under the circumstances and the availability of adequate capacity in the *KUB electric system*. *KUB* may require the *person* to pay a *CIAC*.
- B. *KUB* may require the *person* to execute an extension agreement which requires and/or provides for assurances or other security or credit arrangements as may be required by *KUB* in its sole discretion, with respect to the extension, including, but not limited to, refundable construction advances, minimum demand or bill requirements, and such other forms of security, assurance, and/or guaranty, as *KUB* determines to be necessary or appropriate to protect the interest of *KUB* and its *customers*. *KUB* shall not be obligated to provide refunds unless specified in a contract. In no

event shall a refund be in excess of the amount of the advance for or actual cost of construction.

- C. *KUB* shall have the authority to extend its *electric system* in a manner different from that set forth in the *Rules and Regulations* and charge a *CIAC* when any such extension is determined to be in the best interest of *KUB*, economic interest of the community, or to the benefit of the public health of the community.
- D. The authority to make *electric* extensions is in *KUB's* sole discretion even though all requirements have been met. Nothing contained herein shall be construed as requiring *KUB* to extend *electric service* to any property. *KUB electric system* extensions shall not be denied on the basis of race, sex, religion, color, age, or national origin.
- E. All costs associated with designing and installing an *electric system* and all appurtenances in new developments are the sole responsibility of the *persons* developing the subdivision or land development project.

2. Construction of *KUB Electric System*

- A. *KUB's electric system* shall be constructed by *KUB* personnel or by a licensed contractor acceptable to *KUB*.
- B. The size, type, and installation of *KUB's electric system* components shall comply with *KUB's standards and specifications* and must be approved by *KUB*. *KUB* may at its sole discretion install its facilities overhead or underground.
- C. Construction work on *KUB's electric system* shall at all times be subject to inspection by *KUB* to assure that the work conforms to *KUB's standards and specifications*.
- D. No approval or inspection by *KUB* hereunder shall relieve a contractor or a *person* who contracted with a contractor of any liability for work performed on the *KUB electric system*.
- E. Upon the completion of construction and subsequent inspection and approval by *KUB*, such construction shall become the property of *KUB* and thereafter become a part of *KUB's electric system*. The *persons* paying the cost of construction shall execute any written instrument requested by *KUB* to provide evidence of *KUB's* title. In consideration of such being transferred to *KUB*, *KUB* shall incorporate such as an integral part of *KUB's electric system* in accordance with these *Rules and Regulations*.

- F. *KUB* may, at the request of a *person*, relocate or change existing *KUB electric system* components. The *person* may be required to reimburse *KUB* for costs of such relocation or change including but not limited to appropriate overheads and associated costs for easement acquisitions. When a public right-of-way is changed for the benefit of private interests and *KUB's electric system* must be adjusted to accommodate said change, the cost of such adjustments shall be paid in advance on a non-refundable basis by the requesting parties.
 - G. The property owner shall be entirely responsible for the trimming and/or removal of vegetation in order to maintain a reasonable clearance between said vegetation and the *underground electric service conductors (service lateral)* and/or the *overhead electric service line (service drop)*.
3. **Construction and Responsibility for Private *Electric Systems*.** *KUB* reserves the authority to allow and/or deny private *electric systems* that either directly or indirectly draw and/or transmit electrical current to and/or from, as appropriate, the *KUB electric system*. Any such private *electric system* shall be approved by the applicable governing entities. The owner of the private *electric system*, such as the developer, the developer's legally authorized successor, property owner, etc., shall retain ownership of and be responsible for all operation and maintenance of the private *electric system*. *KUB* shall retain ownership of and be responsible for the operation and maintenance of the master *metering equipment*, which registers *electric* usage by the private *electric system*. If determined by *KUB* that the private *electric systems* violate any applicable federal, state or local laws, or regulations or these *Rules and Regulations* or *Service Procedures*, then *KUB* has the authority to require the *customer* to rectify the violation at the *customer's* expense. *KUB* has the authority and reserves the right to enter on the *customer's* property and to rectify the violation and seek reimbursement for costs borne by *KUB* to rectify the violation.

Section XIII. Prohibition of *Electricity* Resale.

No *person* shall resell *electricity* from *KUB's electric system* without *KUB's* express written permission.

Section XIV. *Sub-metering*.

Sub-metering of *KUB's electric service* shall not be allowed except as expressly permitted in writing by *KUB* in circumstances where the COO has determined it is in *KUB's* best interests or it is expressly permitted in a *Rate Schedule*.