

RULES OF OPERATION



Important Phone Numbers

Waverly Utilities service center	319-559-2000
Waverly Utilities fax	319-559-2001
Outage reporting	319-559-2000
Electrical permits and inspections	
Bremer county planning and zoning	319-352-0332
Pre-excavation phone number	
Iowa One Call	1-800-292-8989

Effective January 1, 2017

Adopted November 8, 2016

WAVERLY UTILITIES -- RULES OF OPERATION

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**DIVISION ONE
PURPOSE AND CONSTRUCTION**

SECTION 1.1 - PURPOSE

These rules of operation have been adopted by the Board of Trustees of Waverly Utilities. The rules are subject to change from time to time to ensure safe and efficient service in compliance with applicable laws and regulations.

SECTION 1.2 - APPLICABILITY

These rules of operation are intended to broadly govern operation of Waverly Utilities. Where a rule cannot be reasonably applied to a specific situation, the Board of Trustees reserves the right to act in an adjudicative capacity to resolve such conflicts.

References to rates or charges and certain other terms and conditions of service "adopted by the Board of Trustees" refer to applicable resolutions adopted by the Utility's governing body.

The Utilities Division of the Iowa Department of Commerce regulates certain aspects of municipal utility operations. Unless a statute specifically provides for regulation of municipally owned utilities, regulatory authority is limited to those statutes referenced in section 476.1B of the Code of Iowa.

SECTION 1.3 - DEFINITIONS

Unless another meaning is specifically indicated, when used in these rules:

- a. "Board of Trustees" means the Board of Trustees established under Chapter 388, Code of Iowa.
- b. "Complaint" means a statement or question by anyone, whether a Utility customer or not, alleging a wrong, grievance, injury, dissatisfaction, illegal action or procedure, dangerous condition or action, or Utility obligation. The Utility may require that complaints be in writing.
- c. "Customer" means any person, firm, association, or corporation, any agency of the federal, state or local government, or legal entity directly benefiting from electric service from Waverly Utilities.
- d. "Delinquent or delinquency" means an account for which a service bill or service payment has not been paid in full on or before the last date for timely payment.
- e. "Demand" means the quantity of electrical power needed by the customer at a given point in time.
- f. "Maximum Demand" means the greatest demand required by a customer during a specific length of time.
- g. "Meter" means a device that measures and registers the integral of an electrical quantity with respect to time.
- h. "Timely Payment" is a payment on a customer's account made on or before the date shown on a current bill for service, or on a form which records an agreement between the customer and a utility for a series of partial payments to settle a delinquent account, as payment charge to the current bill or future collection efforts.
- i. "Utility" means Waverly Utilities.
- j. "Normal Business Hours" are from 8:00 am to 4:30 pm Monday through Friday, excluding published holidays.

**DIVISION TWO
SERVICE CHARACTERISTICS**

SECTION 2.1 - CLASS OF SERVICE FOR APPLICATION OF RATES

Service classification shall be based upon the type of service supplied and on similarities in customer load and demand characteristics. Service classifications shall be defined as part of the rate schedules adopted by the Board of Trustees. In addition, the Utility reserves the right to supply large power service in accordance with the provisions of a written contract. As nearly as practicable, rate schedules adopted by the Utility shall reflect relative differences in the costs of providing service to each customer class.

SECTION 2.2 - METER INSTALLATION

2.2[1] - Individual Metering

Individual metering shall be required on multi-occupancy premises in which units are separately rented or owned, except that the Utility may provide single meters for electricity used in central heating, cooling, water heating, or ventilation systems where individual metering is impractical; where a facility is designated for elderly or handicapped persons and Utility costs constitute part of the operating cost and are not apportioned to individual tenants; or where sub-metering or resale of service was permitted prior to 1966.

2.2[2] - Special Metering Installations

The Utility reserves the right, at its option, to require or place special meters or instruments on the premises of a customer for the purpose of special tests of all or part of the customer's load.

2.2[3] - Meter Register

Where it is necessary to apply a multiplier to the meter readings, the multiplier shall be marked on the face of the meter register or stenciled in weather resistant paint upon the front cover of the meter. Wherever practicable, customers shall have continuous visual access to meter registers.

2.2[4] - Meter Testing

All meters and associated devices shall be inspected, tested, adjusted, and certified to be within an allowable tolerance of error, in accordance with commonly accepted engineering practice.

**DIVISION THREE
SERVICE INSTALLATION MANUAL**

SECTION 3.1 - GENERAL INFORMATION

3.1[1] - Purpose

This manual is issued by Waverly Utilities (Utility) to provide the necessary service installation information to customers, employees, builders, electricians, architects, contractors and others involved in the planning and installation of electric services within the Utilities service territory.

The information in this manual is intended to cover typical installations. Please consult the Utility when special conditions exist that will require non-typical installations.

Nothing contained in this manual will be construed to relieve or lessen the responsibility of the customer or the customer's representative from complying with all applicable codes, rules and regulations.

3.1[2] - Continuity of Service

The Utility strives to provide safe, reliable and efficient service to our customers. In some instances, such as major storms where lightning, high winds, ice or similar conditions may occur, the Utilities electrical system may experience momentary or extended outages, low or high voltage, overload, loss of phase or phases, harmonics or wave form irregularities. We do not guarantee continuous service, standard voltage or frequency at all times.

It is the Customers responsibility to install the necessary protective devices on their equipment to protect their assets from these conditions. The Utility recommends installing voltage surge suppressors at the main service entrance panel and at the point of use. It is suggested that a battery backup or other equipment be installed for all conditions where loss of electricity, voltage or a voltage dip may cause loss of data in certain equipment.

3.1[3] - Codes, Rules and Regulations

The Utility requires that all customer wiring installations meet the latest requirements of the *National Electrical Code, National Electric Safety Code, DOT regulations, City of Waverly and Bremer County codes, American National Standards Institute requirements, and Institute of Electrical and Electronic Engineer Requirements.*

3.1[4] - Safety and Code Compliance

The Utility reserves the right to refuse service or de-energize any service where the service is found to not comply with these electrical codes, the service is in an unsafe condition or it poses a danger to persons or property.

3.1[5] - Inspections

The Utility reserves the right, but is not responsible for the inspection of the customer's installation. Please contact the Bremer County Building and Zoning department at 319-352-0332 for all electrical inspections and the necessary permits.

3.1[6] - Excavations

It is the customer's responsibility to make certain that they plan and do work in such a manner that damage to Utility property does not occur. Before starting actual construction, call Iowa One Call at 1-800-292-8989 to have all underground lines located.

Please call the Utility immediately if contact is made with our cables so we can inspect and repair any damage that may have occurred. Failure to contact Iowa One Call prior to digging, may cause damage to and risk the safety of equipment, property, employees and the public. The customer is responsible for all charges incurred from any damage caused to Utility equipment if the customer fails to call Iowa One Call before excavating.

3.1[7] - Utility Poles

All Utility poles will be removed from service when the Utility's equipment is removed from the pole.

3.1[8] - Line Clearance

The customer will be responsible for clearing any trees, brush, fences, old foundations or obstacles which might inhibit the service installation.

3.1[9] - Final Grade

The Utility will install service cables when the proposed cable route is clear of all obstructions, all roads have been paved and approved by the City of Waverly or Bremer County, new lots are staked and the lot or subdivision is within 6 inches of final grade. Grade changes of more than 6 inches are not allowed. All costs associated with moving electrical cables due to grade changes will be charged to the customer.

3.1[10] - Utility Equipment on Customer Premises

Customers will grant the Utility the right to install its equipment on the Customer's premises to supply service. All such equipment will remain Utility Property and may be removed when service is no longer required.

The Utility will have the right of access to its equipment located on Customer premises for inspection, maintenance, meter reading, restoration and removal of service. The Customer will provide at no cost to the Utility the necessary easements and/or right of way for Utility personnel to install, maintain and access Utility facilities on the Customers property that provide electric service to the Customer. This will include permission to trim and/or remove trees and brush that may interfere with the installation and operation of Utility facilities. Any changes to an existing service must be approved by the Utility.

Customers are expected to take reasonable care of Utility equipment located on their property. Customers will be responsible for all damages to or loss of Utility property located on the premise, unless damage is by causes beyond their control. The customer will not grant authority to anyone who is not an employee of the Utility to open or operate Utility equipment.

The Utility will attempt to give advance notice when accessing Utility facilities on the Customer's property, but may not be able to do so during emergencies.

SECTION 3.2 - PRIMARY LINE EXTENSIONS

3.2[1] - Primary Line Extension Definition

A primary line extension is an electrical distribution line of one or three phases at our current primary voltage that is extended from an existing distribution line or substation. The Utility may install overhead or underground cables at their discretion. This covers installations to residential, commercial, industrial customers and any other primary line extensions that are constructed. The line may be installed in public or private right-of-ways.

3.2[2] - Aid to Construction Costs

All new line extensions shall be subject to aid to construction payments based on a 10-year recovery period. The full cost of the line extension, including transformers, and any related substation, transmission and /or distribution system improvements incurred to serve this customer, shall be calculated based on current material, labor and equipment costs. A 10-year revenue credit, less the projected cost of power and less any distributed generation, shall be credited towards the cost of the line extension. The cost of power may include an amount for moving power to town i.e. transmission charges including but not limited to losses and congestion fees at the sole discretion of the utility.

If the cost of the line extension is greater than the 10-year revenue credit, the customer will be required to pay the difference between the estimated cost to construct the line and a 3-year revenue credit, less the cost of power during the 3 years. One-half the aid to construction cost will be paid to the Utility before construction begins and the remainder when the project is finished. The customer is subject to a yearly refund of the aid to construction payment over a 10-year period based on actual annual revenues, less the Utilities' average cost of power. Any amount remaining after 10 years of permanent service shall be forfeited to the Utility.

The utility board reserves the right not to apply the aid to construction at its sole discretion.

3.2[3] - Construction

The Utility will construct, own, and maintain the primary line extension to the point of delivery. The customer is responsible for installing a concrete transformer pad per Utility specifications, in a location approved by the Utility for all three phase pad mounted transformers. The Utility has final approval on all transformer locations.

3.2[4] - Residential Subdivisions

Residential subdivisions will be subject to the aid to construction costs as defined for primary line extensions. The developer's business plan for projected lots sold will be used to calculate the aid to construction payment and 3 year revenue credit. If an aid to construction payment was not required, the project will be reviewed 3 years after the Utility has finished installing the primary line extension to determine if the lot sales are proceeding as planned. If the sales are not keeping up with the business plan, the Utility will recalculate the aid to construction costs and charge the developer aid to construction costs based on current conditions and lot sales. The same requirements of the aid to construction costs will apply using the original installation date for the 10 year refund period.

SECTION 3.3 - SERVICES

3.3[1] - Secondary Service Definition

A secondary service is defined as that part of the electrical system that carries the secondary voltage from the Utilities distribution transformer or secondary pedestal to the entrance panel on the customer's side of the meter. All services will be installed underground unless special conditions, as approved by the Utility, warrant changes to the standard.

3.3[2] - Capacity

Service entrances will have ample capacity, per the *National Electrical Code*; see *NEC Article 220*, for any electrical load that may reasonably be expected to develop. For Customer installations of two to six breakers, or set of fuses, on the load side of a termination box, or current transformer cabinet, the sum of the ratings of the circuit breakers, or fuses will be permitted to exceed the rating of the termination box or instrument transformer cabinet provided the load is calculated in accordance with the *NEC Article 220*. That load will not exceed the ampacity rating of the termination box or current transformer cabinet.

3.3[3] - Load Increases

The customer will give the Utility reasonable notice of load increases (permanent or temporary) which may require the Utility to increase the capacity of its facilities. Customers who fail to notify the Utility will be charged for the replacement cost of damaged Utility equipment resulting from the increase in load.

Where the customer is planning a load increase which requires a change out of a main service disconnect the following items may apply.

- (A) If the customer is using a service voltage no longer provided by the Utility, the customer will be required to convert to a service voltage presently provided by the Utility.
- (B) The utility will review Division Three of the Service Installation Manual and apply the terms to the load increase as necessary.
- (C) The utility board reserves the right not to apply any or all of Division Three at its sole discretion.

3.3[4] - Identification of Conductors

The neutral or grounded conductor of a service entrance (480 V and under) will be identified by a white or gray color/tape, or by three continuous white stripes on other than green insulation along its entire length.

On 4-wire, delta connected secondary, where the midpoint of one phase winding is grounded to supply lighting and similar loads, the phase conductor having the higher voltage to ground will be identified by an outer finish that is orange in color, by tagging, or other effective means. Such identification will be placed at each location where a connection is made if the grounded conductor is also present.

3.3[5] - Service Connections

The Utility will make all service connections to its distribution system. Connection to or alteration of the electric service facilities or other equipment is prohibited and is subject to immediate disconnection of service.

Please schedule all service connections and disconnections between the hours of 8:00 AM and 3:00 PM.

3.3[6] - Unauthorized Use of Service

Any tampering, breaking of meter seals, opening or damaging of company locks, interference, or work performed on meter installations or other property of the Utility is prohibited. The Utility may at any time and without notice discontinue supply of service to the customer, and remove its meters and metering equipment in the event of such tampering or interference. The customer will be responsible for payment of all costs which result from such tampering or interference with Utility property.

3.3[7] - Grounding

The Utility requires service to be grounded according to the National Electric Code Sections 250.52 and 250.66 and Bremer County Inspections. When using ground rods, install to the right or left of the meter socket, not in front. The grounding rod conductor will not pass in front of the meter socket.

3.3[8] - Applications for Service

All applications for a new electrical service, service upgrade or electrical work to be performed should be made to Bremer County and Waverly Utilities. For residential applications, the Utility requires a copy of the building permit (if new construction), an electrical permit and a set of plans showing the proposed meter socket location at least 14 days in advance of any work performed by the Utility. We will not install new services or upgrades until we have copies of the permits and a set of plans showing the exact location of the meter socket. If the Utility is not supplied a socket location, the socket location will default to the “ufer” (concrete encased grounding electrode) location. Once the service has been installed, the cost to move the service and the socket location will be charged to the customer.

Three-phase services for commercial and industrial loads may require a 90 day lead time to get the proper transformer and materials for the application. It is very important that a company representative contact the Utility at least 90 days prior to the requested installation date to discuss the size of the service, voltage required, proposed meter socket location and complete a load data sheet that will enable the Utility to meet the Customer’s needs. Delays may occur if the Utility is not given adequate notice.

No service will be installed until the Utility has received the plans; a copy of the electrical permit and the socket has been inspected and approved by the city and/or county electrical inspector. Failure to attain the necessary permits and provide a proposed meter socket location will delay the installation of the service. The customer will pay all costs incurred by changes to the service and meter socket location after it has been accepted by the Utility. WLP installed services that have not been connected by the customer to their service panel within 90 days of installation may be charged the full cost of the installation at WLP’s discretion.

3.3[9] - Point of Delivery

The Utility will designate a point of delivery for the connection of the customer’s service. The customer will grant all Utility easements requested by the Utility to provide service to the designated delivery point.

The point of delivery is where the customers wiring starts and the Utilities’ ends.

- a. An underground service with a self-contained meter will have a delivery point at the lugs on the Utilities service wires.
- b. For a customer with metering at the transformer, fed from a transformer designated solely for their installation, the delivery point will be the secondary lugs of the transformer. The Utility will own and install the instrument transformers and meter for all services.

- c. An underground service with multiple customers individually metered will have a delivery point at the line side of the current transformers or the lugs on the Utilities service wires if direct metered.
- d. The point of delivery on an overhead service will be at the compression lugs at the weather-head where the Utilities service wires connect with the Customer's service entrance conductors. Thirty inches of tails are required from the weather head for the Utilities connections.

Waverly Utilities provides the portion of the service up to the point of delivery. All facilities beyond the point of delivery will be owned, installed and maintained by the Customer with the exception of meters and instrument transformers supplied by the Utility. In emergency situations Waverly Utilities employees may make repairs in the meter socket to restore power with the understanding that this is a temporary repair and will need to be corrected by a licensed electrician as soon as possible. Waverly Utilities employees will make no repairs to customer equipment beyond the meter socket.

The Utility will not terminate service cables inside the customer's building or in customer owned switchgear. The termination point will be outside the customer's building in either free standing or wall mounted equipment, self-contained meters, CT cabinets, or a termination box.

For commercial and large general service extensions, the customer may be required to install a transformer pad, constructed to Utility specifications in an approved location.

3.3[10] - Service Size

All service cables installed by the Customer will be sized according to the capacity of the main breaker in the service panel on the customers' property and the potential load of the Customer.

3.3[11] - Multiple Customers from a Normal Installation

Where the Utility elects to serve more than one customer from a normal installation, the Utility will install and own the low voltage services to the Customer's metering. The Customer on whose property the transformer is located will provide an easement to the Utility for the transformer location and the services to the other customers.

SECTION 3.4 - METERING, MOUNTING AND INSTALLATION

The Utility will furnish and install one meter for each class of service supplied per customer. The meter will be installed on the yard pole, meter pedestal, a solid free standing wood structure approved by the Utility or the exterior of a permanent structure. A clear space of three feet will be maintained in front of the meter at all times. If an obstruction is built within this limit, the meter will be relocated at the Customer's expense. The location will provide easy access for reading the meter and provide protection from physical damage.

All meter sockets will be firmly secured to a plywood backing so that the meter is in a true vertical position. This applies to re-siding, as well as new construction. Meter sockets will be mounted so that the center of the meter is at a height of 42- 60 inches above final grade while meter pedestals will be mounted so that the center of the meter is at 30-42 inches above final grade. The Customer must take into consideration any landscaping to be finished after the meter is installed. There should be at least 12 inches of clear space on each side of the meter socket.

All meter sockets will be a minimum of 200 amps whether new, upgrade or replacement due to damage, failure, etc.

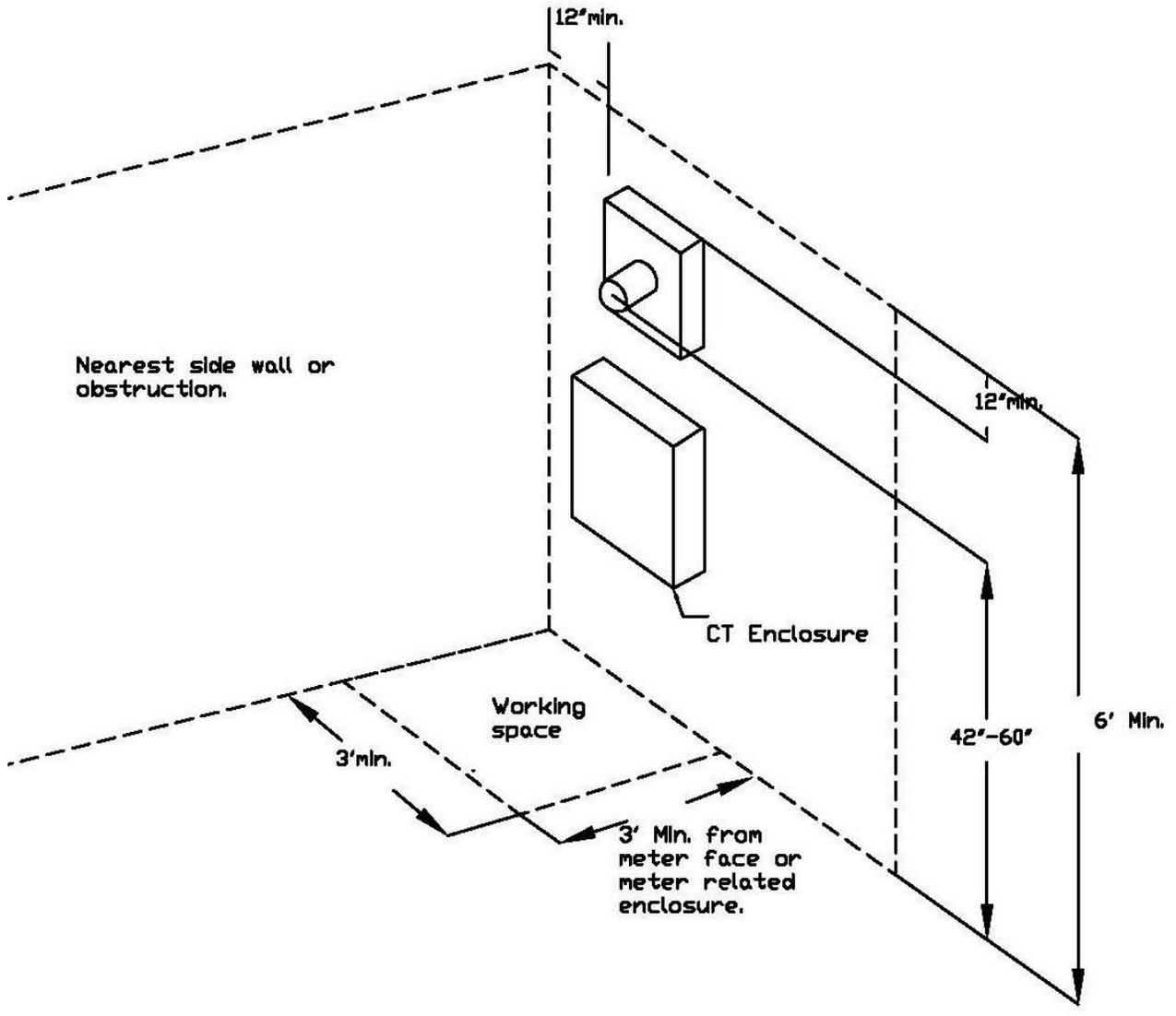
Meter sockets found to not be in compliance with the mounting and location requirements set forth in this manual will be notified in writing of the violation and will have six months to correct the violation. If a customer fails to make the necessary corrections within the time allowed, the Utility will make the necessary corrections and bill the customer for the cost of the corrections.

3.4[1] - Entrance Specifications

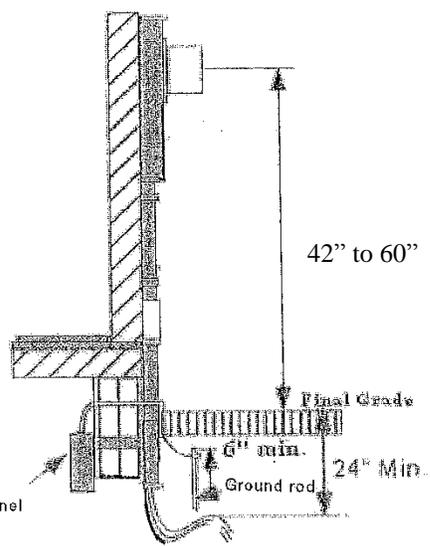
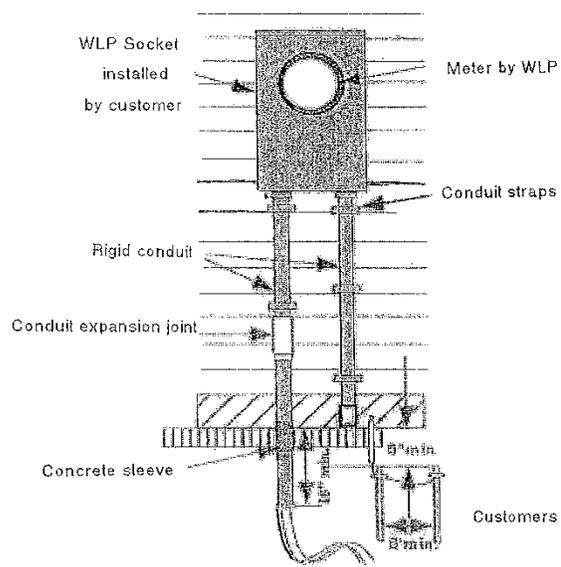
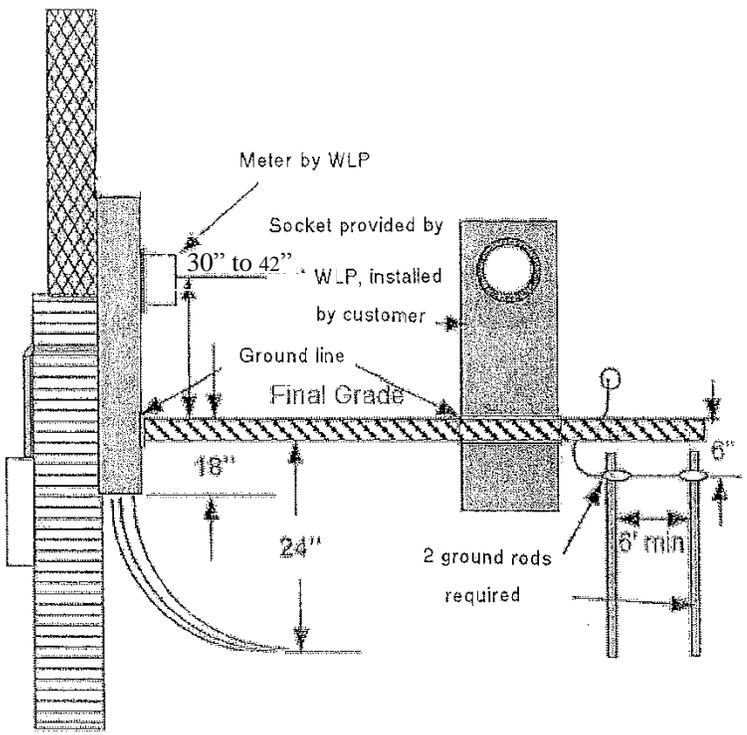
The Customer installs, owns and maintains the service entrance equipment. A meter socket will be provided by the Utility. When a standard meter socket is used, the Utility requires the customer to provide the riser pipe with an expansion joint. Specialized meter sockets must be approved by the Utility before installation. Any additional costs due to specialized meter sockets are the responsibility of the customer. Conductors other than entrance conductors will not be installed in the Utilities service entrance conduit. Only the original knockout may be used in the socket. The creation of additional knockouts is not permitted. A meter seal shall be placed on all meters to restrict access to meter.

All service entrances will include a service disconnecting means and over-current protection located in the vicinity of where electric service is supplied to the building or structure. The National Electrical Code in Section 230 limits the location of the service disconnect to a readily accessible location either outside of the building, or inside nearest the point of entrance of the service conductors location. The service disconnect may be a separate disconnect located on the load side of the meter or contained within the meter socket itself. The separate disconnect will be the responsibility of the customer to purchase, install and maintain. The disconnect contained within a socket will be provided by the Utility and installed, paid for and maintained by the customer. The location and termination of utility owned service conductors must be on the outside of the Customer's building or structure.

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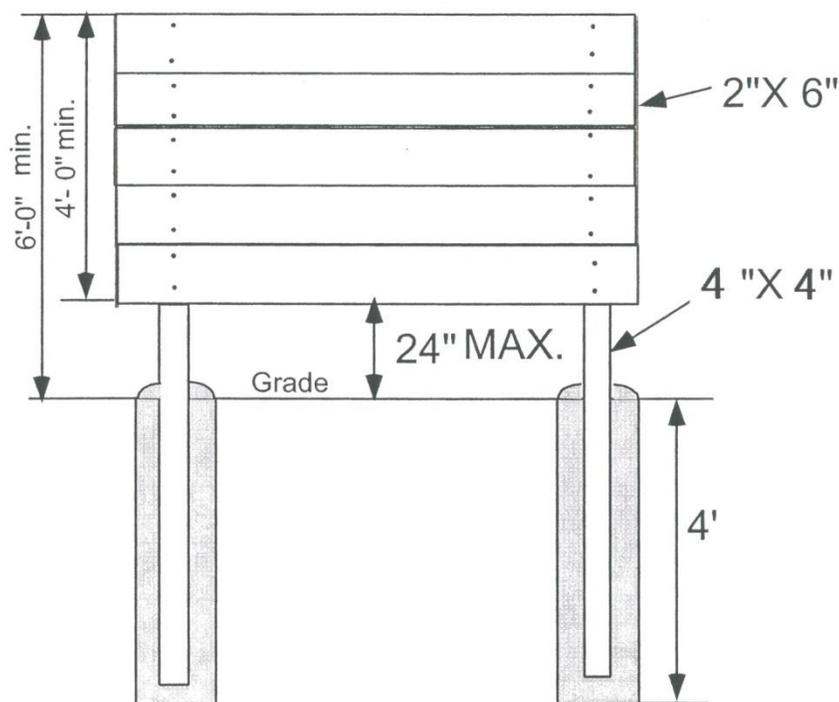


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3.4[2] - Free Standing Wood Structure for Meter Mounting

If a permanent structure is not available for mounting a meter, the following structure may be used if built to Utility specifications.



3.4[3] - Meter Size

Self-contained meters and sockets with lever bypass will be furnished by the Utility for single-phase three-wire installations having a service entrance with a nominal capacity of 400 amperes or less.

3.4[4] - Current Transformer Metering

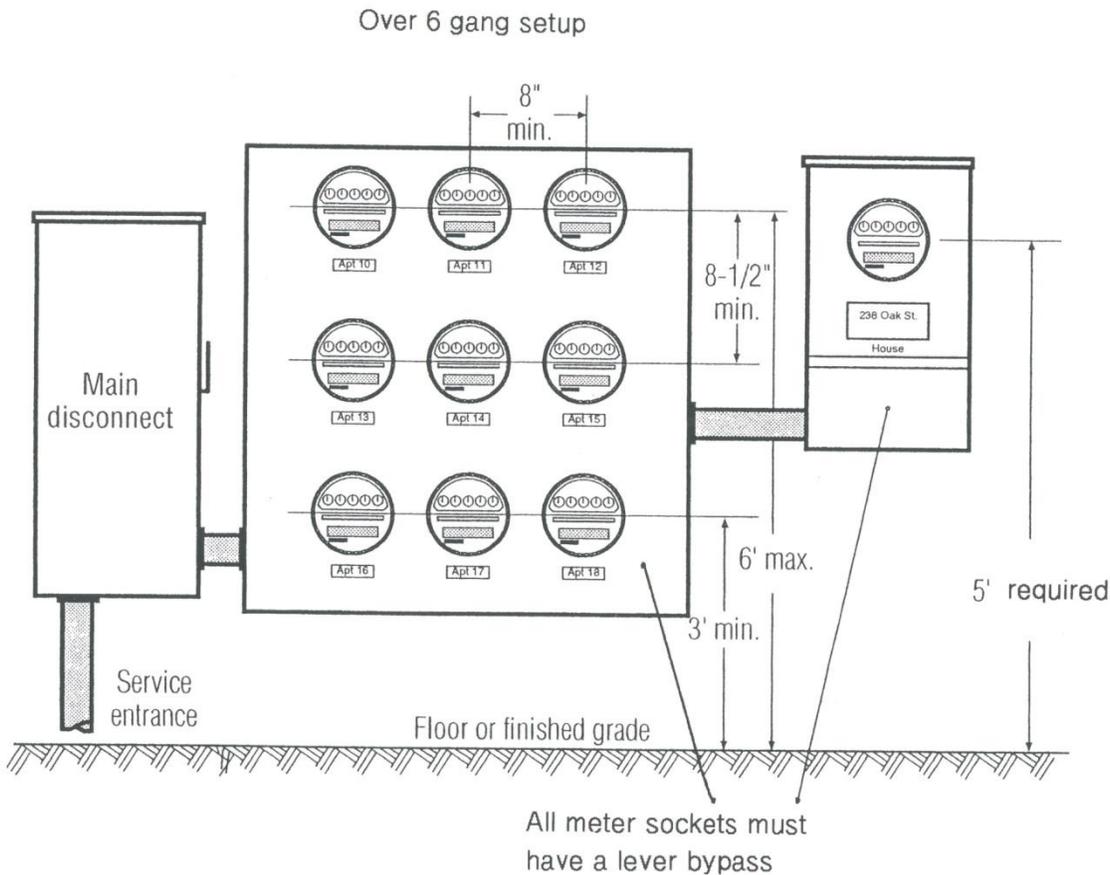
The Customer will furnish space and a weather tight, hinged, sealable metal cabinet to house CT's at a location on the exterior of the building or on a free standing wood structure approved by the Utility. The size of the cabinet will be a minimum of 36" x 36" x 10" for all three-phase services below 800 amps and 24" x 24" x 10" for single-phase services. A 1 inch conduit will be furnished from the CT cabinet to the meter housing located on the exterior of the building. The length of this conduit will not exceed 25 feet. The Customer is responsible for installing the CT cabinet in an approved location on a permanent structure. The customer will also furnish Burndy 2 hole compression lugs for connection to the customer side of CT's. The Utility will terminate connections in CT cabinet. The Utility will install the CT's and meter pedestal for all pad-mount transformers located on the Customer's premises. The Utility is responsible for installing and maintaining the CT's, meter socket, wiring from the CT's to the meter socket and meter for all other installations.

3.4[5] - Multiple Metering

The customer will review multiple metering proposals with the Utility prior to ordering the sockets.

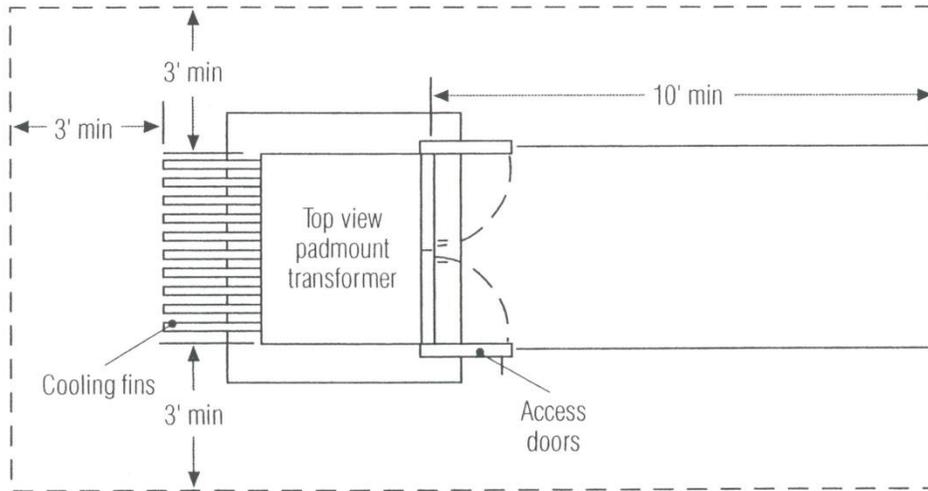
When multiple metering, the maximum is 4 rows of sockets. For 1 or 2 weather tight metering rows, the center of the meters in the top row will be a maximum of 60 inches and a minimum of 42 inches to center of the bottom row. For 3 or 4 rows, the center of the top row will be a maximum of 72 inches and a minimum of 30 inches to the center of the bottom row. Installations of more than 6 multiple sockets requires a main disconnect.

The customer will install Utility approved, heavy duty(clamp jaw), pre-wired, ganged meter sockets with lever bypass. If a house meter socket is used, the meter socket must have a lever bypass. The Customer will provide and keep in the main disconnect, one complete block assembly for sockets with 3 or more positions. The customer will be billed for the cost of the meter socket less the cost of a standard self-contained meter socket normally furnished by the Utility. Each meter socket needs to be labeled with the service address.



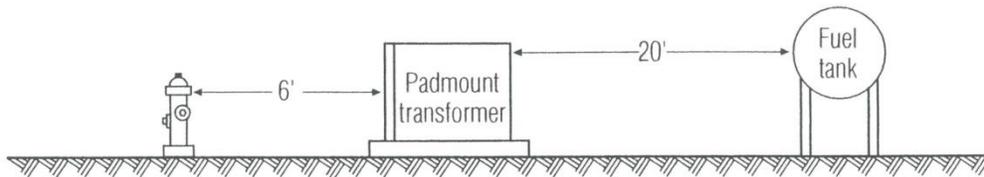
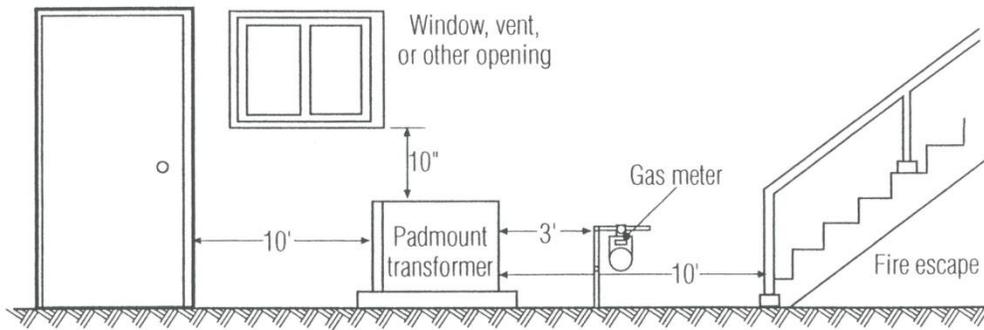
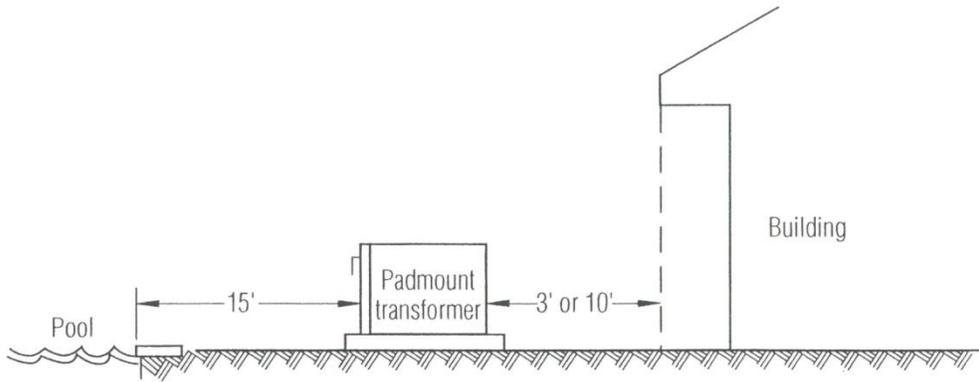
SECTION 3.5 - TRANSFORMER CLEARANCES

Minimum distances are required for the clearance of transformers from walls, windows, doors, gas meters, fire escapes, pools, fuel tanks, etc. Please refer to the following drawings for proper clearance of transformers from these items.



Work clearances around a padmount transformer.

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SECTION 3.6 - RESIDENTIAL SERVICES

3.6[1] - Definition

Applied to separately metered individual dwelling units within the City of Waverly for all normal domestic light, heat, and small power purposes. For row-house construction a separate drop or lateral may be provided for each two attached units. All services will be installed in conduit.

3.6[2] - Meter Socket Location

The preferred location for single-family residential meter sockets is the side or front of the home. Please mount in a clear, unobstructed location.

3.6[3] - Installation Costs

The Utility will install all residential service extensions. Customers will be charged an installation fee for new services based on material costs. The fees will be adjusted as needed to cover changes in installation costs.

3.6[4] - Number of Services

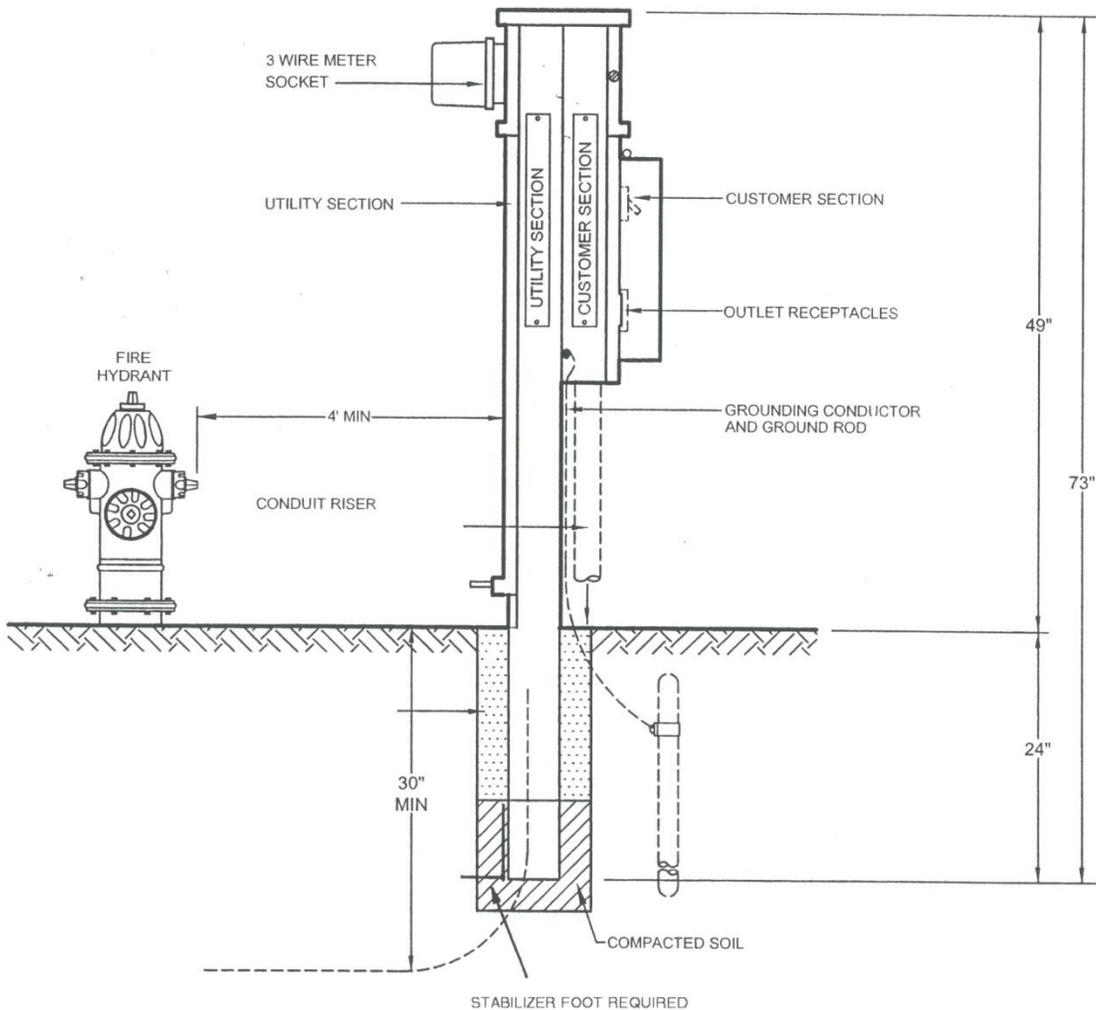
Only one service and meter per rate class will be installed to a residential lot. All additional services on the same property for services to outbuildings, garages, pole buildings, etc. will need to be installed, owned and maintained by the customer from the customer's side of the meter.

3.6[5] - Service Voltages and Maximum Amperage

Residential services will be alternating current, 60 Hertz, single-phase, three-wire 120/240 volts or 120/208 volts. It will be served with either an overhead or pad-mount transformer. The maximum continuous amperage will be 400 amps from an overhead transformer and 600 amps when served by a pad-mount transformer. All services will have a grounded neutral conductor. The minimum fault current rating on service equipment will be 10,000 amps. Service is not available on this rate for three phase requirements.

SECTION 3.7 - MOBILE HOME SERVICES

The Utility will provide a 200 amp meter pedestal designed for use with Mobile Homes. The Customer will pay the difference between a standard meter socket and a mobile home meter sock. The pedestal will include a Utility side for the meter and a customer side designed with a breaker, outlet receptacles and connections for the entrance cable. The Utility owns and maintains the cables on the line side of the meter. The Customer owns and maintains everything on the load side of the meter including the pedestal, cables, breakers and receptacles. The Customer is responsible for installing the meter pedestal firmly and securely according to grade line indications on the pedestal and in compliance with all codes and regulations. The Customer or customer's representative is responsible for making all connections on the load side of the meter.



SECTION 3.8 - RURAL SERVICES

3.8[1] - Definition

NEC Article 547 defines an agricultural building as one where:

- (A) Excessive dust and dust with water may accumulate, including all areas of poultry, livestock, and fish confinement systems, where litter dust or feed dust, including mineral feed particles, may accumulate.
- (B) Corrosive atmosphere exists in buildings and areas where the following conditions exist:
 - (1) Poultry and animal excrement may cause corrosive vapors.
 - (2) Corrosive particles may combine with water.
 - (3) The area is damp and wet by reason of periodic washing for cleaning and sanitizing with water and cleansing agents.
 - (4) Similar conditions exist.

A service to a rural customer who does not have an agricultural building, as defined by NEC Article 547, will follow the rules as set forth for residential services. Please refer to the section listed in this manual for residential services.

A service to a rural customer, who has an agricultural building, as defined by NEC Article 547, will follow the rules as set forth in this section.

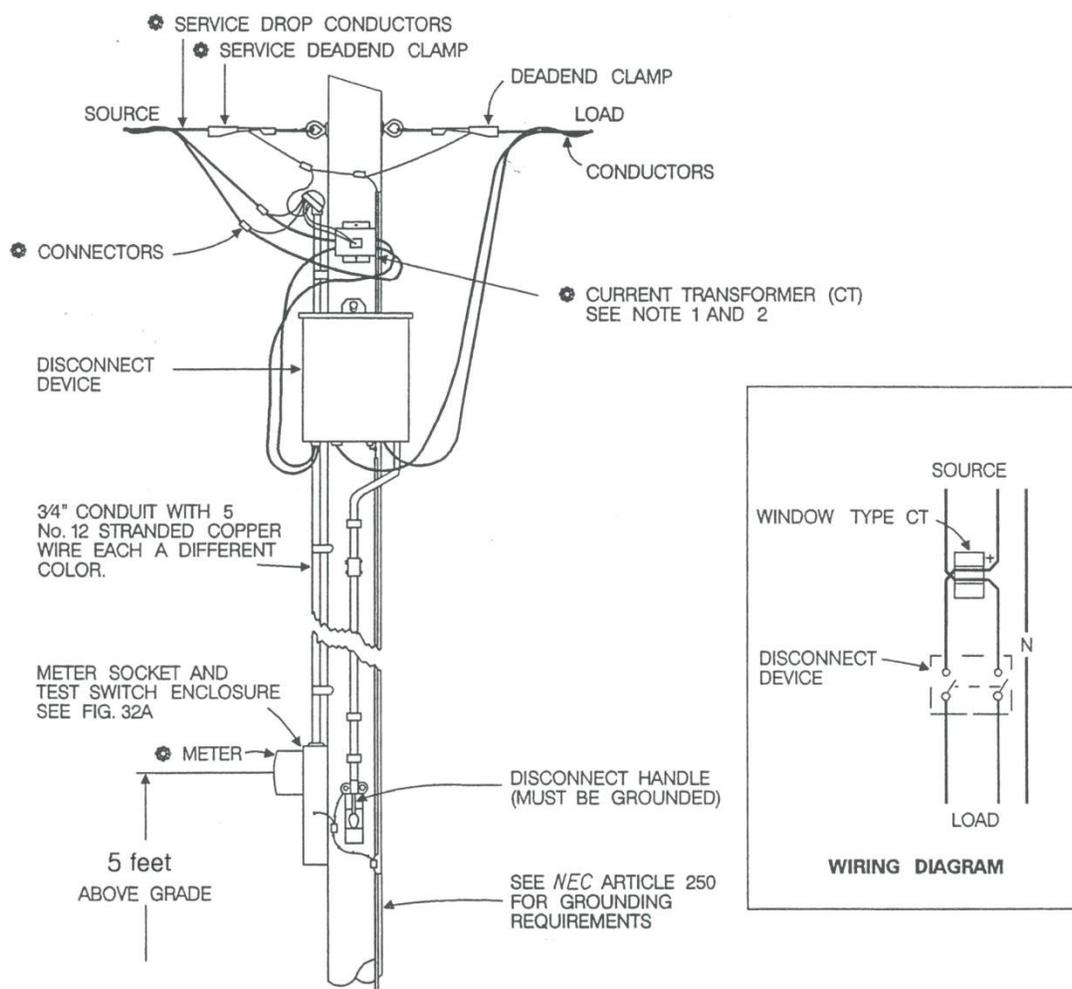
3.8[2] - Customer Owned Equipment

All wiring and equipment beyond the point of delivery will be installed by the customer according to National Electric Code requirements. The Customer must provide fuse or circuit breaker protection for each building supplied from the point of delivery.

The Customer must install a disconnecting device as per NEC Article 230. The unit must have an operating handle at ground level for an overhead service or an equivalent unit for an underground service.

If the Customer has a standby energy source, he must furnish and install the standby loop and a double throw switch approved by the Utility.

Customer owned equipment, wire, cables, lights, etc. are not allowed on utility poles or attached to utility property with the exception of a rural service meter pole.



For rural services, the Utility provides and installs a standard meter, meter socket, CT's, conduit and wire from the CT's to the meter socket.

3.8[3] - Installation Costs

The Utility will install all rural service extensions. Customers will be charged an installation fee for new services based on material costs. The fees will be adjusted as needed to cover changes in installation costs.

3.8[4] - Number of Services

Only one service and meter per rate class will be installed to a rural customer. All additional services on the same property for services to outbuildings, garages, pole buildings, etc. will need to be installed, owned and maintained by the customer from the customer's side of the meter.

3.8[5] - Service Voltages and Maximum Amperage

Rural residential services will be alternating current, 60 Hertz, single-phase, three-wire 120/240 volts or 120/208 volts. Those rural customers requiring a three-phase service will be placed on a commercial rate schedule and will be subject to the requirements of a commercial service. It will be served with either an overhead or pad-mount transformer. The maximum continuous amperage will be 400 amps from an overhead transformer and 600 amps when served by a pad-mount transformer. All services will have a grounded neutral conductor. The minimum fault current rating on service equipment will be 10,000 amps.

3.8[6] - Service Location

The yard pole will be in an accessible location so the supply conductors are in a direct line from the Utilities supply pole, has proper tree clearance and is out of the way of farm equipment traffic. This location must be approved by the Utility.

An underground service transformer or secondary pedestal will be in an easily accessible location, out of the way of farm traffic, protected from potential damage and approved by the Utility. A clear space of ten feet will be maintained at the front of the transformer and three feet on all other sides.

SECTION 3.9 - COMMERCIAL AND INDUSTRIAL SERVICES

3.9[1] - Commercial Service Definition

Applied to small commercial customers within the service area for service delivered through one meter at one location for normal lighting, power, and supplemental heating purposes.

3.9[2] - Commercial Service Voltages and Maximum Amperage

A commercial service will be provided to non-residential customers with less than 50 kW's of demand as single-phase, 3-wire, 120/240 volts or 120/208 volt or three-phase, 4-wire, 120/208 volts or 277/480 volts. Three phase 120/208 volt service entrance panels rated 800 amps or larger and three phase 277/480 volt service entrance panels rated 400 amps or larger are automatically assigned to General Service (50 kw demand requirement is waived). Please check with the Utility for availability of voltages as not all voltages are readily available at all locations.

3.9[3] - General (Industrial) Service Definition

Applied to commercial customers with demand requirements over 50 kW occurring four(4) or more months in any twelve(12) month period. This may include industrial and commercial customers within the service area for service delivered through one meter at one location for all purposes.

3.9[4] - General (Industrial) Service Voltages and Maximum Amperage

The power will be delivered as 4-wire, three-phase power at either 120/208 volts or 277/480 volts. Three phase 120/208 volt service entrance panels rated 800 amps or larger and three phase 277/480 volt service entrance panels rated 400 amps or larger are automatically assigned to General Service (50 kW demand requirement is waived). Service may also be delivered at primary voltage subject to provisions of primary voltage riders. Please check with the Utility for availability of voltages as not all voltages are readily available at all locations.

3.9[5] - Primary Service Voltage Costs

The Utilities primary service voltage is offered at 7200/12470 volts on a 4 wire system. If primary voltage is desired, both potential and current transformers are required for metering purposes. The Utility will provide and install the primary metering. The customer is responsible for reimbursing the Utility for all costs associated with installation of the primary metering including CT and PT transformers, cabinets, materials, labor and equipment. When more than one transformer is furnished by the Utility, it is the customer's responsibility to furnish transformer locations, pads, primary metering cubicle, protective switchgear, fusing, and primary cable, all approved by the Utility. An industrial customer may own and maintain its transformers and may receive a transformer discount according to current rate schedules.

All customer owned primary systems must be maintained at Waverly Utilities' system voltage of 7200/12470 grounded Y on a 4 wire system. The customer must maintain their system in accordance with all NEC, NESC, State of Iowa, Bremer County, and City of Waverly codes, be inspected annually and maintained by an electrician who is trained and qualified to work on a 7200/12470GY system.

3.9[6] - Secondary Service to Multiple Locations

A customer's load and/or distance conditions may dictate the need for secondary service delivery at more than one location. If more than one secondary voltage is required, the Utility may install a second service at the Utilities discretion. Please reference Article 230.2 of the *National Electric Code* for conditions that allow additional services to the same location.

3.9[7] - Switching from a Primary Service to Secondary Service

When a current primary customer wants to become a secondary customer, the customer will need to bring their system to the current Utility standards.

3.9[8] – Installation Costs

The Utility will install commercial and industrial services as required by the Rules of Operation. Customers will be charged an installation fee for new services based on material costs. The fees will be adjusted as needed to cover changes in installation costs.

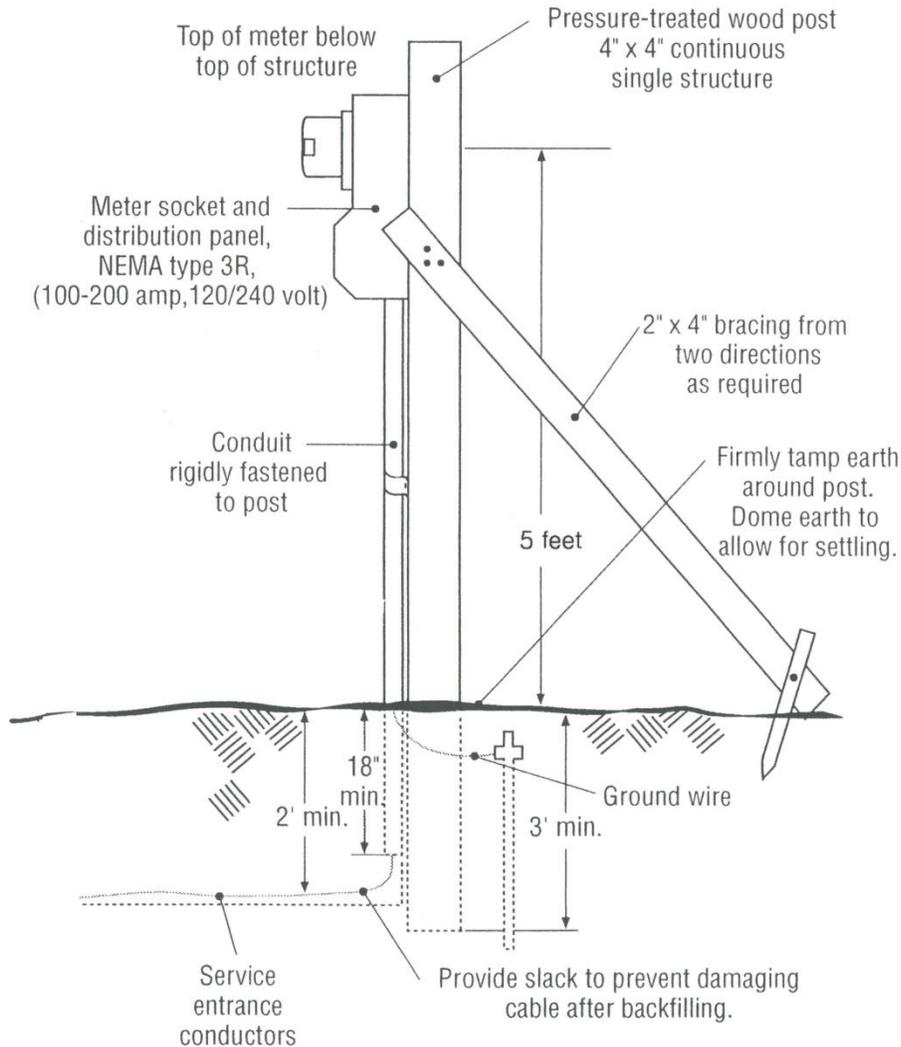
SECTION 3.10 - TEMPORARY SERVICES

3.10[1] - Single-Phase Temporary Services

A service application is required for all temporary services. Waverly Utilities will approve the location of all temporary services.

Temporary services will have an active duration of no more than 1 year.

When the customer no longer requires the temporary service, the customer will notify Waverly Utilities to remove the service. The cost of installing, removing and the electricity used by the temporary service will be charged to the customer. Temporary services may not be classified as permanent unless such installations meet all the requirements set forth in this manual and all applicable codes and regulations.



3.10[2] - Large Capacity Three-Phase and Primary Temporary Services

The Customer will submit specific proposals for Waverly Utilities approval.

SECTION 3.11 - COMMUNICATION TOWER SERVICES

All communication towers are considered to be structures. Waverly Utilities will provide one service to a tower site regardless of the number of towers. The tower owner will be responsible for providing metering and service entrance facilities to serve all tenants utilizing the tower facilities.

SECTION 3.12 - MOTORS AND SPECIAL EQUIPMENT

The proper operation of motors and other electrical equipment is necessary to minimize objectionable motor starting effects and to otherwise protect the service to other customers. All motors require starting currents substantially greater than their normal running currents. Excessive starting currents will result in objectionable drops in the supply voltage to the customers in the vicinity. Therefore, the customer's equipment will conform to the following requirements and any exceptions will be subject to agreement by the Utility.

3.12[1] - Protection of Motors and Other Equipment

Customers are advised to provide protection in accordance with the NEC or other pertinent sources of information for all types of equipment including, but not limited to, motors, computers, electronic equipment, and equipment in which computers or electronic equipment form an integral operating part, to adequately protect such equipment under all conditions including the following:

1. Overload
2. Loss of voltage
3. High or low voltage
4. Loss of phase (single-phasing on polyphase motors)
5. Re-establishment of normal service after any of the above
6. Phase reversal
7. Motors that cannot be subjected to full voltage on starting
8. Harmonics or wave form irregularities

The failure of the customer to provide proper protection may result in needless damage to equipment and the expense of delay and repair. For further information about protective devices, the customer is urged to contact the equipment supplier or the Utility.

3.12[2] - Guidelines for Motor Sizes

Single phase motors, 5 horsepower and smaller, may be operated without special means of reducing starting current. Single-phase motors larger than 5 hp may be permitted with Utility approval, provided the Utilities electric facilities are adequate to supply the service and provided the use of such a motor or motors does not interfere with the quality of service rendered to other customers.

In general, single-phase motors up to 2 hp may be operated on 120 volts. Single-phase motors 2 hp and larger will not be operated on 120 volts. Poly-phase motors larger than 5 hp which are operated from a single-phase service by use of a phase converter will only be allowed with Utility approval.

Poly-phase motors rated 15 hp and less may be started at full line voltage. For larger motors, the Utility reserves the right to require the customer to limit the motor starting current by the use of reduced-voltage starters or other acceptable means. Contact the Utility regarding any starting current limitations or information on high-efficiency motors.

The Utility reserves the right to disallow the use of large electric motors which may have an adverse effect of the Utilities electric system.

3.12[3] - Group Motor Installation

Reduced-voltage starting requirements for the largest motor will be the maximum allowable across-the-line starting current for smaller motors. In this case, the reduced-voltage starting requirements for smaller motors may be omitted.

3.12[4] - Large Electric Load Equipment

The installation of welders, electric furnaces, large capacity or quick recovery water heaters, and similar equipment may adversely affect the electric service to adjacent customers and will not be connected to the Utilities lines without prior approval.

Please call the Utility prior to the installation so an adequate service may be installed.

3.12[5] - Power Factor

A low power factor has an adverse effect on the Utilities and Customers electric systems. The Utilities electric tariffs impose an additional cost when the average power factor of the Customer's system is below a specified limit. Cost justification may exist for the customer to install high power factor equipment and/or capacitors on the Customer's electric system to maintain an acceptable power factor. Motors should be sized so that normal motor operation is at or near their rated capacity to assist in maintaining a desirable power factor.

SECTION 3.13 - STANDBY GENERATOR SERVICE

The Utility will allow the use of standby electric generators for temporary or emergency electric service. For the safety and protection of Utility employees and property, as well as protection of the Customer's equipment, there must be a positive way to guarantee that the standby generator cannot accidentally be connected in parallel to the Utilities system.

A manual or automatic transfer switch must be installed at the Customer's expense. This switch must be designed so that under no conditions will the standby generator and the Utilities electrical system operate in parallel. The transfer switch must open all ungrounded conductors from one source before connection is made to the other source. The switch should contain a visual break or some method that determines the physical position of the switch. The switch will be installed in compliance with all NEC codes.

SECTION 3.14 - GRAIN BINS – From National Electric Safety Code C2-2012, pgs122, 128-129

F. Clearances of wires, conductors, cables, and rigid live parts from grain bins

1. Grain bins loaded by permanently installed augers, conveyers, or elevator systems

All portions of grain bins that are expected to be loaded by the use of a permanently installed auger, conveyer, or elevator system shall be considered as a building or other installation under Rule 234C for the purpose of determining appropriate clearances of wires, conductors, cables, and rigid live parts. In addition, the following clearances shall also apply without wind displacement. See Figure 234-4(a).

- a. A clearance of not less than 5.5 m (18 ft) in all directions above the grain bin shall be maintained from each probe port in the grain bin roof for all wires, conductors, and cables.
- b. A horizontal clearance of not less than 4.6 m (15 ft) shall be maintained between grain bins and open supply conductors, 0 to 22 kV. This clearance does not apply to a neutral conductor meeting Rule 230E1.

2. Grain bins loaded by portable augers, conveyers, or elevators (with no wind displacement)

- a. The clearance of wires, conductors, cables, and rigid live parts from grain bins that are expected to be loaded by the use of a portable auger, conveyer, or elevator shall be not less than the values illustrated in Figure 234-4b.

EXCEPTION: Clearances of the following items on the nonloading side of grain bins shall be not less than those required by Rule 234C for clearances from buildings:

- (a) Support arms; effectively grounded equipment cases
 - (b) Insulated communication conductors and cables, messengers, surge-protection wires, grounded guys, neutral conductors meeting Rule 230E1, and supply cables meeting Rule 230C1
 - (c) Supply cables of 0 to 750 V meeting Rule 230C2 or 230C3
- b. Any side of a grain bin is considered to be a nonloading side if it is so designated, or if it is so closely abutting another structure or obstruction, or so close to a public road or other right-of-way that a portable auger, conveyor, or elevator is not reasonably anticipated to be used over that side or portion to fill the grain bin.
 - c. Where an agreement excludes the use of portable augers, conveyers, or elevators from a designated portion of a grain bin, such portion is considered to be a nonloading side.

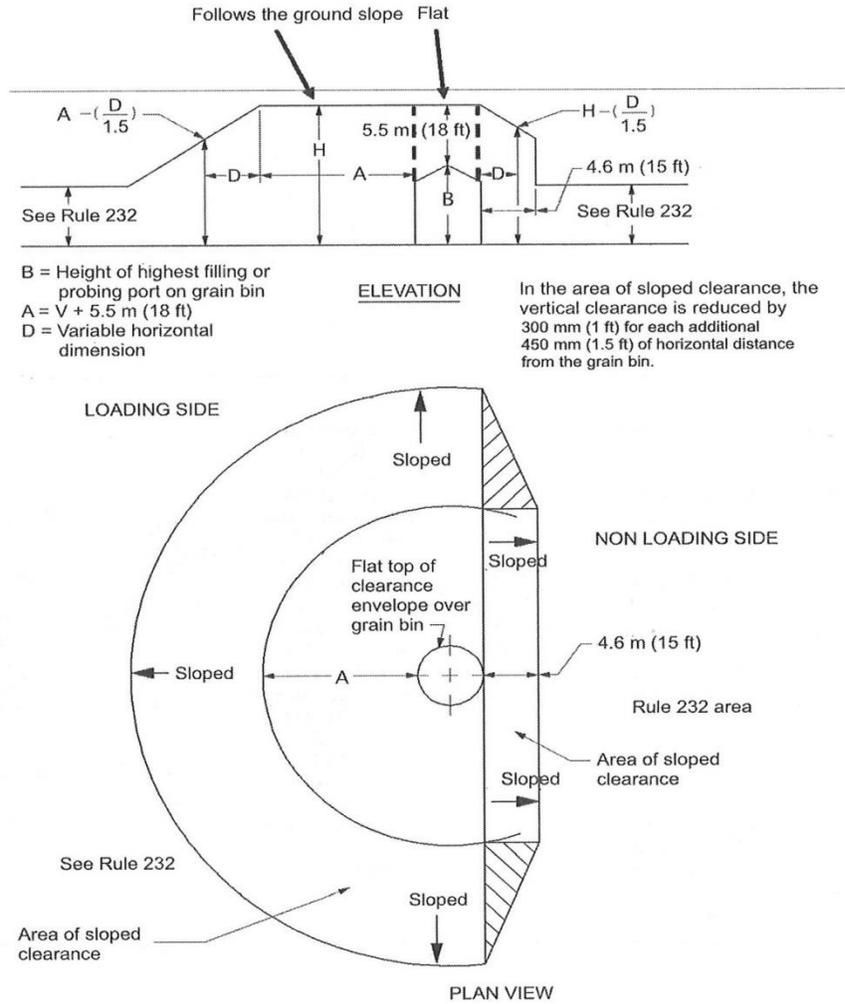


Figure 234-4(b)—Clearance envelope for grain bins filled by portable augers, conveyors, or elevators

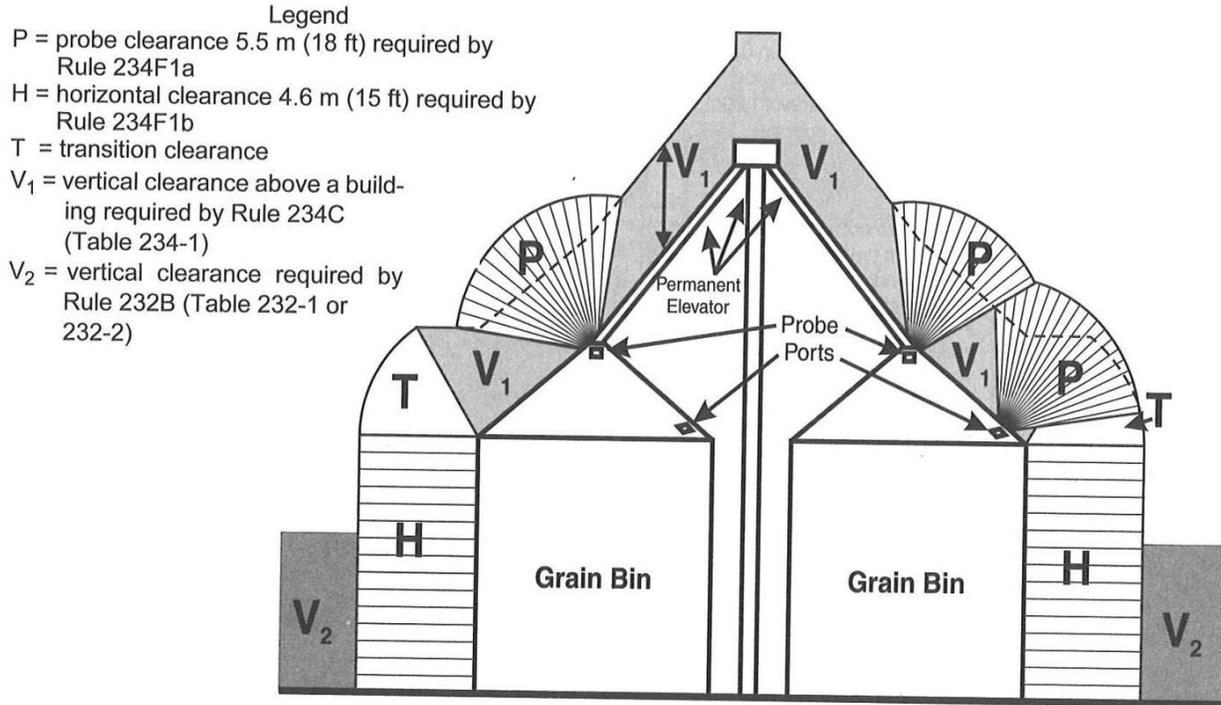


Figure 234-4(a)—Clearance envelope for grain bins filled by permanently installed augers, conveyors, or elevators

SECTION 3.15 - HOUSE MOVES

House moves within the Waverly Utilities service territory will be allowed for moving heights less than 20 feet. House moves with a loaded height above 20 feet which cross under Utility power lines, will not be allowed. A deposit exceeding the estimated moving cost for the Utility is required before the house may be moved. The Utility requires a 14 day advance notice of the day the house is to be moved and a map designating the route. The route must be approved by the Utility before proceeding with the move. The Utility reserves the right to reject any proposed routes. It is the responsibility of the Customer to obtain all necessary permits prior to the house move.

SECTION 3.16 – INTERCONNECTION STANDARDS FOR PARALLEL INSTALLATION AND OPERATION OF CUSTOMER-OWNED RENEWABLE ELECTRIC GENERATING FACILITIES

Part 1. OVERVIEW

1. **PURPOSE:**

The purpose of this document is to establish standards for the Utility to interconnect and operate in parallel with customer-owned renewable electric generators.

2. **DEFINITIONS:**

- a. **Applicable Laws and Regulations** – All duly promulgated applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority.
- b. **Avoided Costs** – The incremental cost to the Utility of electric energy which, but for the purchase from the Customer’s Generating Facility, the Utility would generate itself or purchase from another source. It is the average yearly cost per kwh to the utility of the energy portion of the power purchased from the Municipal Energy Agency of Nebraska. This is calculated at the end of each calendar year and is effective for the following year.
- c. **Customer** – Any entity interconnected to the Utility’s distribution system for the purpose of receiving retail electric power service from the Utility’s distribution system.
- d. **Customer Generator** – The owner or operator of a Generating Facility which:
 - i. is powered by a renewable energy resource;
 - ii. is located on a premises owned, operated, leased or otherwise controlled by the Customer Generator;
 - iii. is interconnected and operates in parallel phase and synchronization with an affected utility and is in compliance with the standards established by the affected utility;
 - iv. is intended primarily to offset part or all of the Customer Generator’s own electrical energy requirements;
 - v. contains a mechanism, approved by the utility, that automatically disables the unit and interrupts the flow of electricity back onto the supplier's electricity lines in the event that service to the Customer Generator is interrupted.
- e. **Distribution System** – The Utility's facilities and equipment used to transmit electricity to ultimate usage points such as homes and industries directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances.
- f. **Force Majeure** – 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.
- g. **Generating Facility** – For purposes of this Standard, the Customer's device for the conversion of wind or solar energy to electricity, as identified in the Interconnection Application.

- h. **Good Utility Practice** – Any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.
- i. **Governmental Authority** – Any federal, state, local or other governmental regulatory or administrative agency, court, commission, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority having jurisdiction over the Parties, their respective facilities, or the respective services they provide, and exercising or entitled to exercise any administrative, executive, police, or taxing authority or power; provided, however, that such term does not include the Customer or any Affiliate thereof.
- j. **Interconnection Application** – The Customer's request to interconnect a new Generating Facility, or to increase the capacity of, or make a material modification to the operating characteristics of, an existing Generating Facility that is interconnected with the Utility's electrical system.
- k. **Interconnection Standard** – Any reference to Interconnection Standard shall mean all the provisions, forms and related documents described in the collective parts of this document, the Interconnection Standards for Parallel Installation and Operation of Customer-Owned Renewable Electric Generating Facilities, as of the date adopted and printed on the cover page.
- l. **Net Metering** - A bi-directional metering process using equipment sufficient to measure the difference between the electrical energy supplied by a Customer Generator to the Utility's Distribution System and the electrical energy supplied by the Customer Generator to the Utility and over an applicable billing period.
- m. **Qualifying Facility** – A cogeneration facility or a small power production facility that is a qualifying facility under 18 CFR Part 292, Subpart B, used by an interconnection customer to generate electricity that operates in parallel with the electric distribution system or local electric power system. Qualifying Facilities that are not Generating Facilities under subparagraphs “g” above may qualify for interconnection with the Utility under provisions of the Public Utilities Regulatory Policies Act (PURPA), but the terms and conditions of interconnection shall be determined on a case-by-case basis.
- n. **Reasonable Efforts** – With respect to an action required to be attempted or taken by a Party under the Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.
- o. **System Average Energy Cost** – The current average cost of fuel and purchased energy for the billing period as determined by the Utility.
- p. **System Upgrades** – The additions, modifications, and upgrades to the Utility's Distribution System at or beyond the point of interconnection to facilitate interconnection of the Generating Facility and render the transmission service necessary to effect the Interconnection Customer's wholesale sale of electricity in interstate commerce. Distribution Upgrades do not include Interconnection Facilities.

3. **ELIGIBILITY:**
 - a. Interconnection to the electric system shall be granted only to new or existing customers, in good standing, under the Utility's electric service schedules. The Interconnection Agreement shall be between the Customer and the Utility and will not include third parties.
 - b. The Interconnection Standards apply to a customer-owned Generating Facility with a rated output of 25 kilowatts (kW) or fewer. Proposals to interconnect a customer-owned generator with output rated at more than 25 kW or Qualifying Facility not covered by this standard will be subject to a review process that may take into account the impact of the interconnection on reliability, rates, power supply agreements, and local and regional system planning.
4. **REQUEST:**

All customers installing renewable electric generating facilities are required to make a request by completing the attached document entitled "Application for Interconnection". The Utility may require additional details or clarifications as needed to properly evaluate the application.
5. **SYSTEM EFFECTS:**

The Utility will analyze the overall impact of the proposed generating facility on the transmission and distribution system. Such analyses will be based on Good Utility Practice to determine thermal effects, voltage ranges, power quality, system stability, etc.
6. **SYSTEM UPGRADES:**

The Customer will be required to pay for any additional transmission, distribution, metering or administrative costs at actual time and material rates as required to provide service to the generating facility. The Utility will provide the Customer with a cost estimate and projected timeframe for any system upgrades that may be necessary to accommodate the generating facility.
7. **AGREEMENT:**

Once the Customer and the Utility have identified and mutually agreed on the scope of the overall project including the generating facility, system upgrades and estimated costs, the Customer and the Utility shall execute the attached document entitled "Interconnection Agreement".
8. **CODES AND PERMITS:**
 - a. The Customer shall be responsible for procuring all building, operating and environmental permits that are required by any Governmental Authority having jurisdiction for the type of generating facility and for the necessary ancillary structures to be installed.
 - b. The equipment shall meet the standards listed in the attached document entitled "National Certification Codes and Standards".
 - c. The construction and facilities shall meet all applicable building and electrical codes.
9. **NET METERING:**

The Customer shall complete the necessary net metering service schedule documentation to permit the bi-directional flow of electricity and the financial treatment of the net deliveries.
10. **CERTIFICATE OF COMPLETION:**

Upon completion of the generating facility and prior to normal operation, the Customer shall provide a signed copy of the attached document entitled "Certificate of Completion".
11. **NORMAL OPERATION:**

The Customer may begin normal operation of the generating facility upon completion of all documentation and receipt of written approval from the Utility.

Part 2. TECHNICAL REQUIREMENTS

1. CHARACTER OF SERVICE:

The electrical service shall be 60 cycle per second alternating current (AC) at supply voltages and number of phases that apply under the Utility's rate schedules.

2. CODE REQUIREMENTS:

The Generating Facility shall meet all requirements established by the National Electrical Code (NEC), National Electrical Safety Code (NESC), Institute of Electrical and Electronics Engineers (IEEE), Underwriters Laboratories (UL), and Occupational Safety and Health Administration. Specific codes are listed in Section 7 of this Part 2, below as "National Certification Codes and Standards". In addition, Manufacturer's Ownership, Operating and Maintenance Manuals shall be reviewed and accepted by both parties prior to beginning operation.

3. GENERATING FACILITY CONTROL AND OPERATION:

The control system of the Generating Facility shall comply with the IEEE specifications and standards for parallel operation with the Utility and in particular as follows:

- a. Power output control system shall automatically disconnect from Utility source upon loss of Utility voltage and not reconnect until Utility voltage has been restored by the Utility.
- b. Power output control system shall automatically disconnect from Utility source if Utility voltage fluctuates beyond plus or minus 5% (five percent). The Customer shall provide adequate protection to prevent damage to the Utilities electrical system from inadvertent over/under voltage conditions originating in Customer's generating facility and to protect the Customer's generating facility from inadvertent over/under voltage conditions originating from the Utilities electrical system. Follow the IEEE 1547 standard for voltage ranges and clearing times for interconnection settings.
- c. Power output control system shall automatically disconnect from Utility if frequency fluctuates plus or minus 2 cycles (Hertz).
- d. Inverter output distortion shall meet IEEE requirements.
- e. The Generating Facility shall meet the applicable IEEE standards concerning impacts to the Distribution System with regard to harmonic distortion, voltage flicker, power factor, direct current injection and electromagnetic interference.
- f. The voltage produced by the Customer's generating facility must be balanced if it is a three-phase installation. The Customer is responsible for protecting the generating facility from an inadvertent phase unbalance in the Utilities service voltage.

4. FAULT PROTECTION

The Generating Facility shall be equipped with protective equipment designed to automatically disconnect during fault current conditions and remain disconnected until the voltage and frequency have stabilized. The Customer's equipment shall protect the Utility from fault currents originating from Customer's generating facility. The Customer shall also be responsible to provide adequate protection for the generating facility from fault currents originating in the Utilities electrical system.

5. RECLOSING COORDINATION

The Generating Facility shall be coordinated with the Distribution System reclosing devices by disconnecting from the system during the initial de-energized operation and shall remain disconnected until the voltage and frequency have stabilized.

6. DISCONNECT DEVICE:

A safety disconnect switch shall be installed that is visible to and readily accessible by Utility personnel. The switch shall be capable of being locked in the open position and shall prevent the generator from supplying power to the distribution system.

7. STANDARDS FOR INTERCONNECTION, SAFETY, AND OPERATING RELIABILITY

The interconnection of a Customer-Owned Generating Facility and associated interconnection equipment to the Utility's Distribution Facilities shall meet the applicable provisions of the following publications:

- a. ANSI/IEEE1547-2003 Standard for Interconnecting Distributed Resources with Electric Power Systems (including use of IEEE 1547.1 testing protocols to establish conformity). The following standards shall be used as guidance in applying IEEE 1574:
 - i. IEEE Std 519-1992, IEEE Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems
 - ii. IEC/TR3 61000-3-7 Assessment of emission limits for fluctuating loads in MV and HV power systems
- b. Iowa Electric Safety Code, as defined in 199 IAC Chapter 25
- c. ANSI/NFPA 70 (2008), National Electrical Code
- d. OSHA (29 CFR § 1910.269)
- e. City of Waverly, Iowa codes and requirements
- f. Bremer County, Iowa codes and requirements

Part 3. NET METERING FOR CUSTOMERS' RENEWABLE GENERATION

1. PURPOSE:

The provisions of this policy set forth the terms and conditions under which a customer may be compensated for net deliveries of energy and/or capacity to the Utility from Customer Generators with Renewable Energy Resources approved by the Utility.

2. DEFINITIONS:

The definitions used in this Part are those found in Part 1, Section 2 of this Interconnection Standard.

3. NET METERING GENERAL PROVISIONS:

- a. The Utility requires Net Metering from its Customers that wish to generate electricity on the Customer's side of the meter using only renewable resources for energy sources.
- b. Net Metering is intended for Customer Generators with a rated output of 25 kilowatts (KW) or fewer produced through conversion of wind or solar energy.
- c. The Utility shall make Net Metering available to eligible Customer Generators within its service area on a first-come, first-served basis. The maximum total rated capacity in kW of customer generation that will be allowed on the Utility's system shall be limited to not more than 5% percent of the Utility's peak demand during the previous Annualized Period. Interconnection of Generating Facilities in excess of this system limit shall be evaluated on a case-by-case basis
- d. Customer Generators shall be equipped with properly approved Utility metering equipment as follows: Meter #1 shall meter the total amount of energy produced by the Customer Generator (installed between the inverter and service panel); and Meter #2 (bi-directional meter) shall meter the total energy delivered to the distribution system, the total amount of energy received by the customer and the net amount of energy. Meter sockets and meters will be supplied by Waverly Utilities. Customer is responsible for installation of the meter sockets by a qualified electrician.
- e. Whenever the amount of electricity delivered by an eligible Customer Generator in a billing period exceeds the electricity supplied by the Utility in such billing period, the Utility shall settle with the Customer Generator for the excess kilowatt-hours (kWh) in accordance with the billing practices described in this policy.
- f. If a Customer Generator formally terminates Net Metering, the Utility shall treat the end of the service period as if it were the end of the billing period and, if applicable, settle with the Customer Generator according to the appropriate billing practices. Customer Generator equipment must be removed at termination of Net Metering.
- g. The Utility shall provide Net Metering at non-discriminatory rates that are identical with respect to the applicable customer rate class, retail rate components, and any monthly charges, to the rates that a customer would be charged if not a Customer Generator.
- h. The Utility shall not charge a Customer Generator any fee or charge, or require additional equipment or any other requirement, unless the fee, charge, or other requirement is specifically authorized under the terms of the Interconnection Agreement, this Policy or if the fee, charge or other requirement would apply to other customers that are not Customer Generators. Any insurance coverage that may be required is specifically exempted from this paragraph.
- i. Nothing in this Policy shall abrogate any Customer's obligation to comply with all applicable Federal, State, or local laws, codes, or ordinances; nor with the Service Rules and Policies of the Utility.

4. INTERCONNECTION STANDARDS

To qualify for Net Metering, Customer Generators must comply with the Utility's Interconnections Standards for Parallel Installation and Operation of Customer-Owned Electric Generating Facilities.

5. REQUEST

The Customer Generator shall make a request for Net Metering by completing the Utility's Application for Net Metering and the Utility's Application for Interconnection. The Utility may require additional details or clarifications as needed to properly evaluate the application.

6. BILLING PRACTICES

The following net billing provisions shall apply to net consumption of energy by a Customer whose Generating Facility is eligible for Interconnection under Part 1, Section 3 of this Standard and has received Approval to Energize under Part 7 of this Standard.

Net Metering Credit – Financial Credit

- a. **Positive Net Consumption.** Whenever the amount of electricity delivered by an eligible Customer Generator in a billing period is less than the electricity delivered by the Utility during such billing period the net energy supplied by the Utility will be billed in accordance with the rate schedule applicable to the Customer's assigned rate class and all applicable riders.
- b. **Negative Net Consumption.** Whenever the amount of electricity delivered by an eligible Customer Generator in a billing period is more than the electricity supplied by the Utility in a billing period, the Utility shall credit the Customer Generator for the excess kilowatt-hours. The excess kilowatt-hours will be credited to the Customer Generator's account on a monetary basis at the Avoided Cost.
- c. **Obligation for Other Charges.** Regardless of whether the Customer Generator is entitled to receive financial credit for excess electrical energy from a prior billing period, Customer Generators remain responsible for all charges incurred during each billing period including, but not limited to: customer charges, facilities charges, demand charges, environmental charges, transmission charges, any late payment charges, and any requirements for deposits or special charges or fees that may be applied.

Part 4. INTERCONNECTION & NET METERING APPLICATION

Application No. _____

This Application for Interconnection and net metering of customer-owned renewable generation is considered complete when it provides all applicable and correct information required below. Additional information or clarification to evaluate the Application may be requested by the Utility.

Processing Fee

- For systems with a rated output of 10 kW or fewer, a non-refundable processing fee of \$100 must accompany this Application.
- For systems with a rated output greater than 10 kW and up to 25 kW, a non-refundable fee of \$200 must accompany this Application.

Customer

Name: _____
Address: _____
City: _____ State: _____ Zip: _____
Telephone (Day): _____ (Evening): _____
Fax: _____ E-Mail Address: _____

Contact (if different from Customer)

Name: _____
Address: _____
City: _____ State: _____ Zip: _____
Telephone (Day): _____ (Evening): _____
Fax: _____ E-Mail Address: _____

Owner of the facility: _____

Generating Facility Information

Location (if different from above): _____
Generator Manufacturer: _____
Model: _____
Inverter Manufacturer: _____
Model: _____

Nameplate Rating: (kW) _____ (kVA) _____
Energy Source: Solar Wind Other (describe) _____
Voltage: _____ Phase: _____
Frequency: _____
Disconnect Switch Manufacturer and Model: _____
Tower height and rotor diameter (if wind system): _____
Is the equipment UL1741 Listed? Yes No

If Yes, attach manufacturer's cut-sheet showing UL1741 listing

Estimated Installation Date: _____ Estimated In-Service Date: _____

List components of the Small Generating Facility equipment package that are currently certified:

Equipment Type	Certifying Entity
1. _____	_____
2. _____	_____
3. _____	_____

4. _____

Provide a one line diagram of the Small Generating Facility. The one line diagram is a basic drawing of an electric circuit in which one or more conductors are represented by a single line and each electrical device and major component of the installation, from the generator to the point of interconnection, are noted by symbols.

5. Please attach monthly output load profiles showing the monthly generation output of the generator.

Customer Signature

I hereby certify that, to the best of my knowledge, the information provided in this Application is true. I agree to abide by the terms and conditions of the Utility's Interconnection Standard and will return the Certificate of Completion when the Generating Facility has been installed.

Signature: _____ Date: _____

----- **Utility Use** -----

Contingent Approval to Interconnect the Generating Facility

Interconnection of the Generating Facility is approved contingent upon the terms and conditions of the Utility's Interconnection Standard and upon return of the Certificate of Completion.

Utility Signature: _____

Title: _____ Date: _____

Application Number: _____

Utility waives inspection/witness test? Yes No Initial _____

Part 5. INTERCONNECTION AND NET METERING AGREEMENT

Application No. _____

This Agreement, (“**Agreement**”) is entered into by and between Waverly Utilities (“**Utility**”) and _____, (“**Customer**”). Customer and Utility are referenced in this Agreement collectively as “**Parties**” and individually as “**Party**.”

Recitals

WHEREAS, Utility is a municipal electric utility engaged in the retail sale of electricity in the state of Iowa;

WHEREAS, Customer owns or desires to install, own and operate an electric Generating Facility;

Agreement

NOW, THEREFORE, in consideration of the covenants and promises herein, the Parties mutually agree as follows:

1. **SCOPE OF AGREEMENT**

This Agreement governs the terms and conditions under which the Customer’s Generating Facility will interconnect with and operate in parallel with the Utility’s electrical system.

2. **DEFINITIONS:**

The definitions used in this Part are those found in Part 1, Section 2 of this Interconnection Standard.

3. **PARALLEL OPERATION**

Customer shall not commence parallel operation of the generating facility until written approval of the interconnection facilities has been given by Utility. Such approval shall not be unreasonably withheld. Utility shall have the right to have representatives present at the initial testing of Customer’s protective apparatus.

4. **INTERCONNECTION COSTS**

The Utility has estimated the costs, including overheads, for the purchase and construction of necessary System Upgrades to its Distribution System and has provided a detailed itemization of such costs in the attached description of the estimated System Upgrade costs. The Customer agrees to pay the costs upon receipt of the Utility’s invoice within the timeframe indicated on the invoice.

5. **INTERRUPTION OR REDUCTION OF DELIVERIES**

Utility may require Customer to interrupt or reduce deliveries when the Utility determines, in its sole discretion, that curtailment, interruption or reduction is necessary because of personnel safety, emergencies, Force Majeure or compliance with Good Utility Practices

6. **ADVERSE OPERATING EFFECTS**

The interconnection of the customer-owned generation shall not reduce the reliability and quality of the Distribution System. This includes, but is not limited to high levels of harmonics, abnormal voltage fluctuations and excessive frequency deviations. The Utility shall notify the Customer as soon as practicable if, based on Good Utility Practice, operation of the Generating Facility may cause disruption or deterioration of service to other customers served from the same electric system, or if operating the Generating Facility could cause damage to the Utility’s distribution system. If, after notice, the Customer fails to remedy the adverse operating effect within a reasonable time, the Utility may disconnect the Generating Facility. The Utility shall provide the Customer with notice of such disconnection as provided in the Utility’s Service Policies.

7. ACCESS TO PREMISES

Utility shall have access to the Customer's premises or property as permitted in the Service Policies.

8. INSURANCE

The Customer shall, at its own expense, maintain in force general liability insurance without any exclusion for liabilities related to the interconnection undertaken pursuant to this Agreement. The amount of such insurance shall be not less than \$100,000 combined single limit.

9. LIABILITY

The Customer will be responsible for providing and maintaining all equipment they deem necessary for the protection of the own property and operations. By virtue of the interconnection to the generating facility, the Utility assumes no liability for the protection of any property of person associated with the qualifying facilities operations.

10. INDEMNIFICATION

To the fullest extent permitted by law, Customer shall indemnify, defend (at Customer's sole expense) and hold harmless Waverly Utilities, the City of Waverly, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns ("Indemnified Parties"), from and against any and all claims for bodily injury, death or damage to property, demands, damages, actions, causes of action, suits, losses, judgments, obligations and any liabilities, costs and expenses (including but not limited to investigative and repair costs, attorneys' fees and costs, and consultants' fees and costs) ("Claims") which arise or are in any way connected with this Agreement, Materials furnished, or Services provided under this Agreement. These indemnity and defense obligations shall apply to any acts or omissions, neglect or willful misconduct of Customer, its employees or agents, whether active or passive. Said indemnity and defense obligations shall further apply, whether or not said claims arise out of the concurrent act, omission, or negligence of the Indemnified Parties, whether active or passive. Customer's indemnification and defense obligations hereunder shall extend to Claims occurring after this Agreement is terminated as well as while it is in force, and shall continue until it is finally adjudicated that any and all actions against the Indemnified Parties for such matters which are indemnified hereunder are fully and finally barred by applicable Laws.

11. DAMAGES

The Customer will reimburse the Utility for any damage caused to the Utilities system by Customers generating facility.

12. GOVERNING LAW

This Agreement shall be interpreted and governed under the laws of the State of Iowa. Venue of any action arising hereunder or related to this Agreement shall lie in Bremer County, Iowa.

13. SUCCESSORS AND ASSIGNS

Customer shall not assign its rights and obligations under this Agreement in whole or in part without prior written consent of the Utility, which consent shall not be unreasonably withheld or unduly delayed. The Utility may withhold its consent to any proposed assignment if the proposed assignee fails to assume the obligations of Customer under the agreement in writing. This agreement shall be binding upon the personal representative, heirs, successors, and permitted assigns of the respective parties.

WAVERLY UTILITIES -- RULES OF OPERATION

14. DOCUMENTS

This Agreement incorporates all other provisions and related documents of this Interconnection Standard.

15. NOTICES

All written notices shall be directed as follows:

CUSTOMER:

Name: _____

Address: _____

City/State/Zip _____

UTILITY:

Waverly Utilities
1002 Adams Parkway
Waverly, IA 50677

12. TERM OF AGREEMENT

This Agreement shall be in effect when signed by the Customer and Utility and shall remain in effect thereafter month to month unless terminated by either Party on thirty (30) days prior written notice and in accordance with the Service Policies.

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives.

This Agreement is effective as of the last date set forth below.

CUSTOMER:

Signature

Print Name

Date

For the UTILITY:

Signature

Print Name and Title

Date

Part 6. CERTIFICATE OF COMPLETION

Application No. _____

Is the Generating Facility installed, tested and ready for operation? Yes _____ No _____

Customer: _____

Address: _____

Telephone (Day): _____

(Evening): _____

Fax: _____ E-Mail Address: _____

Location of the Generating Facility (if different from above):

Electrician/Service Company:

Name: _____

Address: _____

City/State/ZIP: _____

Telephone (Day): _____

(Evening): _____

Fax: _____ E-Mail Address: _____

License number: _____

Date Utility approved installation facility: _____

Application number: _____

Inspection:

The Generating Facility has been installed and inspected in compliance with applicable electrical codes.

A copy of the signed electrical inspection form is attached. Yes No

(If inspection form is not attached)

Signature of inspector: _____

Date: _____

Printed name of inspector _____

Part 7. APPROVAL TO ENERGIZE GENERATING FACILITY

Application No. _____

The Utility, having entered into an Interconnection Agreement for the facility described in the Application noted by number above and having received a Certificate of Completion with proper documentation of the electrical inspection hereby authorizes the Generating Facility to be energized:

Utility Signature: _____
Title: _____ Date: _____

SECTION 3.17 - UTILITY LINES AND EQUIPMENT RELOCATION

Periodically, the Utility is required to relocate lines and equipment due to the construction of buildings, roads and driveways, other utilities, additions to homes, etc. in the area that the electric lines are near or occupying. If the construction causes violations of the current National Electric Safety Code, National Electric Code or causes the Utility to abandon the lines and equipment or easements containing such equipment, we will be required to move or construct new lines and equipment. The Utility may move the lines and equipment to another location to allow the construction to take place and meet current codes, rules and regulations. This applies to any and all Utility assets including electric, fiber, generation, substation, metering and other facilities or equipment as required.

The customer requesting the relocation will be notified as to the extent of the problem and the likelihood that the Utility lines and equipment will need to be relocated at the customers' expense. If the customer elects to have the Utility relocate the lines and equipment, one-half the replacement cost will be paid by the customer before the relocation takes place and the remainder when the relocation project is finished. An estimate of cost will be calculated and sent to the customer requesting the relocation. The estimated cost of relocations will be calculated at the replacement cost to serve the customers per Waverly Utilities then current standard charge out rates.

DIVISION FOUR CUSTOMER RELATIONS

SECTION 4.1 - APPLICATION FOR SERVICE

Application for service shall be filed at the Utility's billing office. The applicant may sign up for service by visiting the Utility's billing office in person, by phone, mail or Internet. If the application comes by means other than in person, a copy of the application will be mailed to the customer for verification of the service requirements. The first payment made on the service indicates acceptance of service requirements. At the time of application, the applicant shall be given an opportunity to designate a person or agency to receive a copy of any notice to disconnect service due to the applicant's nonpayment of a bill or deposit. As soon as practical after the approval of the application, the Utility shall supply service to the applicant in accordance with the rules and at a rate established by the Utility for the applicant's appropriate class of service.

4.1[1] - Service Connections

The Utility, may, upon reasonable notice by a customer, make service connections per customer request. The customer shall be required to pay a fee for such service in an amount to be determined by the Board of Trustees.

SECTION 4.2 - CUSTOMER DEPOSITS

A deposit intended to guarantee payment of bills for service may be required prior to approval of the service application. In any case where a deposit has been refunded or is found to be inadequate, a new or additional deposit may be required upon twelve days written notice of the need for such deposit.

4.2[1] - Credit Criteria for Initial Deposits

The requirements of an initial deposit shall be determined by application of the following criteria:

- a. No initial service deposit shall be required of an applicant:
 - 1) who is a new customer with good credit history
 - 2) whose twelve most recent bills from the Utility were timely paid (including one automatic forgiveness of a late payment)
 - 3) whose new service is subject to the same rate classification as that for which the payment history was established. Reasonable proof of an equivalent recent payment history for similar service from another Utility may be accepted by the Utility
 - 4) who has a co-signor to guarantee payment for the customer.
- b. An initial service deposit not exceeding the highest monthly billing for service during the previous twelve-month period shall be required of an applicant for service who does not meet the credit criteria of subparagraph "a" above.

4.2[2] - Credit Criteria for New or Additional Deposits

A new or additional deposit may be required of a current customer whose initial deposit has been refunded or is found to be inadequate. The new or additional deposit shall ensure a total deposit equal to the highest monthly billing for service during the previous twelve month period and shall apply to customers who, in a twelve month period: receive two posted notices of disconnection for reasons of non-payment of a bill or deposit; or, present two checks that are returned for insufficient funds.

4.2[3] - Deposit Calculation Criteria

Calculating customer deposits will be based on the maximum estimated charge for a billing period. The amount shall be determined from the highest monthly billing of the previous twelve month period.

4.2[4] - Interest on Deposits

Interest at a rate determined by the Board of Trustees will be paid on deposits from the date of deposit to the date of refund or the due date of any bill to which the deposit is applied. The date of refund is the date on which the refund or notice of refund is forwarded to the customer's last known address.

4.2[5] - Record of Deposits

The Utility shall maintain a record of all deposits. The Utility will have a standardized form for acknowledging receipt of the deposit and specifying the terms under which the deposit will be held by the Utility, which should be signed by the account holder and a representative of the Utility. The deposit form will provide that upon a customer's bankruptcy, deposits in the hands of the Utility will be applied to offset debt existing prior to the bankruptcy.

4.2[6] - Unclaimed Deposits

The record of each unclaimed deposit shall be maintained for a period of three years from the date service is terminated. During that period, the Utility shall make a reasonable effort to return the deposit. Unclaimed deposits, together with accrued interest, shall be credited to an appropriate Utility account. Deposits remaining unclaimed two years after termination of service will be transferred to the state in accordance with Chapter 556, Code of Iowa.

4.2[7] - Refund of Deposit

A deposit shall be refunded after twelve consecutive months of prompt payment (which may be eleven timely payments and one automatic forgiveness of late payment). For refund purposes, the account shall be reviewed for prompt payment after twelve months of service following the making of the deposit and for each twelve-month interval terminating on the anniversary of the deposit. Upon termination of service, the deposit plus accumulated interest (if applicable), less any unpaid Utility bill of the customer, shall be reimbursed to the person who made the deposit.

SECTION 4.3 - BILLING INFORMATION

Customers shall be billed on a monthly basis according to the appropriate rate schedules. In addition, the bill may include charges for other items purchased from the Utility during the billing period.

4.3[1] - Billing Form

The following information shall be included on the billing form or made available to the customer at the Utility's billing office:

- a. The actual or estimated meter readings at the beginning and end of the billing period.
- b. The date of the meter readings.
- c. The number and kind of units metered.
- d. Reference to the applicable rate schedule.
- e. The account balance brought forward and amount of each net charge, and total amount currently due. In the case of prepayment meters, the amount of money collected shall be shown.
- f. The last date for timely payment shall be clearly shown and shall be not less than twenty days after the bill is rendered.
- g. A distinct marking to identify an estimated bill or meter reading.
- h. A distinct marking to identify a late payment penalty charge.
- i. Any conversions from meter reading units to billing units or any other calculations to determine billing units from recording or other devices or any other factors such as sliding scale or automatic adjustments used in determining the bill.
- j. If a customer fails to pay their current level payment billing charge for 3 consecutive billing periods they will be removed from the level payment plan.

4.3[2] - When Payable -- Late Payment Penalty

A bill shall be due and payable when rendered and shall be considered delinquent after twenty days from the time it is rendered. A bill shall be considered rendered by the Utility when deposited in the U.S. mail with postage prepaid or when delivered by the Utility to the last known address of the party responsible for payment. Bill payments received by the Utility on or after the delinquent date shall be for the gross amount stated on the bill which shall include a late payment penalty of 1.5% per month of the last due amount. Failure to receive a properly rendered bill shall not entitle the customer to relief from penalties for late payment.

Each account shall be granted one complete forgiveness of a late payment penalty in each calendar year. The customer shall be informed of the use of the automatic forgiveness by phone or in person, by posting to the next bill, or by separate mailing.

4.3[3] - Partial Payments

When a partial payment is made prior to the delinquent date and without designation as to the service being paid, the payment shall be credited pro rata between the bill for municipal Utility services and related taxes.

4.3[4] - Where Payable

Bills shall be paid by mail, by direct deposit through a financial institution, by deposit in a designated receptacle, or in person at the Utility's billing office.

4.3[5] - Level Payment Plan

All residential customers or other customers may select a level payment plan. Other customers may select the level payment plan with the consent of the Utility. The plan shall:

- a. be offered when the customer initially requests service.
- b. provide for entry into the level payment plan at any time during the calendar year.
- c. have level payments equal to the sum of estimated charges provided by the number of standard billing intervals, all for the next twelve consecutive months.
- d. prohibit withdrawal from the plan during the first year after entry, except for termination of service.
- e. allow for adjustment of the level payment amount as needed. The billing department will true up once a year to bring all accounts in balance. Unpaid balances remaining when level payment amount is adjusted will be added to the estimated charges in determining the adjusted level payment amount. Unpaid level payments shall not be carried forward.
- f. have the level payment amount computed at the time of entry into the plan. It may be recomputed on each anniversary, when requested by the customer, or whenever price or consumption, alone or in combination result in a new estimate differing by ten percent or more from that in use. When a customer's payment level is recomputed, the customer shall be notified of the revised payment amount and the reason for the change. The notice shall accompany the bill prior to the bill affected or by separate mailing of the revised payment amount.
- g. provide that the account be balanced upon termination of service or withdrawal from the plan.
- h. regardless of account balance, provide that a delinquent bill payment shall subject the customer to a late payment penalty on the level payment amount and to other procedures for collection and termination of service.

4.3[6] - Reasonable Agreement to Pay

A residential customer who has been disconnected or is about to be disconnected due to inability to pay in full may be offered the opportunity to enter into a reasonable agreement to pay in accordance with applicable rules of the Utilities Division of the Iowa Department of Commerce. (Example Exhibit 1)

4.3[7] - Customers Not in Default of a Previous Payment Agreement

For customers who have received a disconnection notice or have been disconnected for 120 days or less, a payment agreement of not less than 12 equal monthly payments in specific amounts at scheduled times in addition to remaining current on new bills will be offered.

4.3[8] - For Customers Who Have Been Disconnected for More Than 120 Days

A payment agreement of not less than 6 equal monthly payments in specific amounts at scheduled times in addition to remaining current on new bills will be offered.

4.3[9] - Second Payment Agreements

Second payment agreements will be offered to customers who have made at least two consecutive full payments under the first payment agreement. The second payment agreement shall be for the same term as or longer than the term of the first payment agreement. The customer shall pay for current service in addition to the monthly payments required in the second

payment agreement and will be required to make the first payment up-front as a condition of entering into the second payment agreement. If the customer doesn't pay the current bill in full the Utility will require the customer to enter into a level payment agreement to pay the current bill.

4.3[10] - Customer Counter-Offer

The Utility will review in good faith any payment agreement counter-offer by the defaulted customer. If the customer's offer is not acceptable, the Utility must provide oral notice and written notice of the Utility's refusal of the customer's offer within three days of oral refusal. The written refusal must state the reasons for refusal. Written notice of refusal is considered rendered on the day it is mailed to the customer's last known address, or on the day it is hand delivered to the customer.

4.3[11] - Customer Charge

The customer charge provided for in the rate schedule for each class of service will apply to any billing period during which the service remains connected even if there is zero usage during the month.

4.3[12] - Customer Requested Disconnections

The Utility may, upon reasonable notice by a customer, make disconnections per the customer request. The customer shall be required to pay a fee for such service in an amount to be determined by the Board of Trustees.

4.3[13] - Service Calls

The customer shall be billed for the cost of services not the responsibility of the Utility, as follows:

- a. For a service call where the trouble is found to be on the customer's equipment, the customer shall be billed in accordance with terms and conditions established by the Board of Trustees.
- b. For a service call requesting the relocation of facilities belonging to the Utility, the customer shall be billed in accordance with terms and conditions established by the Board of Trustees. An advance deposit equal to the total estimated cost may be required where the estimate exceeds one hundred dollars.
- c. For a service call requesting temporary relocation of electric lines or other Utility facilities to accommodate movement of buildings or large equipment, the person responsible for the move shall be billed in accordance with terms and conditions established by the Board of Trustees. The Utility shall be given notice of the move at least 14 business days in advance and shall be consulted regarding the route of the move. An advance deposit or cash bond may be required to cover estimated costs.

4.3[14] - Customer Requested Meter Tests

The Utility will periodically inspect and test meters in accordance with accepted engineering practice. In addition to regular testing, the customer may request a meter test, providing that such tests need not be made more frequently than once each twelve months. The customer or the customer's representative may be present when the meter is tested and the results shall be reported to the customer within a reasonable time. If the meter is within the allowable tolerance, the customer shall be billed for the cost of the test in an amount established by the Board of Trustees.

4.3[14] - Adjustment of Bill for Meter Error

Whenever a meter is found to have an average error exceeding the allowable tolerance by more than 2.0 percent, or in the case of a demand meter, by more than 1.5 percent, the Utility shall adjust a current customer's bill or issue a refund or back bill to a past customer. The amount of the adjustment shall be calculated on the basis of metering accuracy of one hundred percent. The adjustment period for which the Utility will adjust, refund, or credit the customer's bill shall not exceed five years unless approved by the Board of Trustees. If the date the error began cannot be determined, it shall be assumed the error has existed for the shortest time period calculated, one-half the time since the meter was installed or one-half the time elapsed since the last meter test. When the adjustment is due to meter "creep" it shall be assumed that creeping affected meter registration 25 percent of the adjustment period. The adjustment period for slow meters shall not exceed five years without the approval of the Board of Trustees. The maximum bill amount shall not exceed the billing for like charges in the twelve months preceding discovery of the error without approval of the Board of Trustees. When a meter is found not to register, the Utility shall issue an estimated bill.

An adjustment, refund or back-billing shall be made for any overcharge or undercharge resulting from incorrect reading of the meter, incorrect application of the rate schedule, incorrect meter connection or other similar reason.

This section shall not be construed to require a cash refund to a current customer in an amount less than five dollars nor a refund or back-billing to a previous customer in an amount less than ten dollars. The Utility further reserves the rights to forego back-billing procedures that it determines are not cost effective.

4.3[15] - Adjustment of Bill for Accidental Wastage of Electricity

When a customer provides reasonable evidence to the Utility that an accidental ground has existed on the customer's equipment, the Utility shall estimate the normal usage for each billing period during which the ground is reasonably believed to have existed, not to exceed two months. The bill for each such period shall be recomputed, treating the amount of above-normal energy consumption as "lost energy". Lost energy shall be billed at the lowest rate on the customer's rate schedule and the total difference will be credited to the customer's account.

4.3[16] - Returned Checks

A service charge in an amount established by the Board of Trustees shall be assessed to any customer whose check, draft, automatic bank debit, or similar financial instrument is returned unpaid by the customer's financial institution. The service charge shall be in addition to the late payment penalty if the check is not made good and the service fee not paid prior to the delinquent date of the bill. [See also section 3.2]

When a customer's check, draft, automatic bank debit or similar financial instrument is not honored by the customer's financial institution for any reason when presented for the first time, the customer's account shall immediately be deemed unpaid and delinquent the same as if the customer had attempted no payment at all. The customer shall be notified by ordinary mail that the customer's account is in default in the amount of the dishonored check, draft, automatic bank debit or similar financial instrument, plus any unpaid rates or charges, and that service will be disconnected as of the date specified in the notice, which disconnection date shall be not less

than 12 days after the invoice mailed. The notice shall be accompanied by Exhibit 2 the Customer Rights and Responsibilities to Avoid Shutoff of Electric Service for Nonpayment. The notice shall also state the charges due for disconnection and re-connection of service. After such notice, only payment in cash, certified check or money order in the delinquent amount shall be accepted. To prevent disconnection, such payment shall be delivered to the Utility's office during normal business hours but not later than 11:00 AM on the scheduled disconnection date. The Utility reserves the right to pursue all other remedies available under law.

4.3[17] - Bankruptcy

If the Utility is notified a customer has filed bankruptcy, the Utility will move to follow the federal court of law.

SECTION 4.4 - DISCONNECTION OR DENIAL OF SERVICE

4.4[1] - Access to Meter

The Utility reserves the right to disconnect or deny service to any customer who does not provide timely access to a meter for meter reading or maintenance and in accordance with applicable rules of the Utilities Division of the Iowa Department of Commerce.

A reconnection fee in an amount established by the Board of Trustees shall be applicable when service has been disconnected pursuant to this section.

4.4[2] - Hearing Procedures

- a representative of the billing department for the municipal Utility should be available to participate in the hearing as well as the customer,
- the hearing officer should be some city official not specifically identified with the municipal Utility and someone who has not been involved in preparing or sending the notice (e.g., the city administrator or mayor),
- the hearing should be informal,
- a tape recording or detailed notes should be kept by the hearing officer,
- the customer and the Utility representative should each be allowed to speak, present documents, and even present witnesses who may have relevant information,
- all documents presented should be copied and the originals returned to the party presenting the document, and
- at the conclusion of the hearing, the hearing officer should announce his or her decision and notify the parties that his or her decision, and the reasons supporting it, will be reduced to writing and mailed to both parties; if circumstances warrant, the hearing officer may (but is not required to) delay disconnection and continue the hearing to a specified day and time of day to allow additional investigation or seek legal advice from the city or Utility attorney; upon resumption of the hearing, the hearing officer should disclose the results of any additional investigation and report the nature of any legal advice received, give both parties an opportunity to respond, consider such responses, announce his or her decision and notify the parties that his or her decision, and the reasons supporting it, will be reduced to writing and mailed to both parties.

4.4[3] - Personal or Telephone Contact

Personal or telephone contact must be attempted prior to disconnection. The Utility will keep a record of attempts and failures with respect to day and time each call is made, name of party talked to, summary of conversation. Commence contact attempts prior to posting of the 24 or 48 hour notice. Advise the customer that Customer Rights and Responsibilities to Avoid Shutoff of Electric Service for Nonpayment was included with the original bill, and that service will be disconnected in accordance with the terms of the notice. If the customer claims non-receipt, tell the customer that he or she may come to the office during normal business hours to obtain a copy any time prior to disconnection. Finally, tell the customer of the scheduled disconnection date.

4.4[4] - Posting of Disconnect Notices

Whenever a customer is found to require a twenty-four-hour disconnection notice posted to their door, the customer will be required to pay a fee for such service in an amount established by the Board of Trustees.

To disconnect electricity services after default of a payment agreement outside the winter moratorium period, the Utility need only post 24 or 48 hour notices if personal or telephone contact fails. During the winter moratorium, the Utility must post 24 or 48 hour disconnect notices whether or not personal or telephone contact is made (Exhibit 4 and 5).

4.4[5] - Disconnection on holidays or weekends

Unless a dangerous condition exists, or the customer requests disconnection, service shall not be disconnected on holidays or weekends, or the day immediately preceding a holiday or weekend unless the City of Waverly and WLP personnel are available those days to take payments and reconnect service.

4.4[6] - 20 Degree Rule

Electricity customers cannot be disconnected if the temperature is, or is forecasted to be 20 degrees or below in the next 24 hours.

4.4[7] - LIHEAP Customers and the Winter Moratorium

During the winter moratorium beginning November 1st and ending April 1st, customers who have qualified for LIHEAP assistance, whether or not they are in default of a payment agreement, are immune from disconnection of service. Before disconnecting any customer in this period, the Utility must find out if the customer is qualified to receive LIHEAP assistance. LIHEAP protection attaches to the person, not the place. A LIHEAP qualified customer can move during the winter moratorium to a new service location without having to pay the account at the old place in full and without having to post a deposit.

4.4[8] - Denial of Service to the Same Customer in Default at a New Service Location

If a delinquent amount is owed by a customer for a Utility service associated with a prior property or premises, the Utility, may withhold service from the same account holder at any new property or premises until such time as the account holder pays the delinquent amount owing on the account associated with the prior property or premises.

4.4[9] - Forecast Heat Index of 100 Degrees

Electricity customers at the Utility's discretion may not be disconnected if the heat index is, or is

forecasted to be 100 degrees or above in the next 24 hours.

4.4[10] - Military Member Disconnect Law

Senate File 2297 prohibits a public utility from disconnecting service to a residence in which one of the heads of household is a service member deployed for military service. The prohibition is to take place from the date of the deployment to 90 days after the end of the deployment. The utilities must be notified of the deployment.

SECTION 4.5 - CUSTOMER OBLIGATIONS

Acceptance of service shall obligate a customer to the conditions imposed by these rules and applicable rules of the Utilities Division of the Iowa Department of Commerce. Customers should note that other sections of these rules of operation prescribe standards of engineering practice and establish special conditions for the installation of certain motors and other equipment, common to industry and agriculture.

4.5[1] - Wiring and Electrical Equipment

Except for the meter and other facilities defined in these rules of operation or in Utility extension policies adopted by the Board of Trustees, as a responsibility of the Utility, the customer shall be responsible for all wiring and electrical equipment on his or her premises. The installation and maintenance of customer facilities shall be consistent with standards imposed by these rules of operation and any other applicable laws or regulations. Location of the meter loop and meter socket shall be at the discretion of the Utility, consistent with the customer's reasonable convenience.

No inspection or approval of a customer's compliance with this section by the or other agent of the municipal government shall be construed to impose any duty or liability on the Utility, but shall be considered solely for the purpose of ensuring protection of the Utility's property and for ensuring continuity of service to customers of the Utility.

4.5[2] - Damage to Utility Facilities

The customer shall not use the equipment or structures of the Utility for reasons other than those incidents to normal service nor attach items to equipment or structures of the Utility, nor create a condition likely to interfere with the functions of such equipment and structures, without written consent of the Utility. The customer shall be held responsible for his or her actions that cause damage to or loss of equipment or structures located on property occupied by the customer.

4.5[3] - Customer Premises

The customer and owner shall grant the Utility, without charge, right of way over and on the premises on which equipment and structures including metering equipment of the Utility are located. Access to the equipment and structures including metering equipment shall be granted to the Utility at reasonable times for installation, inspection, testing, repair, and other functions necessary for the maintenance of satisfactory service. Animals should be secured away from Utility equipment, structures, and metering equipment. Failure to provide access will result in disconnection or denial of service to those premises.

4.5[4] - Notice by Customer to Terminate Service

A customer shall give the Utility not less than three business days notice prior to final termination of service. Disconnection of service under this section shall be during the regular business hours of the Utility.

4.5(5) Requirements for Electric Motors

All installations of power loads on the Utility's system shall conform to the safety rules as set forth in the Iowa Electrical Safety Code.

Customers are required to provide suitable protective devices so that motors and equipment will be protected from damage and from improper or dangerous operation in case of overload, loss of voltage, low voltage, lightning, single phasing of poly-phase motors, reversal of phase rotation, or the re-establishment of normal service after any of the above. The Utility is not responsible for motor damage caused by any of the above conditions.

The Utility reserves the right to limit the number and size of motors installed. The customer or customer's electrician shall contact the Utility regarding requirements for motor starting equipment, wiring and other motor specifications.

4.5[5] - Corrective Equipment

Customer electrical equipment shall be installed and used in such a manner as not to adversely affect voltage regulation or impair the Utility's service to other customers. When such equipment creates fluctuating voltage or power factor conditions, or any other disturbances in service detrimental to the service of other customers or to the Utility's use of its own equipment, the customer shall be required to install and maintain, at his or her own expense, suitable corrective equipment to eliminate the detrimental effects.

4.5[6] - Standby Generators

No other source of supply of electricity shall be introduced or used by a customer in conjunction with electric service supplied by Waverly Utilities, without prior written approval of the Utility. At a minimum, standby facilities will be approved only if a single changeover switch that provides a visible opening and is padlocked in the open position, or a relay of adequate capacity, is installed so that municipal Utility lines cannot become energized by a standby power source under any condition.

4.5[7] - Energy Conservation Standards

As a condition of electric service for space heating or cooling, the owner or builder of any structure, completed after July 1, 1992, and intended primarily for human occupancy, must certify to the Utility or other agent of the municipal government that the building conforms to the energy conservation requirements of the State Building Code or other agent of the municipal government. If compliance is being certified to another state or local agency, a copy of the certification form may be provided to the Utility. If no other certification is being made, the Utility will provide a form.

SECTION 4.6 - CUSTOMER COMPLAINTS

Customers may be asked to submit complaints in writing, specifying the nature of the complaint and the relief sought. Complaints concerning the charges, practices, facilities or service of the Utility shall be investigated promptly and thoroughly. A customer may appeal the findings of the investigation and shall be given reasonable opportunity for a full hearing of the matter before the Board of Trustees or hearing officer(s) appointed by the Board of Trustees.

Complaints involving policies or actions of the Utility that are regulated by the Utilities Division of the Iowa Department of Commerce may also be filed with the agency in accordance with applicable regulations.

SECTION 4.7 – CHARGES FOR SERVICES

4.7[1] Service Connection

Charges for service connection shall be as follows:

- a. A charge of \$50 shall apply to all service connections made during normal business hours. A charge of \$200 shall apply whenever service connection is required after normal business hours of the Utility. Examples include: new customers, rewiring, remodeling, construction, seasonal turn-ons, realtor showing homes, siding, etc. The Utility must be notified by 2 PM for all customer connections during normal business hours.

4.7[2] Interest on Customer Deposits

Interest at the rate of 1.5% percent per annum shall be paid on customer deposits.

4.7[3] Customer Requested Disconnection

Charges for a customer requested disconnection shall be as follows:

- a. A charge of \$50 shall apply to all disconnections made during normal business hours. A charge of \$200 shall apply whenever the disconnection is required after normal business hours of the Utility. Examples include: rewiring, remodeling, construction, seasonal turnoffs, realtors showing homes, siding, and final turnoffs. The Utility must be notified by 2 PM for all customer disconnections during normal business hours.
- b. The monthly service charge shall apply when the period of disconnection includes a billing period for which no energy is assessed.
- c. The Utility may, at its discretion, waive the disconnect fee during emergency situations or for safety reasons.
- d. The service disconnection fee will not apply for properties that are defaulting back to the lender and the lender does not wish to have the utilities transferred into the lenders name. Disconnections must be done between the hours of 8 AM and 3 PM. A confirmation notice from the lender must be received by the Utility confirming they do not want to retain any utility services for the property being disconnected.

4.7[4] Service Calls

When a service call is made and the trouble is found to be on the customer's side of the meter, the customer will be charged for the cost of labor, equipment, and materials, and administrative costs in accordance with the standard charge out rates for operations applicable at the time the work is performed.

4.7[5] Customer Requested Meter Tests

A charge of \$50.00 shall apply to customer requested residential meter tests, where the meter is found to be within the allowable tolerance. Customers requesting commercial meter tests will be charged for the direct cost of such tests, where the meter is found to be within the allowable tolerance.

4.7[6] Returned Check Charge

A service charge of \$20.00 shall apply to each check returned unpaid by the bank on which it was drawn.

4.7[7] Posting Disconnect Notices

A charge of \$50.00 shall apply to each twenty-four-hour disconnection notice posted on a customer's door.

4.7[8] Reconnection Fee for Disconnection or Denial of Service

When service is disconnected because of an act or omission by the customer or because of nonpayment of a bill or deposit, the customer shall be required to pay a reconnection charge of \$50.00. A charge of \$200.00 shall apply whenever reconnection is required after normal business hours of the Utility. The Utility must be notified by 2 PM for all customer connections during normal business hours.

RATE SCHEDULES *Exhibit 1*

Adopted: October 2016

Effective: For meters read on January 1, 2017 or after

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RESIDENTIAL SERVICE

Rate Designation: ER01

Application

Applied to separately metered individual dwelling units within the corporate city limits of Waverly for all normal domestic light, heat, and small power purposes. Service is not available on this rate for three phase requirements.. Service is subject to applicable terms and conditions of Waverly Utilities' electric service Rules of Operation.

Character of Service

Single phase, 120/240 volts or 120/208 volts

Monthly Rate

Customer Charge: \$18.00 per month

Energy Charge:	Summer	Winter
First 600 kWh	.1136	.1132
Next 500 kWh	.1359	.1132
Over 1100 kWh	.1865	.1132

Summer rate is applicable during four (4) monthly billing periods of June through September. Winter rate is applicable for all other months. Billing will include an adjustment per kWh, computed monthly, to compensate for changes in the cost of power.

WAVERLY UTILITIES-- RULES OF OPERATION

RURAL RESIDENTIAL SERVICE

Rate Designation: ERR07

Application

Applied to separately metered individual dwelling units outside the corporate limits of the City of Waverly for all normal domestic light, heat, and small power purposes. Service is not available on this rate for three phase requirements.. Service is subject to applicable terms and conditions of Waverly Utilities' electric service Rules of Operation.

Character of Service

Single phase, 120/240 volts or 120/208 volts

Monthly Rate

Customer Charge: \$19.00 per month

Energy Charge:	Summer	Winter
First 600 kWh	.1136	.1132
Next 500 kWh	.1359	.1132
Over 1100 kWh	.1865	.1132

Summer rate is applicable during four (4) monthly billing periods of June through September. Winter rate is applicable for all other months. Billing will include an adjustment per kWh, computed monthly, to compensate for changes in the cost of power.

WAVERLY UTILITIES-- RULES OF OPERATION

ELECTRIC HEATING RATE FOR RESIDENTIAL SERVICE

Rate Designation: ERE05

Application

This rate is applied to any urban or rural residential customer using electricity for the total requirements of space heating, cooking, and water heating. The customer must make written application for the rate rider and is subject to inspection of facilities at the time of application. Service is subject to applicable terms and conditions of Waverly Utilities' electric service Rules of Operation.

Character of Service

Single phase, 120/240 volts or 120/208 volts

Monthly Rate

Customer Charge: \$18.00 per month

Energy Charge:	Summer	Winter
First 600 kWh	.1136	.1132
Next 500 kWh	.1359	.0500
Over 1,100 kWh	.1865	.0500

Summer rate is applicable during four (4) monthly billing periods of June through September. Winter rate is applicable for all other months. Billing will include an adjustment per kWh, computed monthly, to compensate for changes in the cost of power.

WAVERLY UTILITIES-- RULES OF OPERATION

RESIDENTIAL ELECTRIC WATER HEATING SERVICE RIDER

Rate Designation: ERWH, ERRWH
(Marathon Water Heater Program)

Application

Available under Residential, Rural, and Good Cents Service for any home using electricity for full water heating requirements. Apartments are not eligible. The customer must install a Marathon water heater or equivalent large enough to supply adequate water during on-peak times and a water heater timer that will not allow the water heater to operate during peak times. Peak times shall be defined as the weekday hours between 10:00 AM and 8:00 PM. Water heater timers shall be set to operate during off-peak times as needed by Waverly Utilities.

The customer must make written application for the rate rider and is subject to inspection of facilities at the time of application. Service is subject to applicable terms and conditions Waverly Utilities' electric service Rules of Operation.

In recognition for the conservation measures practiced and the reduction of load during system peak, Waverly Utilities will reduce the energy portion of the customer bill as follows:

2017	\$ 5
2018	\$ 0

The Residential Electric Water Heating Service Rider will be eliminated December 31, 2017.

Customers on the Electric Heat Rate are not eligible for this rate rider.

Customer bill may not be less than the customer charge.

This rate is not available for new participants after January 1, 2010.

EFFICIENCY RIDER FOR RESIDENTIAL SERVICE

Rate Designation: EGR03

(Good Cents Program)

Application

Available under Residential and Rural Service for any home which meets special high conservation and efficiency standards, as defined by the Utility at the time the customer makes application for the special rate. The special standards shall be designed to result in a reduction of energy during both summer and winter months as well as during peak load periods. Service is subject to applicable terms and conditions of Waverly Utilities' electric service Rules of Operation.

To qualify for this rate, the home builder or owner must agree to participate in certain conservation measures in the construction or retrofit of the individual dwelling and must demonstrate to the satisfaction of Waverly Utilities' that all of the conservation measures have been rigorously adhered to.

In recognition for the conservation measures practiced and the reduction of load during system peak, Waverly Utilities' will reduce the energy portion of the customer bill by 10% for a period of ten years.

This rate is not available for new participants after January 1, 2010.

On January 1, 2020 this rate will be eliminated, all remaining customers will be moved to their respective rate class.

Monthly Rate

Customer Charge: \$18.00 per month

Energy Charge:	Summer	Winter
First 600 kWh	.1022	.1019
Next 500 kWh	.1223	.1019
Over 1,100 kWh	.1679	.1019

WAVERLY UTILITIES-- RULES OF OPERATION

GOOD CENTS ELECTRIC HEATING RESIDENTIAL RIDER

Rate Designation: EGE04

Application

Available to any urban or rural residential customer who meets the requirements of both the electric heating rate for residential service and the energy efficiency rider for residential service commonly called the good cents program.

To qualify for this rate, the home builder or owner must agree to participate in certain conservation measures in the construction or retrofit of the individual dwelling and must demonstrate to the satisfaction of Waverly Utilities' that all of the conservation measures have been rigorously adhered to. The customer must make written application for the rate rider and is subject to inspection of facilities at the time of application and during the construction process.

Service is subject to applicable terms and conditions of Waverly Utilities' electric service Rules of Operation.

This rate is not available for new participants after January 1, 2010.

On January 1, 2020 this rate will be eliminated, all remaining customers will be moved to their respective rate class.

Character of Service

Single phase, 120/240 volts or 120/208 volts

Monthly Rate

Customer Charge: \$18.00 per month

Energy Charge:	Summer	Winter
First 600 kWh	.1022	.1019
Next 500 kWh	.1223	.0500
Over 1,100 kWh	.1679	.0500

Summer rate is applicable during four (4) monthly billing periods of June through September. Winter rate is applicable for all other months. Billing will include an adjustment per kWh, computed monthly, to compensate for changes in the cost of power.

WAVERLY UTILITIES-- RULES OF OPERATION

COMMERCIAL SERVICE

Rate Designation: EC02

Application

Applied to small commercial customers within the service area for service delivered through one meter at one location for normal lighting, power, and supplemental heating purposes. Service requirements cannot exceed 50 kW on this rate. Whenever monthly consumption exceeds 15,000 kWh, a demand meter will be installed to determine whether the customer should be transferred to the General Service rate. The customer will be moved to the General Service rate if their demand exceeds 50 kW four or more times in any 12 month period. Service is subject to applicable terms and conditions of Waverly Utilities' electric service Rules of Operation.

Character of Service

Single phase 120/240 volts or 120/208 volts

Three phase 120/208 volts

Three phase 277/480 volts

Three phase 120/208 services with service entrance panels rated 800 amps or larger and three phase 277/480 services with services entrance panels rated 400 amps or larger are automatically assigned to General Service (50 kW demand requirement is waived).

Monthly Rate

Customer Charge: \$36.40 per month

Energy Charge per kWh:	Summer	Winter
First 2,000 kWh	.1082	.1034
All over 2,000 kWh	.0979	.0917

Summer rate is applicable during four (4) monthly billing periods of June through September. Winter rate is applicable for all other months. Billing will include an adjustment per kWh, computed monthly, to compensate for changes in the cost of power.

WAVERLY UTILITIES-- RULES OF OPERATION

COMMERCIAL AND MUNICIPAL TIME OF USE SERVICE

Rate Designation: ETD02F, ETD02N, ETD12F, ETD12N

Application

Available to small commercial customers and City departmental operations within the service area for service delivered through one meter at one location for normal lighting, power, and supplemental heating purposes. Service requirements cannot exceed 50 kW on this rate. Whenever monthly consumption exceeds 15,000 kWh, a demand meter will be installed to determine whether the customer should be transferred to the General and Municipal Time of Use rate. The customer will be moved to the General and Municipal Time of Use rate if their demand exceeds 50 kW four or more times in any 12 month period. Service is subject to applicable terms and conditions of Waverly Utilities' electric service Rules of Operation.

The rate is designed for customers who can readily switch a substantial portion of their service from daytime operation to nighttime operation, thereby contributing to a reduction of system peak. The service is available on an optional basis to any customer for a minimum of one year.

Special dual register meters are required to separate daytime service from nighttime service during the designated hours. The additional cost for the dual register meter will be charged to the customer in the form of a higher monthly customer charge. The off-peak period includes all weekend hours and the weekday nighttime hours of 8:00 P.M. through 8:00 A.M. CST. The following holidays will be considered off-peak: New Year's Day, Good Friday, Memorial Day, 4th of July, Labor Day, Thanksgiving, Christmas Eve Day, and Christmas Day.

Character of Service

Single phase 120/240 volts or 120/208 volts

Three phase 120/208 volts

Three phase 277/480 volts

Monthly Rate

Customer Charge: \$84.00 per month

Energy Charge per kWh:	Summer	Winter
On Peak	.1656	.1563
Off Peak	.0461	.0461

Summer rate is applicable during four (4) monthly billing periods of June through September. Winter rate is applicable for all other months. Billing will include an adjustment per kWh, computed monthly, to compensate for changes in the cost of power.

WAVERLY UTILITIES-- RULES OF OPERATION

GENERAL SERVICE

Rate Designation: ELGD

Application

Applied to commercial customers with demand requirements over 50 kW occurring four (4) or more months in any twelve (12) month period. This may include industrial customers and commercial customers within the service area for service delivered through one meter at one location for all purposes. Service is subject to applicable terms and conditions of Waverly Utilities' electric service Rules of Operation.

Character of Service

Three phase 120/208 or 277/480 volts. Service may also be delivered at primary voltage subject to provisions of primary voltage riders.

Three phase 120/208 services with service entrance panels rated 800 amps or larger and three phase 277/480 services with services entrance panels rated 400 amps or larger are automatically assigned to General Service (50 kW demand requirement is waived).

General customers who believe that their usage patterns have changed may ask Waverly Utilities' to review their current usage patterns. Customers may be moved to another rate class at the sole judgment of Waverly Utilities.

Monthly Rate

Customer Charge: \$170.00 per month

Demand Charge per kW:	Summer	Winter
First 50 kW	17.00	15.00
All over 50 kW	12.50	10.00

Energy Charge:	All Year
First 250 kWh per kW of billing demand	.0667
Balance kWh	.0441

Summer rate is applicable during four (4) monthly billing periods of June through September. Winter rate is applicable for all other months. Billing will include an adjustment per kWh, computed monthly, to compensate for changes in the cost of power.

Billing Demand

Metered demand shall be the highest fifteen-minute demand occurring during the month. Adjusted metered demand shall be the metered demand after making adjustment for power factor. Billing demand shall be the current month adjusted metered demand or 50 percent of the highest billing demand for the previous eleven (11) months, whichever is higher. The minimum billing demand shall be 30 kW.

GENERAL SERVICE CONT.

Power Factor Adjustment

If the average power factor during the billing month is less than 90% lagging, the metered demand shall be increased by 1% for each 1% that the power factor is found to be less than 90%. The power factor will be determined from company meters used for power factor determination.

Rider for delivery at primary voltage:

Primary metering discount is available to the customer receiving service metered at primary voltage. The energy billing shall be discounted three (3) percent as metered at primary voltage. Separate billings shall be applied to each point of delivery if service is taken at more than one location. If Waverly Utilities changes its primary system voltage, the customer must change their voltage as well. Waverly Utilities will give a minimum of one-year notice prior to the upgrade.

Rider for customer ownership of transformers:

Discount is available to the customer receiving service at primary voltage to customer-owned transformation. A discount of five (5) cents per kilowatt will be applied to the customer's demand billing.

WAVERLY UTILITIES-- RULES OF OPERATION

GENERAL AND MUNICIPAL DEMAND TIME OF USE SERVICE

Rate Designation: ELTDN, ELTDF

Application

Available to general service and municipal customers with demand requirements over 50 kW occurring four (4) or more months in any twelve (12) month period. This may include industrial customers and commercial customers within the service area for service delivered through one meter at one location for all purposes. Service is subject to applicable terms and conditions of Waverly Utilities' electric service Rules of Operation.

The rate is designed for customers who can readily switch a substantial portion of their service from daytime operation to nighttime operation, thereby contributing to a reduction of system peak. The service is available on an optional basis for a minimum of one year.

Special dual register meters are required to separate daytime service from nighttime service during the designated hours. The additional cost for the dual register meter will be charged to the customer in the form of a higher monthly customer charge. The off-peak period includes all hours on weekends and weekdays between the nighttime hours of 8:00 P.M. and 8:00 A.M. CST. The following holidays will be considered off-peak: New Year's Day, Good Friday, Memorial Day, 4th of July, Labor Day, Thanksgiving, Christmas Eve Day and Christmas Day.

General or municipal customers who believe that their usage patterns have changed may ask Waverly Utilities to review their current usage patterns. Customers may be moved to another rate class at the sole judgment of Waverly Utilities.

Character of Service

Three phase 120/208 or 277/480 volts. Service may also be delivered at primary voltage subject to provisions of primary voltage riders.

Three phase 120/208 services with service entrance panels rated 800 amps or larger and three phase 277/480 services with services entrance panels rated 400 amps or larger are automatically assigned to General Service or Municipal Demand Service (50 kW demand requirement is waived).

Monthly Rate

Customer Charge: \$320.00 per month

Demand Charge per kW:	Summer	Winter
First 50 kW	11.50	9.50
Next 150 kW	9.50	7.00
All over 200 kW	7.00	7.00

Energy Charge:	Summer	Winter
On Peak	.0878	.0749
Off Peak	.0447	.0447

GENERAL AND MUNICIPAL DEMAND TIME OF USE SERVICE CONT.

Summer rate is applicable during four (4) monthly billing periods of June through September. Winter rate is applicable for all other months. Billing will include an adjustment per kWh, computed monthly, to compensate for changes in the cost of power.

Billing Demand

Metered demand shall be the highest fifteen minute demand occurring during the month. Adjusted metered demand shall be the metered demand after making adjustment for power factor. Billing demand shall be the current month adjusted metered demand or 50 percent of the highest billing demand for the previous eleven (11) months, whichever is higher. The minimum billing demand shall be 30 kW.

Power Factor Adjustment

If the average power factor during the billing month is less than 90% lagging, the metered demand shall be increased by 1% for each 1% that the power factor is found to be less than 90%. The power factor will be determined from company meters used for power factor determination.

Rider for delivery at primary voltage:

Primary metering discount is available to the customer receiving service metered at primary voltage. The energy billing shall be discounted three (3) percent as metered at primary voltage. Separate billings shall be applied to each point of delivery if service is taken at more than one location. If Waverly Utilities' changes its primary system voltage, the customer must change their voltage as well. Waverly Utilities will give a minimum of one-year notice prior to the upgrade.

Rider for customer ownership of transformers:

Discount is available to the customer receiving service at primary voltage to customer-owned transformation. A discount of five (5) cents per kilowatt will be applied to the customer's demand billing.

WAVERLY UTILITIES-- RULES OF OPERATION

MUNICIPAL SERVICE

Rate Designation: EM12, EM12A, EM12B, EM12C

Application

Applied to departments or branches of the City of Waverly for municipal lighting and power service. Service requirements cannot exceed 50 kW on this rate. Whenever monthly consumption exceeds 15,000 kWh, a demand meter will be installed to determine whether the customer should be transferred to the Municipal Demand Service. The customer will be moved to the Municipal Demand Service if their demand exceeds 50 kW four or more times in any 12-month period. Service is subject to applicable terms and conditions of Waverly Utilities' electric service Rules of Operation.

Character of Service

Single phase 120/240 volts or 120/208 volts

Three phase 120/208 volts

Three phase 277/480 volts

Three phase 120/208 services with service entrance panels rated 800 amps or larger and three phase 277/480 services with services entrance panels rated 400 amps or larger are automatically assigned to Municipal Demand Service (50 kW demand requirement is waived).

Monthly Rate

Customer Charge: \$36.40 per month

Energy Charge per kWh:	Summer	Winter
First 2,000 kWh	.1082	.1034
All over 2,000 kWh	.0979	.0917

Summer rate is applicable during four (4) monthly billing periods of June through September. Winter rate is applicable for all other months. Billing will include an adjustment per kWh, computed monthly, to compensate for changes in the cost of power.

WAVERLY UTILITIES-- RULES OF OPERATION

MUNICIPAL DEMAND SERVICE

Rate Designation: ELMD

Application

Applied to departments or branches of the City of Waverly with demand requirements over 50 kW occurring four (4) or more months in a twelve (12) month period. This includes City departmental operations within the service area for service delivered through one meter at one location for all purposes. Service is subject to applicable terms and conditions of Waverly Utilities' electric service Rules of Operation.

Character of Service

Three phase 120/208 or 277/480 volts.

Three phase 120/208 services with service entrance panels rated 800 amps or larger and three phase 277/480 services with services entrance panels rated 400 amps or larger are automatically assigned to General Service or Municipal Demand Service (50 kW demand requirement is waived).

Monthly Rate

Customer Charge: \$170.00 per month

Demand Charge per kW:	Summer	Winter
First 50 kW	17.00	15.00
Balance 150 kW	12.50	10.00

Energy Charge:	All Year
First 250 kWh per kW of billing demand	.0667
Balance kWh	.0441

Summer rate is applicable during four (4) monthly billing periods of June through September. Winter rate is applicable for all other months. Billing will include an adjustment per kWh, computed monthly, to compensate for changes in the cost of power.

Billing Demand

Metered demand shall be the highest integrated fifteen-minute demand occurring during the month. Adjusted metered demand shall be the metered demand after making adjustment for power factor. Billing demand shall be the current month adjusted metered demand or 50 percent of the highest billing demand for the previous eleven (11) months, whichever is higher. The minimum billing demand shall be 30 kW.

Power Factor Adjustment

If the average power factor during the billing month is less than 90% lagging, the metered demand shall be increased by 1% for each 1% that the power factor is found to be less than 90%. The power factor will be determined from Company meters used for power factor determination.

SECURITY LIGHTING SERVICE

Application

Area security lighting for residential and commercial customers shall be available at the security lighting rate schedule. The customer is required to sign up for the service for a minimum of one year.

Character of Service

Security lighting service shall be unmetered. The lights shall be owned and maintained by Waverly Utilities' and shall be located on Utility owned poles or structures. Related costs shall be paid by the customer.

Monthly Rate

	Rate/Mo	Rate Designation
100 Watt HP Sodium Security Light or LED Equivalent	\$ 9.39	SL 09
150 Watt HP Sodium Security Light or LED Equivalent	\$12.28	SL 14
250 Watt HP Sodium Security Light or LED Equivalent	\$15.38	SL 10
400 Watt HP Sodium Security Light or LED Equivalent	\$18.98	SL 11
1000 Watt Metal Halide Security Light or LED Equivalent	\$57.20	SL 15
Wood Pole (if required only for security light)	\$ 3.50	SL 12
50 Watt Metal Halide or HP Sodium or LED Equivalent	\$ 9.03	SL 16
250 HP Sodium Flood Light or LED Equivalent	\$19.35	SL 13
400 HP Sodium Flood Light or LED Equivalent	\$25.96	SL 17

WAVERLY UTILITIES-- RULES OF OPERATION

STREET LIGHTING AND TRAFFIC SIGNALS

Street Lighting Service

Character of Service

Street lighting service consists of a combination of residential street lighting with open bottom or enclosed HPS luminaries in fixtures mounted on utility poles and downtown system with several lights served from each pad mount transformer using underground wiring and metal poles.

Monthly Rate

	Rate/Mo.	Rate Designation
100 Watt HP Sodium Street Light or LED Equivalent	\$ 14.85	ST01
150 Watt HP Sodium Street Light or LED Equivalent	\$ 20.65	ST02
250 Watt HP Sodium Street Light or LED Equivalent	\$ 26.10	ST03
400 Watt HP Sodium Street Light or LED Equivalent	\$ 32.25	ST04
175 Watt ML or LED Equivalent	\$ 24.25	ST05
1,500 Watt ML or LED Equivalent	\$134.00	ST06

Traffic Signals

Monthly rate for traffic signals shall be the Commercial Rate applied separately to each location. Billing will include an adjustment per kWh to compensate for changes in the cost of power.

WAVERLY UTILITIES-- RULES OF OPERATION

INTERRUPTIBLE GENERAL SERVICE RATE

Rate Designation: ELID

Availability

This rate will be available at the discretion of Waverly Utilities.

Letter of Agreement

Waverly Utilities' will negotiate a Letter of Agreement with any General Service customer who is willing and able to curtail all or a significant portion of their demand during times of heavy power usage in exchange for a reduced demand billing. The Letter of Agreement will specify the amount of the customer's contract demand. Service is subject to applicable terms and conditions of Waverly Utilities' electric service Rules of Operation.

Establishment of Contract Demand

Contract demand is initially established by the customer to match the total requirements of uninterrupted service. Contract demand may be increased or reduced by the customer, in writing, only in the month of May of each year in preparation for the coming summer. It is the customer's responsibility to establish the contract demand at a realistic level that will never be exceeded during periods of interruption. Should the customer exceed the contract demand during a period of interruption, the new contract demand shall be increased to be no less than the actual demand registered during the period of interruption, plus 15%, to apply for the next two years, except that the customer shall never be billed for any amount of contract demand in excess of the total monthly billing demand.

Interruptible Demand

Interruptible demand shall be the total billing demand, as established in the terms of the General Service rate schedule less the contract demand.

Demand Rate

The contract demand shall be billed at the demand rate established in the General Service rate schedule. The interruptible demand shall be at the rate established in the General Service rate schedule reduced by \$3.50 per kW.

Periods of Interruption

Interruptions of service will be at the discretion of Waverly Utilities and will include any period when the interruptible demand might potentially add to establishment of a new summer peak for Waverly Utilities. It is estimated that the number of interruptions will be less than ten per year. Waverly Utilities will provide the customer at least two hours advance notice, by telephone, for each interruption. Length of each interruption will not exceed six hours.

Metering

Waverly Utilities will install suitable metering to enable verification of actual demand during periods of interruption.

WAVERLY UTILITIES-- RULES OF OPERATION

Monthly Rate

Customer Charge:	\$170.00 per month	
Demand Charge per kW:	Summer	Winter
First 50 kW	13.50	11.50
Balance kW	9.00	6.50
Energy Charge:	All Year	
First 250 kWh per kW of billing demand	.0667	
Balance kWh	.0441	

GREEN POWER CHOICE

Application

Green Power Choice is available to all customer classes as well as off-system customers. This is a voluntary contribution by the customers to Waverly Utilities. All Green Power Choice contributions will be used to further Waverly Utilities' renewable resources. No certificate will be issued nor will a specific amount of fossil fuel production be displaced.

Customers may elect to contribute to Green Power Choice through their monthly bill in amounts determined by the customers. A \$2 monthly minimum is required.

RIDER FOR ENERGY COST ADJUSTMENT (ECA)

Rate Designation: EECA

Application

The energy adjustment clause is applicable to all rate schedules.

The charges for all kilowatt-hours of energy supplied shall be increased or decreased by an energy adjustment charge or credit to reflect unanticipated changes in total generation and transmission costs. Any bill may be adjusted for variations in the total cost of generation and transmission to Waverly Utilities using the Energy Cost Adjustment (ECA.) Such ECA will be applied when revenue over or under collection occurs due to unexpected increases in the cost of purchased power, generation or transmission.

ECA Calculation

$$\text{ECA} = (\text{6 Month Rolling Total Generation and Transmission Costs (\$)} / \text{Total 6 Months Rolling Retail KWH Sales}) - \text{Base ECA}$$

Definition of Terms

Total Generation and Transmission Costs include:

Purchased cost of energy from wholesale power providers

Cost of generating energy

Cost to deliver energy (transmission)

Less Generation and Transmission Credits

Total 6 Month Rolling Total Generation and Transmission Costs –Based on the most recent 6 months of actual costs

Total 6 Month Rolling Retail KWH Sales-Based on the most recent 6 months of actual kWh Sales.

Base ECA = \$0.0635

WAVERLY UTILITIES -- RULES OF OPERATION

Exhibit 2

PAYMENT AGREEMENT

On this date: City of Waverly, hereinafter called Utility, and the customer identified below, hereinafter called Customer, hereby agree as follows:

Customer Information:

Name: _____ Account Number: _____
Address: _____ Premises Street Address _____
City/State/Zip: _____ Premises City/State/Zip _____
Phone Number: _____

Default:

As of the date of this agreement, you are delinquent on your account in the amount of \$ _____
Additionally, your account for the current month is unpaid in the amount of \$ _____
Accordingly, as of the date of this agreement, you owe the sum of these two amounts, for a total of \$ _____
hereinafter called the "Amount in Default."

[OPTION FOR CUSTOMERS SUBJECT TO DISCONNECTION OR DISCONNECTED WITHIN LAST 120 DAYS AND WHO ARE NOT IN DEFAULT OF A PAYMENT AGREEMENT]

Promise to Pay the Amount in Default in Twelve (12) Equal Installments: Commencing on the thirtieth (30th) day after the date of this agreement, and on each thirtieth (30th) day thereafter, Customer shall pay Utility the sum of \$ _____ which is 1/12 of the amount in default, until the Amount in Default is paid in full.

[OPTION FOR CUSTOMERS DISCONNECTED MORE THAN 120 DAY PREVIOUS AND WHO ARE NOT IN DEFAULT OF A PAYMENT AGREEMENT]

Promise to Pay the Amount in Default in Six (6) Equal Installments: Commencing on the thirtieth (30th) day after the date of this agreement, and on each thirtieth (30th) day thereafter, Customer shall pay Utility the sum of \$ _____ which is 1/6 of the amount in default, until the Amount in Default is paid in full.

[OPTION BY WHICH UTILITY MAY AGREE TO ACCEPT A PAYMENT AGREEMENT FOR MORE THAN 12 OR 6 EQUAL INSTALLMENTS RESPECTIVELY]

Promise to Pay the Amount in Default in _____ Equal Installments: Commencing on the thirtieth (30th) day after the date of this agreement, and on each thirtieth (30th) day thereafter, Customer shall pay Utility the sum of \$ _____ which is 1/____ of the amount in default, until the Amount in Default is paid in full.

[OPTION FOR SECOND PAYMENT AGREEMENT FOR CUSTOMERS WHO ARE IN DEFAULT OF A FIRST PAYMENT AGREEMENT AND WHO HAVE MADE AT LEAST TWO CONSECUTIVE FULL PAYMENTS UNDER THE FIRST PAYMENT AGREEMENT]

Promise to Pay the Amount in Default in _____ Equal Installments (number of installments may not be less than called for in first payment agreement): Commencing on the thirtieth (30th) day after the date of this agreement, and on each thirtieth (30th) day thereafter, Customer shall pay Utility the sum of \$ _____ which is 1/____ of the amount in default, until the Amount in Default is paid in full, provided that at Utility's demand, Customer shall make the first such payment up-front as a condition of entering into this second payment agreement.

Promise to Remain Current on the Account: In addition to the payments specified above, Customer agrees to pay all future utility bills on time in full. At Utility's demand, Customer shall enter into a level payment agreement to pay the current bill.

Consequences of Non-Payment: Customer's failure to make any payments required by this agreement shall result in disconnection of service on as little as one or two day(s) notice, provided that disconnection of gas or electricity service is subject to the notice, "CUSTOMER RIGHTS AND RESPONSIBILITIES TO AVOID SHUT OFF OF ELECTRICITY SERVICE FOR NONPAYMENT" you received with previous notices. If you have misplaced this notice, "CUSTOMER RIGHTS AND RESPONSIBILITIES TO AVOID SHUT OFF OF ELECTRICITY SERVICE FOR NONPAYMENT," ask the utility for a copy and read it before you sign this agreement. Service will not be resumed until all amounts owed to Utility, and a reconnection fee, are paid in cash, certified check or money order, in advance, in full.

Continuation of Utility Service: So long as Customer makes all payments required by this agreement, Utility shall continue to provide utility service to Customer.

IF YOU ARE A CUSTOMER NOT SATISFIED WITH THIS AGREEMENT, DO NOT SIGN IT. ONLY IF YOU ARE AN ELECTRICITY CUSTOMER and you believe the terms of this agreement are unreasonable, you must promptly contact the Iowa Utilities Board toll free at 1-877-565-4450. You may also write the Iowa Utilities Board at 350 Maple Street, Des Moines, Iowa 50319-0069, or by E-mail at customer@iub.ia.us. Low-income customers may also be eligible for free legal assistance from Iowa Legal Aid, and may contact Legal Aid at 1-800-532-1275. You may also offer a reasonable alternative payment agreement. If we accept it, service will continue. If we reject it, and if you make the payments specified in your agreement, disconnection will be delayed 30 days to give you an opportunity to contact the Iowa Utilities Board and ask for assistance in working out a mutually acceptable reasonable payment agreement with us, and you must inform us that you have requested such assistance. Failure to either sign a reasonable payment agreement or promptly notify us of your request for IUB assistance before disconnection of service waives your right to a payment agreement.

City of Waverly

City of Waverly Representative

Signature of Customer

Printed Name: _____

Title: _____

CUSTOMER RIGHTS AND RESPONSIBILITIES TO AVOID SHUTOFF OF ELECTRIC SERVICE FOR NONPAYMENT

1. What can I do if I receive a notice from the utility that says my service will be shut off because I have a past due bill?

- a. Pay the bill in full; or
- b. Enter into a reasonable payment plan with the utility (see #2 below); or
- c. Apply for and become eligible for low-income energy assistance (see #3 below); or
- d. Give the utility a written statement from a doctor or public health official stating that shutting off your electric service would pose an especial health danger for a person living at the residence (see #4 below); or
- e. Tell the utility if you think part of the amount shown on the bill is wrong. However, you must still pay the part of the bill you agree you owe the utility (see #5 below).

2. How do I go about making a reasonable payment plan? (Residential customers only)

- a. Contact the utility as soon as you know you cannot pay the amount you owe. If you cannot pay all the money you owe at one time, the utility may offer you a payment plan that spreads payments evenly over at least 12 months. The plan may be longer depending on your financial situation.
- b. If you have not made the payments you promised in a previous payment plan with the utility and still owe money, you may qualify for a second payment agreement under certain conditions.
- c. If you do not make the payments you promise, the utility may shut off your utility service on one day's notice unless all the money you owe the utility is paid or you enter into another payment agreement.

3. How do I apply for low-income energy assistance? (Residential customers only)

- a. Contact the local community action agency in your area (see attached list); or
- b. Contact the Division of Community Action Agencies at the Iowa Department of Human Rights, Lucas State Office Building, Des Moines, Iowa 50319; telephone (515)281-0859. To prevent disconnection, you must contact the utility prior to disconnection of your service.
- c. To avoid disconnection, you must apply for energy assistance before your service is shut off. Notify your utility that you may be eligible and have applied for energy assistance. Once your service has been disconnected, it will not be reconnected based on approval for energy assistance.
- d. Being certified eligible for energy assistance will prevent your service from being disconnected from November 1 through April 1.

4. What if someone living at the residence has a serious health condition? (Residential customers only)

Contact the utility if you believe this is the case. Contact your doctor or a public health official and ask the doctor or health official to contact the utility and state that shutting off your utility service would pose an especial health danger for a person living at your residence. The doctor or public health official must provide a written statement to the utility office within 5 days of when your doctor or public health official notifies the utility of the health condition; otherwise, your utility service may be shut off. If the utility receives this written statement, your service will not be shut off for 30 days. This 30-day delay is to allow you time to arrange payment of your utility bill or find other living arrangements. After 30 days, your service may be shut off if payment arrangements have not been made.

5. What should I do if I believe my bill is not correct?

You may dispute your utility bill. You must tell the utility that you dispute the bill. You must pay the part of the bill you think is correct. If you do this, the utility will not shut off your service for 45 days from the date the bill was mailed while you and the utility work out the dispute over the part of the bill you think is incorrect. You may ask the Iowa Utilities Board for assistance in resolving the dispute. (See #9 below.)

6. When can the utility shut off my utility service because I have not paid my bill?

- a. Your utility can shut off service between the hours of 6 a.m. and 2 p.m., Monday through Friday.
- b. The utility will not shut off your service on nights, weekends, or holidays for nonpayment of a bill.
- c. The utility will not shut off your service if you enter into a reasonable payment plan to pay the overdue amount (see #2 above).
- d. The utility will not shut off your service if the temperature is forecasted to be 20 degrees Fahrenheit or colder during the following 24-hour period, including the day your service is scheduled to be shut off.
- e. If you have qualified for low-income energy assistance, the utility cannot shut off your service from November 1 through April 1. However, you will still owe the utility for the service used during this time.
- f. The utility will not shut off your service if you have notified the utility that you dispute a portion of your bill and you pay the part of the bill that you agree is correct.
- g. If one of the heads of household is a service member deployed for military service, utility service cannot be shut off during the deployment or within 90 days after the end of deployment. For this exception to disconnection to apply, the utility must be informed of the deployment prior to disconnection. However, you will still owe the utility for service used during this time.

7. How will I be told the utility is going to shut off my service?

- a. You must be given a written notice at least 12 days before the utility service can be shut off for nonpayment. This notice will include the reason for shutting off your service.

WAVERLY UTILITIES -- RULES OF OPERATION

- b. If you have not made payments required by an agreed-upon payment plan, your service may be disconnected with only one day's notice.
- c. The utility must also try to reach you by telephone or in person before it shuts off your service. From November 1 through April 1, if the utility cannot reach you by telephone or in person, the utility will put a written notice on the door of your residence to tell you that your utility service will be shut off.

8. If service is shut off, when will it be turned back on?

- a. The utility will turn your service back on if you pay the whole amount you owe or agree to a reasonable payment plan (see #2 above).
- b. If you make your payment during regular business hours, or by 7 p.m. for utilities permitting such payment or other arrangements after regular business hours, the utility must make a reasonable effort to turn your service back on that day. If service cannot reasonably be turned on that same day, the utility must do it by 11 a.m. the next day.
- c. The utility may charge you a fee to turn your service back on. Those fees may be higher in the evening or on weekends, so you may ask that your service be turned on during normal utility business hours.

9. Is there any other help available besides my utility?

If the utility has not been able to help you with your problem, you may contact the Iowa Utilities Board toll-free at 1-877-565-4450. You may also write the Iowa Utilities Board at 1375 E. Court Avenue, Room 69, Des Moines, Iowa 50319-0069, or by E-mail at customer@iub.iowa.gov. Low-income customers may also be eligible for free legal assistance from Iowa Legal Aid, and may contact Legal Aid at 1-800-532-1275.

WAVERLY UTILITIES -- RULES OF OPERATION

Exhibit 4

24 HOUR POSTED NOTICE

[For Posting Single-Family Residences That Are Owner-Occupied]

CAUSE AND AMOUNT OF DELINQUENCY: You are hereby notified that your electricity account with the City of Waverly is delinquent for one or more of the following reasons:

- checkbox You did not pay your account when due in the amount of \$__.
checkbox You are in default of your payment agreement in the amount of \$ _____.
checkbox You paid the Utility with a check, draft or automatic payment agreement that was not honored by your financial institution on this date: [specify date of dishonor]____, and thus your account or agreement is unpaid in the amount of \$_____.

SCHEDULED DATE OF DISCONNECTION: Disconnection of your electricity service is scheduled on this date: [specify same disconnection date as specified in 12 DAY NOTICE]

CORRECTING THE DELINQUENCY:

Not later than 4:00 PM on the day before the scheduled date of disconnection shown above, you must either:

- bullet pay the delinquent amount(s) in full in the form of cash, certified check or money order, personally delivered to the City Hall located at 220 First Street NE Waverly, Iowa between the hours of 8:00AM and 4:30 PM (this is the only option for water customers), or
bullet come to the City Hall located at 220 First Street NE Waverly, Iowa between the hours of 8:00AM and 4:30 PM and apply for and sign a payment agreement. You are free to suggest an agreement different the agreement offered by the Utility but the Utility is not obliged to accept it.

If the delinquency is not corrected, disconnection of service will occur subject to the attached statement of CUSTOMER RIGHTS AND RESPONSIBILITIES TO AVOID SHUT OFF OF ELECTRICITY SERVICE FOR NONPAYMENT.

RIGHT TO A HEARING: You were previously advised of your right to a hearing and you did not make a timely demand for a hearing, or the hearing was held and your claims were denied.

QUESTIONS OR ADDITIONAL INFORMATION: If you have questions or need additional information about the intended disconnection, you may contact City Hall at the following telephone number: 319-352-4252

ADDITIONAL RIGHTS: Electricity customers have additional rights specified in the attached notice, "CUSTOMER RIGHTS AND RESPONSIBILITIES TO AVOID SHUT OFF OF ELECTRICITY SERVICE FOR NONPAYMENT."

WAVERLY UTILITIES -- RULES OF OPERATION

Exhibit 5

48 HOUR POSTED NOTICE

[For Posting Non-Owner-Occupied Rental Property Where Tenants May Suffer From Disconnection of Services]

CAUSE AND AMOUNT OF DELINQUENCY: You are hereby notified that your electricity account with the City of Waverly is delinquent for one or more of the following reasons:

- You did not pay your account when due in the amount of \$__.
- You are in default of your payment agreement in the amount of \$_____.
- You paid the Utility with a check, draft or automatic payment agreement that was not honored by your financial institution on this date: *[specify date of dishonor]*_____, and thus your account or agreement is unpaid in the amount of \$_____.

SCHEDULED DATE OF DISCONNECTION: Disconnection of your electricity service is scheduled on this date: *[specify same disconnection date as specified in 12 DAY NOTICE]*
_____.

CORRECTING THE DELINQUENCY:

Not later than 4:00 PM on the day before the scheduled date of disconnection shown above, you must either:

- ① pay the delinquent amount(s) in full in the form of cash, certified check or money order, personally delivered to the City Hall located at 220 First Street NE Waverly, Iowa between the hours of 8:00AM and 4:30 PM (this is the only option for water customers), or
- ② come to the City Hall located at 220 First Street NE Waverly, Iowa between the hours of 8:00AM and 4:30 PM and apply for and sign a payment agreement. You are free to suggest an agreement different the agreement offered by the Utility but the Utility is not obliged to accept it.

If the delinquency is not corrected, disconnection of service will occur subject to the attached statement of CUSTOMER RIGHTS AND RESPONSIBILITIES TO AVOID SHUT OFF OF ELECTRICITY SERVICE FOR NONPAYMENT.

RIGHT TO A HEARING: You were previously advised of your right to a hearing and you did not make a timely demand for a hearing, or the hearing was held and your claims were denied.

QUESTIONS OR ADDITIONAL INFORMATION: If you have questions or need additional information about the intended disconnection, you may contact City Hall at the following telephone number: 319-352-4252_____

ADDITIONAL RIGHTS: Electricity customers have additional rights specified in the attached notice, "CUSTOMER RIGHTS AND RESPONSIBILITIES TO AVOID SHUT OFF OF ELECTRICITY SERVICE FOR NONPAYMENT."

SPECIFIC NOTICE TO OCCUPANTS: Each occupant of this building is hereby notified that service to this building will be disconnected within the next 48 hours because of non-payment.