

**BOARD OF PUBLIC WORKS
“Lewes BPW”**

LEWES, DELAWARE

Electric Tariff

Including the

Rules and Regulations

Applicable to Electric Service

**Before You Dig: Call Miss Utility!
1-800-282-8555 or 811**

**In Case of an Electrical Emergency
302-645-6228**

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SECTION 1 – GENERAL

1.1 Authority

The Board of Public Works, Lewes, Delaware (“Lewes BPW”) was authorized by an act of the Delaware General Assembly on March 15, 1901, to establish, control, and regulate an electric light plant, water works and a sewer system for the City of Lewes, Delaware.

The Board of the Lewes BPW meets the fourth Wednesday of each month in the City of Lewes Council Room in City Hall. The Board is composed of five (5) elected Directors. The term of each Director shall be for a period of three (3) years. Elections are held on the second Saturday in May.

1.2 Operation of the Lewes BPW Electric System

The Lewes BPW owns and operates an electric distribution system on behalf of the electric consumers in and around the City of Lewes, Delaware. As a "public power" utility, the Lewes BPW operates as a not-for-profit municipal-owned utility and can provide reliable and economical electric service. The Lewes BPW acts as an aggregator of electrical load and purchases electricity at low-cost bulk power wholesale rates.

Contact Information

The following are ways for the public to contact the Lewes BPW:

Location: 107 Franklin Ave, Lewes, Delaware

Mailing Address: Lewes BPW
107 Franklin Ave
Lewes, Delaware 19958

Telephone: 302-645-6228 **(24 hours a day, 7 days a week)**

Fax: 302-645-6358

Miss Utility: 800-282-8555 or 811

Business Office Hours: 8 a.m. to 4 p.m. (Monday through Friday except holidays)

Effective Date: August 19, 2004

Posting

The following Electric Rules and Regulations under which the Lewes BPW will supply electricity to its customers will be kept on file in the offices of the Lewes BPW- for public reference.

Revisions

The Electric Rules and Regulations contained herein are not to be considered complete in every detail for furnishing electric service. Any issues not covered in these Electric Rules and Regulations or requiring further interpretation shall be determined by the Lewes BPW. The Electric Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time by the Board of BPW.

Electric Rules and Regulations

All electric service provided by the Lewes BPW is subject to these Electric Rules and Regulations including applicable Rate Schedules, unless otherwise specifically stated in a service agreement between the Customer and Lewes BPW.

Statements by Lewes BPW Representatives

No representative of the Lewes BPW or of the City of Lewes has the authority to modify any provision of these Electric Rules and Regulations, or to bind the Lewes BPW by any promise or statement contrary thereto, unless incorporated in a contract signed by an authorized representative of the Lewes BPW.

No Prejudice of Rights

The failure by the Lewes BPW to enforce any of the provisions of these Electric Rules and Regulations shall not be deemed a waiver of rights to do so.

Copies of Electric Rules and Regulations

The Lewes BPW, upon request, will provide any Applicant for electric service with a copy of the Rate Schedules and other Electric Rules and Regulations under which electricity will be supplied.

Disputes

In the event of a dispute, the complaint may be submitted to the authorized representative of the Lewes BPW for review and any appropriate action.

amend hours of business office operations from 9am to 8am effective April 1, 2018

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Section 2 – Application and Contract for Service

Application for Service

An application is required from each Applicant seeking electric service or Customer receiving service, unless waived by the Lewes BPW (see applications in the Appendix). The application, when executed by the Lewes BPW, constitutes the contract between the Lewes BPW and the Customer, subject to the terms of the applicable Rate Schedule and the Rules and Regulations, unless specifically stated otherwise. Charges for service shall begin at the time service is made available to the Customer. Receipt of electric service constitutes acceptance of the Electric Rules and Regulations including the applicable Rate Schedule as a Customer of the Lewes BPW, whether service is based on an accepted signed application or other agreement. Service is subject to termination without notice in the absence of a valid application which has been approved by the Lewes BPW. Applications must be executed by an authorized person 18 years of age or older.

The Lewes BPW reserves the right to require satisfactory evidence and confirmation of the Applicant's identity and service address prior to rendering service.

Right to Reject Application

Before wiring or purchasing electrical equipment, the Customer should make application for electric service. The Lewes BPW will require copies of plans for interconnection with the Lewes BPW facilities, wiring diagrams, and specifications of motors and other electrical equipment. Requirements for voltage, single or three-phase service, and starting current for all motors five horsepower and greater will need to be specified.

The Customer's interconnection plans, and service requirements will be evaluated for compliance with these Electric Rules and Regulations and any other applicable requirements prior to the Lewes BPW approving the interconnection of the Customer's facilities with the Lewes BPW electric system. The Lewes BPW may reject any application for service if all applicable requirements are not met.

Wiring

All wiring of the Applicant's New Facility must conform to the National Electrical Code. New wiring installations must be inspected by a qualified inspector and an approved wiring certificate (cut-in card) provided to the Lewes BPW before the Customer's application for service will be approved and interconnection with the Lewes BPW system made.

In no event shall the Lewes BPW be under any obligation to inspect wiring or appliances of the Applicant, but where the Lewes BPW has reason to believe wiring or appliances do not comply with recognized requirements, the Lewes BPW may refuse to supply electricity to the Applicant.

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One Point of Delivery

Service will be supplied to the Customer's entire premise or facility through a single delivery and metering point. The Lewes BPW will supply only one meter for each billing account. Conjunctive billing for service at two or more separate properties will not be provided.

The Lewes BPW reserves the right to deliver service to more than one point where the Customer's load or service requirements necessitate such delivery. Where the Customer desires an extra supply circuit not necessitated by load or service requirements, he or she shall contribute the full cost of this additional facility. (See also Paragraph 13.1 for relocating the Point of Delivery.)

Service Contracts

Standard contracts shall be for one year. Where large or special investment is necessary for the supply of service, or where service is to be used for temporary, seasonal, or unusual purposes, contracts for terms other than one year, or with special guarantees of revenue, or both, may be required.

Transferred Service Connections

Service at new locations will be rendered only when all bills for service to the Customer at any other locations have been paid. No connection charge is required for transfer of service by the same Customer from one location to another on the Lewes BPW distribution system if prior bills for service are paid.

Disconnections and Reconnections

When a customer requests disconnection of service, a fee is charged. When a customer requests reconnection of the same service, a reconnection fee also will be charged, except in the case where a house has been damaged or destroyed and later service is requested at the same site (see the Fee Schedule.).

Non-transferability of Service

The contract for service is not transferable to another party who is not already a co-signer. When the application is made jointly by co-signers, upon the death of either co-signer, the application or contract shall be deemed to be held solely by the survivor(s).

2.9 Rights-of-Way

An Applicant requesting service for a New Facility shall grant and furnish, without expense to the Lewes BPW, any right-of-way easement required to provide the Applicant's service. The right-of-way easement shall be in such form as not to restrict further extension of electric service, and all other

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permits necessary to give the Lewes BPW or its agents access to install, operate, maintain, and remove the BPW's facilities, including the right to trim and/or clear trees and other obstructions as the Lewes BPW deems necessary. The Applicant shall reimburse the Lewes BPW for any expense incurred in the procurement of the necessary rights-of-way and tree trimming rights. (See the sample Right-of-Way Easement form in the Appendix.)

If it is necessary to acquire such rights from persons other than the Applicant for the Lewes BPW to serve the Applicant, then the Applicant shall be responsible for obtaining such rights as the Lewes BPW deems necessary prior to receiving electric service.

Where, due to the nature of the property to be served, the Lewes BPW finds that the exact boundaries of the property are of critical importance for determining available rights-of-way, the Applicant will designate such boundaries to the reasonable satisfaction of the Lewes BPW.

Proposed rights-of-way and easements must be cleared of such trees, trees stumps and other obstructions as may be required and must be furnished by the Applicant in reasonable time to meet service requirements and must be graded to within six inches of final grade by the Applicant before the Lewes BPW will commence construction. If after construction start-up, the clearance or grade is changed in such a way as to require relocation of the Lewes BPW's facilities, the cost of such relocation shall be borne by the Applicant.

Within subdivisions or other land developments, the Applicant shall furnish to the Lewes BPW, as required, at no charge, property plats, utility plans, grading plans, roadway profiles, and other items showing details of proposed construction within the Applicant's subdivision in reasonable time to allow the Lewes BPW to verify rights-of-way and engineer, design, and construct its facilities safely and efficiently to meet service requirements and to comply with applicable laws, codes, and these Rules and Regulations.

Location and Maintenance of the Lewes BPW Equipment

The Lewes BPW shall have the right to install facilities on the property of the Applicant which, in the BPW's judgment, are necessary in supplying electricity to the Applicant. The Applicant shall provide suitable space for the installation of the necessary metering apparatus.

Section 3 – Service Classifications

Service Classifications

The following Service Classifications are offered. Assignment of the appropriate classification is based on the characteristics of each facility receiving electric service. Detailed conditions of service for each classification are contained in the Rate Schedules.

Residential (Domestic) Service
Commercial (Small General) Service
Industrial (Large General) Service
Outdoor Lighting Service
Small Power Production and Cogeneration Service

Seasonal Service

Customers requiring service only during certain seasons may have their power disconnected in order not to receive a bill with the minimum monthly charge (Minimum Bill). However, Customers must pay the disconnection and reconnection fees (see the Fee Schedule and Paragraph 2.7.)

Temporary Service

Temporary Service is required for temporary structures or locations such as service to construction jobs, fairs, carnivals and like installations. Temporary Service shall be supplied in accordance with the Commercial (Small General) Service Rate Schedule 2, except that the Customer shall pay, in addition to the charges under the Rate Schedule, the total cost of connecting and disconnecting service less the value of materials returned to stock. A deposit, in advance, may be required of the full amount of the estimated bill for service, including the cost of connection and disconnection.

For typical installations, the following charges may be used:

<i>Single phase service with existing transformer and one wire span</i>	<i>\$ 150</i>
<i>Single phase service with existing transformer and two wire spans</i>	<i>\$ 350</i>
<i>Single phase service with new transformer and one wire span</i>	<i>\$ 600</i>
<i>Single phase service with new transformer and two wire spans</i>	<i>\$ 800</i>
<i>Three-phase service with existing transformer</i>	<i>\$1,500</i>
<i>Three-phase service with new transformer</i>	<i>\$1,750</i>

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Outdoor Lighting

The Lewes BPW provides outdoor lighting mounted on the BPW's poles currently. However, this service will be closed to new applications effective September 1, 2004. Outdoor Lighting Service to existing Customers will be discontinued prior to September 1, 2005.

An alternative is for the owner to purchase and maintain security lighting equipment and to provide power to the equipment from the owner's metered electric supply. The Lewes BPW encourages this alternative. The Customer's lighting may not be mounted on the Lewes BPW' poles.

Boat Slips and Marinas

The Lewes BPW will install one meter for new or replaced docks with multiple boat slips. After October 31, 2004, any existing dock with multiple slips may be converted to one meter at the option of the Lewes BPW and will be converted to a single meter in the event any additional slip is added.

Selection of Service Classification

Selection of the Service Classification shall be the responsibility of the Applicant or Customer based on the intended use. Initial selection will be made at the time of application. The selection of a Service Classification will be subject to verification by the Lewes BPW.

Changing Service Classifications

When a Customer has selected the Service Classification, the selection shall remain in effect for the contract term, unless the Customer makes a change in the character or amount of use. Under such circumstances, the Customer will be changed to the correct Service Classification. Upon completion of the minimum term of service, the Customer may elect to change to any Service Classification for which the Customer qualifies.

Billing Changes

When the Customer is found to be on an improper Service Classification, the change of billing to the proper Service Classification will first apply to the bill for the month during which the investigation is made. Adjustments for prior months will not be made unless the Customer intentionally misrepresented the service characteristics of the service location.

Section 4 – Operating Criteria

Resale

The Customer shall not directly or indirectly sell, sublet, assign, or otherwise dispose of the electric energy or any part thereof without the written consent of the Lewes BPW. Purchase of energy in bulk for use by tenants, when such energy is included in the normal rental charge for occupancy of the premises, shall not be considered as resale.

The Lewes BPW will furnish electricity to the Customer for use only for the Customer's own use and only on the premises occupied through ownership or lease by the Customer. Customers located in multiple occupancy buildings, such as apartment houses, condominiums, shopping centers, etc. must be metered individually by the Lewes BPW.

Change of Installation

The Customer shall give immediate written notice to the Lewes BPW of any proposed substantial change in the Customer's facilities connected to the Lewes BPW electric distribution system. Such change would include an increase or decrease in capacity requirements, change of purpose of the installation, or change in the location of the installation. The service connection, transformers, meters, and equipment supplied by the Lewes BPW for each Customer have a definite capacity, and no significant additions to the equipment or load connected thereto will be permitted except by written consent of the Lewes BPW. Failure to give notice of additions or changes in load or location shall render the Customer liable for any damage to the meters or their auxiliary apparatus or the transformers, wires, or other facilities of the Lewes BPW caused by the additional or changed installation.

Suitability of Apparatus and Appliances

The Lewes BPW reserves the right, but shall not be required, to determine the suitability of facilities connected to its lines and to determine whether the operation of such is detrimental to its general supply of electricity. In such case, the Lewes BPW further reserves the right to refuse to supply, or to discontinue the supply of electricity, until such time as the Customer shall conform to the Lewes BPW Electric Rules and Regulations and any other applicable directives.

Lewes BPW Liability

Electricity supplied by the Lewes BPW and purchased by the Customer upon the express condition that, after it passes the metering equipment of the Lewes BPW or other Point of Delivery (termination of the Lewes BPW aerial service drop or terminals of a Lewes BPW pad mounted transformer) it becomes the property of the Customer to be used only as herein provided. The Lewes BPW shall not, in any event, be liable for loss or damage to any person or property resulting from the use, misuse, or presence of electricity after it passes the Lewes BPW metering equipment or other Point of Delivery.

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Furthermore, the Lewes BPW shall not be liable for any loss or damage resulting from the presence, character or condition of the wires or other facilities of the Customer. Notwithstanding Paragraph 4.3, in no case shall the Lewes BPW be responsible for inspecting, repairing, or verifying the suitability of the Customer's wiring or other facilities.

Interruptions to the Supply of Electricity

The Lewes BPW does not guarantee continuous uninterrupted electric service and shall not be liable for any loss, cost, damage, or expense to any person occasioned by any change in, interruption of, or phase reversal of the Lewes BPW electric service due to any cause beyond the reasonable control of the Lewes BPW. During occasions of electrical outages, the Lewes BPW cannot guarantee the maximum amount of time such outages will last.

Right of Access

Representatives of the Lewes BPW shall have the right of clear and safe access to the Customer's premises at all reasonable times for Lewes BPW business, such as the reading electric meters; installing, inspection, maintenance, disconnection, and removal of Lewes BPW facilities; and for other reasonable purposes in conjunction with the furnishing of electric services. The access path shall be clear of bushes and trees. The meter and other facilities must be outside of locked areas or access provided. The Lewes BPW shall have the right to discontinue the supply of electricity without notice if such access at any time is not provided.

Clear and safe access will be considered denied to the Lewes BPW when dogs and other animals are inadequately restricted or otherwise in a position to threaten or intimidate a Lewes BPW meter reader or another representative. It is the Customer's responsibility to secure the meter access area so that Lewes BPW representatives will not be threatened or intimidated by animals.

Customer's Responsibility

The Customer shall be always responsible for the safe keeping of all Lewes BPW facilities installed on the Customer's premises and to that end shall give no one, except authorized Lewes BPW employees, access to such property. In event that any loss or damage to property is caused by or results from the negligence or wrongful act of the Customer or the Customer's agents or employees, the cost of the necessary repairs or replacement shall be paid by the Customer. The Customer shall indemnify and hold the Lewes BPW harmless from any related liability.

Secondary Voltages and Frequency

The following standard voltages are supplied by the Lewes BPW, however, every voltage listed below may not be available at all locations on the Lewes BPW system.

<i>240/120 volts (single phase)</i>	<i>240/120 volts (three-phase)</i>
<i>208Y/120 volts (three-phase)</i>	<i>480Y/277 volts (three-phase)</i>

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All electric service is provided in the form of alternating current (AC), at a frequency of 60 Hertz. No DC service or service at frequencies other 60 Hertz is available.

The primary primary voltage available is 12,470 grdy/7200 volts.

Power Factor Adjustments

The Customer shall agree to maintain unity power factor as practical. The Customer shall reimburse the Lewes BPW for any costs attributable to the Customer's power factor.

Fluctuating Loads

In the case of installations where the use of current is intermittent or subject to substantial fluctuation, the Lewes BPW reserves the right to base the measured demand upon a five-minute demand period, or less if appropriate. When the Customer's use of electricity or equipment interferes with or is detrimental to the supply of electricity to any other Customer, to the Lewes BPW electric system, or to the interconnected transmission system, the Lewes BPW also reserves the right to require the Customer to curtail the operation of the offending equipment. The Lewes BPW further reserves the right to discontinue furnishing electricity to the Customer until the unacceptable fluctuations are corrected. (See also Paragraph 6.1).

In the case of installations where induction motors or other high induction equipment are used and the Customer requires transformer capacity more than 25 kVA, the Lewes BPW reserves the right to charge the Customer the difference in the cost of a standard transformer and the transformer required to serve the high induction load.

Unbalanced Loads

The Customer shall always take and use electricity in such manner that the load will be balanced equally between phases. If the average load is out of balance by more than ten percent (10%) of the lesser phase, the Lewes BPW reserves the right to discontinue service until the unbalanced load is corrected.

Sole Source of Power

The Customer agrees that no electricity other than that supplied by the Lewes BPW shall be interconnected or used in conjunction with electric service from the BPW without previous written consent of the Lewes BPW. (See also Section 16 - Small Power Production and Cogeneration.) The Lewes BPW may discontinue service immediately without notice in the event of unauthorized interconnections.

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Transient Voltages, Surges, Outages, and other Power Quality Issues

The Lewes BPW seeks to maintain a prominent level of Power Quality but does not guarantee the Customer's Power Quality or continuous service. Customers are cautioned that certain types of data processing and other equipment are sensitive to transient voltages (surges), outages and other Power Quality problems which occur from time to time in power systems. The Lewes BPW shall not be liable for related damage or loss.

The Customer shall install, own, and maintain suitable power conditioning and outage protection equipment to protect sensitive electronic and other equipment. The Customer shall be responsible for installing surge suppressors, uninterruptible power supply (UPS) equipment, and other such power conditioning equipment to protect any power sensitive equipment.

Impact of Motors on Power Quality

The Lewes BPW reserves the right to refuse service when the Customer's operation of certain motors creates a potential hazard to the Lewes BPW electrical system or causes Power Quality problems in the Lewes BPW system. Motors of particular concern include but are not limited to, single phase motors rated more than seven and one-half (7.5) horsepower, polyphase motors rated less than five (5) horsepower, and polyphase motor installations having a total of less than ten (10) horsepower of motor load.

Service Available for Motors

Motors of one (1) horsepower and less may be served at 120 and 240 volts, single phase.

Motors larger than one (1) horsepower but not exceeding seven and one-half (7.5) horsepower may be served at 240 volts single phase, unless arranged as part of a three-phase motor installation and provided the total connected horsepower of a single service does not exceed ten (10) horsepower.

Motors more than seven and one-half (7.5) horsepower shall be three phase and approval of the Lewes BPW shall be obtained before the installation is made.

The Lewes BPW reserves the right to charge the Customer for excess installation costs or to deny providing three-phase service when such service is not feasible or practical alternatives are available (see Paragraph 12.6).

Motor Starting

Single phase motors rated seven and one-half (7.5) horsepower and less, and three phase motors rated not more than fifteen (15) horsepower may be operated with across-the-line starting, provided such operation does not result in Voltage Flicker in which event reduced voltage starting, installed by the Customer, will be required.

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Reduced voltage starting will be required for all three phase motors rated more than fifteen (15) horsepower and when the operation of any motor causes Power Quality problems on the Lewes BPW electric distribution system.

Reduced voltage starters may be either the resistor or auto-transformer type, and the current limitations will be furnished by the Lewes BPW based upon the horsepower rating of the motor. Inrush Current shall be limited to 150 percent of full load running current.

Motor Protection

1. General

Motors shall be provided with such protective devices necessary to protect the integrity of the Lewes BPW electrical distribution system and Power Quality on the system. The provision of such protective devices is the responsibility of the Customer and in no circumstances shall the Lewes BPW be liable for damage due to the misapplication, operation, or failure of such devices.

2. Overcurrent Protection

Motors shall be provided with an overcurrent protective device in each ungrounded conductor.

3. Reverse Phase Relay

Where a definite direction of rotation must be maintained on motors or other equipment, a reverse phase relay of approved type or a mechanical device that will accomplish the same purpose shall be installed.

4. Phase Protection

A suitable voltage or current type of device shall be installed to protect three-phase motors or other equipment from damage in the event of a phase outage.

Notice of Trouble

The Customer is requested to notify the Lewes BPW promptly of any defect in service or of any trouble or irregularity to the electric supply provided by the Lewes BPW.

Attachments to the Lewes BPW Facilities

No attachments of any kind may be made to Lewes BPW poles or other facilities without prior written authorization of the Lewes BPW. Signs, banners, and other attachments will not be allowed on poles

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which are not rated for such attachments, or when the attachments might cause an unsafe condition, injury, or damage to any property.

Cable, telephone, or other communications wiring will be permitted only after agreements providing for such attachments satisfactory to the Lewes BPW have been executed by the attachment company and the BPW. Any unauthorized attachments may be removed by the Lewes BPW following 30 days prior written notification of the unauthorized attachment.

Obstructions Near Pad Mounted Equipment

Obstructions such as bushes, trees, and fences around pad mounted equipment are a safety and performance issue. The Board requires clear access to pad mounted equipment of three feet on all sides except ten feet on the front. Obstructions may be removed without notice.

Section 5 – Billing and Payment for Service

Billing Period

Billing periods for metered utility services are determined from meter readings that will be as close as possible to thirty (30) day intervals. This may vary due to normal reading dates falling on Saturdays, Sunday and Holidays, and due to other conditions. Bills will be computed on the basis of the actual consumption covered by the meter readings. Flat rate accounts as defined under the approved rate schedules will be billed as such. Under abnormal conditions, bills will be estimated for a period not to exceed two (2) consecutive months within a twelve (12) month period.

5.2 Due Date

The bills are due when rendered and are past due in twenty-five (25) days from the date on the bill. All payments must be received by the Board prior to the next billing date.

If payment for bills rendered is not received by the Board within the prescribed time frame a late-payment penalty of one and one-half percent (1-½%) per month or \$2.00, whichever is greater, on the unpaid balance will be added to the Customer's account.

Post-dated checks for payment of service(s) will not be accepted.

5.3 No Surprise Bill or Budget Billing Plan

The No Surprise Bill payment plan (Budget Billing) is available to qualifying Customers to equalize payments throughout the year.

1. Plan Description

The plan can begin anytime during the year, provided a twelve (12) month billing period history is available or the Customer and the Board can agree on an estimated twelve (12) month period history for the purposes of calculating the No Surprise Bill amounts. The exact payment amount will be determined by averaging the consumption used in the previous twelve (12) billing periods and recalculating the average bill based on an average consumption and the current rates. Under this plan, the Customer shall be billed for eleven months on an estimated budget amount basis with the twelfth month as the settlement month. The billing for the settlement month shall consist of the difference between the actual amount due to date and the budget amount paid to date.

2. Plan Eligibility

Any Customer who meets all the following requirements may request participation in the plan:

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(a) an actual twelve (12) months' billing period history or an agreement with the Lewes BPW on an estimated twelve (12) month billing history which can be used in calculation of a No Surprise Bill payment amount.

(b) no checks returned by the Customer's bank within the past year for reasons listed under 1.8.2.

(c) no more than three (3) delinquent payments and/or more than one disconnection for failure to pay in the previous twelve (12) billing periods.

3. No Relief of Payment Obligations

Participation in this Plan does not relieve the Customer from the obligation to make regular period payments in an amount at least equal to the levelized payment amount stated on the bill. All payment terms stated in this section shall apply. Failure to abide by the terms of the Plan will result in removal from the Plan participation. Those Customers so removed will not be eligible for reinstatement for one year.

Failure to Receive Bill

Failure to receive a bill will not entitle the Customer to remission of any charge for non-payment within the time specified.

Customer's Deposit to Guarantee Payment of Final Bills

The Lewes BPW may require from a customer or prospective Customer, a cash deposit to guarantee payment for utility services components of the final bills. Such deposit shall not be less than one hundred twenty five dollars (\$125.00) nor more in amount than an amount equal to two-twelfths (2/12) of the estimated annual revenue or as may be reasonably required by the Lewes BPW in cases involving service for short periods. Service may be denied or terminated for failure to pay a deposit when requested. Deposits will not be applied against current delinquent bills.

Simple interest will accrue on deposits at an annual rate to be set semiannually equal to the Prime Rate as published in the Wall Street Journal on the first business day of October and April each year, minus 400 basis points (4%) but not less than 0.01%. Interest will begin to accrue when the deposit is paid in full; however, no interest will be paid unless the deposit is held longer than ninety (90) days. The deposit shall cease to draw interest on the date it is applied or on the date service is terminated. Deposits on residential accounts will automatically be applied to the account following payment of twelve (12) consecutive bills without arrears. (Changed with Board approval July 22, 2009)

Deposits shall be collected from any existing Customer who:

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- 1.) Has been disconnected for non-payment
- 2.) Has rendered two checks returned to the Board unpaid by the bank for reasons listed in 1.8.2 in any twelve (12) month period.
- 3.) Has been delinquent three (3) times in the current twelve (12) month period.

New Commercial and Industrial Customers.

New Customers with unsatisfactory credit as defined by a prior history of delinquency with the Lewes BPW or detrimental credit information from adverse credit reports from recognized credit reporting services or adverse credit reports from recognized credit reporting services or adverse credit history with their immediate past utilities. Those Customers, required to provide a deposit under this section shall be advised of the source and nature of the adverse credit information and given an opportunity to correct any inaccurate information.

Customers found to be using names other than their own legal name when use of their own name would create an impediment to service such as requiring payment of delinquent bills or a deposit.

Customers found tampering with or guilty of abuse of Lewes BPW's meters or equipment.

Persons who were adult customers of a previous household which has a delinquent account with the Lewes BPW.

Adjustment of Deposits

Deposits will be subject to review to insure that they are sufficient, but do not exceed two-twelfths (2/12th) of an estimated annual revenue. Differences will be applied to the account.

Deposit Amounts

Deposits will be collected in whole dollar amounts.

Disconnection for Failure to Pay

If payment is not received by the Lewes BPW prior to the next billing date, the Lewes BPW will send a Disconnection Notice with the next regular bill, notifying the customer of impending termination of Electric Service. This notice shall include any applicable late charge and notice of service disconnection if payment is not received within fourteen (14) calendar days from the date of this notice. The bill and

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notice shall be sent mail and deposited in the United States Postal Service addressed to the customer at the last known mailing appearing on the records of the Lewes BPW.

When a Lewes BPW employee visits the property to disconnect service for failure to pay, the customer if available will be given the opportunity to make payment rather than be disconnected. If the Customer elects to pay, a thirty-dollar (\$30.00) Collection Charge will be assessed. This charge will apply for any collections visit to the property that does not result in disconnection.

Payment Agreement

The Lewes BPW may decide for a modified payment schedule with a customer who is unable to pay his or her bill for Delivery Service or combined Electric Supply and Delivery Service to the Lewes BPW due to unusual or severe circumstances. There will be a delinquent payment penalty levied against all payment agreements of one and one-half percent (1-½%) per month on the unpaid balance. Any party to a payment agreement who fails to meet the obligations of the agreement made with the Board is subject to disconnection, following seventy-two (72) hours' notice by letter or telephone to a number given in the payment agreement.

Restoration of Service

A restoration of service charge will be paid by the Customer in order to restore service to the Customer whose service has been disconnected for any reason, except in the event of a fire resulting in disconnection of service. Any Customer disconnected under the provisions of these rules and regulations for nonpayment must pay all overdue bills (past and present), a restoration of service charge, and a deposit when required, before service will be restored.

If restoration is requested between 7:00 am and 4:00 pm Monday through Friday, Holidays excepted, the restoration of service charge will be forty dollars (\$40.00). Request for restoration on the same day under this provision must be received no later than 3:00 p.m.

If restoration requests are received between 4:01 p.m. and 12:00 a.m., a restoration of service charge of ninety-six dollars (\$96.00) will be required, Monday through Friday, Holidays excepted.

Emergency restorations at times other than the hours discussed above will be made by the Board at the discretion of the Board only in emergency situations. A restoration of service fee of one hundred and seventy-two dollars (\$172.00) will be charged. This means that Holiday and weekend restorations will require the higher fee described above.

If a second visit is required to make restoration, a Service Fee will be charged for the Lewes BPW employee's additional visit. This fee will be thirty dollars (\$30.00).

Effective Date: August 19, 2004

5.9 Returned Checks

Checks received in payment of bills rendered for, Utility Service(s), Customer Deposits, and Restoration Charges, which are returned to the Board unpaid by the Customer's bank and authorized attempts by the Board to draft Customers accounts with insufficient funds, will result in an additional charge of thirty dollars (\$30.00) per check or bank draft attempt per occurrence.

After two (2) checks are returned to the Lewes BPW unpaid by the Customer's bank on a consumer's account or two (2) authorized attempt by the Lewes BPW to draft Customers accounts within, a twelve (12) month period for which there are insufficient funds, a closed account, predated, differing amount, signature missing or similar reasons, the Lewes BPW will not accept checks in payment of electric bills. Payments may be accepted on a "Cash Only" basis, including money orders, credit cards payments and certified checks.

5.10 Address Notification

It is the responsibility of the Customer to notify the Lewes BPW of an address change. The Lewes BPW will not be responsible for disconnections of service when the Customer has not received a disconnect notice due to failure of the Customer to provide a new address.

Adopted by BOARD RESOLUTION 07-001, March 27, 2007, Payment terms
Sections 5.2.2 and 5.6.1 amended by Board action January 17, 2008
Section 5.5.2 amended by Board action July 22, 2009
Section 5.6.1 by Board action January 27, 2016

Effective Date: August 19,2004

Section 6 – Discontinuance of Service by the Lewes BPW

General

The Lewes BPW reserves the right to discontinue furnishing of electricity to a Customer, irrespective of any claims pending against the Lewes BPW, under the following conditions:

1. Without Notice

The Lewes BPW may discontinue or interrupt electric service at any time without notice when:

- (a) the Lewes BPW has reasonable cause to believe that the Customer is receiving electricity without paying for it or that someone has tampered with the Board's meter, wires, or other apparatus. Prior to reconnection of service, the Customer may be required by the BPW to install wiring, conduits, lock boxes, or meter boxes to prevent further tampering,
- (b) the Lewes BPW determines that the condition of the Customer's wiring, equipment, or appliances, including any Customer-owned service entrance or service wire, is unsafe or unsuitable for receiving electricity, or is in such condition as to endanger property,
- (c) the Customer's use of electricity or equipment interferes with, or as determined by the Lewes BPW, may be detrimental to the supply of electricity to any other Customer,
- (d) the Customer has denied a representative of the Lewes BPW access to the Lewes BPW meter, wires or other facilities installed on the Customer's premises,
- (e) there is credible evidence that there is attempted fraud upon the Lewes BPW,
- (f) there are unavoidable shortages or interruptions in the Lewes BPW source of supply, or
- (g) any emergency requires repairs or alterations to the electric system.

With Verbal or Written Notice

When working conditions allow, the Lewes BPW may provide Customers verbal or written notice that electric service will be interrupted to make repairs, modifications, or improvements to the electric system. However, the Lewes BPW is not obligated to provide such notification (see Paragraph 6.5).

Effective Date: August 19,2004

With Prior Written Notice

The Lewes BPW may discontinue electric service with prior written notice to the Customer for failure to comply with any of the Lewes BPW Electric Rules and Regulations or with any of the conditions or obligations of any applicable agreement with the Lewes BPW for the purchase of electricity. Failure to pay electric bills is cause for discontinuance of service.

Delivery of Termination Notice

Notice of discontinuance of service shall be given a Customer when a copy of such notice is left with the Customer or at the premises where monthly bills are rendered or posted in the United States mail and addressed to the Customer's last post office address shown on the records of the Lewes BPW.

Payment for Unexpired Service Term

In all cases where the supply of electricity is discontinued due to the Customer's negligence or violation of any of the Lewes BPW Electric Rules and Regulations or with any of the conditions or obligations of any applicable agreement with the Lewes BPW for the purchase of electricity, should the service not be reconnected in accordance with Paragraph 8.1, then there shall become due and payable, in addition to the bills past due, an amount equal to the sum of the Minimum Bills for the unexpired term of the agreement, not as a penalty, but in lieu of the income reasonably expected during the unexpired term of the agreement as liquidated damages.

Discontinued Service Facilities

When service to a customer is discontinued, the Lewes BPW may leave its service connection facilities on the premises so future Customers can be served.

Interruption for System Maintenance

Whenever it is necessary to interrupt service for non-emergency work on lines or equipment, such work shall be done, as much as possible, during normal working hours that are likely to cause the least inconvenience to the Customer(s) affected. The Customer(s) affected by such interruptions shall, if reasonable, be notified in advance by the line crew supervisor or other identified representative of the BPW. The Lewes BPW cannot guarantee a maximum amount of time for any outage.

Severe Weather

Except for protecting public safety, the Lewes BPW will endeavor not to interrupt or discontinue service under Paragraph 6.1 when the daily low temperature is predicted to be below 32° F at 8:00 am or when the National Weather Service predicts that the Heat Index may equal or exceed 105° F.

Section 6.6 amended Board Meeting January 27, 2016

Effective Date: August 19, 2004

Section 7 – Discontinuance of Service by Customer

Notice to Discontinue

The Customer must give the Lewes BPW at least two (2) days' written notice to discontinue service, unless otherwise agreed, and shall be liable for service taken until the Customer's meter has been disconnected or read. Such notice prior to the expiration of a contract term will not relieve the Customer from any minimum or guaranteed payment during the remainder of the service commitment. There is a fee for disconnection. See the Fee Schedule.

The supply of electricity will be disconnected within two business days after receipt of such request. Request for disconnection of service does not relieve the Customer of his or her obligations to the Lewes BPW.

Completion of Term

If, by reason of any act, neglect, or default of a Customer or his or her representative, the Lewes BPW is prevented from supplying service in accordance with any agreement for service, the minimum charge for the unexpired portion of the term shall become due and payable immediately as liquidated damages in lieu of the anticipated returns from the said contract.

Final Bill

The final bill for service will be based on an actual meter reading and is due and payable when rendered.

Residential Landlord – Tenant Code

Nothing in this Section shall be interpreted as superseding the rights of either tenants or landlords as described in the Residential Landlord - Tenant Code.

Section 8 – Reconnection of the Supply of Electricity

General

Service disconnected for reasons set forth in Sections 6 and 7 will be restored only upon any corrective action required and payment of the appropriate amount in the Fee Schedule plus all arrearages due under the Customer's contract, except when it has been necessary to remove service wires to discontinue service. In such cases, the costs of discontinuance and restoration also must be paid.

If the supply of electricity has been disconnected, the Board shall have a reasonable period in which to reconnect the Customer's service after all conditions that resulted in the disconnection have been remedied. Such remedies would include as applicable, satisfactory arrangements for the payment of all delinquent bills and obligations due the Lewes BPW, correction of all unsatisfactory conditions which may have existed on the Customer's premises, full compliance with the Electric Rules and Regulations, and full compliance with the conditions or obligations of any agreement with the Lewes BPW for the purchase of electricity.

Tampering

If the supply of electricity has been discontinued because of improper use, or tampering with the Lewes BPW metering, wires, or other apparatus, the Lewes BPW may refuse to reconnect the Customer's service until the Customer shall have:

1. Paid all delinquent bills and obligations due the Lewes BPW to the extent required by the Lewes BPW,
2. Paid to the Lewes BPW an amount estimated by the Lewes BPW to be sufficient to cover the electricity used but not recorded by the meter, and
3. Rewired the premises in a manner satisfactory to the Lewes BPW.

After-hours Reconnection Charge

If the Customer requests service to be restored outside of the Lewes BPW regular operating hours, then an additional charge for after-hours reconnection will be required (see the Fee Schedule). Except in an emergency, such after-hour restorations will not be performed between the hours of 9:00 PM and 6:00 AM.

Effective Date: August 19,2004

Section 9 – Meter Installations

Meters Supplied by Lewes BPW

The Lewes BPW will furnish, install, maintain, and own one set of metering for each electric service (see Paragraph 2.4). Bills will be calculated according to the readings from such metering, except in the event of meter malfunction, in which case billing will be based on use estimated by the Lewes BPW.

Meter Locations

The Customer, engineer, architect, or contractor shall contact the Lewes BPW Electric Department for determination of the exact service location prior to completion of plans or any upgrade of service.

The Customer shall provide a suitable place for the metering, instrument transformers, and any other equipment of the Lewes BPW. Such place shall be of convenient access to the Lewes BPW meter readers and inspectors and shall be subject to the approval of the Lewes BPW prior to service connection. In general, meters shall be located not more than five (5) feet above ground or floor level and on the outside of the building. (See Section 13 for additional information when relocating existing facilities.)

Meter sockets for new installations must be approved prior to installation by the Lewes BPW. The meter sockets shall be provided, installed, owned, and maintained by the Customer. (See Section 11 for meter location and installation information). The Lewes BPW reserves the right to disconnect service to any Customer whose meter socket(s) are not maintained in safe operating condition. The Lewes BPW does not stock meter sockets and cannot be responsible for interruption of service or replacement of the socket in the event of failure.

Capacity of Meters

The meters, instrument transformers, service connections, and other equipment supplied by the Lewes BPW for each Customer have a definite load capacity and no additions to the Customer's equipment or connected load will be allowed except by consent of the Lewes BPW.

Right to Remove Equipment

All meters, instrument transformers, and other service facilities supplied by the Lewes BPW shall remain the exclusive property of the City. The Lewes BPW shall have the right to remove all the service facilities from the premises of the Customer at any time after the termination of service, whatever may have been the reason for such termination.

Reverse Registration

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The Lewes BPW may, by ratchet or other device, control its meters to prevent reverse registration.

Periodic Meter Testing

All meters shall be tested at intervals established by the Lewes BPW. Meters may be tested more frequently at the Customer's request and expense unless the meter is found to be inaccurate by more than 2% high or low.

Section 10 – Billing Adjustments

General

Adjustments will be made promptly to correct monthly billed amounts. Adjustments will be made without interest, unless the miss-billing is due to meter theft, tampering, or unauthorized overload, in which case the maximum interest permitted by law will be charged.

Fast Meter

Whenever a meter is found by the Lewes BPW to have a positive average error – that is, when it over-registers or is fast – in excess of two percent (2%), the Lewes BPW shall credit or refund to the Customer an amount equal to the excess paid for the use incorrectly metered, for a period of at least three and up to six preceding monthly billing periods, unless the time at which the error first developed or occurred can be determined, in which case the estimated amount of overcharge will be based thereon.

Slow or Stopped Meter

When a meter is found by the Lewes BPW to have a negative average error—that is, when it under-registers or is slow— to the extent of two percent (2%) or more, or to be stopped, or, in case of a polyphase meter, to be operating with an inactive element, and the error in registration or failure to operate is not attributable to the negligence of the Lewes BPW, but is due to some unpredictable cause, such as lightning, tampering or unauthorized overload, the Lewes BPW may estimate the proper charge for the unregistered service by reference to the Customer's consumption during similar normal periods or by such method as the Lewes BPW may deem reasonable. Except in cases of tampering, theft, or unauthorized overload, such an estimate will cover the period during which the under billing occurred, but not more than six months. In cases of theft, tampering, or unauthorized overload, the adjustment period will be the maximum permitted by law.

Section 11 – Connections and Transformer Installations

General

“Service” as used in the Electric Rules and Regulations refers to overhead or underground conductors and associated materials between the last pole or underground transformer terminal of the Lewes BPW system and the point of connection with the Customer’s service location wiring. Service voltages, unless otherwise provided for herein, shall be less than 600 volts. The Lewes BPW system from which the Service is installed may be on public or private right-of-way.

The Lewes BPW will install, own, and maintain overhead Services. The Customer normally will install, own, and maintain underground Services. Charges for Services shall be in accordance with this Section. Charges for Extensions shall be in accordance with Section 12.

Overhead Service

Except as otherwise requested by the Applicant, the Lewes BPW will provide, own, and maintain without charge an overhead service drop of up to 75 feet to a suitable Connection Point on a support furnished, owned, and maintained by the Customer, which shall be at a location designated by the Lewes BPW and so located that the service span will be free of obstructions and adequately supported. The Lewes BPW shall not be responsible for failure if the underlying material of the Connection Point is not secure or deteriorates over time.

The Customer also is responsible for providing, owning, and maintaining all other equipment from the Connection Point to the Customer’s distribution panel including, but not limited to, the service cable, meter pan, and associated hardware.

If the Customer requires a location other than that designated by the Lewes BPW, or the length of the overhead service drop will exceed 75 feet, the alternative location or distance must be specified in accordance with good engineering practice. If the length of the service drop exceeds 100 feet, an additional pole will be required. Any cost more than the typical Service allowance to the Lewes BPW shall be paid by the Customer.

Underground Service from Overhead Connection Point

When the Lewes BPW Electric Department determines that the Customer’s load is too large to be served from an overhead Service, plans will be made to provide service underground.

The total cost to the Lewes BPW will be paid by the Customer, including the cost of the concrete pad, transformer, conduit, primary cable, and any other material required plus installation to the point of interconnection with service location wiring. All connections will be made by Lewes BPW personnel. All load side equipment other than metering from the transformer to the building will be the

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responsibility of the Customer. Metering options and locations will be determined by the Lewes BPW Electric Department.

At the Customer's option, ownership of all Service facilities and the transformer(s) on the primary side of the Service may be transferred to the Lewes BPW, including easements and right of ways at the Customer's expense.

When an Applicant requests an underground Service from overhead facilities, the Applicant must purchase, install, and maintain all facilities, other than metering, installed to provide service to the Customer. However, the connection to Lewes BPW facilities will be made by BPW personnel.

The Customer must install the underground service in conduit on the Lewes BPW pole, from a weather head located eight inches (8") below the secondary conductors. Conduit shall extend down the pole to a minimum of thirty inches (30") below ground and to a point three feet (3') from the pole. Underground service at the service premises also shall be in conduit from a minimum of three feet (3') from the premises and thirty inches (30") below the ground to the meter. The underground Service conductors may be direct burial between the ends of the conduit underground, provided the underground run does not cross under streets, driveways, or paved parking areas, in which case it shall be in conduit. Service conductors shall be sized and installed in accordance with the standards of the *National Electric Code* current as of the installation date.

Underground Electric Service from Underground Distribution System

Only underground service will be supplied from an underground system. It is the responsibility of the property owner to pay for the installation of the underground electric Service. The Customer shall furnish, install, own, and maintain all facilities providing for electric service from the Connection Point in the transformer cabinet or on the pole riser, other than metering. Meters for underground service shall be installed on the meter pan or socket furnished by the Customer and attached to the Customer's service facility (see Paragraph 9.2 for the location of the meter). The owner's electrician shall install the underground Service in accordance with Lewes BPW specifications (see Paragraph 11.3) and the *National Electric Code* (Article 300, "Wiring Methods") for such installations. The electrician shall install the underground Service cable from the meter socket on the Customer's facility to the transformer or the secondary pedestal in accordance with approved designs and practices. Such designs and practices shall include trenching to the proper depth and backfilling of the trench with clean fill material.

Prior to any trenching, the electrician or property owner should call *Miss Utility* 48 hours in advance to have utility lines marked (see Section 1 for phone number).

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Inspection of Underground Electric Service Installations

The underground Service installation shall be considered complete when:

The cable is in the ground and at the appropriate depth for the entire length of the run,

The cable is connected to the meter, and

The trench and the immediate area surrounding the trench are free of debris.

After installation of the underground electric Service, the electrical inspector from the Lewes BPW must be contacted for an inspection. Lewes BPW inspectors have the authority to require the use of conduit whenever conduit is required to protect the underground conductors adequately. If the installation meets the requirements of the National Electric Code, the contractor may cover the trench and the Lewes BPW will activate the electric service at the meter, pedestal, or transformer. If the installation fails the inspection, the deficiency must be corrected prior to acceptance and electric service activation.

The fees for the underground Service inspection and any re-inspection are listed in the Fee Schedule.

Repair of Customer's Underground Cables and Equipment

Maintenance and repair of underground Service cables and equipment are the responsibility of the Customer. In certain cases, when there is a failure of the Customer's underground cables and/or equipment, the Lewes BPW, based solely on the Board's judgment, may elect to install temporary surface cables to provide service for a limited period of time until the Customer can arrange for a contractor to complete repairs to the underground installation. The Board will in all such cases require the Customer to execute an agreement releasing the Board from liability for any mishap resulting from the temporary surface installation.

Such repairs must be completed in a timely manner and are subject to the same standards and inspection requirements as a new installation. In the case of repairs to underground installations, the Customer's electrical contractor must pay particular attention to the following situations:

Use conduit or sleeves under sidewalks and driveways,

Verify that underground conductors are not in contact with stones, rocks, or other abrasive debris,

Use only clean fill material to back fill any trench in which underground conductors have been installed, and

Arrange for inspection by the Lewes BPW inspector prior to closing the trench.

The Lewes BPW reserves the right to remove temporary surface cables at any time and for any reason, but particularly under the following circumstances:

When it is evident that the surface installation poses a hazard to the public,

When the temporary service is no longer needed, or

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When the Customer has not made efforts acceptable to the Lewes BPW to arrange for repairs to be made.

Repairs Made by the Lewes BPW

In some cases, contractors with the skills or equipment required to find and repair underground electrical faults may not be available to make immediate repairs. In such cases, as a service to Customers and upon the execution of a release from liability, the Lewes BPW may elect to assist in finding such faults that may exist and make emergency repairs. In such cases, the Lewes BPW will bill the Customer for the full time and materials cost of any diagnostic work performed and any repairs made.

Transformer Installations

Transformers will be furnished, installed, and maintained by the Lewes BPW, except as provided in Paragraph 11.3. However, the Lewes BPW reserves the right to charge the Customer an additional fee for transformer costs under the following conditions:

When a customer's electricity usage pattern requires a larger than expected transformer to satisfy infrequent peak demand requirements

When the Customer requires a special location for placement of the transformer

When the Customer makes other special requests for his or her convenience that will result in an unusual or non-standard installation

In such cases, the Lewes BPW will determine the type and size of transformer required, consistent with accepted engineering practices and the Lewes BPW' operating principles.

Meter Options

The Board has the option to meter the secondary side of the transformer or the primary side with appropriate compensation for billing.

Service at Primary Voltage

The Customer may elect to take service at a primary voltage of 2400 volts or higher. In such an event, all facilities to provide for the Customer's service shall be installed, owned, and maintained by the Customer.

Section 12 – Distribution System Extensions

General

The Lewes BPW will extend its electric distribution system as provided below. In the case of large commercial or industrial projects, or projects with special characteristics, the Lewes BPW reserves the right to require a special contract to specify terms and conditions for Extensions to provide electric service.

Rights-of-Way

The Applicant requesting service shall furnish, without expense to the Lewes BPW, rights-of-way as set forth in Paragraph 2.9.

Applicant's Wiring and Equipment

The Lewes BPW may delay the construction of any extension until the Applicant has completed the wiring and the installation of equipment necessary to receive and use service.

Type of Distribution System Extension

At the sole option of the Lewes BPW, distribution system extensions shall be comprised of any combination of overhead and underground facilities.

Overhead Single-Phase Distribution System Extension

The Lewes BPW will extend, at its own expense, up to 150 feet of overhead single-phase distribution system conductor and other equipment necessary to provide service to an individual Customer for a permanent year-round building or structure in the Lewes BPW service territory. A permanent year-round building or structure shall be defined as a building or structure constructed on a permanent foundation for year-round occupancy.

Single phase service to seasonal or temporary installations will be furnished under the terms and conditions in Paragraphs 3.2 and 3.3.

Overhead Three-Phase Extension

Where three-phase service is required, the Lewes BPW will install, own, and maintain at its expense an Extension of up to 150 feet. If, based on the determination of the Lewes BPW, estimated annual revenue will not justify the full cost of any additional extension beyond 150 feet, the Lewes BPW reserves the right to charge the Customer for the uneconomic portion of the extension beyond 150 feet.

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A service contract will be required for all three-phase service prior to the construction of any Extension.

Underground Extensions

Underground Extensions will be made to single residential or commercial Customers at the Customer's expense. The type of extension, primary or secondary will depend on the load and distance. At the Lewes BPW option, the BPW may install, own, and maintain the Extension and be reimbursed by the Customer or the BPW may require the owner to have the Extension installed.

Underground Extensions in Planned Area Developments and Subdivisions

The Customer or developer shall be responsible for designing, installing, and paying for the underground system for the area to be developed in accordance with the Lewes BPW Specifications for Developers.

The Customer will provide the Lewes BPW with an estimate of anticipated load and with construction specification drawings. The Lewes BPW will review the estimate of anticipated load and the construction specification drawings and determine a required deposit.

Such deposit shall include the:

Electric Impact Fee (see Section 20),
Estimated reimbursement for engineering review,
Estimated cost of construction administration and inspection, and
Estimated charge for the development of record drawings.

Prior to the engineering review, the Lewes BPW will require payment of the deposit by the Customer to cover the estimated costs. Upon receipt of the advance deposit, the Lewes BPW engineer will review the design and provide a letter of approval to the Lewes BPW, if the design is acceptable. Settlement for actual costs incurred by the BPW plus the amount due for the Electric Impact Fee must be made prior to connection of any electric service other than temporary service for construction.

Upon completion of the project, the planned development primary distribution system will be deeded to the City of Lewes on behalf of the Lewes BPW at no charge. However, the developer shall provide a warranty for the system for twelve months after the project has been accepted by the Lewes BPW. After this, all ownership responsibility will belong to the Lewes BPW.

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Street Lighting

In the case of Planned Area Developments, the Customer or developer will provide for and pay for the design, procurement of materials and supplies, and labor associated with the installation of street lighting. All designs must be approved by the Lewes BPW prior to installation. The street lighting then will be deeded to the Lewes BPW at no charge. The facilities will be maintained by the Lewes BPW thereafter. However, the developer shall provide a warranty for the street lighting system for twelve months after the project has been accepted by the Board.

Disposition of Deposits

In the event any deposit required by this Section is more than the cost of installation or other work performed, the difference between the actual cost and the deposit or payment amount shall be refunded. If the deposit or payment amount is less than the actual cost of installation or other work performed, the Customer shall be liable for the difference and shall tender the same to the Lewes BPW upon notification and receipt of an invoice including an explanation of costs.

Section 13 – Relocation of Existing Facilities

Services

Any alterations or additions in Service connections shall be at the expense of the Customer.

In the event the Lewes BPW shall be required by any Public Authority or the Customer to place underground or relocate any of the Lewes BPW facilities, the Customer at his or her own expense shall change the location of the Point of Delivery to a point readily accessible to the new Service location.

Meters

Meters shall be accessible directly from the outside of the Customer's facility and shall not be enclosed by any structure. In the event the Customer desires to enlarge, build on, or add to, any building upon which there is an existing meter, and where said meter will become enclosed by the new addition, whether it be a screened porch or other structure, it shall be the responsibility of the Customer to have an electrician install a new Service entrance or move the existing Service entrance to a proper location that can be accessed from the exterior of the structure (see Paragraph 9.2).

Any Customer planning to install new siding on a building where there is an existing meter shall notify the Lewes BPW a minimum of 2 business days in advance of the time the meter is to be removed to permit the installation of the siding. The Lewes BPW will remove the meter to allow the contractor to complete work in that area.

Any Customer planning a change of meter location will notify the Lewes BPW a minimum of 2 days in advance of such change. The Lewes BPW will disconnect the service while the electrician makes the necessary change.

No Customer or electrician is authorized to remove or tamper with any meter of the Lewes BPW.

All costs incurred by the Lewes BPW in making changes as outlined above shall be paid by the Customer.

Poles, Guys, Anchors, and Other Elements of the Distribution System

When a Customer requests the relocation of an existing pole, conductor, guy or anchor, or other element of the distribution system, he or she shall be responsible for the costs incurred by the Lewes BPW in making the relocation. The Lewes BPW shall make the determination whether such relocation is appropriate.

Effective Date: August 19,2004

Section 14 – Meter Pole or Meter Pedestal for Trailer Service

Applicability

Section 15 is applicable for meter poles for trailer service, other than in trailer parks, on property not owned by the Applicant. “Trailer” shall mean any mobile home or other Residence with an attached wheeled undercarriage.

Provisions of Section 15 apply only to existing trailers, as trailers are no longer allowed under the Ordinances of the City.

Limitations

All trailers shall be metered individually on separate meters and shall not be served from any other metered service, whether it is from a house or other trailer service.

Ownership of the Pole

The Customer shall furnish, install, and maintain the meter pole or meter pedestal and related facilities. The Meter Pole shall be at least class 6 and 25 feet in length buried to a depth of at least 4.5 feet.

Costs

If the Customer requires a Connection Point other than that designated by the Lewes BPW, or the length of the overhead Service drop exceeds 75 feet, the alternative location or distance must be specified in accordance with good engineering practice. If the length of the service drop exceeds 100 feet, an additional pole will be required. Costs incurred by the Lewes BPW shall be subject to reimbursement by the Customer under the provisions of Sections 11, 12, and 13.

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Section 15 – Service to Trailer Home Community

Applicability

This Section is applicable for any property that meets the legal or zoning definition for a trailer or mobile home community. Trailer home communities encompass any property established to accommodate trailers for permanent, semi-permanent, or transient stays.

Section 16 applies only to existing trailer home communities, as no new trailer home communities are permitted under the Ordinances of the City.

Separate Service Contracts

An application and separate contract for service to each trailer in the trailer home community will be required. (See the General Application for Service in the Appendix.)

Plans

The planning for and installation of new distribution system Extensions and street lighting systems in a trailer home community must meet the requirements of Section 12.

Additional Owner's Responsibility

Trailer Park owners are responsible to provide all facilities other than meters necessary to serve individual Customers in the trailer home community. The Lewes BPW will provide one Service drop up to 75 feet to interconnect with the owner's facilities.

General Park Facilities

Where the Lewes BPW supplies individual meters to each trailer location, general electrical facilities in the park, such as an administrative office, flood lights, washrooms, general service pumps, and auxiliary outlets from which the trailer park operator may wish to provide service for any transient trailers, must be supplied through a separate meter under the Commercial Service Rate Schedule.

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Section 16 - Small Power Production and Cogeneration

FERC Criteria for Qualifying Facilities ("QF")

Criteria for qualification of small power production facilities and congregation facilities are the same as set out in Federal Energy Regulatory Commission's ("FERC") rules (18 C.F.R. Part 292).

A small power production facility qualifies if it meets three criteria:

The first requirement is that the power production capacity of the facility, together with the capacity of any other facilities that use the same energy resource and are owned by the same person and are located at the same site, may not exceed 80 megawatts.

The second requirement is that the primary energy source of the facility must be biomass, waste, renewable resources, or any combination thereof. This means that more than 50 percent of the total energy output must be derived from these sources. In addition, the aggregate use of oil, natural gas, and coal by the facility may not exceed 25 percent of its total energy output during any calendar year.

Third, a small power production facility will not be eligible for qualifying status if more than 50 percent of the equity interest in the facility is held by an electric utility or public utility holding company or any person owned by either.

A cogeneration facility may be a Qualifying Facility if it satisfies two requirements.

First, it must meet the same ownership test as that required for a small power production facility.

Second it must meet any operating and efficiency standards described in Paragraph 292.205(a) and (b) of the FERC's rules.

Transaction Alternatives

Section 210 of the Public Utility Regulatory Policies Act of 1978 obligates the Lewes BPW, upon request, to purchase energy generated by a Customer at avoided cost. There are three basic types of transactions available to the Customer with a qualifying cogeneration or small power production facility.

Option A: "Gross Transfers"

Under this option, two meters with detent to prevent reverse registration, will be installed. One meter will measure the Customer's total power requirements and the other meter will record total energy generation. Total power requirements will be billed under the Rate Schedule applicable in the absence

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of the Customer's generation, and total energy supplied by the Customer's generator will be purchased by the BPW.

Option B: "Net Transfers"

Under this option, the generation will be used to supply the Customer's load, with any excess sold to BPW. The Customer will purchase any requirements more than generation output. Two meters with detent to prevent reverse registration will be installed. One will meter net electrical flow from the Lewes BPW to the Customer, and the other will meter net electrical flow from the Customer to the Lewes BPW. The net flow from the Lewes BPW will be billed at the Board of Public Work's standard rates, plus a surcharge for any underutilized facilities used principally for standby. Only the net flow to Lewes BPW will be purchased by the BPW under this option.

Option C: "No Sale" Transaction

Under this option, the generation will be used to supply all or a portion of the Customer's load, with any additional requirements purchased from the Lewes BPW. One meter will be installed with detent to prevent reverse registration, with the type of meter installed determined by the applicable Rate Schedule. The meter will measure the net electrical flow to the Customer, without offset for any period(s) when the Customer's generation exceeds electric requirements. Billing will be at the Lewes BPW standard rates, plus a surcharge for any underutilized facilities used principally for standby.

If the cost of alternative power to the Lewes BPW is time differentiated, the metering equipment utilized must record energy sold to the Lewes BPW on a time differentiated basis, unless the Customer agrees to accept the lower off-peak rate for all energy sold.

The Customer's right to sell power to the Lewes BPW may be subject to temporary curtailments when, because of operational circumstances, the delivery of such power would interfere with the safe, efficient, and economic operation of the Lewes BPW electric system.

Any Customer desiring to sell QF power to the Lewes BPW will be required to execute a separate service agreement providing terms for the sale.

Purchase Price for Power from Qualifying Facilities

The output from the Qualifying Facility will be purchased under Rate Schedule 5 for Small Power Production and Cogeneration Service, or as otherwise agreed.

The Customer's generation may qualify for "firm capacity" credit, subject to Lewes BPW's avoided costs. Any credit will be based on the minimum assured capacity availability during peak hours, i.e., excluding generating reserves.

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Customers with Qualifying Facilities electing to sell output other than to the BPW will be subject to adjustments for line losses and wheeling charges.

Interconnection and Metering Costs

Owners of Qualifying Facilities will be required to pay for any additional transmission or distribution costs incurred by the Lewes BPW (including the costs of metering, transformation, system protection, and safety equipment) to the extent that such costs are in excess of those that the Lewes BPW would have incurred if the Qualifying Facilities were not installed.

The Lewes BPW will maintain an accurate and complete accounting of all costs related to the application, installation and interconnection of facilities, and operation of each Qualifying Facility and for metering, meter reading, billing, and accounting, as appropriate, and shall bill each Customer promptly for the costs. Such costs shall include, but not be limited to, employee and contract labor, equipment, material, transportation, overhead, insurance, and outside consulting and legal services.

The initial application, installation and interconnection of facilities, metering and other related costs will be estimated by BPW and paid in advance by the Customer, unless agreed otherwise, and will be subject to adjustment based on actual costs.

The owner of the Qualifying Facility is responsible for obtaining approval of plans for the Customer's facilities from the Lewes BPW prior to making a commitment to purchase or begin construction of the facilities.

Existing Customers of the Lewes BPW installing Qualifying Facilities may be required to compensate the Lewes BPW for unamortized costs of any existing transmission or distribution facilities that are rendered surplus by changes in the Customer's service.

System improvements or other costs which may be incurred by the Lewes BPW due to the continued interconnection of the Customer's generation or in combination with other Qualifying Facilities shall be prorated, if appropriate, and charged to the Customer(s) contributing to the costs when incurred.

Safety, System Protection, and Operating Responsibility

The Customer will install, operate, and maintain the generation and other facilities consistent with the most current safety codes, governmental regulations, and prudent utility practices applicable in the Delmarva region. All generation, interconnection, protection, and other facilities operated in parallel with the utility system must be compatible with the BPW system and interconnected transmission grid.

Each interconnection of a Qualifying Facility will require separate engineering analysis. The Customer shall supply the Lewes BPW with technical specifications, detail drawings, and site plan relating to the production facilities and related interconnection, operation, and protective equipment for review by

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the Lewes BPW. The adequacy of the Customer's safety and system protection facilities for interconnection with the BPW system will be determined by the Lewes BPW, but only as far as necessary for such facilities to be determined compatible with the interconnected system and in compliance with BPW's Electric Rules and Regulations. The BPW shall have the right to inspect the Customer's facilities at any time during construction, testing, and operation for compliance with Lewes BPW's Electric Rules and Regulations.

THE CUSTOMER MUST OBTAIN FINAL APPROVAL FROM THE LEWES BPW FOR ALL INTERCONNECTION FACILITIES AND INTERCONNECTED EQUIPMENT PRIOR TO ENERGIZATION OF THE QUALIFYING FACILITIES. THE COMPLETED FACILITIES MUST MEET ALL SAFETY CODES AND GOVERNMENTAL REQUIREMENTS, INCLUDING INSPECTION APPROVALS, PRIOR TO COMMENCEMENT OF OPERATION.

The Customer shall protect, indemnify and hold harmless the Lewes BPW and the City and their officials, employees, and other representatives from any and all claims, demands, suits, liability and expense (including attorney's fees) by reason of any injury to or death of any person or damage to any property caused by or resulting from the QF and other Customer facilities. Qualified producers will be required to provide proof of liability insurance coverage of \$1,000,000 per occurrence or greater and property loss insurance of \$250,000 or greater, as determined by the BPW.

Qualified producers will cooperate with the Lewes BPW in developing mutually acceptable operating procedures for delivery of the output of the Qualifying Facilities.

The Customer shall advise the Lewes BPW prior to making any revisions to the generation facilities, the control system, or the interface between the Customer's facilities and Lewes BPW system after the installation. Any such revision must be acceptable to the Lewes BPW.

Should the parallel operation of the Customer's generation facility cause interference or adversely affect voltage, frequency, harmonic content, power factor, or power quality otherwise in the interconnected utility system or service to other Customers, the Lewes BPW may require disconnection of the Customer's facilities.

Interface Breaker

To provide safety for electric system employees and contract personnel performing emergency repairs or routine maintenance, the Customer must provide equipment for disconnecting and isolating the production facility from the electric system. Such equipment must be capable of preventing the production facility from energizing the electric system during such interruptions and must include a device (or devices) with a visible break which BPW's employees or representatives have access to and can operate and lock at all times so as to isolate the production facility and all means of back feed into the electric system. The device might be an air-break disconnection switch, draw-out circuit breaker, fuse block, fused cutouts, circuit breaker, or recloser with mechanism-operated target, as appropriate for the voltage level.

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Switching of the interface breaker shall be under the administrative control of the Lewes BPW. The Lewes BPW reserves the right to open the interface breaker without prior notice to the Customer. The following are examples of situations in which the Lewes BPW might exercise this right:

System emergency,

Lewes BPW inspection of the Customer's interface station equipment reveals any potentially unsafe condition, and

The Customer's generating equipment interferes with other Customers or with the safe operation of the interconnected electric system.

The Lewes BPW also reserves the right to open, or request the opening of, the interface breaker with reasonable prior notice to the Customer if a planned outage is scheduled on the Lewes BPW system.

System Protection and Operating Criteria

The Customer is fully responsible for protecting equipment and personnel on the Customer's side of the interconnection with the Lewes BPW system, so that faults or other disturbances on the Lewes BPW system do not cause damage to the Customer's facilities or injury to anyone. The Customer is fully and solely responsible for the design, installation, and operation of the QF and other equipment according to sound engineering practices so that the Customer's facilities do not reduce the quality of service to other Customers or damage to the Lewes BPW electric system or interconnected transmission grid.

The design, testing, and maintenance of the necessary Customer-owned protective equipment exclusive of that associated with the interface breaker connecting the Customer's facilities to the Lewes BPW electric system shall be totally the Customer's responsibility.

The selection of the interface breaker and the associated protective relays shall be approved by the Lewes BPW prior to connection to the utility system. These relays and associated interface breaker must operate under any of the four following conditions:

Faults on the Lewes BPW line that operates in parallel with the Customer's generation,
Faults on the Customer's system,

Non-fault opening of the Lewes BPW source breaker(s), fuses, or switches supplying the line that operates in parallel with the Customer's generation, and
Reverse power flow between the Lewes BPW system and the Customer's generation which would cause damage to the Customer's generation or other equipment.

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Proper operation of the interface breaker and associated protective relays for these four mentioned occurrences is extremely important to ensure personnel safety and that no damage occurs to equipment owned by the BPW or any Customers connected to the Lewes BPW system.

Annual maintenance and testing of the interface breaker and associated protective relays will be required to ensure their proper operation. This work should be performed by a reputable testing firm that will submit a statement of test methods and results to the Lewes BPW for approval.

Generators interconnected to Lewes BPW 4 kV facilities may not exceed 1 MW, while the limitation for 12 kV interconnections is 3 MW. Lewes BPW's 69 kV facilities may accommodate larger capacity generation but require special assessment due to total BPW load requirements.

The following technical criteria need to be considered separately for each Qualifying Facility and may not be all-inclusive for all locations and generator installations. Other factors may need to be considered. For example, generation capacity which can be accommodated will be limited based on the voltage of Lewes BPW facilities at the point of interconnection.

Fault Protection

Adequate protection facilities shall be provided by the Customer to protect the line(s) connecting the production facility to the electric system from faults originating from the production facility. This includes primary fault disconnecting switchgear and secondary relaying and control circuitry.

It shall be the responsibility of the Customer to provide adequate protection of its production facility from fault currents originating in the electric system. The Owner shall disconnect automatically from the Lewes BPW system during electrical faults on the Lewes BPW electrical system and upon loss of the BPW electric source. The Owner may reconnect when the system voltage and frequency return to normal ranges and are stabilized.

For generating units 25 kW and below, the over/under voltage and over/under frequency settings described previously, along with the anti-island provisions of IEEE 929/UL 1746 inverters, should be sufficient to satisfy this provision. For units greater than 25 kW the voltage and frequency set-points are to be adjustable, with the actual setting determined by the BPW based on the electrical characteristics of the generator and the Lewes BPW system.

Additional protection such as power directional or directional overcurrent functions also may be required. For units 500 kW or larger, a direct tripping scheme to trip the generator upon loss of Lewes BPW's feeder may be required by the Lewes BPW. This decision will be based on the saturation of distributed generation on a particular feeder circuit and in those cases where under voltage or under frequency sensing may not detect loss of the Lewes BPW source.

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Overvoltage and Undervoltage

It shall be the responsibility of the Customer to provide adequate protection to prevent damage to the connected electric system caused by overvoltage originating from the operation of the production facility.

It shall be the responsibility of the Customer to provide facilities adequate to prevent the production facility from being damaged by overvoltage or undervoltage conditions on the connected electric system.

Synchronization and Isolation

The Customer shall provide adequate facilities for the proper synchronization of its production facility with the connected electric system such that synchronism is accomplished without undesirable currents, surges, or voltage dips on the connected electric system.

The Customer shall provide means for disconnecting the production facility from the connected electric system for system line interruptions and for the proper resynchronization of the production facility following such interruptions.

Grounding

The facilities (generator, connecting transformer, etc.) that connect the Customer's facilities to the electric system must be grounded in such a way that coordination is maintained with Lewes BPW's relay protection system during fault conditions, so that the Customer's facilities are not subjected to harmful voltages. Adequate neutral (ground) relays shall be installed to prevent ground fault transient damage, neutral induced voltage damage, or unsafe conditions. Grounding shall be in accordance with IEEE and NEC recommendations.

Harmonics

Non-linear circuit elements such as inverters can produce harmonics. Per IEEE Standard 519, *Recommended Practices and Requirements for Harmonic Control in Electric Power Systems*, Table 11.1, the total harmonic distortion (THD) voltage shall not exceed 5% of the fundamental 60 Hz frequency or 3% of the fundamental for any individual harmonic as measured at the point of interconnection. In addition, the level of harmonic current that the Customer's generation is allowed to inject into the BPW system shall not exceed that specified in Table 10.3 in IEEE Standard 519. Furthermore, any commutation notch should be limited as defined by Table 10.2 in IEEE Standard 519. The preceding requirements apply to all types of generation systems.

The Customer is responsible for the installation of any necessary controls or hardware to limit the voltage and current harmonics generated by the equipment to required levels.

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Power Factor

The Customer's generation shall not adversely impact the power factor of the BPW system at or near the point of interconnection. The type of generator impacts the power factor. The inverters of most DC generators are designed to operate close to unity power factor. Induction generators absorb vars from the BPW system. Synchronous generators either can absorb or produce vars, thus having a varying power factor depending upon excitation control.

Synchronous generators shall be operated so as not to absorb vars from the BPW system. However, the dispatching authority for the transmission grid can request that the generator real and reactive power output be adjusted to best meet the needs of the overall utility system. These requirements will be discussed on a case-by-case basis.

The Customer must provide for the reactive power requirements of the production facilities (via generator control, capacitors, etc.) to operate at no less a power factor (drawing vars from the BPW system) at the point of interconnection than existed prior to installation of the generation. Any reactive power requirements more than this limit may require upgrades and/or the installation of capacitor units on the BPW system. The costs for any such upgrades, or other costs incurred by BPW which are attributable to the Customer's generation, will be charged to the Customer. Power factor requirements are defined in agreements covering operation of the transmission grid.

Voltage Regulation

The Customer shall provide necessary voltage regulation equipment to prevent the production facility from causing excessive voltage variation on the interconnected electric system. The generation equipment must be operated in such a manner that the voltages on the Lewes BPW system are in the same range as if the generating equipment were not connected to the Lewes BPW system.

The Customer shall provide an automatic method of initiating a disconnect sequence of the generating equipment from the Lewes BPW system with set points noted in the table below.

Generating Systems with Inverters Up to 25 kW	Generating Systems with Inverters Over 25 kW	Non-Inverter or Rotating Machine Generation
Trip in 0.1 Second for $V < 50\%$ Trip in 2 Seconds for $50\% \leq V < 88\%$ Trip in 2 Seconds for $106\% < V < 137\%$ Trip in 0.03 Second for $137\% \leq V$ <i>(Above times and voltages taken directly from IEEE 929)</i>	Trip in 0.1 Second for $V < 50\%$ Trip in 0.1 to 30 Seconds for $50\% \leq V < 88\%$ Trip within 0.1 to 30 seconds for $106\% < V < 137\%$ Trip in 0.03 Second for $137\% \leq V$ <i>(Specific voltage and time delay set points will be determined for each installation)</i>	Trip in 0.1 Second for $115\% \leq V$ Trip in 0.1 to 30 Seconds for $V > 110\%$ or $V < 90\%$ <i>(Specific voltage and time delay set points will be determined for each installation)</i>

Note: Trip time refers to the time between when the abnormal voltage condition occurs, and the generator being disconnected from the BPW system.

On three phase generator installations, full three phase voltage sensing should be employed. Voltages must be sensed on the high side of any interface transformer if the transformer high voltage winding is ungrounded.

The Customer may reconnect to the BPW system when the system voltage returns to normal range and is stabilized.

Voltage Flicker

The voltage produced by the production facility must be balanced if it is a three-phase installation. The waveform must be sinusoidal and compatible with the operation of the interconnected electric system.

The Customer's Voltage Flicker must not cause adverse effects on the loads of other Customers, the Lewes BPW electric system, or the interconnected transmission system and customers served from the transmission system.

The Customer will be responsible for protecting its production facility from the inadvertent phase unbalance in the connecting electric system's voltage.

Voltage Flicker shall not exceed the "Borderline of Irritation Curve, Fig. 10.3, as defined in IEEE Standard 519-1992, Recommended Practices and Requirements for Harmonic Control in Electric power Systems. Lower levels of Voltage Flicker may be required in areas where electronic equipment and sensitive instrumentation are present.

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Frequency

The operating frequency of the generating equipment shall not deviate more than the values noted in the table below.

Generating systems with Inverters Up to 25 kW	Generating Systems with Inverters Over 25 kW	Non-Inverter or Rotating Machine Generation
Trip in 0.1 Second for $F < 59.3$ Hz Trip on 0.1 Second for $F > 60.5$ Hz (Set points taken from IEEE 929)	Trip in 0.1 Second for $F < 59.3$ Hz Trip in 0.1 Second for $F > 60.5$ Hz (Other frequency and time delay set points may be necessary for a specific installation)	Trip in 0.1 Second for $F < 59.3$ Hz Trip within 0.1 Second for $F > 60.5$ Hz (Other frequency and time delay set points may be necessary for a specific installation)

Note: Trip time refers to the time between when the abnormal voltage condition occurs, and the generator being disconnected from the BPW system.

The Owner may reconnect when the system frequency returns to normal range and is stabilized.

Current

In some cases, directional over-current protection may be required to limit fault current flowing onto the Lewes BPW system in the event of a line fault. DC inverters that are incapable of producing fault current do not require directional over-current protection.

Inverter systems should not inject DC current greater than 0.5% of rated inverter output in the interconnection between the Lewes BPW system and the Customer's facilities under either normal or abnormal conditions.

Automatic Reclosing

The Customer is responsible for protecting the production and other facilities from the effects of switching or automatic reclosing of Lewes BPW's feeder circuits. The Customer may request the Lewes BPW to delay high speed reclosing on the BPW feeder serving the Customer to allow the interconnected generation sufficient time to remove itself from an isolated or de-energized feeder prior to automatic reclosing. Since delaying the automatic reclosing time degrades the level of service provided to other consumers on the circuit, the Lewes BPW will limit the automatic reclosing time delay to a few seconds or less.

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The Customer also may request that a direct transfer trip scheme be added to remove the interconnected generator from service prior to automatic reclosing by using communications equipment between the generator site and the Lewes BPW. Similarly, the Customer may request that a synchronizing check or reclosing block scheme be installed on the Lewes BPW feeder to prevent out-of-phase reclosing.

Other Qualifying Facilities Requirements

The Customer shall provide the Lewes BPW an annual operations procedure report. The report shall include a detailed description of any changes proposed in equipment or method of operation for the preceding 12 months and those anticipated for the next twelve months. The report shall also provide a list of each outage of the generation system and the cause. Further details may be requested by the Lewes BPW.

The Lewes BPW reserves the right to specify the types of transformer connections (e.g., delta-delta, wye-delta, wye-wye) that will be employed for all multipurpose interface transformers. This is necessary to ensure that such transformers will function in an optimum fashion with the Lewes BPW system. In the case of wye-delta connected transformers, the neutrals of any wye windings connected to the Lewes BPW system will be ungrounded unless unusual technical considerations dictate otherwise. The Customer shall supply one copy of all transformer data and one copy of all certified test data.

The Customer should employ a negative phase sequence overvoltage relay when fuses provide high voltage protection for the interface transformer. This negative sequence relay should incorporate some fixed time delay, so it will not operate for faults on the Lewes BPW system. Such faults usually result in temporarily unbalancing the voltages detected by the Customer. In cases where such an arrangement exists, the Customer should be aware that the generator will be exposed to negative phase sequence voltages (and resultant negative phase sequence currents) if one of these high voltage fuses should open.

The BPW system can accept only 60 Hertz alternating current, either single phase or three-phase.

The Customer should maintain a battery (48V or above) and charger for operation of the interface breaker and relays. In lieu of a battery, a properly designed capacitor tripping scheme may be employed, if approved by the Lewes BPW.

All generators larger than 10 kVA must be three phase generators connected to three phase circuits. Limiting single phase generators to 10 kVA will result in single phase Customer generator having minimal adverse impact upon distribution circuit load balance.

Single phase Customers with generation may be connected directly to a low voltage system which supplies other Customers unless the size of the Customer's generation or any other constraint dictates

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the use of an interface (isolating) transformer. Installation approval of facilities and connections to the Lewes BPW electric system must be approved by the Lewes BPW.

When the electrical connection between the utility system and the Customer's facilities is interrupted due to an electrical fault or for any other reason, the Customer may reconnect to the Lewes BPW system only after the disturbance is cleared and the system voltage and frequency return to normal ranges and are stabilized.

Section 17 - Area Connection and Impact Charges

Purpose

The purpose of this Section is to establish provisions for the construction and expansion of the electrical system of the City by recovering part of the costs from Customers causing and benefiting from the electrical system expansion.

Definitions

New Facility

New Facility is a new, remodeled or restored residential, commercial, institutional, or industrial structure which will be served by the Lewes BPW electric facilities.

Area Connection Charge ("ACC")

Area Connection Charge is a one-time assessment to be paid by the owner of a New Facility to defray the cost of new electrical facilities installed to provide for the Customer's connection to the electrical system. The ACC will be paid by the owner prior to the time the Lewes BPW modifies or constructs any electric facilities to accommodate the New Facility.

Revenue collected from each ACC will be deposited into the Electrical Capital Reserve Account.

Area Impact Charge ("AIC")

Area Impact Charge is a one-time assessment to be paid by the owner of a New Facility to recover excess electrical system expansion costs. The AIC shall be a pro rata share of the cost of expansion capacity of the electrical system attributable to the New Facility.

The charge shall be that amount deemed by the Lewes BPW sufficient to recover costs required to plan, design, acquire, and construct facilities with adequate capacity to serve new Customers of the electrical system without adversely impacting existing Customers. Calculation of the AIC shall be based upon costs expected to be incurred in continuing to expand the capacity of the electric system to meet the consolidated load requirements of BPW Customers compared with historical electric system capacity costs.

The Area Impact Charge shall be payable to the Lewes BPW prior to any connection being made of the New Facility to the electrical system. Revenue collected from each AIC will be deposited to the Electrical Capital Reserve Account.

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Electrical Capital Reserve Account (“ECRA”)

The *ECRA* is an account established in a bank or trust company into which all funds received from the payment of Area Connection Charges and Area Impact Charges will be deposited, and from which funds shall be expended only for the purpose of making repairs, renovations, Extensions to, or expansion of the electrical distribution and transmission system, including electrical substations, as determined by the Lewes BPW.

Determination of Area Connection and Area Impact Charges

ACC and AIC charges shall be determined from Schedule A (Electric Impact Fees - Area Connection and Impact Charges) which follows:

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Service Amps (Up To and Including)	Delivery Voltage														
	240/120 Volts Single-phase			208/120 or 240/120 Volts Three-phase			480/277 Volts Three-phase			4.16 kV Three-phase			12.47 kV Three-phase		
	ACC ^[1]	AIC ^[2]	Total	ACC ^[1]	AIC ^[2]	Total	ACC ^[1]	AIC ^[2]	Total	ACC ^[1]	AIC ^[2]	Total	ACC ^[1]	AIC ^[2]	Total
100 amps	\$441	\$234	\$675	\$542	\$563	\$1,105	\$1,262	\$1,624	\$2,886	\$0	\$19,700	\$19,700	\$0	\$59,052	\$59,052
200	881	469	1,350	1,199	1,126	2,325	1,423	3,247	4,671	0	39,399	39,399	0	118,103	118,103
400	1,569	937	2,506	1,423	2,251	3,675	1,872	6,494	8,366	0	78,799	78,799			[3]
600			[3]	1,561	3,377	4,938	2,332	9,742	12,073	0	118,198	118,198			[3]
800			[3]	1,872	4,503	6,375	2,332	12,989	15,321			[3]			[3]
1,000			[3]	1,872	5,628	7,500	2,504	16,236	18,740			[3]			[3]
1,200			[3]	1,872	6,754	8,626	3,674	19,483	23,158			[3]			[3]
1,400			[3]	2,332	7,880	10,212	3,674	22,730	26,405			[3]			[3]
1,600			[3]	2,332	9,006	11,337			[4]			[3]			[3]
1,800			[3]	2,332	10,131	12,463			[4]			[3]			[3]
2,000			[3]	2,504	11,257	13,761			[4]			[3]			[3]
2,200			[3]	2,504	12,383	14,887			[4]			[3]			[3]
2,400			[3]	2,504	13,508	16,013			[4]			[3]			[3]
2,600			[3]	3,674	14,634	18,308			[4]			[3]			[3]
2,800			[3]	3,674	15,760	19,434			[4]			[3]			[3]
3,000			[3]			[4]			[4]			[3]			[3]

- Notes:
- [1] For underground service, the Customer will be responsible for installing and paying for all transformation and underground service connection costs.
 - [2] In addition, the Customer will pay a portion of the cost of any distribution system modifications, including substations, which may be needed, as determined by the Board of Public Works.
 - [3] Not available.
 - [4] Subject to availability. Total impact fee will be based on actual cost of installation plus the calculated AIC.
 - [5] The charges above are applicable for each point of service delivery.
 - [6] When the amperage of an existing service is increased, the Impact Fee will be based on the Impact Fee applicable for the new service amperage less the Impact Fee applicable for the service amperage prior to the change.
 - [7] The Board of Public Works will install one meter for new or replaced docks with multiple boat slips. After October 31, 2004, any existing dock with multiple slips may be converted to one meter at the option of the Board of Public Works and will be converted to a single meter in the event any additional slip is added.

Effective Date: June 1, 2004

Effective Date: August 19, 2004

Advance Payment Deposits

- | | | |
|----|------------------------|---|
| 1. | Residential Service | |
| | a. Tenants | \$125 or 2/12th of the estimated annual revenue |
| | b. Property Owner | none |
| 2. | Nonresidential Service | \$125 or 2/12th of the estimated annual revenue |

Disconnection and Reconnection Fees

- | | | |
|----|---|-----------------|
| 3. | Disconnection Fee | \$ 30.00 |
| 4. | Reconnection Fee | |
| | a. During regular working hours (per trip) 7am-4pm M-F | \$ 40.00 |
| | b. After regular working hours, at consumer's request (per trip) 4pm-midnight M-F | \$ 96.00 |
| | c. After regular working hours, at consumer's request (per trip) other hours | \$172.00 |

Administrative Fees

- | | | |
|----|--|-----------------|
| 5. | Returned Check Fee | \$ 30.00 |
| 6. | Meter Testing | |
| | a. Single Phase Meter | \$ 60.00 |
| | b. Polyphase Meter | \$ 75.00 |
| 7. | Underground Service Inspection Fee | |
| | a. Initial Inspection | \$ 25.00 |
| | b. Re-inspection (after failed inspection) | \$ 15.00 |

Amended 3/27/07 Regular Board Meeting with Resolution 07-003

Section 18 – Retail Customer Demand Response

Aggregation of Retail Customer Demand Response.

1. The Lewes BPW or any entity that applies to be an authorized Curtailment Service Provider and is subsequently approved by the General Manager or his designee is permitted to bid demand response and energy efficiency resources on behalf of retail customers served by the Lewes BPW directly into any Commission-approved independent system operator's or regional transmission organization's organized electric markets.
2. Retail customers served by the Lewes BPW wishing to bid their demand response and energy efficiency resources into a Commission-approved independent system operator's or regional transmission organization's organized electric markets may do so by participating in the program established by the Lewes BPW or with a Curtailment Service Provider duly approved in advance by the Lewes BPW.

Added Section 18.1 approved Board Meeting February 24, 2015

Electric Rate Schedules

Lewes BPW Lewes, Delaware

Residential (Domestic) Electric Service

Commercial (Small General) Electric Service

Industrial (Large General) Electric Service

Outdoor Lighting Service

Small Power Production and Cogeneration Service

Residential (Domestic) Electric Service

#

Service is available under this Rate Schedule for single-family residential home and farm use only. Incidental use of the Residence for other purposes may be permitted, if approved by the Lewes BPW (BPW). However, Residences used principally for commercial purposes, such as rooming or boarding rental, may not be served under this Rate Schedule, unless the commercial service is metered and served separately under the appropriate Rate Schedule.

Monthly bills for service under this Rate Schedule will be rendered based on the following provisions.

Customer Charge

Single Phase Service \$ 18.50

Three Phase Service \$ 31.60

Energy Charges \$ 0.123393 per kWh

Power Cost Adjustment

The Power Cost Adjustment (PCA) to reconcile over or under collections of power supply costs will apply to all service supplied under this Rate Schedule.

Minimum Bill

The Minimum Bill for monthly service shall be the Ready to Serve Charge. Properties unoccupied for periods of time will not be excluded unless service is discontinued.

General Terms

Service supplied under this Rate Schedule is subject to the Electric Rules and Regulations of the BPW. The Electric Rules and Regulations and this Rate Schedule are subject to change by the Board of the BPW.

Effective with bills rendered on and after April 1, 2004.

Amended: May 18, 2006, Board Meeting, increase in rates.000178 to include State Mandated Green Energy, effective with bills rendered for June 2006 billing.

Amended: October 19, 2006, Board Meeting, increase in rates, along with a summer and winter rate, effective with bills rendered on and after February 1, 2007.

Amended: May 26, 2010, Board Meeting, increase in ready to serve charge, eliminate summer, and winter rates, effective with bills rendered on and after June 1, 2010.

Amended: January 25,2012 Board Meeting. Rate reduction in energy charges effective with bills rendered on and after March 1, 2012.

Amended: February 22, 2017, Board Meeting Rate study recommendation revenue neutral rate change effective with bills rendered on and after April 1,2017

Amended: April 6, 2022, Special Board meeting rate study recommendation effective with May 2022 , May 2023, May 2024, May 2025, and May 2026 bills.

Effective Date: August 19,2004

Commercial (Small General) Electric Service

Service is available under this Rate Schedule for commercial and other non-residential electric service when the annual peak demand is less than 50 kilowatts. The Lewes BPW will supply electric service through one meter at one location.

For any Customer served under this Rate Schedule, this rate will cease to be applicable if the annual peak metered demand exceeds 50 kilowatts. In such case, the Customer will be changed to the Industrial rate.

This Rate Schedule shall be applicable for service to schools, orphanages, stores, hotels, rooming houses, apartment houses, theaters, etc., and all other use that is not strictly residential or domestic home or farm use in character when annual peak demand is below 50 kilowatts. Any establishment carrying a business, professional, or commercial telephone directory listing may be considered as such in determining the applicable Rate Schedule, but the absence of such listing shall not be considered as conclusive in establishing the appropriate Rate Schedule.

Where one premise with annual peak demand under 50 kilowatts is used and occupied by a consumer as a commercial establishment and also as a Residence, all service supplied will be billed under this Rate Schedule, or the wiring may be separated (subject to approval by the Lewes BPW) and each electric service metered and billed separately in accordance with the applicable Rate Schedule.

Monthly bills for service under this Rate Schedule will be based on the following provisions.

Customer Charges

Single Phase	\$ 33.00
Three-phase Service	\$ 48.70
<u>Energy Charges</u>	0.139000 per kWh

Power Cost Adjustment

The Power Cost Adjustment (PCA) to reconcile over or under collections of power supply costs will apply to all service supplied under this Rate Schedule

Minimum Bill

The Minimum Bill for monthly service under this Rate Schedule will be equal to the Customer Charge plus the Public Utilities Tax Surcharge. Properties unoccupied for periods of time will not be excluded unless service is discontinued.

Effective Date: August 19,2004

Public Utilities Tax Surcharge

In addition to charges by the BPW, the surcharge for Public Utilities Tax under Title 30, Part IV, Chapter 55, Section 5502 of the Delaware State Code, if applicable, will apply to service rendered.

General Terms

Service supplied under this Rate Schedule is subject to the Electric Rules and Regulations of the Lewes BPW. The Electric Rules and Regulations and this Rate Schedule are subject to change by the Board of the BPW.

Effective with bills rendered on and after April 1, 2004.

Amended: May 18, 2006, Board Meeting, increase in rate .000178 to include State Mandated Green Energy, effective with bills rendered for June 2006 billing.

Amended: October 19, 2006, Board Meeting, increase in rates, along with a summer and winter rate, effective with bills rendered on and after February 1, 2007.

Amended: May 26, 2010, Board Meeting, increase in ready to serve charge, eliminate summer, and winter rates, effective with bills rendered on and after June 1, 2010

Amended: January 25, 2012 Board Meeting. Rate reduction in energy charges effective with bills rendered on and after March 1, 2012.

#

Amended: February 22, 2017, Board Meeting Rate study recommendation revenue neutral rate change effective with bills rendered on and after April 1, 2017#

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Amended: April 6, 2022, Special Board meeting rate study recommendation effective with May 2022, May 2023, May 2024, May 2025, and May 2025 bills.

Industrial (Large General) Electric Service

#

Service is available under this Rate Schedule for non-residential electric service with annual peak demand of 50 kilowatts or more. The Lewes BPW (BPW) will supply the Customer's requirement for power through one meter at one location.

For any Customer served under this Rate Schedule, this rate will cease to be applicable if the annual peak metered demand falls below 50 kilowatts. In such case, the customer will be changed to the Commercial (Small General) Service Rate Schedule.

Monthly bills for service under this Rate Schedule will be based on the following provisions.

Customer Charges

Single Phase	\$ 135.00
Three-phase	\$ 150.00
<u>Energy Charges</u>	\$0.076700 per kWh
<u>Demand Charge</u>	Per kW of Billing Demand \$ 8.50 per kW

Power Cost Adjustment

The Power Cost Adjustment (PCA) to reconcile over or under collections of power supply costs will apply to all service supplied under this Rate Schedule.

Billing Demand

The distribution demand shall be the highest 15-minute kilowatt demand in the current month or preceding eleven (11) months.

Minimum Bill

The Minimum Bill for monthly service under this Rate Schedule will be the Customer Charge plus the Public Utilities Tax Surcharge and Billing Demand. Properties unoccupied for periods of time will not be excluded unless service is disconnected.

Primary Voltage Service

When service is delivered at 2,400 volts or higher and the Customer owns, installs, and maintains all facilities beyond the Delivery Point, a discount of 5% of monthly charges will be apply.

Effective Date: August 19,2004

Public Utilities Tax Surcharge

In addition to charges by the BPW, the surcharge for Public Utilities Tax under Title 30, Part IV, Chapter 55, Section 5502 of the Delaware State Code, if applicable, will apply to service rendered.

General Terms

Service supplied under this Rate Schedule is subject to the Electric Rules and Regulations of the Lewes BPW. The Electric Rules and Regulations and this Rate Schedule are subject to change by the Board of the BPW.

Effective with bills rendered on and after April 1, 2004.

Amended: May 18, 2006, Board Meeting, increase in rate .000178 to include State Mandated Green Energy, effective with bills rendered for June 2006 billing.

Amended: October 19, 2006, Board Meeting, increase in rates, along with a summer and winter rate, effective with bills rendered on and after February 1, 2007.

Amended: February 22, 2017, Board Meeting Rate study recommendation revenue neutral rate change effective with bills rendered on and after April 1, 2017

Amended: April 6, 2022, Special Board meeting rate study recommendation effective with May 2022, May 2023, May 2024, May 2025, and May 2026 bills.

Outdoor Lighting Service

This Rate Schedule is available for unmetered dusk to dawn outdoor lighting from lighting facilities provided by the Lewes BPW. The Customer's property must be near existing overhead secondary circuits. New service will not be available under this Rate Schedule effective August 1, 2004. Service for existing Customers will be terminated by August 1, 2005. If the Customer wishes to continue outdoor lighting, lighting provided by the Lewes BPW will need to be replaced by Customer-owned lighting served through the Customer's metered electric service.

The Lewes BPW provides one lighting fixture for each service mounted on an existing Lewes BPW wooden pole with a bracket attachment. The lighting unit is connected to an existing overhead secondary circuit. Outdoor Lighting Service includes provision of the fixture, bulb, and refractor globe, and nightly operation controlled by an automatic photocell switch.

Monthly bills for service under this Rate Schedule will be based on the following provisions.

Monthly Charges

Light Wattage	Type	Approximate Lumens	Approximate Monthly kWh	Charge per Month
175	Mercury Vapor	8,600	70	\$ 8.00
70	High Pressure Sodium	5,800	36	\$ 8.00
150	High Pressure Sodium	16,000	69	\$ 8.00

Amended 3/27/07 Regular Board Meeting with Resolution 07-003

Replacement of Lights

Existing lighting may continue to be used temporarily. Prior to August 1, 2005, however, arrangements will be made with each Customer for Outdoor Lighting Service to be discontinued and the Lewes BPW to remove its Outdoor Lighting facilities, subject to accessibility of any equipment located on the Customer's property. The Customer may not mount any replacement or new lighting on the Lewes BPW poles.

Payment Terms

Payments will be due within 15 days of the bill date. Non-receipt of a monthly bill will not be accepted as justification for nonpayment. Service is subject to disconnection for bills not paid in full by the due date.

Effective Date: August 19, 2004

General Terms

Service supplied under this Rate Schedule is subject to the Electric Rules and Regulations of the Lewes BPW. The Electric Rules and Regulations and this Rate Schedule are subject to change by the Board of the BPW.

Effective with bills rendered on and after September 1, 2004.

Effective Date: August 19, 2004

Small Power Production and Cogeneration Service

#

This Rate Schedule is available to Customers of the Lewes BPW for purchases of electricity by BPW from a Qualifying Facility, as defined by the Federal Energy Regulatory Commission under authority of the Public Utilities Regulatory Policies Act of 1978. Payments to Customers for power are based on avoided power costs of Lewes BPW which are subject to change periodically.

Purchases from Customers under this Rate Schedule will be based on the following terms.

Delivery Voltage

The same as if the Qualifying Facility were purchasing similar quantities of electricity at the same Delivery Point, considering the load and operating conditions of the facility.

Service Agreement

A service agreement is required for a minimum initial period of one (1) year with automatic extension until terminated by thirty (30) days' written notice. A contract for an initial period of more than one (1) year may be required if special investment by BPW is necessary.

Electric Service Provided to Customer

The Customer will be billed monthly under the applicable Rate Schedule.

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Energy Provided to Lewes BPW

The Customer will be paid \$ 40.36 per MWh at least once every three months as mutually agreed.

Metering and Transaction Options

Service may be billed under any of the following alternatives with appropriate metering and other facilities:

Option A: "Gross Transfers" Transaction

Under this option, two meters with detent to prevent reverse registration, will be installed. One meter will measure the Customer's total power requirements and the other meter will record total energy generation. Total power requirements will be billed under the Rate Schedule applicable in the absence

Effective Date: August 19, 2004

of the Customer's generation and total energy supplied by the Customer's generator will be purchased by the Lewes BPW under this schedule.

Option B: "Net Transfers" Transaction

Under this option, the generation will be used to supply the Customer's load, with any excess sold to Lewes BPW. The Customer will purchase any requirements more than generation output. Two meters with detent to prevent reverse registration will be installed. One will meter net electrical flow from Lewes BPW to the Customer, and the other will meter net electrical flow from the Customer to Lewes BPW. The net flow from Lewes BPW will be billed at Lewes BPW's standard rates, plus a surcharge for any underutilized facilities used principally for standby. Only the net flow to Lewes BPW will be purchased under this schedule.

Option C: "No Sale" Transaction

Under this option, the generation will be used to supply all or a portion of the Customer's load, with any additional requirements purchased from Lewes BPW. One meter will be installed with detent to prevent reverse registration, with the type of meter installed determined by the applicable Rate Schedule. The meter will measure the net electrical flow to the Customer, without offset for any period(s) when the Customer's generation exceeds electric requirements. Billing will be at Lewes BPW's standard rates, plus a surcharge for any underutilized facilities used principally for standby.

Metering

Lewes BPW shall install, own, and maintain all metering equipment needed to measure the energy delivered to Lewes BPW.

The Customer shall reimburse Lewes BPW at the rate of \$30.00/hour for time required for meter reading and billing of energy sold to Lewes BPW; provided, however that there will be no charge if meter reading and settlement is made no more often than once every three months.

Other Costs Incurred by BPW

It is the intent of BPW that other BPW Customers will not subsidize small power producers and co-generators. Therefore, all costs incurred by BPW which are attributable to service to the Qualifying Facilities are to be paid by the Customer. Such costs shall include, but not limited to, costs incurred by BPW for:

Facilities, as Lewes BPW deems appropriate, including engineering evaluation, design, materials, installation, transportation, and overhead, to (1) interconnect BPW's distribution system with the generating facilities, (2) provide for the safe operation of the facilities and the safety of personnel, (3) prevent interference with service supplied to other Lewes BPW Customers, (4) protect against damage to the Lewes BPW distribution system or property of others, (5) meter energy and any firm capacity

Effective Date: August 19, 2004

purchased by Lewes BPW, and (6) comply with any regulatory or other governmental requirement regarding the Qualifying Facilities;

Metering and billing of energy purchased by Lewes BPW.

Regular inspection and maintenance of Lewes BPW facilities installed to accommodate the Customer's generation; and

Insurance as may be needed in the judgment of Lewes BPW to maintain coverage or supplement general liability and property loss protection when such insurance or any addition premiums are attributable by Lewes BPW to the Customer's service.

Payment Terms

Payment due the Customer shall be applied to outstanding bills with the balance paid to the Customer promptly. Payments due BPW are due in accordance with provisions of the Electric Rules and Regulations.

Rules and Regulations

All service under this schedule shall be subject to the Electric Rules and Regulations of the Lewes BPW. The Electric Rules and Regulations and this Rate Schedule may be modified by the Board of the BPW.

Failure of the co-generator or small power producer to comply with any of the requirements set forth in the Electric Rules and Regulations shall result in disconnection from BPW's system. In the event of disconnection for other than nonpayment, BPW will be under no obligation to make subsequent purchases from the Qualifying Facility.

Effective with bills rendered on and after September 1, 2004.

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Appendix

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General Application for Electric Service

Application for Temporary Service

Right-of-Way Easement

Small Power Production and Cogeneration Service Agreement

General Application for Electric Service

(302) 645-6228 phone

(302) 645-6358 fax

(This Application should be completed and returned to the Lewes BPW, 107 Franklin Avenue, Lewes, Delaware 19958. The Applicant's wiring, interconnected equipment, and appliances must be inspected and approved by an electrical inspection company acceptable to the Lewes BPW and comply fully with the Electric Rules and Regulations of the Lewes BPW prior to connection of electric service.)

#

1. The undersigned (hereinafter called Applicant) hereby applies for electric service from the Lewes BPW, Lewes, Delaware and agrees to the terms and conditions contained herein related to the provision of electric service by the Lewes BPW at the following location (address and Tax Map number):

Address for Monthly Bills (if different):

2. When the Lewes BPW makes electric energy available to the Applicant, the Applicant agrees to purchase from the Lewes BPW, and pay monthly to the Lewes BPW for all electric energy used on the premises above (more fully described in Exhibit A) owned or occupied by the Applicant. Service will be provided in accordance with the applicable Rate Schedule(s) and Electric Rules and Regulations, as they may be amended from time to time by the Lewes BPW. The Applicant agrees to comply with and be bound by the provisions of the applicable Rate Schedule(s) and Electric Rules and Regulations of the Lewes BPW, as amended.

3. If the Applicant is the owner of the property, the Applicant will cause the service premises to be wired in accordance with the *National Electric Code*® as established by the National Fire Protection Association. **The Applicant must provide the Lewes BPW an approved wiring certificate from a qualified electrical inspector prior to approval of this application or connection of the Applicants' facilities to the Lewes BPW electric system.**

4. By signing this application, the Applicant grants Lewes BPW's representatives, when identified appropriately, right of clear and safe access to the service premises at all reasonable times as required in Lewes BPW's Electric Rules and Regulations. **The Lewes BPW reserves the right to discontinue service at any time without notice if such access is denied.**

5. Acceptance of this Application by the Lewes BPW shall constitute an agreement between the Lewes BPW and the Applicant. The Agreement may be terminated by either Party as provided in Lewes BPW's Electric Rules and Regulations.

Rate Schedule

Applicant (Typed or Printed)

Date

Signature of Applicant

Witness Signature

Co-signer Signature (if applicable)

Exhibit A to General Application for Electric Service

Applicant: _____ Date: _____

Service Address: _____

Subdivision (if applicable): _____ Lot: _____

Owners Name (if not same as applicant): _____

Billing Address: _____

Telephone Number(s): _____

Electrician or Builder Contact: _____ Delaware License: _____

Telephone Number(s): _____

Fax Number: _____ Building Permit Number: _____

Type of Request:

___ New Service

___ Temporary Service

___ Service Relocation

___ Upgrade/Changes

___ Reintroduction

___ Other _____

Type of Service:

Residential:

___ Single Dwelling House

___ Duplex

___ Apartment

___ Town House

___ Other

Nonresidential:

___ Retail/Commercial

___ Office

___ Restaurant

___ Institution

___ Industry

___ Warehouse

___ Other _____

Service Characteristics:

___ Overhead

___ Underground

___ Single Phase

___ Three Phase

Amps: _____

Voltage: _____

Wire: _____

Note: Not all voltages are available in all areas.

Effective Date: August 19, 2004

Construction Status:

Date Service Requested: _____

Current Progress: _____

Load Requirements:

Single Residence:

Heat Pump: _____ tons

Central Air: _____ tons

Resistance Heat: _____ kW

All Other Service:

Heating: _____ kW

Cooling: _____ kW

Lighting: _____ kW

Largest Motor: _____ kW

Total Load: _____ kW

Note: Attach a copy of wiring plans and specifications for motors and other loads.

The information furnished above is correct to the best of my knowledge. I understand any changes in the information or variance from actual service requirements may increase the time needed by the Lewes BPW to evaluate this request and provide service. I also may incur additional charges for engineering and construction from the Lewes BPW because of such changes.

I also understand facilities may not be connected to the Lewes BPW system until approval to do so is received in writing from the Lewes BPW.

Applicant

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Exhibit B to General Application for Electric Service – Lessee

Applicant: _____ Date: _____

D.O.B: _____ Social Security #: _____ **

Driver's License #: _____
(If mailing send a photocopy of license)

Service Address: _____

Property Owners Name: _____

Billing Address (if different than service address): _____

Telephone Number(s): primary: _____

secondary: _____

Place of employment and phone number: _____

Email Address: _____

The information furnished above is correct to the best of my knowledge. I understand that failure to pay my bill when it is due will result in disconnection. I agree that prior to my vacating the property, I must contact the Lewes BPW to set up a Final Reading and provide a forwarding address. By signing this Application, I understand that failure to bring my account to a zero balance will result being reported to the Credit Bureau and will appear on my Credit Report.

Applicant Signature

if social security number is not provided a security deposit will be required

Effective Date: August 19, 2004

Application for Temporary Service

(This Application should be completed and returned to the Lewes BPW, 107 Franklin Avenue, Lewes, Delaware. The Applicant's wiring, interconnected equipment, and appliances must be inspected and approved by an electrical inspection company acceptable to the Lewes BPW and comply fully with the Electric Rules and Regulations of the Lewes BPW prior to connection of electric service.)

#

The undersigned (hereafter called the "Applicant") hereby makes application for temporary electric service from the Lewes BPW at the following location (address and Tax Map number):

Service Address: _____

Customer Name: _____ Telephone(s): _____

Address for Monthly Billing: _____

Electrician Contact: _____ Property Owner: _____

Conditions

1.The Applicant shall be bound by such Electric Rules and Regulations as may from time to time be modified by the Lewes BPW.

2.Payment for service hereunder shall be made at the rates and upon the terms and conditions set forth in the Lewes BPW Commercial (Small General) Service Rate Schedule 2, except that the Applicant shall pay, in addition to the charges under the rate schedule, the total cost of connecting and disconnecting service less the value of materials returned to stock.

Type of Service Requested: ☐ Single Phase ☐ Three Phase

Installation Charge Payable in Advance: \$ _____

Note: The Installation Charge is subject to adjustment for unusual or unexpected costs.

Single phase service with existing transformer and one wire span	\$ 150
Single phase service with existing transformer and two wire spans	\$ 350
Single phase service with new transformer and one wire span	\$ 600
Single phase service with new transformer and two wire spans	\$ 800
Three-phase service with existing transformer	\$ 1,500
Three-phase service with new transformer	\$ 1,750

#

Effective Date: August 19,2004

3. When temporary service is for construction purposes and permanent service will be required for the facility under construction, it is expressly understood that temporary service shall not be connected to or used through the new wiring of the building until the regular wiring inspection of the same has been made and a cut-in inspection card is received by the Lewes BPW from an inspection service acceptable to the Lewes BPW (see Paragraph 2.3).

(a) If this provision is violated, temporary service shall be discontinued without notice.

(b) The undersigned Applicant hereby releases and agrees to save harmless the Lewes BPW from all liability for damage to any person or property that may result from any such violation.

4. All temporary service poles must be inspected as provided above before the service connection will be made.

5. Temporary Service will terminate one year from the date below. If further service is required, a new application must be signed.

Date: _____

Applicant (typed or printed)

Signature of Applicant

Address

Owner (typed or printed)

Billing address

Right-of-Way Easement

DRAFT: SCTM NO. 3-35- _____
PREPARED BY: Tunnell & Raysor, P.A.
30 East Pine Street, Georgetown, DE 19947
TBS: wh

THIS IS A DEED OF EASEMENT made this _____ day of _____, A.D. 20__, by and between _____, of _____, Lewes, Sussex County, Delaware 19958, grantor,

-AND-

THE CITY OF LEWES, a municipal corporation of the State of Delaware, **for the use and benefit of the Lewes BPW**, with Offices at East Third Street, P.O. Box 227, Lewes, Sussex County, Delaware, grantee.

W I T N E S E T H:

FOR AND IN CONSIDERATION of the sum of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable consideration, the receipt of which is hereby acknowledged, the party of the first part does hereby grant and convey unto the grantee, its successors and assigns, a perpetual easement and right-of-way on, over, across, through and under, including the perpetual right to enter upon the real estate designated as Parcel __ on Sussex County Tax Map 3-35-_____, at any time that it may see fit, for the purpose of ingress and egress, and for purposes of constructing, maintaining, improving, installing, operating, inspecting, repairing, replacing, renewing and removing underground and/or above ground electric transmission and distribution lines (but excluding all service lines leading from a transmission line to any individual dwelling unit or units), and including, but not limited to transmission and distribution equipment, poles, circuits, guys, anchors, cross-arms, and other attachments and incidental equipment and all related appurtenances and systems for the purpose of providing electrical service within the electric system of the City of Lewes, Sussex County, Delaware, the location of Easement being in part of _____, a plat of which is on record in the Office of the Recorder of Deeds in Plot Book __, page __, and on a survey prepared by _____, attached hereto and made a part hereof, and described as follows, to wit:

ALL that certain parcel of land, situated _____
_____.

TOGETHER with all right and privilege of free ingress, egress and regress to and for the grantee, its employees, agents, contractors, subcontractors, nominees, successors and assigns through the easement area for the purpose of installing, constructing, maintaining inspecting, repairing, replacing, renewing and removing the said electrical transmission and distribution lines, incidental equipment and appurtenances located in said Easement and right of way, when and as often as need be or as the occasion may require. The forgoing grant of easement and right of way is further subject to the following conditions, covenants, and agreements of the parties hereto:

Effective Date: August 19,2004

1. The Easement and right-of-way granted hereby shall apply to and run with the lands of the grantor and shall be binding upon his/her/their heirs, successors, and assigns, and may be released, extinguished, and abandoned only by an appropriate document executed by the grantee.
2. The grantee shall have the right to excavate and refill ditches or trenches for the location of said electrical transmission and distribution lines and the further right to remove trees, bushes, undergrowth, and any other obstruction interfering with the installing, constructing, maintaining, inspecting, repairing, replacing, renewing and removing the said electrical transmission and distribution lines.
3. The grantor shall not fence nor enclose said easement and right-of-way nor shall the grantor erect or construct any buildings or structures on said easement and right of way nor shall grantor flood over said easement and right of way; *provided, however, the grantor reserves the right to erect a fence around the premises owned by said party for security purposes.*
4. The grantee shall backfill any trench made by it on said easement and right of way, shall repair any portion of any paved easement area that it disturbed and shall use caution during any construction, installation, maintenance, improvement, operation, inspection, repair, replacement, renewal and removal of such electrical facilities in order to prevent damage to the property of the grantor. However, the grantee shall perform its work in a manner designed to minimize interference with the use by the grantor of the property.
5. The grantor shall not suffer nor permit the installation of any electrical, sewer, gas, water or other utility lines, pipes, poles or appurtenances on, over, under or across the easement and right-of-way granted herein other than such facilities as are installed, maintained and operated by the grantee unless the grantee shall make its consent in writing prior to such installation, which consent shall not unreasonable be withheld by the grantee.
6. All electrical transmission and distribution lines, appurtenances and property and accessories installed, maintained, removed or replaced by the grantee in the easement and right of way granted hereby shall, at all times, be and remain the sole personal property of the grantee for use as part of its utility operation and shall be taken and deemed to be personal property and permanently affixed so as to become fixtures. The grantee shall indemnify, defend and hold harmless the grantor from any demands, claims, judgments, or the like (and cost thereto including, but not limited to attorney's fees) resulting from or arising out of the wanton negligence or intentional misconduct of the contractors, employees or agents of the grantee in connection with the exercise of the rights of the grantee under this deed of easement.
7. The grantor does hereby covenant with the grantee that it is lawfully seized and possessed of the real estate set forth on the lands upon which the easement is granted; that it has a good and lawful right to convey it or any part thereof; that it is free from all encumbrances; and the grantor, his/her/their heirs, successors and assigns, will forever warrant and defend the title thereto against the lawful claim or claims of any and all person or persons whomsoever.
8. This Deed of Easement contains all the terms, conditions, covenants, and agreements contained in any other written Agreements made by and between the parties thereto in reference to the said easement and right of way.

IN WITNESS WHEREOF, the grantor has caused this Deed of Easement to be executed and his/her/their Seal(s) hereunto affixed, the day and year first above written.

(Seal)

(Seal)

STATE OF _____ :

: ss.

COUNTY OF _____ :

BE IT REMEMBERED that on this _____ day of _____, A.D. 20__ personally came before me, The Subscriber, a Notary Public, in and for the State and County aforesaid, _____, party to this Indenture, known to me personally to be such, and acknowledged this Indenture to be his/her/their act and deed.

Notary Public

Type or Print Name of Notary

Commission Expires: _____

Electric Service Agreement

Customer Owned Generation 500 kW and Greater

THIS AGREEMENT, made this _____ day of _____, 20____, by and between _____ (hereinafter called the "BPW")
and _____ (hereinafter called "Customer").

WITNESSETH:

WHEREAS, the Customer has indicated a desire to install electric generating facilities described
on the attached Schedule A on his property located at _____

_____; and

WHEREAS the Customer-owned generating facilities (hereinafter call Generating Facilities) will utilize renewable resources as fuel and/or produce two forms of energy simultaneously and otherwise meet the qualification standards established by the Federal Energy Regulatory Commission (FERC); and

WHEREAS the Customer wishes to generate electric energy for his own uses and/or sell energy to BPW;
and

WHEREAS BPW, consistent with encouraging innovation in the energy field, is willing to interconnect and operate in parallel with the Customer's Generating Facilities and to furnish parallel electric service to the Customer in conjunction with the operation of the Generating Facilities.

NOW, THEREFORE, BPW and the Customer agree as follows:

Section 1. Scope of Agreement

- (a) BPW shall furnish electric service and supply the energy requirements of the Customer which are not supplied by the Generating Facilities in accordance with the Rate Schedule applicable to the Customer's class of service or under negotiated rates and terms, as appropriate. The Customer's service may be subject to a surcharge for underutilized facilities used principally for standby.
- (b) BPW shall purchase all energy made available by the Customer under the provisions of Customer Owned Generation Rate Schedule 5, or as otherwise agreed, and BPW's Rules and Regulations Applicable to Electric Service ("Rules and Regulations"), both of which may be amended from time by BPW, provided however, that the rates paid by BPW for generation output purchased from the Customer shall be based on BPW's avoided power costs.
- (c) The Customer shall pay all costs incurred by BPW from time to time to provide service to the Qualifying Facilities, including, but not limited to, costs for:
 - 1) Facilities installed, repaired, or replaced, as BPW deems appropriate, including engineering evaluation, design, materials, installation, transportation, and overhead, to (1) interconnect BPW's

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distribution system with the Generating Facilities, (2) provide for safe operation of the facilities and the safety of personnel (3) prevent interference with service supplied to other BPW Customers, (4) protect against damage to BPW's distribution system or property of others, (5) monitor and meter any generation output purchased by BPW, and (6) comply with any regulatory or other governmental requirement regarding the Generating Facilities.

- 2) Meter reading, data communications, and billing for energy purchased by BPW, as applicable,
 - 3) Regular inspection and maintenance of BPW facilities installed to accommodate the Customer's generation, and
 - 4) Insurance as may be needed in the judgment of BPW to maintain general liability and property loss protection when such insurance or any additional premiums are attributable by BPW to the Customer's generation.
- (d) Amounts due to BPW under this Agreement shall be due in accordance with Lewes BPW's Rules and Regulations. Lewes BPW's estimate of costs expected to be incurred and provisions for payment by the Customer are included in Exhibit A of this Agreement.

Section 2. Generating Facilities Construction

- (a) Prior to the construction or installation of the Generating Facilities, the Customer shall submit plans and specifications for the facilities to BPW for its review for compliance with BPW's Rules and Regulations. The Customer will be responsible for installing all facilities to the point of interconnection of the Generating Facilities with BPW's system. The Generating Facilities may not be interconnected with BPW's system until written approval to interconnect is provided by BPW.
- (b) The Generating Facilities shall be constructed in accordance with specifications which meet or exceed applicable provisions of the National Electrical Safety Code, American National Standards Institute, IEEE, Underwriters Laboratories, and BPW's Rules and Regulations. It shall be the sole responsibility of the Customer to provide for compliance with all applicable national and state codes and standards and BPW's Rules and Regulations.
- (c) BPW will have the right to inspect the Customer's facilities at any time during construction as needed to confirm compliance with this Agreement.

Section 3. Interconnection

- (a) Each Generating Facilities interconnection with BPW's system requires distinct engineering analysis. The Customer shall engage a qualified engineering firm for this service. BPW shall provide all system data needed by the engineer, such as line characteristics, substation capacities, sectionalizing schemes, and voltage regulation programs.
- (b) As provided in Section 5(c), BPW shall not be liable for any loss, cost, damage, or expense resulting from
 - (1) the use or presence of electric current or potential which originates from the Customer's facilities or
 - (2) the interconnection of the Customer's facilities with BPW's system.

- (c) Prior to interconnection of the Generating Facilities, the Customer shall notify BPW and BPW shall inspect and be present for Customer's testing of the operation of the facilities for compliance with BPW's Rules and Regulations and this Agreement. Such inspection and observation shall not relieve the Customer from responsibility to install, operate, and maintain the Generating Facilities consistent with all applicable state and national codes and standards, sound utility practice, and BPW's Rules and Regulations. The Customer shall not interconnect the Generating Facilities with BPW's system until written authorization to interconnect is received from BPW.

Section 4. Operation and Maintenance

- (a) The Customer shall be responsible solely to operate and maintain the Generating Facilities and Customer's other facilities consistent with all applicable state and national codes and sound utility practices and in compliance with BPW's Rules and Regulations, this Agreement, and all governmental requirements.
- (b) The Customer shall have the sole responsibility to furnish, install, operate, and maintain adequate system protection to avoid harm to any person or damage to any property on the Customer's side of the interconnection with BPW, irrespective of the condition of BPW's facilities.
- (c) BPW will not be responsible for damage or injury attributable to the operation of the Generating Facilities and other facilities. The Customer will indemnify BPW and the City and maintain General Liability insurance, as provided in Sections 11(c) and 11(d) herein. Failure to maintain continuous insurance coverage and provide confirmation to BPW shall be cause for disconnection of the Customer's facilities from BPW's system.
- (d) Authorized BPW employees shall have the right to enter upon the Customer's property at any time for the purpose of reading and testing meters, inspecting the Generating Facilities, and requesting additional tests to ensure continued operation of the Generating Facilities in accordance with this Agreement. However, any inspection or testing by BPW shall not relieve the Customer from any obligation under the Agreement Generating Facilities.
- (e) The Customer shall provide to BPW an annual report on or before June 30 each year documenting the operating procedures for the Generating Facilities and related facilities. The reports will include certification of a qualified engineer that all protective equipment is in good working order.
- (f) The Customer will notify BPW prior to making any modifications in the Generating Facilities and related facilities. Any such modifications must be acceptable to BPW.
- (g) BPW shall be responsible for accurately metering and billing energy purchased by BPW hereunder (see Section 1. Scope of Agreement).
- (h) The Generating Facilities will be used solely for the Customer's benefit and energy from the Generating Facilities will not be transmitted, shared, or resold to anyone other than the Customer and BPW, without the prior written approval of BPW and provision for BPW cost recovery.
- (i) Parallel operation of the Generating Facilities must cease immediately and automatically during system outages and other emergency or abnormal conditions. In addition, the Customer must cease operation

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of the Generating Facilities upon notification by BPW if such operation is unsafe, interferes with the supply of service to others, or interferes with system maintenance or operation. If a dangerous situation exists, as determined solely by BPW, the Generating Facilities may be disconnected immediately without prior notice.

Section 5. Service Interruptions

- (a) BPW may curtail the output of the Generating Facilities or temporarily disconnect the Generating Facilities from the utility system when necessary for routine maintenance, construction, and repairs on the utility system. BPW shall provide the Customer with five business days' notice prior to such interruption. The utility will coordinate such reduction or temporary disconnection with the Customer.
- (b) During any forced outage, BPW may suspend interconnection service to effect immediate repairs on the utility system. BPW shall provide the Customer with notice of the expected duration of the interruption as soon as feasible. Upon request, BPW will provide written documentation for the cause of the outage after the fact, explaining the circumstances of the disconnection.
- (c) The Utility shall notify the Interconnection Customer as soon as feasible if, based on prudent utility practice, operation of the Generating Facilities may cause disruption or deterioration of service to other customers served from the same electric system, or if operating the Generating Facilities could cause damage to BPW's system or any interconnected system. Supporting documentation used to reach the decision shall be provided to the Interconnection Customer upon request. If, after notice, the Interconnection Customer fails to remedy the adverse operating effect within a reasonable time, BPW may disconnect the Generating Facilities. BPW shall provide the Customer with five business days' notice of such disconnection unless such delay could risk personal injury or property damage.

Section 6. Force Majeure

- (a) As used in this article, a Force Majeure Event shall mean any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation, or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure Event does not include an act of negligence or intentional wrongdoing.
- (b) If a Force Majeure Event prevents a Party from fulfilling any obligations under this Agreement, the Party affected by the Force Majeure Event (Affected Party) shall notify the other Party promptly, either in writing or via the telephone, of the existence of the Force Majeure Event. The notification must specify in reasonable detail the circumstances of the Force Majeure Event, its expected duration, and the steps that the Affected Party is taking to mitigate the effects of the event on its performance. The Affected Party shall keep the other Party informed on a continuing basis of developments relating to the Force Majeure Event until the event ends. The Affected Party will be entitled to suspend or modify its performance of obligations under this Agreement (other than the obligation to make payments) only to the extent that the effect of the Force Majeure Event cannot be mitigated using reasonable efforts. The Affected Party will use reasonable efforts to resume its performance as soon as possible.

Section 7. Default

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- (a) No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of a Force Majeure Event as defined in this Agreement or the result of an act or omission of the other Party. Upon a Default, the non-defaulting Party shall give written notice of such Default to the defaulting Party. Except as provided in Article 7.6.2, the defaulting Party shall have 60 calendar days from receipt of the Default notice within which to cure such Default; provided however, if such Default is not capable of cure within 60 calendar days, the defaulting Party shall commence such cure within 20 calendar days after notice and continuously and diligently complete such cure within six months from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.
- (b) If a Default is not cured as provided in this Article, or if a Default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this article will survive termination of this Agreement.

Section 9. Notices and Bills

(a) General Notification

Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement (Notice) shall be deemed properly given if delivered in person, delivered by confirmed email or fax, recognized national courier service, or sent by first class mail, postage prepaid, as specified below:

If to the Customer:

Customer: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

E-Mail Address: _____

If to BPW:

Utility: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

E-Mail Address: _____

(b) Request for Payment

Unless otherwise provided in this Agreement, any written invoice or other request for payment required or authorized in connection with this Agreement (Bill) shall be deemed properly given if delivered in person, delivered by confirmed email or fax, recognized national courier service, or sent by first class mail, postage prepaid, as specified below:

If to the Customer:

Customer: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

E-Mail Address: _____

If to BPW:

Utility: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

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E-Mail Address: _____

- (c) Either Party may change this information for Notices and Bills by giving five business days written notice prior to the effective date of the change.

Section 10. Designated Operating Representative

- (a) The Parties may also designate Operating Representatives to conduct the communications which may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities.

Customer's Operating Representative:

Interconnection Customer: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

E-Mail Address: _____

BPW's Operating Representative:

Utility: _____

Attention: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

E-Mail Address: _____

- (b) Either Party may change its Operating Representative by giving five business days written notice prior to the effective date of the change.

Section 11. Other Provisions

- (a) This Agreement is subject to BPW's Rules and Regulations and applicable Rate Schedules, as they may be amended from time to time.
- (b) Failure to comply with the provisions of this Agreement or BPW's Rules and Regulations shall constitute reason for immediate disconnection of the Generating Facilities from BPW'S distribution system but shall not relieve the Customer of indemnification and insurance obligations herein. In the event of disconnection for other than nonpayment or a Force Majeure Event declared by Customer, BPW shall not be obligated to reconnect the Generating Facilities with its distribution system.
- (c) The Customer shall protect, indemnify, and hold harmless BPW and the City and their officials, employees, and other representatives from any and all claims, demands, suits, liability and expense (including attorney's fees) by reason of any injury to or death of any person or damage to any property caused by or resulting from the Generating Facilities and other Customer facilities.
- (d) The Customer shall obtain and retain, for as long as the Generating Facilities is interconnected with BPW's system, liability insurance which protects the Customer from claims for bodily injury and/or property damage. The amount of such insurance shall be sufficient to insure against all foreseeable direct liabilities given the size and nature of the generating equipment being interconnected, the interconnection itself, and the characteristics of the system to which the interconnection is made. This insurance shall be primary for all purposes. The Customer shall provide certificates evidencing this coverage as required by BPW. Such insurance shall be obtained from an insurance provider authorized to do business in Delaware. BPW reserves the right to refuse to establish or continue the interconnection of the Generating Facilities with BPW's system if such insurance is not in effect.

Such insurance will be in amounts at least comparable to the coverage maintained by BPW for its facilities and may be amended from time to time upon 30 days' notice to Customer.

Each year the Customer shall provide BPW with proof of insurance and shall notify BPW in writing immediately upon termination or modification of the insurance coverage.

- (e) The Customer shall be responsible for securing and maintaining all rights-of-way, privileges, franchises, permits, and agreements necessary for installation and operation of the Generating Facilities. BPW shall not be liable if delayed or prevented from providing service under this Agreement due to Customer's failure to do so.
- (f) The Parties agree to attempt to resolve any dispute arising under the Agreement in good faith. If the Operating Representatives are unable to resolve a dispute, either Party shall provide the other Party with a written notice describing in detail the dispute and requested action. Each Party shall designate a representative to address the issue promptly. If the dispute is unresolved after thirty days, either Party may seek legal resolution.
- (g) Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this Agreement is intended to affect adversely the tax status of either Party.

- (h) The validity, interpretation, and enforcement of this Agreement and each of its provisions shall be governed by the laws of the State of Delaware, without regard to its conflicts of law principles. This Agreement is subject to all applicable laws and regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a governmental authority.
- (i) The Parties may amend this Agreement only by a written instrument duly executed by both Parties.
- (j) This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.
- (k) The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement.
- (l) This Agreement, including all Appendices, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.
- (m) This Agreement may be executed in two or more counterparts, each of which is deemed an original, but all constitute the same instrument.
- (n) This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.
- (o) If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.
- (p) Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. Both Parties will cooperate to meet basic standards for electric system infrastructure and operational security, including physical, operational, and cyber-security practices.

- (q) Each Party shall notify the other Party, first orally and then in writing, of the release of any hazardous substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Generating Facilities or any interconnection facilities, each of which may be expected to affect the other Party. The notifying Party shall (1) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than 24 hours after such Party becomes aware of the occurrence, and (2) promptly furnish to the other Party copies of any publicly available reports filed with any governmental authorities addressing such events.
- (r) Nothing in this Agreement shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each Party shall remain primarily liable to the other Party for the performance of such subcontractor. The obligations under this article will not be limited in any way by any limitation of subcontractor's insurance.

This Agreement shall become effective immediately upon the execution hereof and shall continue in effect for an initial term of one year and thereafter until terminated by either party upon thirty (30) days' advance written notice given to the other party. Termination shall require permanent disconnection of the facilities but does not relieve the Customer of obligations under the provisions of Section 11(c) and Section 11(d) of this agreement until BPW confirms to the Customer in writing that the indemnification and insurance are no longer needed for its protection and the protection of other Customers.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the day and year first above written.

Attest:

LEWES BPW

By _____

*Lewes BPW Official
(Typed or printed)*

Attest:

CUSTOMER

By _____

Signature of Customer

#####Customer (Typed or Printed)

Amended: April 28, 2010, Board Meeting. approve certain revisions to the Electric Service Agreement, Customer Owned Generation 500kW and Greater section of the Electric Tariff

Effective Date: August 19,2004

Definitions

Applicant - "Applicant" means any person, firm, corporation, institution, public body, or any agency of the Federal, State, or Local government requesting electric service from the Lewes BPW. The term also refers to current Customers and contractors who apply for modification of existing service or facilities.

Area Connection Charge ("ACC") - See the definition for this term in Section 17.

Area Impact Charge ("AIC") - See the definition for this term in Section 17.

City - City refers to the City of Lewes, Delaware, a political subdivision of the State of Delaware.

Connection Point - That point where the Customer's wiring makes an electrical connection with the Lewes BPW' electric facilities. For overhead service, the Connection Point typically is the interconnection between the Customer's service entrance cable and the Lewes BPW service drop. For underground service, the Connection Point typically is on the output terminals inside a pad mounted transformer enclosure where the Customer-owned underground service entrance cable connects to the Lewes BPW' transformer.

Customer - The word "Customer" shall mean any person, firm, association, partnership, corporation, institution, public body, or any agency of the Federal, State, or Local government being supplied with electric service by the Lewes BPW. The term also refers to developers and builders receiving electric service during the planning and construction stages of new facilities and the period prior to the sale or rent of the facilities.

Electrical Capital Reserve Account - See the definition for this term in Section 17.

Electric Impact Fee - Electric Impact Fee is a fee collected in advance to compensate the Lewes BPW for the costs of expanding its physical plant to serve the increased electric load required by a new Customer. The Electric Impact Fee must be paid prior to project approval by the Lewes BPW. The Electric Impact Fee is the total of the Area Connection Charge and Area Impact Charge (see Section 17).

Electric Rules and Regulations - Electric Rules and Regulations may be used to refer to either of the following:

(1) This document, including the Rate Schedules, Fee Schedule, or other Electric Rules and Regulations. The terms "Electric Rules and Regulations" and "Electric Tariff" may be used synonymously.

(2) The terms and conditions in this document applicable to electric service from the Lewes BPW, other than Rate and Fee Schedules.

Electric Tariff - Electric Tariff may be used to refer to either of the following:

(1) This document, including the Rate Schedules, Fee Schedule, or other Electric Rules and Regulations. The terms "Electric Tariff" and "Electric Rules and Regulations" may be used synonymously.

(2) The rates, charges, and other basic provisions applicable to electric service provided by the Lewes BPW. "Electric Tariff" may mean the Rate Schedules.

Extensions - The addition of primary and/or secondary electric distribution facilities required for electric service to be provided to areas previously not served. The facilities may be overhead, underground, or a combination of both. Extensions include all poles, conductors, insulators, hardware, transformers, switches, trenching, and all other equipment installed to extend the electric system. Extensions also include rights-of-way to permit installation of the equipment.

Inrush Current - Inrush Current is a surge of electric current into an electrical system, often caused by the sudden restoration of electric service to a large load after an outage, or the inrush of current to start large motors.

Meter Pole - Meter Pole is a treated utility pole dedicated for the attachment of electric meters, disconnect switches, and other service entrance related equipment. Meter Poles also provides the structural support for the attachment of service drops and the initiation of underground service laterals from BPW distribution system facilities.

New Facility - See the definition for this term in Section 17.

Planned Area Development ("PAD") - Planned Area Development means any subdivision, major or minor, existing in or approved by the city. PAD includes any "development" or "subdivision" as defined in Chapter 170 of the Code of the City of Lewes.

Point of Delivery - The Point of Delivery is that point where the Customer takes electric service by connecting to the supply lines of the Lewes BPW. The Lewes BPW will own and maintain all facilities up to the Point of Delivery. For a typical aerial service at secondary voltages, the Point of Delivery is the connection between the Customer's service entrance cable and the Lewes BPW' service drop conductors and connectors (bugs). For a typical underground service at secondary voltages, the Point of Delivery is the connection between the Customer's underground service entrance cable and the Lewes BPW' connectors used to attach the cable to the secondary terminals of the Lewes BPW' pad-mounted transformer or pedestal connection. The Point of Delivery is equivalent to the "Service Point" in the 1999 *National Electric Code Handbook*.

Power Quality - Measurable attributes of electric power supply that exhibit defined levels of constancy of frequency, constancy of voltage, and constancy of service (reliability). Attributes that lead to poor Power Quality are outages, surges, undervoltage, harmonics, voltage sags, voltage swell, and overvoltage.

Rate Schedule - A Rate Schedule is a schedule containing a summary of basic charges and terms for a category of electric service offered by the Lewes BPW. Rate Schedules are provided herein for the five categories of service offered by the Lewes BPW, including Residential (Domestic) Service, Commercial (Small General) Service, Industrial (Large General) Service, Outdoor Lighting Service, and Small Power Production and Cogeneration Service.

Residence - A Residence is a dwelling unit suitable for year-round human habitation.

Residential Landlord - Tenant Code - The Residential Landlord – Tenant Code is that section of Delaware law that defines the relationships between tenants and landlords. The provisions are found in the State of Delaware Code, Title 25, "Property," Part III, chapter 51.

Secondary Service - Secondary Service is electric service provided at a transformed voltage which is less than the utility's distribution voltage. Secondary Service typically refers to service at 600 volts or less.

Service - Overhead and underground conductors and associated materials between the last aerial structure (typically a pole) or underground terminal (typically a pad-mounted transformer) of the Lewes BPW electric distribution system and the point of connection with the Customer's facilities (typically on a building eave or wall or service entrance mast).

Service Classifications - Service Classifications are designated in Paragraph 3.1.

Trailer - Trailer is defined in Paragraph 14.1.

Voltage Flicker - Voltage Flicker is used to describe rapid fluctuations in voltage often caused by the inrush of starting current on large three-phase motors.