Call to Order
Roll Call

1. **CONSENT AGENDA**: The following agenda item(s) will be considered as a group by the Committee and will be enacted with one motion. There will be no separate discussion of these item(s) unless a Committee Member requests, in which event the agenda item(s) will be removed from the Consent Agenda and considered as a separate item .......................................................... CHAIRMAN MARIO HERRERA

   • Request for approval of the minutes for the meeting of January 24, 2023.

2. SRP’s Rules and Regulations ................................................................. KEN LEE

   Request for approval to amend SRP’s Rules and Regulations to delete provisions related to the now repealed Electric Competition Act as well as additional revisions to the Rules and Regulations, and amend the Rate Book to incorporate certain definitions previously included in the Rules and Regulations and make additional revisions to the Rate Book.

3. Western Power Pool Reserve Sharing Group.................................. CHRIS HOFMANN

   Request for approval to transition from participation in the Southwest Reserve Sharing Group (SRSG) to participation in the Western Power Pool (WPP) Reserve Sharing Group, including the revision of the SRP Open Access Transmission Tariff to reflect this change.


   Informational presentation regarding the Financial Plan 2024 Resource Plan.

5. 2023 All-Source Request for Proposals Update ......................... GRANT SMEDLEY

   Informational presentation to review the All-Source Request for Proposals solicitation for projects that can be online between 2026 and 2027 to meet expected future SRP capacity needs.

6. Closed Session, Pursuant to A.R.S. §30-805(B), for the Committee to Consider Matters Relating to Competitive Activity, Including Trade Secrets or Privileged or Confidential Commercial or Financial Information with Respect to an Update on Sites Identified for Future Resources, as a Follow Up to Presentations Provided to the Power Committee and Board in 2022 ............... BILL McCLELLAN
7. Closed Session, Pursuant to A.R.S. §30-805(B), for the Committee to Consider Matters Relating to Competitive Activity, Including Trade Secrets or Privileged or Confidential Commercial or Financial Information with Respect to the Selection of Long-Duration Energy Storage Pilot Projects for Phase 3 of the Copper Crossing Energy and Research Center.........................CHICO HUNTER

8. Closed Session, Pursuant to A.R.S. §30-805(B), for the Committee to Consider Matters Relating to Competitive Activity, Including Trade Secrets or Privileged or Confidential Commercial or Financial Information with Respect to a Request for Approval of the Sale to Arizona Public Service (APS) of Power to Serve the Area Referred to as the “Eastern Mining Area”.......... TYLER PERRY

9. Report on Current Events by the General Manager and Chief Executive Officer or Designees .......................................................... MIKE HUMMEL

10. Future Agenda Topics......................................................... CHAIRMAN MARIO HERRERA

The Committee may vote during the meeting to go into Executive Session, pursuant to A.R.S. §38-431.03 (A)(3), for the purpose of discussion or consultation for legal advice with legal counsel to the Committee on any of the matters listed on the agenda.

The Committee may go into Closed Session, pursuant to A.R.S. §30-805(B), for records and proceedings relating to competitive activity, including trade secrets or privileged or confidential commercial or financial information.

Visitors: The public has the option to attend in-person or observe via Zoom and may receive teleconference information by contacting the Corporate Secretary’s Office at (602) 236-4398. If attending in-person, all property in your possession, including purses, briefcases, packages, or containers, will be subject to inspection.

THE NEXT POWER COMMITTEE MEETING IS SCHEDULED FOR THURSDAY, MARCH 23, 2023

02/16/2023
A meeting of the Power Committee of the Salt River Project Agricultural Improvement and Power District (the District) convened at 9:30 a.m. on Tuesday, January 24, 2023, from the Board Conference Room at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona. This meeting was conducted in-person and via teleconference in compliance with open meeting law guidelines. The District and Salt River Valley Water Users’ Association (the Association) are collectively known as SRP.

Committee Members present at roll call were M.J. Herrera, Chairman; K.B. Woods, Vice Chairman; and R.C. Arnett, N.R. Brown, K.L. Mohr-Almeida, and S.H. Williams.

Committee Members absent at roll call were K.J. Johnson; and Association Board of Governors observer L.D. Rovey.


In compliance with A.R.S. §38-431.02, Andrew Davis of the Corporate Secretary’s Office had posted a notice and agenda of the Power Committee meeting at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Friday, January 20, 2023.

Chairman M.J. Herrera called the meeting to order.

Consent Agenda

Chairman M.J. Herrera requested a motion for Committee approval of the Consent Agenda, in its entirety.

On a motion duly made by Board Member S.H. Williams and seconded by Vice Chairman K.B. Woods, the Committee unanimously approved and adopted the following item on the Consent Agenda:

- Minutes of the Power Committee meeting on December 13, 2022, as presented

Corporate Secretary J.M. Felty polled the Committee Members on Board Member S.H. Williams’ motion to approve the Consent Agenda, in its entirety. The vote was recorded as follows:
YES: Board Members M.J. Herrera, Chairman; K.B. Woods, Vice Chairman; and R.C. Arnett, N.R. Brown, K.L. Mohr-Almeida, and S.H. Williams (6)

NO: None (0)

ABSTAINED: None (0)

ABSENT: Board Member K.J. Johnson (1)

Southwest Power Pool’s Markets+ Development

Using a PowerPoint presentation, Josh C. Robertson, SRP Director of Energy Market Strategy, stated that the purpose of the presentation was to request approval for SRP’s participation in Phase One of Southwest Power Pool’s (SPP) Markets+ development.

Mr. J.C. Robertson explained how participating in Markets+ Phase One of SPP is consistent with the Western Markets goals for 2035 and will result in an incremental market entry approach; ensure net benefits for SRP; enhance and/or maintain system reliability; and is realistic timing of full Regional Transmission Organization (RTO) for 2030. He stated that SRP’s goal is to take a proactive role in the development and operation of regional Western electric markets that provide value for SRP and its customers. Mr. J.C. Robertson provided a SPP Markets+ timeline from 2021 through 2027.

Mr. J.C. Robertson stated that the scope of activities and deliverables of Markets+ Phase One include market governance and committee structure; detailed market design and protocols; tariff language; and stakeholders and regulatory outreach. He said that SRP priorities for new market or RTO participation will focus on customer benefits; governance; transmission cost allocation; and generation resource sufficiency.

Mr. J.C. Robertson compared the Day-Ahead Market opportunities for California Independent System Operator (CAISO) Extended Day-Ahead Market (EDAM) and SPP Markets+ and discussed the benefits of funding Markets+ Phase One. He broke down the budget and funding as follows: projected costs for all participants is $9.7 million with 21 month implementation schedule – after 21-month period, $500,000 per month, if needed; funding obligation share is based on 2021 Net Energy for Loan (NEL) – SRP’s portion is approximately $1.2 million initially and $61,000 per month; and agreement is under development – SRP execution is subject to final terms.

Mr. J.C. Robertson concluded by requesting approval of SRP’s participation in Markets+ Phase One and approval authorizing the President, Vice President, General Manager and Chief Executive Officer, or Associate General Manager and Chief Power System Executive to execute (i) the SPP Phase One Funding Agreement between SPP and SRP and (ii) any subsequent amendments to such agreements and work order that do not materially modify the terms of the agreements.

Mr. J.C. Robertson responded to questions from the Committee.
On a motion duly made by Board Member S.H. Williams, seconded by Board Member K.J. Johnson and carried, the Committee agreed to recommend Board approval, as presented.

Corporate Secretary J.M. Felty polled the Committee Members on Board Member S.H. Williams’ motion to recommend Board approval. The vote was recorded as follows:

YES:  Board Members M.J. Herrera, Chairman; K.B. Woods, Vice Chairman; and R.C. Arnett, N.R. Brown, K.J. Johnson, K.L. Mohr-Almeida, and S.H. Williams (7)

NO:  None (0)

ABSTAINED:  None (0)

ABSENT:  None (0)

Copies of the PowerPoint slides used in this presentation are on file in the Corporate Secretary’s Office and, by reference, made a part of these minutes.

Board Members K.J. Johnson and P.E. Rovey; Board Member L.D. Rovey of the Association; Messrs. J.J. Cohen, J.T. Judd, and R.R. Taylor; Beth Bremer of Crossover Partners; Ian Calkins of Copper State Consulting Group; and Robin Park of Origis Energy entered the meeting during the presentation.

Final Financial Plan 2024 (FP24) Load Forecast

Using a PowerPoint presentation, Jed J. Cohen, SRP Manager of Forecasting, stated that the purpose of the presentation was to provide information regarding the final FP24 Load Forecast, which is used for resource planning, financial planning, strategic planning, and transmission and distribution planning. He said that key drivers that impact the forecast include economy and population outlook, economic development, SRP customer programs, electric vehicles, rooftop solar, customer-owned batteries, and weather.

Mr. J.J. Cohen presented a graph representing a long view of peak load growth from 1973 through 2021, which indicates that the full period growth rate is 3.4% per year, peak load grew by 125 Megawatt (MW) per year on average, and there is volatility year-to-year. He presented a Final FP24 peak load forecast with respect to MW capacity and a Final FP24 energy forecast with respect to gigawatt-hours (GWh) capacity from 2010 through 2035.

Mr. J.J. Cohen discussed the growth in the large customer project pipeline which include data centers, advanced manufacturing, and mining with respect to MW capacity forecasted from Fiscal Year 2024 (FY24) to FY30. He said data center and semiconductor industries are positioned for strong growth. Mr. J.J. Cohen concluded with a discussion of key takeaways and next steps.
Mr. J.J. Cohen responded to questions from the Committee.

Copies of the PowerPoint slides used in this presentation are on file in the Corporate Secretary’s Office and, by reference, made a part of these minutes.

President D. Rousseau; Council Members G.E. Geiger and R.W. Swier; Messrs. T. Cooper and G. Smedley entered the meeting during the presentation.

Closed Session: Solar Power Purchase Agreement

Chairman M.J. Herrera called for a closed session for the Power Committee at 10:15 a.m., pursuant to A.R.S. §30-805(B), to consider matters relating to competitive activity, including trade secrets or privileged or confidential commercial or financial information, with respect to a request for approval to 1) amend an existing 400 MW Solar Power Purchase Agreement, and 2) enter into a new Power Purchase Agreement for 394 MW of solar energy.

Messrs. J.J. Cohen and T. Cooper; Beth Bremer of Crossover Partners; Ian Calkins of Copper State Consulting Group; Robin Park of Origis Energy; and Ryan Roton of Siemens Energy left the meeting.


Messrs. J.J. Cohen and T. Cooper; Beth Bremer of Crossover Partners; and Ryan Roton of Siemens Energy entered the meeting.

Executive Session: SRP v. ACC

At the request of Management, Chairman M.J. Herrera tabled the agenda item regarding an Executive Session to provide an update and to have a discussion or consultation with attorneys for legal advice regarding SRP’s Certificate of Environmental Compatibility (CEC) application regarding the Coolidge Expansion Project (CEP), SRP v. Arizona Corporation Commission (ACC), Maricopa County Superior Court CV-2022-008624.
Report on Current Events by the General Manager and Chief Executive Officer or Designees

Mike Hummel, SRP General Manager and Chief Executive Officer, reported on a variety of federal, state, and local topics of interest to the Committee. He stated that SRP has a capacity need for Solar Projects and is working diligently to keep in service schedules. Mr. Hummel said that the next work study session on the distribution system is scheduled for Tuesday, January 31. He reported that SRP is working with Arizona Elected officials to promote pumped storage solutions, and that the reservoir system was now at 72% after the last set of storms. Mr. Hummel stated that SRP has held meetings with Federal officials on transmission and reliability planning. He reported that the ruling by the judge in the SRP v. Arizona Corporation Commission (ACC) was unfavorable and that management need time to evaluate options before updating the Board.

Future Agenda Topics

Chairman M.J. Herrera asked the Committee if there were any future agenda topics.

There being no further business to come before the Power Committee, the meeting adjourned at 10:50 a.m.

John M. Felty
Corporate Secretary
SRP Rules & Regulations Update
Summary of Proposed Changes

Power Committee Meeting
Kenneth J. Lee | February 23, 2023
SRP’s Rules & Regulations

- The Rules & Regulations are approved by the SRP Board and specify the terms upon which SRP provides service to its retail customers.

- Any material changes to the Rules & Regulations must be approved by the Board.

- The Rules & Regulations are published on the SRP website.

- The Rules & Regulations do not govern wholesale sales, generation interconnection, or transmission services.
Overview of Proposed Changes to the Rules & Regulations

A. Removal of Deregulation Provisions

B. Removal of Provisions that do not apply to Retail Customers

C. Updating and Adding Definitions and Provisions for Distributed Energy Resources

D. Enhance Provisions for Vegetation Management

E. Miscellaneous Pricing Definition Revisions
A. Removal of Deregulation Provisions

- In 2022, significant portions of the Arizona Electric Competition Act (A.R.S. Sections 30-801, et al.) were repealed or amended.
  - The 2022 amendment repealed all the deregulation language from the Act.
  - As a result: the SRP Rules & Regulations need to be revised to comply with the Arizona Electric Energy Reliability Act.
B. Clarified Applicability of the Rules & Regulations

- The existing Rules & Regulations contain provisions not relevant to retail customers.

- The update removes and revises definitions that mix transmission system and generation interconnection concepts.

- Utility scale generation concepts will be removed from the Rules & Regulations to avoid confusion and consistently deal with all potential utility scale generation interconnectors. (See former definitions of Cogeneration Facility, Qualifying Facility, Small Power Production Facility, former Sections 3.14.1 and 3.14.3.)

- All potential utility scale generators will be handled outside of the Rules & Regulations.
C. Distributed Energy Resource Provisions Updated

- Definitions for “distributed generation facility” and “energy storage facility” were added.
- Provisions addressing “distributed energy devices” were updated to address current practices. (See Sections 3.4.2, 3.4.3, 3.14.2, and 6.2.)
- The Rules & Regulations now distinguish between “behind the meter” generation sources and those connected directly to SRP’s system.
- The update also reserves the right for SRP to require retail customers who install solar or batteries to go through the OATT interconnection process if a customer wants to install a distributed energy resource that is large enough that it might have system impacts. (See Section 3.14.2.)
D. Vegetation Encroachment Provisions Expanded

SRP has regular challenges with customers who refuse to allow SRP to trim or remove encroaching or hazardous vegetation. Accordingly, the Rules & Regulations were modified to:

- Specify that customer must provide SRP access to property to clear vegetation. (See Section 6.11.2.)
- Require compliance with any SRP vegetation standards. (See Section 6.11.2.)
- Prohibit planting vegetation “that encroaches or could foreseeably encroach upon SRP’s electric facilities…” (See Section 6.11.2.)
- Require customers to hire qualified contractors for vegetation pruning. (See Section 6.11.1.)
E. Miscellaneous Pricing Term Definitional Changes

• The existing Rules & Regulations include definitions of certain pricing terms that appear in SRP’s Rate Book but are not defined in the Rate Book and are not used in the Rules & Regulations.

• Some of the definitions need to be updated to reflect current usage.

• Current, temporary solution: Appendix A.

• Upcoming, permanent solution: Update Rate Book.

• Approval of the revisions to the definitions and the Rate Book are sought along with approval of the revisions to the Rules & Regulations.
Request for Approval

Management requests that the Committee recommend that the Board approve:

1. The update to the Rules & Regulations as proposed; and

2. Revisions to the Rate Book to incorporate the definitions from Appendix A of the Rules & Regulations.
Questions?
SALT RIVER PROJECT AGRICULTURAL
IMPROVEMENT AND POWER DISTRICT
RULES AND REGULATIONS

SRP RULES
AND
REGULATIONS
(Last Revised, 2022)

(Note: Please refer to the SRP Home Page at www.srpnet.com for the version of these Rules and Regulations now in effect.)
## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Title</th>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEFINITIONS</td>
<td>1.1</td>
<td>1</td>
</tr>
<tr>
<td>GENERAL PROVISIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INTRODUCTION</td>
<td>2.1</td>
<td>10</td>
</tr>
<tr>
<td>CHANGES TO SRP’S RULES AND REGULATIONS AND STANDARD ELECTRIC PRICE PLANS</td>
<td>2.2</td>
<td>11</td>
</tr>
<tr>
<td>CONSUMER PROTECTION</td>
<td>2.3</td>
<td>14</td>
</tr>
<tr>
<td>PROVISION OF SERVICE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>APPLICATION FOR SERVICE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>3.1</td>
<td>16</td>
</tr>
<tr>
<td>Non-Residential</td>
<td>3.2</td>
<td>17</td>
</tr>
<tr>
<td>Residential</td>
<td>3.3</td>
<td>18</td>
</tr>
<tr>
<td>CONDITIONS OF SERVICE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>3.4</td>
<td>18</td>
</tr>
<tr>
<td>Frequency, Voltage, and Phase</td>
<td>3.5</td>
<td>18</td>
</tr>
<tr>
<td>Motor Loads</td>
<td>3.6</td>
<td>19</td>
</tr>
<tr>
<td>CLASSIFICATION OF SERVICE – STANDARD ELECTRIC PRICE PLANS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General – Applicability or Qualifications for Price Plans and Riders</td>
<td>3.7</td>
<td>19</td>
</tr>
<tr>
<td>Residential Service Price Plans</td>
<td>3.8</td>
<td>19</td>
</tr>
<tr>
<td>General Service Price Plans</td>
<td>3.9</td>
<td>20</td>
</tr>
<tr>
<td>Secondary, Primary, and Dedicated Large General Service Price Plans</td>
<td>3.10</td>
<td>20</td>
</tr>
</tbody>
</table>
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Title</th>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pumping Service Price Plans</td>
<td>3.11</td>
<td>20</td>
</tr>
<tr>
<td>Traffic Signal Lighting Service Price Plan</td>
<td>3.12</td>
<td>21</td>
</tr>
<tr>
<td>Lighting Service Price Plans</td>
<td>3.13</td>
<td>21</td>
</tr>
<tr>
<td><strong>CLASSIFICATION OF SERVICE – OTHER</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interconnection Service</td>
<td>3.14</td>
<td>21</td>
</tr>
<tr>
<td><strong>MONETARY PROVISIONS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>DEPOSITS AND CONTRIBUTIONS IN AID OF CONSTRUCTION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Form of Security</td>
<td>4.1</td>
<td>22</td>
</tr>
<tr>
<td>Refunds of Deposits</td>
<td>4.2</td>
<td>22</td>
</tr>
<tr>
<td>Waiver of Deposit</td>
<td>4.3</td>
<td>23</td>
</tr>
<tr>
<td>Contributions in Aid of Construction</td>
<td>4.4</td>
<td>23</td>
</tr>
<tr>
<td>Refunds of Contributions in Aid of Construction</td>
<td>4.5</td>
<td>25</td>
</tr>
<tr>
<td><strong>BILLING AND PAYMENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meter Readings</td>
<td>4.6</td>
<td>25</td>
</tr>
<tr>
<td>Billing and Terms</td>
<td>4.7</td>
<td>26</td>
</tr>
<tr>
<td>Billing and Payment Options</td>
<td>4.8</td>
<td>27</td>
</tr>
<tr>
<td>Payment Disputes</td>
<td>4.9</td>
<td>27</td>
</tr>
<tr>
<td>Collection of Terminated Accounts</td>
<td>4.10</td>
<td>27</td>
</tr>
<tr>
<td><strong>DISCONTINUANCE AND RECONNECTION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>4.11</td>
<td>28</td>
</tr>
<tr>
<td>Reconnect After Disconnect for Non-Payment</td>
<td>4.12</td>
<td>28</td>
</tr>
<tr>
<td>Disconnect and Reconnect Pursuant to a Request of a</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Governmental Entity</td>
<td>4.13</td>
<td>28</td>
</tr>
<tr>
<td>Fraud</td>
<td>4.14</td>
<td>29</td>
</tr>
<tr>
<td>Other Reasons for Discontinuance</td>
<td>4.15</td>
<td>30</td>
</tr>
<tr>
<td><strong>RESALE OF ENERGY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>4.16</td>
<td>31</td>
</tr>
</tbody>
</table>
## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Title</th>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONSTRUCTION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>LINES AND SERVICE LATERALS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>5.1</td>
<td>32</td>
</tr>
<tr>
<td>Service Laterals</td>
<td>5.2</td>
<td>33</td>
</tr>
<tr>
<td><strong>EXTENSIONS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction – Line Extensions</td>
<td>5.3</td>
<td>34</td>
</tr>
<tr>
<td><strong>OTHER CONSTRUCTION STANDARDS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building and Service Entrance</td>
<td>5.4</td>
<td>34</td>
</tr>
<tr>
<td>High-Rise Buildings</td>
<td>5.5</td>
<td>35</td>
</tr>
<tr>
<td>Meters and Equipment</td>
<td>5.6</td>
<td>35</td>
</tr>
<tr>
<td>Point of Delivery</td>
<td>5.7</td>
<td>37</td>
</tr>
<tr>
<td>Voltage</td>
<td>5.8</td>
<td>37</td>
</tr>
<tr>
<td><strong>LIABILITY AND RESPONSIBILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CUSTOMER’S EQUIPMENT AND ITS OPERATION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>6.1</td>
<td>39</td>
</tr>
<tr>
<td>Distributed Energy Devices on Customer’s Premises</td>
<td>6.2</td>
<td>40</td>
</tr>
<tr>
<td>Customer-Owned Substation Equipment</td>
<td>6.3</td>
<td>41</td>
</tr>
<tr>
<td>Polyphase Circuit Balance</td>
<td>6.4</td>
<td>41</td>
</tr>
<tr>
<td>Power Factor</td>
<td>6.5</td>
<td>41</td>
</tr>
<tr>
<td>Single Phasing and Phase Reversal Protection</td>
<td>6.6</td>
<td>41</td>
</tr>
<tr>
<td>Changes in Installation</td>
<td>6.7</td>
<td>42</td>
</tr>
<tr>
<td><strong>LIABILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liability – General</td>
<td>6.8</td>
<td>42</td>
</tr>
<tr>
<td>Service Interruptions, Variations, and Curtailments – Limitation on Liability</td>
<td>6.9</td>
<td>42</td>
</tr>
</tbody>
</table>
## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Title</th>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ACCESS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to Premises</td>
<td>6.10</td>
<td>44</td>
</tr>
<tr>
<td><strong>ENCROACHMENTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vegetation Encroachments and Hazards</td>
<td>6.11</td>
<td>45</td>
</tr>
<tr>
<td>Structural Encroachments and Hazards</td>
<td>6.12</td>
<td>46</td>
</tr>
<tr>
<td><strong>APPENDIX A</strong></td>
<td></td>
<td>48</td>
</tr>
</tbody>
</table>
SRP RULES AND REGULATIONS
DEFINITIONS

1.1 The following terms, when used herein, have the meaning specified:

1.1.1 ACT: The Arizona Electric Energy Reliability Act consists of the provisions of Title 30, Chapter 6 (§ 30-801, et seq.) of the A.R.S., as amended.

1.1.2 AGREEMENT FOR ELECTRIC SERVICE: The terms and conditions, either standard or non-standard, to provide electric service and specify the Price Plan and other terms and conditions under which a Customer will pay for that service from SRP.

1.1.3 A.R.S.: Arizona Revised Statutes.

1.1.4 BALANCING AUTHORITY: The responsible entity that integrates resource plans ahead of time, maintains Load-interchange-Generation balance within a Balancing Authority Area, and supports interconnection frequency in real time.

1.1.5 BALANCING AUTHORITY AREA: The collection of Generation, Transmission, and Loads within the metered boundaries of the Balancing Authority. The Balancing Authority maintains Load resource balance within this area.

1.1.6 BILLING PERIOD: The time interval between two consecutive bills, typically 30 or 31 days.

1.1.7 BOARD: The SRP Board of Directors.

1.1.8 BUILDING: A structure that stands alone or is separated from adjoining structures by fire walls with all openings therein protected by fire doors. If this definition conflicts with local building codes, the local code definition will prevail.

1.1.9 CAPACITY: The continuous Load-carrying ability of Generation, Transmission, or other electrical equipment, expressed in megawatts (MW), megavolt-amperes (MVA), kilowatts (kW), or kilovolt-amperes (kVA).

1.1.10 CLASS OF USE: A classification of Customer usage type, defined by end use, voltage level, electricity use pattern, Price Plan, or other criteria (e.g., residential, general service, lighting).
<table>
<thead>
<tr>
<th>Rule Number</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1.11</td>
<td>COMMON FACILITIES: Facilities providing electric service to Persons other than the owner that use Energy registered through a single meter when the owner owns all Distribution facilities beyond the Point of Delivery.</td>
</tr>
<tr>
<td>1.1.12</td>
<td>CONNECTED LOAD: The sum of the ratings of the Customer’s Power-consuming equipment that is or may be connected to SRP’s electric system.</td>
</tr>
<tr>
<td>1.1.13</td>
<td>CONSUMER OMBUDSMAN: An SRP representative who works with Customers to investigate and resolve certain non-Transmission related Customer disputes in accordance with A.R.S. § 30-803.</td>
</tr>
<tr>
<td>1.1.14</td>
<td>CONTINGENCY: The unexpected failure or outage of an electric system component, such as a generator, Transmission line, circuit breaker, switch, or other element. The failure also may include multiple components that are related by situations leading to simultaneous component outages.</td>
</tr>
<tr>
<td>1.1.15</td>
<td>CONTRIBUTION IN AID OF CONSTRUCTION (CIAC): Advance payment from a Customer for the design and construction of new or additional facilities, or Enhanced Distribution Facilities and related costs, and for other purposes as provided in these Rules and Regulations.</td>
</tr>
<tr>
<td>1.1.16</td>
<td>CUSTOMER: Any Person receiving electric service from SRP for one or more accounts, including Transmission service, Distribution service, and Ancillary Services necessary to deliver and measure Electrical Energy and Power. Where the context requires, the term “Customer” includes an applicant for SRP service.</td>
</tr>
<tr>
<td>1.1.17</td>
<td>DEDICATED: Electric service provided to a Customer via facilities usually used only to serve that Customer.</td>
</tr>
<tr>
<td>1.1.18</td>
<td>DEDICATED FACILITIES: Facilities that, by contractual arrangement, are utilized by only one Customer to receive electric service.</td>
</tr>
<tr>
<td>1.1.19</td>
<td>DEMAND: The rate at which Electrical Energy is delivered to or by an electric system or part of an electric system at a given instant or averaged over any designated interval of time. Demand may be expressed in kilowatts (kW), kilovolt-amperes (kVA), megawatts (MW), or other suitable units. The designated interval can be specified in the Standard Electric Price Plan, the Agreement for Electric Service, or within these Rules and Regulations. Types of Demand may include:</td>
</tr>
<tr>
<td></td>
<td>a. AVERAGE DEMAND: The Electrical Energy delivered during any interval of time as determined by dividing the total Energy by the units of time in the interval.</td>
</tr>
</tbody>
</table>
b. BILLING DEMAND: Demand, usually expressed in kilowatts (kW), used for calculation of the bill. It may be the Connected Load, the measured Demand, or a modification of either as provided for in an Agreement for Electric Service, Price Plan, or any Special Contracts. It may be based on the contract year, a contract minimum, or a previous maximum and, therefore, may not coincide with the actual Demand measured during the Billing Period.

c. COINCIDENT DEMAND: As it applies to Totalizing, the total Energy Demand required by a Customer occurring simultaneously during a particular time period for the Service Equipment under consideration.

d. DEMAND INTERVAL: The time period during which Electrical Energy is measured, usually in 15-, 30-, or 60-minute increments.

e. INSTANTANEOUS DEMAND: The rate at which Electrical Energy is delivered at a given instant.

f. INTEGRATED DEMAND: The average of the Instantaneous Demands during the Demand Interval.

g. INTERRUPTIBLE DEMAND: The amount of Customer Demand that, in accordance with contractual arrangements, can be interrupted by direct control of the electric system operator or by action of the Customer at the direct request of the electric system operator. In some instances, the Demand reduction may be initiated by the direct action of the electric system operator (remote tripping) with or without notice to the Customer in accordance with contractual provisions.

h. PEAK DEMAND: The highest electric requirement occurring in a given period (e.g., an hour, day, month, season, or year). For an electric system, it is equal to the sum of the metered net outputs of all generators within a system and the metered Line flows into the electric system, less the metered Line flows out of the electric system.

1.1.20 DISTRIBUTED GENERATION FACILITY: Any electricity generating technology capable of Parallel Operation that is connected on the Customer’s side of the retail meter.

1.1.21 DISTRIBUTION/DISTRIBUTION SYSTEM: The portion of SRP’s electric system used to deliver Electrical Energy to Customers from points on the Transmission System.
1.1.22 DISTRIBUTED ENERGY DEVICE: A Distributed Generation Facility or an Energy Storage Facility.

1.1.23 ELECTRIC SERVICE SPECIFICATIONS: SRP’s requirements for wiring, metering, equipment, and other matters as specified in the relevant SRP manual.

1.1.24 ELECTRICAL ENERGY/ENERGY: The Generation or use of electric Power by a device during a period of time, expressed in kilowatt-hours (kWh), megawatt-hours (MWh), or gigawatt-hours (GWh).

1.1.25 EMERGENCY DISCONNECT: See Section 4.15.2.

1.1.26 ENERGY: See “Electrical Energy/Energy.”

1.1.27 ENERGY STORAGE FACILITY: An energy storage device or multiple devices at a single location capable of Parallel Operation, that is connected on the Customer’s side of the retail meter.

1.1.28 ENHANCED DISTRIBUTION SYSTEM/FACILITIES: Any improvements or modifications made to SRP’s standard Distribution System at the request of, or to benefit, a Customer or potential Customer or as mandated by SRP’s Distribution operational requirements.

1.1.29 EXECUTIVE DISPUTE RESOLUTION COMMITTEE: A three-person committee of SRP executive representatives that has final management decision-making responsibility for resolution of any dispute within its purview that is referred to it.

1.1.30 EXTENSION: Lines and/or Service Laterals required to extend electric service from SRP’s existing permanent facilities to the Point of Delivery.

1.1.31 FACILITIES CHARGE: An amount to be paid by the Customer as a lump sum or periodically, for Transmission or Distribution facilities provided by SRP.

1.1.32 FROZEN: Refers to Price Plan or rider for which new Customers or new accounts are no longer accepted. A Frozen Price Plan may or may not have an expiration date. Frozen Price Plans and their associated riders may be changed in the same manner as any other Price Plan or rider.

1.1.33 GENERATION: The process of producing Electrical Energy from other forms of energy; also, the amount of Electrical Energy produced, usually expressed in kilowatt-hours (kWh) or megawatt-hours (MWh).
<table>
<thead>
<tr>
<th>Section</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1.34</td>
<td>GOVERNMENTAL ENTITY: A county, city, or other governmental authority having jurisdiction over a particular matter.</td>
</tr>
<tr>
<td>1.1.35</td>
<td>HIGH-RISE BUILDING: Any Building, residential or commercial, typically having more than four stories within which the most economically feasible electrical Distribution System exceeds 240 volts and step-down transformation is necessary to serve the ultimate Customer.</td>
</tr>
<tr>
<td>1.1.36</td>
<td>INTERCONNECTION AGREEMENT: An agreement between SRP and a Person who interconnects a Distributed Energy Device to SRP’s electric system.</td>
</tr>
<tr>
<td>1.1.37</td>
<td>INTERCONNECTION SERVICE: Service available to a Customer or other Person that owns, leases, or operates a Distributed Energy Device, if approved by SRP. Such service permits a Customer to interconnect with SRP’s electric system.</td>
</tr>
<tr>
<td>1.1.38</td>
<td>KILOVOLT-AMPERE (kVA): 1,000 volt-amperes.</td>
</tr>
<tr>
<td>1.1.39</td>
<td>KILOWATT (kW): A unit of Power equal to 1,000 watts or approximately 1.341 horsepower.</td>
</tr>
<tr>
<td>1.1.40</td>
<td>KILOWATT-HOUR (kWh): The amount of Energy delivered in one hour when delivery is at a constant rate of one kilowatt (kW).</td>
</tr>
<tr>
<td>1.1.41</td>
<td>LINE: A system of poles, ducts, wires, conduits, cable, equipment, and fixtures used for the Transmission and Distribution of electricity.</td>
</tr>
<tr>
<td>1.1.42</td>
<td>LOAD: An end-use device or Customer facility that receives Power from the electric system.</td>
</tr>
<tr>
<td>1.1.43</td>
<td>LOAD FACTOR: The ratio of Average Demand to Peak Demand during a specific period of time, expressed as a percentage.</td>
</tr>
<tr>
<td>1.1.44</td>
<td>OBSOLETE: Refers to a Price Plan, rider, or Price Plan equipment that is no longer available. Prices for Obsolete equipment may be changed in the same manner as any other Price Plan or rider.</td>
</tr>
<tr>
<td>1.1.45</td>
<td>PARALLEL OPERATION: When any electricity generating technology or Energy Storage Device is capable of sending energy on to SRP’s electric system.</td>
</tr>
<tr>
<td>1.1.46</td>
<td>PARTY: In addition to any other Person that may, under applicable law, be deemed a “party,” a Person will be considered a Party for purposes of these Rules and Regulations if that Person (a) is entitled to notice under A.R.S. § 48-2334(A)(3); (b) is considered an “interested person” under A.R.S. §</td>
</tr>
</tbody>
</table>
2334(A)(2); or (c) submits a written comment, proposal, question, or document request, makes a presentation to the Board, or interviews any employee of SRP or consultant of the Board, in connection with a Public Process.

1.1.47 PERSON: Any individual, partnership, corporation, limited liability company, Governmental Entity, or other entity.

1.1.48 POINT OF DELIVERY: The location at which SRP’s electric facilities make contact with a Customer’s Service Equipment.

1.1.49 POWER: The time rate of transferring Energy, usually expressed in kilowatts (kW).

1.1.50 POWER FACTOR: The ratio of real Power (kilowatts (kW)) to apparent Power (kilovolt-amperes (kVA)) for any given Load and time and generally expressed as a percentage.

1.1.51 PRICE PLAN: See “Standard Electric Price Plan.”

1.1.52 PRIMARY GENERAL SERVICE: Electric service that does not require transformation by SRP below the voltage level at the low side of a Distribution substation.

1.1.53 PUBLIC NOTICE: The public notice required by A.R.S. § 48-2334(B) regarding proposed changes to any Standard Electric Price Plan.

1.1.54 PUBLIC PROCESS: A proceeding undertaken by the Board under A.R.S. § 48-2334 for purposes of changing any Standard Electric Price Plan.

1.1.55 RULES AND REGULATIONS: These Rules and Regulations, which have been adopted by SRP pursuant to A.R.S. § 48-2301 et seq., the Act, and other pertinent authority. The Rules and Regulations have also been referred to by SRP as “Electric Service Guidelines.”

1.1.56 SECONDARY GENERAL SERVICE: Electric service that requires transformation by SRP below the voltage level at the low side of a Distribution substation.

1.1.57 SERVICE EQUIPMENT: The necessary electrical facilities, usually consisting of a circuit breaker or switch and fuses, conductors, and accessories constituting the main control and cutoff of the delivery of Electrical Energy to a Customer, and which are installed, owned, and maintained by the Customer.
1.1.58 SERVICE LATERAL: A system of wires, fixtures, equipment, and sometimes poles, or the equivalent ducts, conduits, and cables, used to deliver Electrical Energy from the Line or Distribution transformer to the Point of Delivery.

1.1.59 SPECIAL CONTRACT: A written agreement between SRP and a Customer that contains provisions expressly intended to supersede provisions in these Rules and Regulations or the Standard Electric Price Plans. Special Contracts require the prior approval of the Board.

1.1.60 SPECIAL PRICING MEETING: See Section 2.2.3.d.

1.1.61 SRP: The Salt River Project Agricultural Improvement and Power District.

1.1.62 SRP DISTRIBUTED GENERATION INTERCONNECTION HANDBOOK: SRP’s requirements for Customers who desire to connect a Distributed Energy Device to SRP’s electric system. These Guidelines are available from SRP upon request.

1.1.63 SRP GUIDELINES FOR CUSTOMER OWNERSHIP OF SUBSTATION EQUIPMENT: SRP’s requirements for Customers who own substation equipment connected directly to the SRP 69kV or greater voltage Transmission System. These Guidelines are available from SRP upon request.

1.1.64 STANDARD ELECTRIC PRICE PLAN (PRICE PLAN): SRP’s published Standard Electric Price Plans (including riders and similar documents) for standard contract Customers, including residential, industrial, commercial, lighting, and pumping Customers. There may be more than one Price Plan setting forth the charges and conditions for a particular class or type of service. A Price Plan usually includes an identification letter and number, class of service, character or applicability, prices, conditions, and references to these Rules and Regulations.

1.1.65 STANDBY SERVICE: Service supplied to a Customer who normally receives Power and Energy requirements from sources other than SRP.

1.1.66 TOTALIZING: For billing purposes on the appropriate Price Plan, the measurement of the simultaneous Demand and Electrical Energy of a Customer who receives electric service from more than one service entrance section at a single site or campus.

1.1.67 TRANSMISSION/TRANSMISSION SYSTEM: The interconnected group of Lines and associated equipment used by SRP for the movement or transfer of Electrical Energy between points of supply and points at which
it is transformed for delivery to Customers or is delivered to other electric systems.

1.1.68 UP AND DOWN COSTS: All labor, material, and other charges to install and/or remove SRP’s electrical facilities. The removal (down) costs will be reduced by the salvage value, if any, of any removed material.

1.1.69 VOLT-AMPERE: The apparent Power when one ampere flows between two points having a potential difference of one volt.
GENERAL PROVISIONS

2.1 INTRODUCTION

2.1.1 These Rules and Regulations define the terms and conditions of SRP’s agreement with a Customer to supply electric and related services, and, except as expressly provided otherwise in a Special Contract, supersede any other policies or procedures. These Rules and Regulations shall apply to all SRP Customers.

2.1.2 Implementation and administration of these Rules and Regulations is supplemented by the appropriate Standard Electric Price Plan and the Electric Service Specifications. Upon request, SRP will provide Customers with copies of the specifications relating to their service installations and a copy of the applicable Price Plan. These Rules and Regulations, the Price Plans, and the Electric Service Specifications are also available at www.srpnet.com.

2.1.3 If an issue arises that is not addressed, or is only partially addressed, in these Rules and Regulations or other applicable documents, SRP reserves the right to then consider the issue and implement policy or practice pertinent to it.

2.1.4 The citation or referencing of any document or portion thereof in these Rules and Regulations also means any applicable successor document or portion thereof.

2.1.5 The descriptive headings of the various sections of these Rules and Regulations have been inserted for convenience of reference only and in no way define, modify, or restrict any of the terms and provisions thereof.

2.1.6 When used herein, the terms "include" and "including" mean without limitation.

2.1.7 The waiver by SRP of any breach of any term, covenant, or condition herein contained shall not be effective unless such waiver is in writing, and any waiver shall not be deemed a waiver of any breach of any other term, covenant, or condition, or any subsequent breach of the same or any other term, covenant, or condition herein contained.

2.1.8 SRP will provide service under these Rules and Regulations without regard to race, creed, color, sex, marital status, religion, disability, or national origin.
2.1.9 To be binding on SRP, all promises, agreements, or representations made by an employee or agent of SRP must be set forth in a written agreement, signed by an employee of SRP duly authorized to make such promises, agreements, or representations.

2.1.1 These Rules and Regulations shall be deemed to have been made in the State of Arizona and shall be construed and governed in accordance with the laws of the State of Arizona without regard to its choice of law provisions. Venue for any legal proceeding arising out of or in connection with these Rules and Regulations shall be exclusively in a state or federal court located in Maricopa County, Arizona, and SRP and Customer irrevocably submit to the jurisdiction of any such court.

2.1.10 Customer and SRP each expressly waives any rights that it may have to a trial by jury with respect to any legal proceeding arising out of or in connection with these Rules and Regulations whether such legal proceeding brought by or against it or any of its affiliates.

2.1.11 If any provision of these Rules and Regulations is found by a court of competent jurisdiction to be unenforceable, the remainder shall be enforced as fully as possible and the unenforceable provision shall be deemed modified to the limited extent required to permit its enforcement in a manner most closely representing the intention of SRP as expressed herein.

2.2 CHANGES TO SRP’S RULES AND REGULATIONS AND STANDARD ELECTRIC PRICE PLANS

2.2.1 The Board may change these Rules and Regulations at any time. Further, SRP’s management is authorized to make non-material, administrative updates to these Rules and Regulations.

2.2.2 The Board may change any Standard Electric Price Plan or any other price, fee, charge, minimum, Demand charge, rate, credit, or other pricing term at any time, unless expressly agreed otherwise by a written contract, subject to compliance with the applicable procedural requirements of A.R.S. § 48-2334, as applicable, as amended from time to time, and those set forth in this Section 2.2.

2.2.3 The following rules and procedures apply with respect to each Public Process.

a. Management of Communications. In accordance with A.R.S. §48-2334, the Corporate Secretary will coordinate each Public Process, and will be the single point of contact for all requests for information, documents, and interviews, and the submission of any comments, questions, or proposals, with regard to the subject of the
Public Process. The Public Notice shall prescribe the means of communicating with the Corporate Secretary for purposes of the foregoing requests and submittals.

The Corporate Secretary will create and maintain a list of Persons or entities that submit written comments, proposals, questions, or document requests, make presentations to the Board, or interview any employee of SRP or consultant of the Board, in connection with a Public Process. The Corporate Secretary is responsible for acknowledging receipt of each request and submittal (whether directed to SRP management, the Board, or the Board’s consultant(s)), and ensuring that all such communications are fairly, timely, and accurately presented to the Board and other appropriate Persons.

b. Interviews. In accordance with this subsection, interested Persons or their representatives may interview SRP management concerning proposed changes to the Standard Electric Price Plans and may interview the consultant(s), if any, selected by the Board to assist it in evaluating such proposed changes. Each Public Notice will state that such interviews may be requested, and will include the instructions and deadline(s) for requesting interviews, and the proposed date(s), time(s), and place(s) for such interviews. Unless other arrangements are made, any Board consultant will be available for interviews only on the date(s), time(s), and place(s) specified in the Public Notice. Interview requests must be submitted in the manner, and by the deadline, set forth in the Public Notice, and must describe the general topic(s) related to the Public Process for which the interview is requested. Interested Persons or their representatives may request interviews of a particular SRP employee, but SRP will have sole discretion to select, based on availability and knowledge, the employee(s) to be interviewed. SRP will make reasonable efforts to make the most knowledgeable employee(s) available, and will instruct interviewed employee(s) to answer the questions to the best of their ability; however, the employee(s) may, when further consideration is warranted, provide responses to some questions subsequent to the interview.

Following the completion of each interview, SRP will make available upon request, or post on its website, either an interview transcript or a written summary of the questions asked, and responses provided, during the interview.

c. Written Questions and Requests for Documents. In accordance with this subsection, interested Persons or their representatives may submit, through the Corporate Secretary, written comments and
questions on the proposed changes to the Standard Electric Price Plans and may request documents relative to the proceedings. The Public Notice will state that such comments, questions, and document requests may be submitted, and will include the instructions and deadline(s) for submitting the same. Comments, questions, and document requests must be submitted in the manner, and by the deadline(s), set forth in the Public Notice. SRP will make reasonable efforts to provide timely responses to questions submitted, and accommodate document requests in a timely manner, but reserves the right, to the extent permitted by applicable law, to decline requests for documents or information that are unduly burdensome. Persons requesting copies of meeting transcripts or other materials prepared by a third party may be required to obtain such materials from the third-party preparer, with payment of applicable fees.

d. Board Meetings. SRP will use reasonable efforts to hold the Board meeting required under A.R.S. § 48-2334(D) (the “Special Pricing Meeting”) on the date that is 60 days after the Public Notice. To help ensure that the Board can accomplish its purposes and hear a range of viewpoints, the Board may, to the extent permitted by applicable law, impose reasonable rules and requirements with respect to public comments at the Special Pricing Meeting or other Board meetings at which the Board permits public comments. Such rules may include reasonable time limits on speakers, limitations on the number of speakers, and a requirement that prepared remarks be added to the record without being read aloud.

e. Publication. SRP will publish on its website at www.srpnet.com, within one business day of approval by the Board, any changes to the Standard Electric Price Plans, and will publish notice of such changes in a newspaper of general circulation as soon as reasonably practicable. In addition, SRP will give notice to each affected Customer (or its designated agent) with or prior to the first billing to such Customer under the new or revised Price Plans. Such notice may be provided by mail or other means reasonably expected to reach each affected Customer (or its designated agent) including e-mail. If sent by United States mail, notice will be deemed given when deposited in the mail.

2.3 CONSUMER PROTECTION

2.3.1 Confidentiality:

In accordance with state law, SRP will not release Customer-specific information to third parties unless (a) the information is reasonably required
for legitimate account collection activities or credit analysis activities, or when such information aids in providing safe and reliable service to the Customer, (b) the Customer specifically authorizes in advance the release of such information in writing, or (c) release is required by court order. SRP may provide certain Customer-specific information to its contractors and vendors for billing, remittance, research, Customer service, marketing, and related SRP purposes.

2.3.2 Unfair, Deceptive, and Abusive Business, Marketing, and Advertising Practices:

SRP adheres to the requirements of applicable laws, rules, and regulations regarding advertising and marketing (including telemarketing).

2.3.3 Customer Complaints or Questions Regarding SRP Services:

a. If a residential service Customer has a question or problem concerning electric services provided by SRP, the Customer may call SRP Residential Customer Services at 602-236-8888 or toll free at 1-800-258-4777.

b. Commercial, industrial, and all other Customers who have a question or problem concerning electric services provided by SRP may contact their SRP Energy Manager about the matter, or call SRP’s Business Center at 602-236-8833 or toll free at 1-800-258-4777.

c. If the SRP representative contacted is unable to resolve the issue, the representative will document it on behalf of the Customer and direct it to the appropriate SRP department for further review and response.

d. Customers whose annual Energy usage is less than 100,000 kilowatt-hours (kWh) may submit disputes to a Consumer Ombudsman for a review and determination. If the Customer does not accept the Consumer Ombudsman’s determination, the Customer may request an informational hearing with SRP’s Director of Consumer Affairs, who will render a final decision on behalf of SRP.

e. SRP electric Customers with annual Energy usage equal to or greater than 100,000 kilowatt-hours (kWh) may submit billing, payment, and credit disputes to SRP’s Executive Dispute Resolution Committee which will render a final decision on behalf of SRP.
PROVISION OF SERVICE

APPLICATION FOR SERVICE

3.1  General:

3.1.1  Except where the terms of a Special Contract provide otherwise, SRP provides service to a Customer under and in accordance with these Rules and Regulations. In applying for service, the Customer agrees to be bound by the terms and conditions of these Rules and Regulations, the Standard Electric Price Plans, the Electric Service Specifications, SRP Distributed Generation Interconnection Handbook, SRP Guidelines for Customer Ownership of Substation Equipment, and any Agreement for Electric Service between SRP and the Customer, as applicable.

3.1.2  SRP will assess a Customer a service fee each time SRP is requested to establish or re-establish Distribution service to that Customer. As necessary, SRP will redetermine the service fee from time to time to reasonably compensate SRP for associated costs.

3.1.3  In the case of a new service or a connection to an established service, a Customer, if requested by SRP, will provide the following information with the application for service:

a.  Purpose for which service is to be used including a description of major appliances, motors, and other electric use equipment.

b.  Location (service address).

c.  Address to which bills are to be mailed.

    d.  Documentation supporting Customer’s authority over the premises either as an owner, tenant, property manager, or otherwise. An application to establish an active Customer account will be accepted only from the Person accepting responsibility for billing payment, or an authorized agent thereof.

    e.  Date the Customer will be ready for service.

    f.  Whether premises have been previously supplied with electrical service.

g.  Sufficient identification and other information about the Customer to enable SRP to confirm the Customer’s identity.
h. Sufficient financial information about the Customer to enable SRP to evaluate the Customer’s financial condition and creditworthiness if Customer requests a waiver of deposit or similar matter.

i. Any other related information SRP deems necessary to provide service under the terms and conditions of these Rules and Regulations, Standard Electric Price Plans, and the Electric Service Specifications.

3.1.4 SRP will not provide service or install a meter until the Customer has satisfactorily complied with all of the following requirements:

a. Unless otherwise provided herein, settlement of all outstanding indebtedness of the Customer due SRP, including deposits, guaranties, and Contributions in Aid of Construction.

b. Installation of service entrance and wiring in compliance with the Electric Service Specifications.

c. Conformance to applicable requirements of Governmental Entities.

d. Provision of adequate easements and access to the premises satisfactory to SRP for installation, maintenance, and removal of SRP’s facilities.

e. Provision of identification and other information satisfactory to SRP to confirm the Customer’s identity.

f. Execution of all applicable written agreements required by SRP.

3.1.5 If SRP approves more than one Point of Delivery for a Building, in accordance with the provisions of Section 5.1.2, Customer will submit separate application(s) for each Point of Delivery.

3.2 Non-Residential:

3.2.1 SRP may require applicants for service in classifications other than residential to sign an Agreement for Electric Service that will state, at minimum, the particular Standard Electric Price Plan under which the Customer will receive service.

3.2.2 Service may be discontinued upon Customer’s default under, or the expiration of the term stated in, an Agreement for Electric Service under which service is rendered. Should SRP, at its option, continue service beyond the term of an Agreement for Electric Service, such service will be under the terms and conditions provided in the Standard Electric Price Plans.
determined by SRP to apply from time to time. Continuance of service beyond the term of such Agreement for Electric Service will not constitute a waiver of SRP’s right to discontinue service for Customer’s breach of or lack of an Agreement for Electric Service.

3.2.3 An application for service may be made by telephone through SRP’s Business Center at 602-236-8833 or toll free at 1-800-258-4777, or by any other method approved by SRP.

3.3 Residential:

An application for service may be made by telephone through Residential Customer Services at 602-236-8888 or toll free at 1-800-258-4777, or by any other method approved by SRP.

CONDITIONS OF SERVICE

3.4 General:

3.4.1 Each type of electric service may not be available at a given location. Before making any installation or purchasing equipment, the Customer should inquire from SRP as to the exact character of service that will be available at the Customer’s service location. For very large installations or special applications, SRP may supply service under terms and conditions other than those generally available.

3.4.2 For all Distributed Energy Devices, the Customer must allow metering and monitoring equipment at the site of the device in order to verify the reliability and quality of the electric Power connected to SRP’s electrical system. The type of metering and units to be metered shall be at SRP’s option. Meters and the location of metering will conform to the specifications, terms, and conditions outlined in Section 5.6.

3.4.3 For all Distributed Energy Devices, the Customer must submit an application for Interconnection Service, comply with the Distributed Generation Interconnection Handbook, and sign an Interconnection Agreement as outlined in Section 3.14. Upon SRP’s request and in its sole discretion, SRP may also require a third-party owner or operator of an electrical Distributed Energy Device to sign SRP’s Interconnection Agreement.

3.5 Frequency, Voltage, and Phase:

Service supplied will be alternating current at a regulated frequency of approximately 60 hertz. Single-phase and three-phase services with accompanying voltages are set forth in the Electric Service Specifications.
3.6 Motor Loads:

Motor Loads are subject to limitations set forth in the Electric Service Specifications.

CLASSIFICATION OF SERVICE – STANDARD ELECTRIC PRICE PLANS

3.7 General – Applicability or Qualifications for Price Plans and Riders:

Customers should consult the Standard Electric Price Plans to determine the Price Plans under which they qualify for service. Price Plans available to Customers at any given time may be viewed on the SRP website at www.srpnet.com or may be requested by phone from SRP’s Residential Customer Services or SRP’s Business Center (see Sections 3.2.3 and 3.3 for contact information).

The Customer’s service characteristics and service requirements determine the applicable Standard Electric Price Plan(s). SRP can help determine the most advantageous Price Plan or rider for the Customer. However, because of varying Customer usage patterns, SRP cannot guarantee that the Price Plan a Customer selects is the most economical. In the absence of SRP error or SRP’s agreement in advance, SRP will not provide any refunds if the Customer would have paid less for service had the Customer been billed on an alternate Price Plan or rider.

3.8 Residential Service Plans:

The following types of installations and no others qualify for residential Price Plan service:

3.1.1 Individual residence, individual apartment, or individual manufactured home. In the case of apartment Buildings and manufactured home parks, excluding complexes owned or controlled by a cooperative or other unincorporated association, a Customer must take service under the appropriate general service Price Plan, including service to all Common Facilities.

3.8.1 Accessory Buildings and outdoor lighting, including Buildings located on the same premises and occupied as living quarters by household employees of a Customer, or guest houses not rented by the Customer to permanent or transient guests, when served through the Customer's meter. SRP will not serve commercial establishments such as hotels and motels under residential Price Plans.

3.8.2 A residential dwelling used primarily as a home that maintains standard residential service but is also used for business purposes. If service enhancement is needed to serve the residence/business, SRP will consider
it general service, not residential. The Customer will then need to select an applicable general service Price Plan.

3.9 General Service Price Plans:

3.9.1 The Standard Price Plan for General Service (E-36) applies to any class of service for which no other Price Plan is available.

3.9.2 Temporary service will be furnished under the Standard Price Plan for General Service (E-36). SRP, at its sole discretion, will determine whether a Customer's proposed service is temporary. Charges for other than a standard Billing Period will be prorated.

3.10 Secondary, Primary, and Dedicated Large General Service Price Plans:

3.10.1 SRP may begin service under one of these Price Plans for new accounts with expected monthly startup consumption greater than 300,000 kWh. Service will continue under the Price Plan provided that actual consumption exceeds 300,000 kWh during each of the first three consecutive months of service. If actual consumption does not meet the Price Plan criteria, SRP may transfer the account to an applicable General Service Price Plan E-32 or E-36.

3.10.2 SRP charges a Facilities Charge to Customers who use SRP facilities for the transformation and Distribution of electricity below the 69 kV level. The Facilities Charge is determined under the Facilities Rider Supplemental to Price Plans E-61, E-63, E-65, E-66, and E-67.

a. Installation of new or additional Dedicated Facilities shall be subject to the terms and conditions of a separate construction contract. The Customer may be responsible for (i) replacement and installation of Dedicated Facilities substation equipment or other Dedicated Facilities through a Contribution in Aid of Construction, (ii) a change in the monthly Facilities Charge, or (iii) both.

b. SRP may charge the Customer to recover costs incurred by SRP to remove Dedicated Facilities.

c. To the extent not recovered by SRP’s Price Plans, Customers who own substation facilities will pay a monthly Facilities Charge to recover the cost of serving that Customer from SRP’s Transmission or sub-Transmission System.

3.11 Pumping Service Price Plans:
These Price Plans are applicable to pumping water for commercial agricultural production or municipal water utilities.

3.12 Traffic Signal Lighting Service Price Plan:

SRP will estimate kilowatt-hour (kWh) consumption for billing purposes based on Connected Load and duration of its use. As a condition of service, the Customer must provide SRP notice of any changes in Connected Load after the initial installation.

3.13 Lighting Service Price Plans:

3.13.1 Customers with lighting controllers will pay a monthly Facilities Charge pursuant to the Price Plan, based on the maximum Load rating of the controller.

3.13.2 SRP will estimate kilowatt-hour (kWh) consumption for billing purposes based on Connected Load and duration of its use. SRP may meter any installation.

3.13.3 SRP will maintain the lighting system except when the Customer owns the lights. SRP installation and ownership of new municipal public lighting facilities is not available.

3.13.4 If SRP provides lighting equipment, the prices will be as stated in the Lighting Equipment Rider, Municipal/Non-Municipal Public Lighting Equipment Riders, or the Private Security Lighting Equipment Rider, to the extent applicable.

CLASSIFICATION OF SERVICE – OTHER

3.14 Interconnection Service:

3.14.1 Except as required by applicable law, Interconnection Service is at the sole option of SRP.

3.14.2 Prior to receiving service, the Customer must enter into an Interconnection Agreement. That Agreement supplements the SRP Distributed Generation Interconnection Handbook, the applicable Price Plan, and these Rules and Regulations, and details the rights and obligations of SRP and the Customer pertaining to Interconnection Service. All costs of interconnection and metering are the responsibility of the Customer, unless otherwise provided in an agreement between SRP and the Customer. SRP reserves the right to require any Customer who desires to install a Distributed Energy Device to go through SRP’s Open Access Transmission Tariff interconnection process.
3.14.3 Purchases by SRP of electric Power and Energy from Customers with Distributed Energy Devices will be made based upon the applicable Price Plan or rider.
MONETARY PROVISIONS

DEPOSITS AND CONTRIBUTIONS IN AID OF CONSTRUCTION

4.1 Form of Security:

4.1.1 Generally, SRP will require a cash deposit or other form of security acceptable to SRP to secure payment of an account or accounts for electricity and related services provided by SRP to a Customer whenever, in SRP’s sole discretion, Customer’s anticipated billings exceed limits determined by SRP or there is a significant risk or indicator of non-payment of indebtedness. In making its determination, SRP may consider the financial condition or creditworthiness of the Customer, the Customer's payment history with SRP, the Customer's payment history with other creditors, the level of services provided by SRP, and the quality of documentation provided to confirm the identity of the Customer, among other factors.

4.1.2 A cash deposit accepted as security for payment of electric service will earn interest at the rate established by SRP until a turn-off for the relevant account is processed, provided such deposit has been held by SRP for at least 180 days. All accrued interest will be credited to the Customer as of December 31 of each calendar year (or another date as may be determined from time to time by SRP) or upon return of the deposit to the Customer, whichever occurs first.

4.2 Refunds of Deposits:

4.2.1 SRP will return a cash deposit to the Customer when service is discontinued after first applying the deposit and accrued interest to any amounts owed to SRP under any account, or accounts, for which Customer is responsible.

4.2.2 SRP will return a cash deposit on an account upon the establishment of a credit history satisfactory to SRP and provided adequate documentation of the identity of the Customer of record is on file, as determined by SRP. For those residential accounts where the Customer is eligible for a deposit refund, SRP may provide refunds automatically. Customers may request refunds on other accounts.

4.2.3 Refunds of cash deposits will be made by check, by application to the account, or by other appropriate mechanism as determined by SRP.
4.3 Waiver of Deposit:

4.3.1 SRP, in its sole discretion, may waive or reduce a security deposit when, for example:

a. The risk of loss is not significant,

b. The maximum credit exposure under SRP’s standard payment terms is nominal, or

c. The Customer and SRP agree to accelerated payment terms and a shorter notification timeline for disconnection than otherwise provided by these Rules and Regulations.

4.3.2 SRP may revoke a deposit waiver, require a deposit, and/or require an additional deposit if a Customer’s identity cannot be established to SRP’s satisfaction or, as determined by SRP, based upon the Customer's financial condition or creditworthiness, the Customer’s payment history with SRP or other creditors, the Customer's billings exceeding limits determined by SRP, or other significant risk or indicator of non-payment of indebtedness.

4.4 Contributions in Aid of Construction:

4.4.1 General:

a. SRP does not pay interest on Contributions in Aid of Construction. Contribution in Aid of Construction payments are generally non-refundable. However, SRP may, in its sole discretion, refund unused design fees if a Customer cancels a project prior to construction.

b. If SRP must add to, expand, or upgrade its facilities due to the increased Load of an existing Customer or the projected Load of a new Customer, SRP may require the Customer to pay a Contribution in Aid of Construction.

c. SRP may require a Customer who requests relocation, conversion (undergrounding), modification, or other alteration of SRP’s facilities to pay a Contribution in Aid of Construction.

d. SRP may require a Contribution in Aid of Construction payment for any Enhanced Distribution System or Enhanced Distribution Facilities installed at the request of, or to benefit, a Customer or potential Customer.

e. SRP may require a Contribution in Aid of Construction payment for any design, construction, and related costs performed at the
Customer's request and that is not specifically covered by these Rules and Regulations. Work will begin only after SRP determines the proper Contribution in Aid of Construction amount and documents in a written agreement any necessary additional terms and conditions.

f. SRP will require a Customer who requests temporary service facilities to provide a Contribution in Aid of Construction payment in the amount of the estimated Up and Down Costs prior to SRP performing any work.

g. SRP may require a Contribution in Aid of Construction for the facilities required to serve any Load that, based on SRP estimates, will not provide SRP an adequate return on investment.

h. For platted residential developments with four or more contiguous lots of one acre or less in size, SRP may require a Contribution in Aid of Construction.

i. For Distribution Systems in master planned areas and commercial/industrial subdivisions, SRP may require a non-refundable Contribution in Aid of Construction.

j. For Service Laterals, SRP requires the Customer or developer to provide all trenching, backfill, boring, and conduit when facilities are requested or required to be placed underground, or pay a Contribution in Aid of Construction for the cost of such work.

k. SRP may require a Contribution in Aid of Construction for any facilities that will be installed to provide service to the Customer.

l. SRP may, at its option, compute its charges on the basis of standard unit costs as determined from periodic studies made by SRP of similar construction or removal.

4.4.2 Line Extensions:

a. Any Distribution Line or Service Lateral Extension or reconstruction of existing single- or dual-phase facilities to dual- or three-phase facilities over 1,000 feet in length will be individually evaluated. Such Line or Service Lateral Extension or reconstruction may require payment of a Contribution in Aid of Construction.

b. For underground Line or Service Lateral Extensions, SRP may require a Customer to pay a Contribution in Aid of Construction to SRP for the cost of all trenching, backfill, boring, and conduit.
4.5 Refunds of Contributions in Aid of Construction:

4.5.1 SRP will refund any portion of a Contribution in Aid of Construction designated as refundable, according to the terms of the written agreement between SRP and Customer.

4.5.2 To be eligible for refund, the Customer must make a refund request and present satisfactory supporting documentation within the time frame provided in the agreement. SRP will make a reasonable effort to pay refunds due within 90 days of a timely request by the Customer.

4.5.3 SRP will not make cash refunds of Contributions in Aid of Construction unless all amounts owing to SRP have been paid in full. SRP may apply such refunds to any amounts owed to SRP by the Customer, including other electric service accounts for which Customer is responsible.

BILLING AND PAYMENT

4.6 Meter Readings:

4.6.1 SRP will utilize meter readings that are normally 30 or 31 calendar days apart for purposes of rendering a monthly bill. If, for any reason, the meter reading interval exceeds or falls short of the regular interval by five calendar days or more, SRP will prorate the monthly service charges, kilowatt (kW) charges and, if applicable, kilowatt-hour (kWh) charges in the applicable Price Plan. At its sole discretion, SRP may change the frequency of meter reading.

4.6.2 SRP may compute bills under any Price Plan based on a reasonable usage estimate made by SRP if any of the following conditions apply:

   a. The meter fails to register accurately;

   b. The meter reader is unable to obtain a meter reading because of locked gates, safety concerns, inclement weather, lack of access, or other hindrance;

   c. Service is temporarily supplied without a meter;

   d. A contrivance has been used to circumvent the accurate registration of metering devices or there is other evidence of fraud, as described in Section 4.14;
e. The meter reading schedule has been officially changed so that readings are taken at other than monthly intervals and estimation is necessary to compute the monthly bill; or

f. The meter, when capable of electronic communication with SRP, fails to communicate a meter read on a timely basis.

4.6.3 Any failure of SRP to render a complete monthly bill shall not be a waiver of SRP’s right to payment for services supplied by SRP.

4.6.4 Meters will be considered accurate for billing purposes when their registered usage is maintained within plus or minus 3% of 100% accuracy. The range will not exceed the variation established by standard utility practice, except when such allowable range is otherwise specifically limited by Special Contractual provisions. When a meter test confirms the registered usage variation to be in excess of the allowable variation, SRP will adjust the billing, and either debit or credit the Customer retroactively for a time period reasonably estimated by SRP to be the period of the metering error. When a requested meter test confirms that registered usage is within the registration accuracy standards, SRP may assess the Customer a service fee.

4.6.5 When the Customer’s service entrance is energized for the Customer’s convenience, but unmetered, the Customer will pay SRP a daily charge determined by SRP.

4.7 Billing and Terms:

4.7.1 SRP will mail, email, or otherwise provide the Customer a bill for electric services provided by SRP and other SRP charges. Except as provided in Section 4.9 or as otherwise agreed by SRP, the Customer must pay the bill before it becomes delinquent. At SRP’s option, any Person, other than the Customer of record, who benefited from electric services provided by SRP may be held responsible for payment.

a. If one or more of the applicable charges of the Price Plans change during a Billing Period, SRP may prorate the charges accordingly.

b. Unless otherwise provided in these Rules and Regulations, a charge may be imposed for connection or reconnection of service. A service fee may also be charged for other SRP actions related to a Customer’s account.

c. SRP increases or decreases bills in proportion to, and Customer shall pay, any taxes, fees, or charges (excluding federal or state income
taxes) levied or imposed by any Governmental Entity and payable by SRP for any services, Power, or Energy provided by SRP.

4.7.2 Bills will be delinquent unless payment is received by the due date listed on the bill. SRP may charge interest on all delinquent amounts owed to SRP at a rate not to exceed the maximum legal interest rate, and SRP may assess a late payment fee on delinquent amounts.

4.7.3 At the option of SRP, kilowatt (kW) Demand for billing purposes will be determined on a Connected kilovolt-amperes (kVA) Load basis for spot welder and arc welding machines, X-ray apparatus, or any other intermittent or fluctuating Loads. The Customer must consult SRP before installation of any such equipment.

4.7.4 When a Person causes SRP to incur unusual administrative, labor, material, or other costs, SRP may assess a fee to recover such costs.

4.8 Billing and Payment Options:

The most current billing and payment options available to Customers may be viewed on the SRP website at www.srpnet.com or may be requested by phone from SRP’s Residential Customer Services or Business Center (see Sections 3.2.3 and 3.3 for contact information).

4.9 Payment Disputes:

4.9.1 The Customer should notify SRP of discrepancies in SRP’s billing for services provided by SRP. If a Customer advises SRP in good faith that an amount is in dispute, SRP will not commence collection action against the amount in dispute until SRP has verified that the bill was correct; provided, however, that the Customer notifies SRP of the dispute claim before the amount becomes delinquent and pays all other amounts billed by SRP.

4.9.2 Disputes may be submitted to a Consumer Ombudsman or SRP’s Executive Dispute Resolution Committee in accordance with Section 2.3.3.

4.10 Collection of Terminated Accounts:

4.10.1 A Customer whose account has been terminated will be issued a final bill, which must be paid in full upon presentation. If a final bill becomes delinquent, SRP may use any legal means available to collect the amount due from the Customer or any other responsible Person. The Customer or any other responsible Person shall reimburse SRP for all costs and expenses incurred by SRP to collect the amount due.
4.10.2 If SRP disconnects an account for non-payment and the Customer does not pay the account in full, SRP may use any legal means available to collect the amount due from the Customer or any other responsible Person. The Customer or any other responsible Person shall reimburse SRP for all costs and expenses incurred by SRP to collect the amount due.

DISCONTINUANCE AND RECONNECTION

4.11 General:

Failure of SRP at any time to suspend the delivery of service, to terminate an Agreement for Electric Service, or to seek any other legal remedy upon default or breach by the Customer will not affect SRP’s right to seek any such remedies for the same or any future default or breach by the Customer. If a Customer fails to perform as required by these Rules and Regulations, the Price Plans, the Electric Service Specifications, or the Customer’s Agreement for Electric Service, SRP may disconnect service. No personal visit to a Customer’s premises is required prior to disconnection of service. SRP also may disconnect service to the Customer when necessary to comply with any law or regulation applicable to SRP or the Customer, or if a Governmental Entity revokes its clearance for the provision of electrical service.

4.12 Reconnect After Disconnect for Non-Payment:

4.12.1 Seven calendar days prior to disconnecting service for a delinquent SRP billing, SRP will mail, e-mail, or personally deliver to the Customer’s premises a written notice stating the delinquent amount and that SRP intends to disconnect service unless the delinquent amount is promptly paid. This notification requirement does not apply to delinquent extensions for payment of prior billings when a seven-day notice was previously given, to delinquent extensions for payment of deposits or other up-front charges that were billed as a courtesy to the Customer, to a pre-pay account when the Customer controls timing of the disconnection based on self-management of the pre-pay balance, or to insufficient funds regarding the Customer’s payment.

4.12.2 Once SRP disconnects service, SRP will not reconnect service until the Customer (a) applies for service; (b) pays all amounts the Customer owes SRP, including past-due bills and any charges for the cost of disconnecting and reconnecting service; and (c) corrects the condition that resulted in the disconnection. SRP may require an additional security deposit based on its evaluation of the Customer’s creditworthiness.

4.13 Disconnect and Reconnect Pursuant to a Request of a Governmental Entity:
4.13.1 If SRP receives a request to discontinue service from a Governmental Entity stating that it has revoked its clearance for the provision of electrical service, SRP may immediately disconnect service to the Customer without notice.

4.13.2 Once SRP disconnects service due to a request by a Governmental Entity, SRP will not reconnect service until it receives notice that the clearance for the provision of electrical service has been restored by the Governmental Entity.

4.14 Fraud:

4.14.1 No Person shall connect a wire or contrivance to any apparatus used by SRP to supply electricity to a Customer, nor shall any Person provide Power to any device by induction from SRP’s Lines, in such manner that the Person takes electricity that is not properly metered or accounted for. No meter or other instrument installed for measuring the quantity of electricity consumed may be wrongfully obstructed, altered, injured, or prevented from functioning. When a meter seal has been broken by someone other than SRP’s personnel, SRP may assess a reconnection fee to the Customer’s billing. Bills for unmetered electricity may include the full cost or expense incurred by SRP to investigate and confirm diversion of electricity. SRP also reserves the right to impose additional charges, as it deems appropriate, when a provision of this Section 4.14.1 has been violated. Bills for all such charges are due and payable immediately upon presentation unless otherwise agreed by SRP. In addition to the remedies herein, SRP reserves all legal rights available to it including pursuing criminal prosecutions against, and criminal and civil damages from, any Party that violates this Section 4.14.1 or applicable law.

4.14.2 If SRP has evidence that any Customer has caused or allowed any of the conditions of Section 4.14.1 to exist, SRP may, at any time, without notice, discontinue the supply of electricity to the Customer and remove the meter or meters, apparatus, wires, and Service Lateral, as well as any evidence of the condition.

4.14.3 SRP will charge the Customer for periods of unmetered service, estimated using data from available records and information. In the event of damage to meters or Service Equipment, the current Customer of record shall pay SRP based on estimated Energy usage not previously billed as well as any SRP costs associated with restoring proper metering or service.

4.14.4 If SRP disconnects service to the Customer because of a violation of these Rules and Regulations, SRP will not restore service to the Customer until all amounts due SRP have been paid. SRP will include the full cost or expense incurred by SRP for the removal and reinstallation of the meter or meters, apparatus, wires, and Service Lateral. The Customer’s service
entrance must comply with SRP’s then-current Electric Service Specifications before it can be re-energized.

4.15 Other Reasons for Discontinuance:

4.15.1 SRP may terminate an Agreement for Electric Service with a Customer or suspend the delivery of service for any other default or breach of the Agreement by the Customer, but, except as expressly provided otherwise in these Rules and Regulations, SRP will not terminate or suspend service without first giving written notice to the Customer, stating in what particular way the Agreement has been violated.

4.15.2 SRP may terminate or suspend delivery of service in the event of a short circuit or other electrical system failure on the Customer’s side of the Point of Delivery or, if the utilization of the service by the Customer, in SRP’s sole discretion, is a safety hazard or may cause damage to Persons or property (“Emergency Disconnect”). Notwithstanding any other provision of these Rules and Regulations, the Price Plans, the Electric Service Specifications, a Customer’s Agreement for Electric Service, or the Distributed Generation Interconnection Handbook, no advance notice need be given to the Customer in the event of an Emergency Disconnect.

4.15.3 Upon prior written notice, SRP may terminate or suspend the delivery of service if: (a) the Customer refuses to grant or is unable to procure easements necessary for or incidental to SRP’s facilities or its provision of service to the Customer according to Section 5.1.5 or any written agreement between SRP and the Customer, or (b) SRP is not provided proper access to SRP Lines, Service Laterals, meters, or other equipment located on property owned or controlled by the Customer to perform maintenance or repair of SRP facilities, to provide service to the Customer, or to read meters on the Customer’s premises.

4.15.4 Notwithstanding any other provision of these Rules and Regulations, the Price Plans, the Electric Service Specifications, or the Customer’s Agreement for Electric Service or the Distributed Generation Interconnection Handbook, SRP may disconnect a Customer at any time, without notice, and remove the meter or meters if the Customer has misrepresented his or her identity in any manner.

4.15.5 Upon prior written notice to Customer, SRP may terminate or suspend the delivery of electric service to any Customer who: (a) without obtaining SRP’s prior written approval, connects or allows the connection of a Distributed Energy Device to any portion of such Customer’s electric system; (b) is required to sign SRP’s Interconnection Agreement but refuses to do so; (c) fails to procure the signature of a third-party owner or operator
on SRP’s Interconnection Agreement; or (d) fails to comply with the SRP’s Distributed Generation Interconnection Handbook.

4.15.6 SRP may terminate or suspend delivery of electric service at any time, without notice, if a Customer’s identity cannot be established to SRP’s satisfaction.

RESALE OF ENERGY

4.16 General:

4.16.1 Without written notice to and assent from SRP, a Customer may not resell, redistribute, or re-deliver Energy supplied by SRP except as stated in the following Sections.

4.16.2 Written notice is not required if: (a) the Customer is the owner of the premises being served, (b) the Customer elects to accept delivery of Energy to all facilities through one Point of Delivery, (c) the delivery of Energy is measured through one meter, and (d) Energy is delivered only to lessees of Customer.

4.16.3 An owner that elects to deliver Energy to lessees as described in Section 4.16.2 shall be responsible for the expense, installation, and maintenance of any submeters or other devices installed in the Customer's Distribution System to determine the lessees’ electrical usage.

4.16.4 Revenues collected by the owner from a lessee for lessee’s electrical usage must be in accordance with the laws, codes, rules, and regulations established by the Governmental Entities thereof.

4.16.5 If a Customer violates any provision of Section 4.16, SRP may terminate or suspend the delivery of electric service, may refuse to supply electricity, and may seek any other available legal remedy to enforce compliance with such provision.
CONSTRUCTION

LINES AND SERVICE LATERALS

5.1 General:

5.1.1 Lines and electric connections necessary to supply service to the Customer will be provided by SRP in accordance with accepted utility engineering practice and subject to the applicable conditions and provisions of these Rules and Regulations and SRP’s Electric Service Specifications. All connections to SRP’s Lines will be made by SRP unless otherwise agreed to in writing by SRP.

5.1.2 Only one Service Lateral per Building will be constructed and service will be supplied only under a single set of conditions, such as voltage and number of phases, except that, where two or more Classes of Use are required or if, in SRP’s opinion, the Building is exceptionally large or has extraordinary electric Capacity requirements, SRP may approve more than one Point of Delivery to the Building. Separate applications for service must be made for each delivery and each must be metered separately.

5.1.3 SRP reserves the right, at any time, to designate the location of its Lines on a Customer's premises and the location of the Point of Delivery and/or Customer's Service Equipment. Customer's Service Equipment must be installed in accordance with SRP’s Electric Service Specifications.

5.1.4 If SRP is not given adequate assurance of a satisfactory return on investment to extend its facilities, SRP will extend those facilities only after satisfactory arrangements have been made with the Customer to reimburse SRP for the cost of the required installation and the cost of operation thereof.

5.1.5 Upon SRP’s request, the Customer shall provide SRP easements satisfactory to SRP for Lines, Service Laterals, transformers, capacitors, and other equipment necessary or incidental to the provision of service by SRP. Acquisition of easements on third-party property shall be the responsibility of the Customer requesting service; provided, however, that SRP may in its sole discretion and with no obligation or guarantee, assist Customer in acquiring third-party easements and Customer shall reimburse SRP for all incurred costs. SRP is not obligated to commence the design, installation, or modification of electrical facilities for a Customer, nor to construct an Extension of its electric system for service to the Customer until each Customer to be served by such electrical facilities or the Extension has obtained and delivered to SRP easements satisfactory to SRP for such facilities or the Extension. For residential services and existing non-residential services without easements, the Customer shall be deemed
to have granted an easement to SRP for all Service Laterals located upon the premises of the Customer.

5.1.6 Upon SRP’s request, the Customer shall allow installation and maintenance of equipment of other utilities within SRP’s easements or other rights-of-way located upon property owned or controlled by the Customer.

5.1.7 If the Customer requests relocation or removal of SRP’s facilities upon or from the premises of the Customer, such relocation or removal will be made at the expense of the Customer.

5.1.8 If electrical service to a location is terminated, SRP may, in its sole discretion, either remove its Service Lateral and related facilities or leave all or any portion of such Service Lateral and related facilities in place. If any portion of the Service Lateral is not removed by SRP and any Person, including the owner of the premises, later requests relocation or removal of such Service Lateral, the relocation or removal will be made at the expense of the requesting Person.

5.1.9 The length of Line or Service Lateral to be used in computing the additional required Contribution in Aid of Construction, if any, will be measured along the shortest practical distance, as determined by SRP.

5.1.10 Any overhead or underground Extension not specifically addressed by these Rules and Regulations or the Electric Service Specifications will be constructed only after special study by SRP to determine the required Contribution in Aid of Construction and to document all additional terms and conditions.

5.2 Service Laterals:

5.2.1 SRP will install an overhead or underground Service Lateral from existing overhead or underground Lines provided the point of attachment is within the distance limits established by SRP’s construction standards, and provided that adequate clearance can be maintained from any obstructions or hazards. A Contribution in Aid of Construction payment may be required.

5.2.2 Where only underground Lines are available, overhead Service Laterals will not be constructed to serve Customers.
EXTENSIONS

5.3 Construction – Line Extensions:

5.3.1 SRP will extend its Lines to serve a Customer where such Lines are contiguous to the existing electrical utility system (i.e., an Extension must be a branch from, a continuation of, or an addition to, an existing SRP Line).

5.3.2 SRP may construct Line Extensions with greater Capacity than that required by the Customer's electrical Load. The Customer will not be required to bear the cost of such additional Capacity unless the excess is specifically requested or needed to supply anticipated Load growth of the Customer.

5.3.3 Distribution Line Extensions in excess of 1,000 feet for a single Customer or project must be agreed to in writing by the Customer(s) and SRP.

5.3.4 When special Lines are constructed to serve a large Load, and such Lines would not otherwise provide SRP with a satisfactory return on investment, nor would they be constructed except for the revenue derived from the requesting Customer, then other Customers will be served from said Lines only upon their execution of Agreements for Electric Service. Such Agreements will provide for the discontinuance of service in the event of a loss of revenue derived from the large Load or, at the option of SRP, will require the other Customers to pay an additional monthly minimum charge and/or a Contribution in Aid of Construction.

5.3.5 When a Customer requests electric service that requires a three-phase Line Extension, SRP will extend any three-phase feeder Line required to serve the Extension if: (a) in the opinion of SRP, the feeder Line will promote the overall efficiency and reliability of its electric system; (b) the feeder Line is a continuance of SRP’s existing three-phase Distribution System; and (c) the remaining Capacity of the existing feeder is greater than the sum of the Loads of the Customers for whom the Extension and any adjacent Extension is being constructed.

OTHER CONSTRUCTION STANDARDS

5.4 Building and Service Entrance:

5.4.1 Customers will provide all wiring within Buildings on their premises and between the Buildings and the service entrance. The location of the service entrance must be approved in advance by SRP.

5.4.2 The Customer must install, operate, and maintain its electrical facilities in a safe and adequate manner at all times. The SRP Electric Service Specifications manual may be used as a guide. SRP will provide the
Customer with sections of those specifications relevant to the Customer's installation upon request. The manual adheres to the “National Electric Code (NFPA 70)” and the “Electric Utility Service Equipment Requirements Committee” and is generally compatible with local municipal codes. The SRP Electric Service Specifications are subject to such additions and revisions required to remain current with code changes and SRP policy.

5.4.3 SRP is not obligated to inspect the Customer’s wiring, electrical facilities, or any installation downstream of the Point of Delivery. SRP may refuse or discontinue service to a Customer if, in SRP’s opinion, any portion of the Customer's electrical system or installation is unsafe or creates a safety hazard.

5.5 High-Rise Buildings:

5.5.1 The Customer will provide and own all the Distribution facilities within a High-Rise Building, except when a study by SRP indicates a concentration of electrical usage sufficient to justify the additional investment and ownership of such facilities by SRP.

5.5.2 When SRP will provide and own the Distribution facilities, the Customer or Building owner must provide rights-of-way within the High-Rise Building that are satisfactory to SRP. In all cases, the raceways dedicated for use of SRP’s facilities will be separated from all other raceways, shafts, etc. within the Building.

5.6 Meters and Equipment:

5.6.1 SRP will furnish and install the meter or meters to measure the electricity used by the Customer. The SRP meter or meters may be installed on the Customer's side of the Point of Delivery and will remain the property of SRP. The Customer must furnish sufficient space and proper devices for the installation of meters. The meter location must be approved by SRP and must offer adequate protection of metering equipment. The location must also provide sufficient space and reasonable access for service and meter-reading functions. Any Customer contemplating a change in installation or location of meters or equipment must file the proper application for such change with SRP. After an application has been filed, SRP may grant to the Customer or Customer’s agent permission to access the service entrance meter area.

5.6.2 The Customer must protect all property of SRP, including Lines, Service Laterals, transformers, capacitors, meters, structures, and other equipment located on the Customer's premises from theft, damage, or interference.
a. The Customer shall be responsible for loss of or damage to SRP property located on the Customer's premises arising from the Customer's neglect, carelessness, or misuse and shall reimburse SRP for the cost of necessary repairs or replacements.

b. The Customer must notify SRP of any failure of SRP equipment.

5.6.3 SRP will install one meter or set of measuring devices for each Service Lateral, except where individual metering is necessary to bill multiple Customers or different Classes of Use.

5.6.4 To qualify for Totalizing, a Customer must comply with SRP’s Totalizing policies and procedures, as described in the Electric Service Specifications. SRP offers Totalizing of electrical usage in the following scenarios:

a. A Customer desiring the advantages of having the total electrical usage at a given premise or enterprise billed as a unit must bring wiring to a central point so that the entire Load for a given type of service may be supplied through a single Service Lateral and one meter. If SRP determines a Customer’s Load exceeds SRP’s ability to serve through a single Service Lateral, the installation of additional SRP facilities, Customer service entry sections, and associated metering may be required. If the Customer desires the total electrical usage billed as a unit, the additional service entry sections must be placed adjacent to the existing service entry sections. Under any circumstance, the decision to bill the total electrical usage as a unit will be at the sole discretion of SRP.

a. Totalizing may be permitted when a Customer is fed from a dedicated feeder and has multiple services and meters. At minimum, all of the following conditions must be met: (i) the Customer accounts must be on the same E-60 series Price Plan, (ii) the multiple services must be located on the same or immediately adjacent property, and (iii) Totalizing shall not commence until the Customer has begun paying the full dedicated Facilities Charge.

5.6.5 When two or more Classes of Use exist within a Building, a separate application must be made for each Class of Use. SRP may require that each Class of Use be metered separately. Different Classes of Use may be supplied through a separate Service Lateral at the sole discretion of SRP.

5.6.6 When two or more meters are to be installed on the same Building to service different Customers, they must be grouped at a common point. The meter loops for each Customer must be clearly designated. The placement of meter loops and meter boards must be made by the Customer or owner of the Building at a location or locations to be designated by SRP, and must
be installed in accordance with the SRP Electric Service Specifications or as required by authorized Governmental Entities.

5.6.7 When electric meters are to be installed on a switchboard, the Customer is responsible for all drilling necessary for SRP to mount and connect its meters before installation of the meters. A template for such drilling can be obtained from SRP.

5.6.8 Metering transformers, if required, will be furnished and installed by SRP. A Contribution in Aid of Construction may be required for them.

5.6.9 Except as may be provided in the Customer’s Agreement for Electric Service, any device or equipment installed by SRP on the Customer's premises will be owned and maintained solely by SRP regardless of any Contribution in Aid of Construction or deposit that may have been provided.

5.6.10 If a Customer, such as the operator of a mobile home park, desires that the master meter being used to bill the Customer be replaced with multiple meters billed individually to individual tenants, the Customer shall contact SRP regarding the matter. SRP will then inspect the Customer’s premises and determine the physical changes required to convert from master metering to individual metering. The Customer may be required to pay a Contribution in Aid of Construction for any new or upgraded facilities that SRP determines are necessary. The Customer will also be responsible for removal of all Customer-owned electrical facilities no longer required to provide electric service.

5.7 Point of Delivery:

5.7.1 In all cases, SRP will determine the Point of Delivery.

5.7.2 The Customer is responsible for construction, operation, and maintenance of all electrical facilities downstream from the Point of Delivery. SRP is responsible for construction, operation, and maintenance of all facilities upstream from the Point of Delivery. SRP will at all reasonable times, as a condition of service and in accordance with these Rules and Regulations, have the right of access to SRP’s facilities, including termination connections.

5.8 Voltage:

5.8.1 SRP will furnish and install the necessary transformation equipment to furnish the Customer with service at one of the nominal voltages specified in the applicable SRP Price Plan. SRP reserves the right to install the transformer and related facilities in a manner that promotes the overall efficiency and reliability of SRP’s electrical system and that provides
service consistent with recognized utility practices to the Customer's Point of Delivery in accordance with these Rules and Regulations.

5.8.2 SRP will provide service to large industrial and commercial Customers from SRP’s facilities built based on SRP standards applicable to the type and character of service to be furnished.
LIABILITY AND RESPONSIBILITY

CUSTOMER’S EQUIPMENT AND ITS OPERATION

6.1. General:

SRP may refuse or disconnect service when the Customer’s wiring or equipment is so designed or operated as to disturb service to other Customers or constitutes a physical or electrical hazard, as determined by SRP. All motors connected to SRP Lines must be of a type that will not require starting current deemed unreasonable by SRP, or shall be equipped with protective devices that restrict the starting current to limits acceptable to SRP. SRP may require that motor Loads of less than five horsepower be single phase.

6.1.1 Harmonics and Voltage Flicker:

Customers may not connect Loads to the SRP electric system that cause unacceptable voltage fluctuations (incandescent lamp flicker) and/or distortions (voltage/current harmonics) to the electric system. Examples of Loads that may cause voltage fluctuations, distortions, or harmonics include welders, hoists, X-ray machines, gaseous-discharge lamps, rectifiers, motors, adjustable speed drives, and arc furnaces. SRP may require that such Loads be supplied from a separate, dedicated service and/or that corrective equipment be installed at the Customer’s expense. The Customer shall be responsible for all associated costs. To prevent unacceptable voltage fluctuations and/or distortions, SRP enforces the following guidelines and may install specialized metering equipment and collect all associated costs, to ensure compliance:

Flicker Guidelines:

For voltage systems less than 1,000 volts, the following standards will apply, as applicable:


For voltage systems of 1,000 volts or higher, the following standards will apply, as applicable:

- IEC 61000-3-7, “Assessment of emission limits for the connection of fluctuating installations in MV, HV, and EHV power systems” (2008 or latest edition).

Harmonic Guidelines:


6.2. Distributed Energy Devices on Customer’s Premises:

6.2.1 Energizing equipment connected to the SRP electric system could act as a source of electrical backfeed, causing injury or death to electrical utility personnel working on Lines, Service Laterals, or other SRP electrical facilities in the vicinity. Customers shall refer to the SRP’s Distributed Generation Interconnection Handbook (which is available on SRP’s website at www.srpnet.com and may be changed from time to time at the sole discretion of SRP) for requirements for and technical information about connecting Distributed Energy Devices to the SRP electric system. Any Customer whose electric system is connected to a Distributed Energy Device shall comply with SRP’s Distributed Generation Interconnection Handbook. No Distributed Energy Device may be connected to any portion of a Customer’s electric system that is connected to the SRP electric system unless SRP has first been notified of and approved such connection. Such notification and approval shall both be in writing.

6.2.2 If a Customer desires its or a third party’s Distributed Energy Device to be directly or indirectly connected to SRP’s electric system through the Customer’s electric system, the Customer shall first sign SRP’s Interconnection Agreement. Upon SRP’s request and in its sole discretion, SRP may also require a third-party owner or operator of an electrical Distributed Energy Device to sign SRP’s Interconnection Agreement.

6.2.3 For Customer Load normally served from the SRP system, which can also be switched to a Customer’s Distributed Energy Device if the SRP electric system is deenergized, an open transition transfer switch shall be installed between SRP’s and the Customer’s electric systems. This switch shall electrically and mechanically prevent connection of the Customer’s Distributed Energy Device to SRP’s electric system. The Customer should contact SRP if the Customer has any questions regarding these requirements.

6.2.4 Except in cases of SRP’s gross negligence or willful misconduct, the Customer shall indemnify and hold harmless SRP from and against all
claims, whether arising in tort, contract, strict liability, or any other legal theory, for loss of or damage to property or injury to Persons arising out of the design, construction, or operation of any Distributed Energy Device connected to the SRP electric system by or on behalf of the Customer.

6.3. Customer-Owned Substation Equipment:

Customers who own substation equipment shall conform to the SRP Guidelines for Customer Ownership of Substation Equipment, which may be changed from time to time at the sole discretion of SRP. A copy of the Guidelines may be obtained from the Customer’s SRP Account Representative.

6.4. Polyphase Circuit Balance:

A Customer receiving three-phase electric Energy must maintain, as nearly as is reasonably possible, equal currents in the three phases at the Point of Delivery. If, at any time, the current in any phase exceeds the average of the currents in the three phases by more than 5%, the amount to be paid by the Customer for the period during which the imbalance occurs may be increased by a percentage equal to that of the imbalance.

6.5. Power Factor:

SRP may include adjustments to bills for Loads for which the Power Factor falls below 85% leading or lagging at any metering point during any Billing Period. If a Customer’s Load operates at less than 85% leading or lagging Power Factor, SRP may, in addition to taking other measures set forth in the Price Plan, require the Customer to provide, at Customer’s expense, corrective equipment to correct the Power Factor to an acceptable level.

6.6. Single Phasing and Phase-Reversal Protection:

6.6.1 SRP shall not be responsible to the Customer for, and the Customer shall release SRP from, damage to motors, other current-consuming equipment, and/or devices mechanically or electrically connected to such equipment, resulting from any phase reversals, single-phasing of three-phase service, or other similar conditions except when such damage is the direct result of SRP’s gross negligence or willful misconduct.

6.6.2 For three-phase motors driving elevators, hoists, tramways, cranes, conveyors, or other equipment that could create hazard to life in the event of uncontrolled reversal of motor rotation, the Customer must provide reverse-phase and open-phase protection, at the Customer's expense, to completely disconnect the motors from their Electrical Energy source in the event of phase reversal or loss of one or more phases.
6.7. Changes in Installation:

Each of SRP’s service wires, transformers, meters, and other devices used to supply electricity to the Customer's installation has a maximum Capacity. Customer must obtain prior written consent of SRP to increase the Connected Load. Failure to obtain such consent may result in damage to SRP’s equipment, extended interruption of the Customer's service, and damage to equipment of other Customers. When such damage is due to failure of the Customer to obtain consent, SRP may require the Customer to pay any and all damages including the cost to repair or replace the damaged equipment.

LIABILITY

6.8. Liability – General:

6.8.1 SRP makes no warranty, express or implied, as to the adequacy, safety, operation, or other characteristics of any of the structures, equipment, wires, conduits, appliances, or devices owned, installed, operated, or maintained by the Customer or leased by the Customer from third parties.

6.8.2 Except in cases of SRP’s gross negligence or willful misconduct, the Customer shall indemnify and hold harmless SRP from and against all claims, whether arising in tort, contract, strict liability, or any other legal theory, for loss of or damage to property or injury to Persons arising out of the delivery or use of electric service at or on the Customer’s side of the Point of Delivery, and the Customer’s delivery of electricity to SRP.

6.8.3 Except in cases of SRP’s gross negligence or willful misconduct, SRP shall not be liable, whether in tort, contract, strict liability, or any other legal theory, for the loss of or damage to property (but not including bodily injury) arising (a) out of the delivery of electricity, or (b) from the presence or operation of SRP’s facilities, wires, equipment, or structures on or near the Customer’s premises.

6.9. Service Interruptions, Variations, and Curtailments – Limitation on Liability:

6.9.1 SRP does not guarantee a regular and uninterrupted supply of service to Customers. SRP makes no warranty, express or implied, as to the adequacy, consistency, safety, character, or any other characteristic of the electricity or the supply or delivery thereof. SRP expressly disclaims all warranties, express or implied, regarding the supply and delivery of electricity to Customer.

6.9.2 SRP may, without liability, interrupt or limit the supply of service in order to make repairs, changes, or improvements to any part of its system for the general good of the service or the safety of the public or to prevent or limit any actual or threatened instability or disturbance of the system.
6.9.3 If a shortage of electricity occurs and SRP apportions its available supply of electricity, or reduces the system voltage, or temporarily disconnects service, SRP shall not be liable for any resulting loss or damage.

6.9.4 If Load reduction is required, Customer Load will be curtailed as deemed practicable by SRP in its sole discretion.

6.9.5 SRP shall not be liable, except in cases of SRP’s gross negligence or willful misconduct, whether in tort, contract, strict liability, or any other legal theory, for any losses, costs, damages, or expenses, other than for bodily injuries, arising out of any interruption, variation, and/or curtailment of service, including but not limited to an interruption, variation, and/or curtailment of service permitted by this Section 6.9 or caused by an uncontrollable force. The term “uncontrollable force” shall include but not be limited to accident, flood, earthquake, tornado, storm, lightning, and other natural catastrophes, fire, epidemic, failure of facilities, war, riot, civil disturbances, terrorism, labor disturbances, labor disputes, strikes, sabotage, restraint by court or public authority, action or non-action by any Governmental Entity or authority, or failure to obtain the necessary permits, licenses, authorizations, or approvals from any Governmental Entity or authority, state or municipal interference, or any other cause beyond SRP’s control. SRP shall exercise due diligence to restore service in the event interruptions occur. Nothing herein shall be construed to require SRP to settle a strike or labor dispute.

6.9.6 For all service interruptions, variations, and/or or curtailments of any nature, including any interruption, reversal, spike, surge, or variation in supply or voltage, transient voltage, or any other failure in the supply of electricity, to the extent the liability of SRP has not been precluded altogether pursuant to these Rules and Regulations, the liability of SRP to Customers or other Persons for damages, of whatever nature, including loss of business, loss of production, or damage to computers or other electronic equipment and appliances, shall in no event exceed the cost of necessary repairs of physical damage proximately caused by the service failure to those electrical delivery facilities of Customers that were then equipped with the protective safeguards recommended or required by the then-current edition of the National Electrical Code, or liquidated damages in the amount of $10,000, whichever is less.

6.9.7 Service to Customer is expressly conditioned upon, and, in consideration for the services being rendered to Customer by SRP, the Customer hereby releases and agrees to release SRP from any direct, indirect, or consequential loss, damage, claim, charge, cost, or expense of any kind or nature that has resulted or may result in connection with variations, curtailment, and/or interruption to electric service to the Customer.
6.9.8 A variety of protective devices and alternate power supplies that may prevent or limit damage that may arise as a result of the events described in this Section 6.9 are available for purchase by the Customer from third parties. In addition, insurance coverage for such damage may be available for purchase by the Customer. Unless the Customer has entered into a written contract with SRP for temporary backup generation, SRP has no obligation to provide backup generation in the event of a scheduled or unscheduled outage, or otherwise. The Customer assumes full responsibility for obtaining the necessary protective devices, alternate power supplies, and insurance, and SRP shall in no event be liable for any loss, damage, claim, charge, cost, or expense of any kind or nature that Customer could have prevented or insured against through procurement of protective devices, alternate power supplies, and insurance.

6.9.9 Customer shall use reasonable efforts to avoid or mitigate its damages or losses suffered as a result of SRP’s conduct under this Section 6.9.

ACCESS

6.10. Access to Premises:

6.10.1 In accepting service, the Customer grants to SRP’s employees and agents an unconditional right of access to the premises of the Customer at all reasonable times for purposes such as installing, connecting, reading, testing, repairing, adjusting, disconnecting, removing, inspecting, or maintaining any of SRP’s meters, wires, poles, or other equipment, and providing notices.

6.10.2 Customers with electronic gated access to their premises or community shall install or cause to be installed SRP-approved access switch assemblies on the property access gate(s) that will allow SRP employees and agents to enter and exit the gated property through the access gate(s) using an SRP proprietary key. The Customer shall be responsible for installation and maintenance of the SRP-approved switches at Customer’s expense. The Customer hereby releases SRP from and waives any claim it may have against SRP if installation of an SRP-approved switch invalidates or voids any warranty covering the Customer’s electronic gate. SRP shall not be liable to the Customer for, and the Customer shall indemnify and hold harmless SRP from and against, any claims for damage to the Customer’s gate(s) or to property of the Customer or any third party and death or injury to Persons arising out of the installation or use of the access switch assemblies, regardless of whether or not the access switch assemblies are purchased from or approved by SRP. If the Customer is not required by law, ordinance, or code to provide manual or electronic control of the Customer’s access gate(s) to emergency service personnel or the US Postal
Service, and if an access gate is continuously guarded by the Customer, the Customer shall not be obligated to install an access switch assembly on the continuously guarded access gate. An access gate shall be deemed to be continuously guarded if a Customer or its employee or contractor is assigned to operate the access gate 24 hours a day, seven days a week, and such individual operating the access gate is present at a station located adjacent to the access gate, so that such individual is immediately accessible at all times to any SRP employee attempting to enter or exit the Customer’s property through the access gate.

6.10.3 All employees authorized to do work for SRP on the premises of the Customer will carry badges or other suitable identification, which they are instructed to show to the Customer upon request.

ENCROACHMENTS

6.11. Vegetation Encroachments and Hazards:

6.11.1 The Customer, not SRP, is responsible for pruning or removing vegetation (trees, shrubs, vines, etc.) on the Customer’s property that interfere or may interfere with Lines, Service Laterals, transformers, meters, or other SRP facilities. The Customer shall hire a qualified Line clearance tree trimmer to clear encroaching vegetation from such facilities. The Customer shall, and shall cause any contractor hired by the Customer to, comply with all applicable laws when pruning or removing vegetation near SRP equipment and facilities, including Arizona Revised Statutes Sections 40-360.41 et seq. (regarding activities near overhead power lines).

6.11.2 Vegetation on a Customer’s premises must comply with any planting and encroachment requirements established by SRP. A Customer shall not plant or maintain any vegetation near any SRP electric facilities (whether overhead or underground) in a manner that encroaches or could foreseeably encroach upon SRP’s electric facilities, or interferes with SRP’s ability to safely operate, access, maintain, and protect SRP’s electric system. If vegetation on a Customer’s premises encroaches or could foreseeably encroach upon any of SRP’s Lines, Service Laterals, transformers, meters, or other equipment, or interferes with SRP’s ability to safely access, operate, maintain, and protect the SRP electric system or to read meters, SRP may prune or remove the vegetation and may charge the Customer for SRP’s costs to do so. Upon prior written notice to the Customer, SRP shall be provided access to property owned or controlled by the Customer in order to prune or remove, at Customer’s expense, such vegetation. SRP shall not be liable to the Customer for, and the Customer releases SRP from, any claims for damages associated with the pruning or removal of such vegetation including the value of or replacement cost of such vegetation.
6.11.3 The Customer is responsible for maintaining a clear, dry, landscaped area three feet from and around the edges of all transformer and other equipment pads, as described in SRP’s Electric Service Specifications and any planting and encroachment standards established by SRP.

6.11.4 If a Customer fails to remove or remedy a vegetation encroachment or hazard as described herein, fails to provide access to SRP to prune or remove such vegetation, or fails to reimburse SRP for its reasonable costs of pruning, removal, or remediation, SRP may terminate service to the Customer’s account(s) until the Customer removes or remedies the vegetation encroachment or hazard or reimburses SRP for the costs of doing so.

6.11.5 If SRP is required to bring a lawsuit to enforce these provisions, SRP shall be entitled to all remedies available under the law, including injunctive relief, authorizing SRP to immediately prune or remove the vegetation that encroaches or could foreseeably encroach upon any of SRP’s Lines, Service Laterals, transformers, meters or other equipment or interferes with SRP’s ability to safely operate, access, maintain, and protect SRP’s electric system or to read meters.

6.12. Structural Encroachments and Hazards:

6.12.1 A Customer shall not construct or install (or allow to be constructed or installed) any structure (including walls, fences, mailboxes, propane tanks, sheds, and other permanent objects) or excavate or place fill near any SRP electric facilities (whether overhead or underground) in such a manner that such structure, excavation, or fill encroaches upon SRP’s electric facilities or interferes with SRP’s ability to safely operate, access, maintain, and protect the SRP electric system. Customer must at all times maintain all clearances from SRP facilities as specified in the National Electric Safety Code, in Arizona Revised Statutes Section 40-360.21 et seq. (regarding activities near underground facilities) and Sections 40-360.41 et seq. (regarding activities near overhead power lines), in any applicable SRP easement or other right-of-way document, or as otherwise required by law, rule, or regulation. The Customer is responsible for properly locating and protecting underground SRP facilities by obtaining an appropriate clearance before any excavation is made. Appropriate clearance may be obtained by calling Arizona 811 (formerly Blue Stake) at (602) 263-1100, or 1-800-STAKE-IT.

6.12.2 SRP reserves the right to remove or modify any structure, fill any excavation, or remove any fill, wet landscaping, or irrigation system that encroaches upon or could damage SRP’s electric facilities (whether overhead, underground, or streetlight) or interferes with SRP’s ability to safely operate, access, maintain, and protect the SRP electric system, and
SRP may charge the Customer for SRP’s costs to do so. SRP shall not be liable to the Customer for any loss of or damage to the Customer’s property resulting from such action.

6.12.3 If a Customer fails to remove or remedy a structural encroachment or other hazard as described herein, or if a Customer fails to reimburse SRP for its reasonable costs of such removal or remediation, SRP may terminate service to the Customer’s account(s) until the Customer removes or remedies the structural encroachment or hazard or reimburses SRP.
APPENDIX A

The following pricing terms have the meaning specified:

7.1 ANCILLARY SERVICES CHARGES: Charges used to recover costs related to ancillary services. Ancillary Services are the following services, as further described in SRP’s Open Access Transmission Tariff, that are necessary to support the transmission of capacity and energy from resources to loads while maintaining the reliable operation of the transmission system.

7.1.1 ANCILLARY SERVICE 1 (Scheduling, System Control, and Dispatch Service): Service required to schedule the movement of Power through, out of, within, or into a Balancing Authority Area.

7.1.2 ANCILLARY SERVICE 2 (Reactive Supply and Voltage Control from Generation or Other Sources Service): Service required to maintain Transmission voltages within limits generally accepted in the region and consistently adhered to by SRP.

7.1.3 ANCILLARY SERVICE 3 (Regulation and Frequency Response Service): Service necessary to provide continuous balancing of resources (Generation and interchange) with Load and to maintain scheduled interconnection frequency at 60 Hz.

7.1.4 ANCILLARY SERVICE 4 (Energy Imbalance Service): Service provided when SRP is participating in the Energy Imbalance Market and when the Energy Imbalance Market has not been suspended to supply or absorb Energy during each hour when a difference occurs between the scheduled and the actual delivery of Energy to a Load within a Balancing Authority Area.

7.1.5 ANCILLARY SERVICE 5 (Operating Reserve – Spinning Reserve Service): Service needed to serve Load immediately in the event of an electric system Contingency.

7.1.6 ANCILLARY SERVICE 6 (Operating Reserve – Supplemental Reserve Service): Service needed to serve Load in the event of an electric system Contingency. Such service is available to serve Load within a short period of time but not immediately.

7.2 BILLING AND CUSTOMER SERVICE CHARGE: A charge used to recover costs related to support customer applications, contracts, orders and bills for delivery and collection, receiving preparing recording and handling customer billing data, customer account records, routine orders for service, disconnections and transfers, providing assistance, and communicating with customers.
7.3 DISTRIBUTION DELIVERY CHARGE: A charge used to recover costs related to the Distribution System, in particular, substation and primary costs.

7.4 DISTRIBUTION FACILITIES CHARGE: A charge used to recover costs related to the distribution system, in particular, secondary costs comprising secondary transformers, conductors, conduits, switches, and other secondary appurtenances, and some directly assigned customer enhancement-related expenses.

7.5 GENERATION CHARGE: A charge to collect expenses incurred directly in the production of power, less the Fuel and Purchased Power and Ancillary Services expenses.

7.6 METER CHARGE: A charge to recover costs related to owning and maintaining the electric meter.

7.7 SYSTEMS BENEFIT CHARGE: A charge included in all Price Plans to fund certain programs benefiting the general public.

7.8 TRANSMISSION CHARGE: A charge to recover costs related to the Transmission System.
SALT RIVER PROJECT AGRICULTURAL
IMPROVEMENT AND POWER DISTRICT
RULES AND REGULATIONS

SRP RULES
AND REGULATIONS
(Last Revised November 5, 2022)

(Note: Please refer to the SRP Home Page at www.srpnet.com for the version of these Rules and Regulations now in effect.)

11-5-18
# Salt River Project Agricultural Improvement and Power District Rules and Regulations

## Table of Contents

<table>
<thead>
<tr>
<th>Title</th>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Definitions</strong></td>
<td>1.1</td>
<td>1</td>
</tr>
<tr>
<td><strong>General Provisions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Introduction</td>
<td>2.1</td>
<td>1310</td>
</tr>
<tr>
<td>- Changes to SRP's Rules and Regulations, and Standard Electric Price Plans, and Terms and Conditions for Competition</td>
<td>2.2</td>
<td>1411</td>
</tr>
<tr>
<td>- Consumer Protection</td>
<td>2.3</td>
<td>1714</td>
</tr>
<tr>
<td><strong>Provision of Service</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Application for Service</td>
<td>3.1</td>
<td>1916</td>
</tr>
<tr>
<td>- Non-Residential</td>
<td>3.2</td>
<td>2117</td>
</tr>
<tr>
<td>- Residential</td>
<td>3.3</td>
<td>2118</td>
</tr>
<tr>
<td><strong>Conditions of Service</strong></td>
<td>3.4</td>
<td>2218</td>
</tr>
<tr>
<td>- General</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Frequency, Voltage, and Phase</td>
<td>3.5</td>
<td>2218</td>
</tr>
<tr>
<td>- Motor Loads, Alternating Current</td>
<td>3.6</td>
<td>2219</td>
</tr>
<tr>
<td><strong>Classification of Service: Standard Electric Price Plans</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- General – Applicability or Qualifications for Price Plans and Riders</td>
<td>3.7</td>
<td>2319</td>
</tr>
<tr>
<td>- Residential Service Plans</td>
<td>3.8</td>
<td>2319</td>
</tr>
<tr>
<td>(E-21, E-23, E-24, E-26 and E-28)</td>
<td>3.8</td>
<td>2319</td>
</tr>
<tr>
<td>- General Service Price Plans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(E-32, E-34 and E-36)</td>
<td>3.9</td>
<td>2320</td>
</tr>
<tr>
<td>- Secondary, Primary, and Dedicated Large General Service Price Plans</td>
<td>3.10</td>
<td>2320</td>
</tr>
<tr>
<td>(E-61, E-63, E-65 and E-66)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Title</th>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pumping Service Price Plans (E-47 and E-48)</td>
<td>3.11</td>
<td>2420</td>
</tr>
<tr>
<td>Traffic Signal Lighting Service Price Plan (E-54)</td>
<td>3.12</td>
<td>2421</td>
</tr>
<tr>
<td>Lighting Service Price Plans (E-56 and E-57)</td>
<td>3.13</td>
<td>2421</td>
</tr>
<tr>
<td><strong>CLASSIFICATION OF SERVICE — OTHER</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interconnection Service</td>
<td>3.14</td>
<td>2521</td>
</tr>
<tr>
<td>Requirements for Submitting Self-Generation Proposals</td>
<td>3.15</td>
<td>2521</td>
</tr>
<tr>
<td><strong>MONETARY PROVISIONS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>DEPOSITS AND CONTRIBUTIONS IN AID OF CONSTRUCTION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Form of Security</td>
<td>4.1</td>
<td>2622</td>
</tr>
<tr>
<td>Refunds of Deposits</td>
<td>4.2</td>
<td>2622</td>
</tr>
<tr>
<td>Waiver of Deposit</td>
<td>4.3</td>
<td>2723</td>
</tr>
<tr>
<td>Contributions in Aid of Construction</td>
<td>4.4</td>
<td>2723</td>
</tr>
<tr>
<td>Refunds of Contributions in Aid of Construction</td>
<td>4.5</td>
<td>2925</td>
</tr>
<tr>
<td><strong>BILLING AND PAYMENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meter Readings</td>
<td>4.6</td>
<td>2925</td>
</tr>
<tr>
<td>Billing and Terms</td>
<td>4.7</td>
<td>3026</td>
</tr>
<tr>
<td>Billing and Payment Options</td>
<td>4.8</td>
<td>3127</td>
</tr>
<tr>
<td>Payment Disputes</td>
<td>4.9</td>
<td>3227</td>
</tr>
<tr>
<td>Collection of Terminated Accounts</td>
<td>4.10</td>
<td>3227</td>
</tr>
<tr>
<td><strong>DISCONTINUANCE AND RECONNECTION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>4.11</td>
<td>3228</td>
</tr>
<tr>
<td>Reconnect After Disconnect for Non-Payment</td>
<td>4.12</td>
<td>3228</td>
</tr>
<tr>
<td>Disconnect and Reconnect Pursuant to a Request of a Governmental Jurisdiction Having Authority Entity</td>
<td>4.13</td>
<td>3228</td>
</tr>
<tr>
<td>Fraud</td>
<td>4.14</td>
<td>3229</td>
</tr>
<tr>
<td>Other Reasons for Discontinuance</td>
<td>4.15</td>
<td>3430</td>
</tr>
<tr>
<td><strong>RESALE OF ENERGY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>4.16</td>
<td>3531</td>
</tr>
</tbody>
</table>
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Title</th>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONSTRUCTION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LINES AND SERVICE LATERALS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>5.1</td>
<td>3732</td>
</tr>
<tr>
<td>Service Laterals</td>
<td>5.2</td>
<td>3833</td>
</tr>
<tr>
<td>EXTENSIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction – Line Extensions</td>
<td>5.3</td>
<td>3934</td>
</tr>
<tr>
<td>OTHER CONSTRUCTION STANDARDS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building and Service Entrance</td>
<td>5.4</td>
<td>4034</td>
</tr>
<tr>
<td>High-Rise Buildings</td>
<td>5.5</td>
<td>4035</td>
</tr>
<tr>
<td>Meters and Equipment</td>
<td>5.6</td>
<td>4035</td>
</tr>
<tr>
<td>Point of Delivery</td>
<td>5.7</td>
<td>4337</td>
</tr>
<tr>
<td>Voltage</td>
<td>5.8</td>
<td>4337</td>
</tr>
<tr>
<td><strong>LIABILITY AND RESPONSIBILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CUSTOMER’S EQUIPMENT AND ITS OPERATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>6.1</td>
<td>4439</td>
</tr>
<tr>
<td>Generation, Distributed Energy Devices on Customer’s Premises Including Backup</td>
<td>6.2</td>
<td>45</td>
</tr>
<tr>
<td>Customer-Owned Substation Equipment</td>
<td>6.3</td>
<td>4641</td>
</tr>
<tr>
<td>Polyphase Circuit Balance</td>
<td>6.4</td>
<td>4641</td>
</tr>
<tr>
<td>Power Factor</td>
<td>6.5</td>
<td>4641</td>
</tr>
<tr>
<td>Single Phasing and Phase Reversal Protection</td>
<td>6.6</td>
<td>4741</td>
</tr>
<tr>
<td>Changes in Installation</td>
<td>6.7</td>
<td>4742</td>
</tr>
<tr>
<td>LIABILITY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liability – General</td>
<td>6.8</td>
<td>4742</td>
</tr>
<tr>
<td>Service Interruptions, Variations, and Curtailments – Limitation on Liability</td>
<td>6.9</td>
<td>4842</td>
</tr>
</tbody>
</table>
# Table of Contents

<table>
<thead>
<tr>
<th>Title</th>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ACCESS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to Premises</td>
<td>6.10</td>
<td>5044</td>
</tr>
<tr>
<td><strong>ENCROACHMENTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vegetation Encroachments and Hazards</td>
<td>6.11</td>
<td>5145</td>
</tr>
<tr>
<td>Structural Encroachments and Hazards</td>
<td>6.12</td>
<td>5146</td>
</tr>
<tr>
<td><strong>DIRECT ACCESS PROGRAM</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>APPLICABILITY</strong></td>
<td>7.0</td>
<td>53</td>
</tr>
<tr>
<td>Additional Definitions</td>
<td>7.1</td>
<td>5348</td>
</tr>
<tr>
<td>Retail Electric Service Competition</td>
<td>7.2</td>
<td>55</td>
</tr>
<tr>
<td><strong>CUSTOMER PARTICIPATION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation</td>
<td>7.3</td>
<td>55</td>
</tr>
<tr>
<td>Service Elections by Customers</td>
<td>7.4</td>
<td>55</td>
</tr>
<tr>
<td>Responsibility for Direct Access Services</td>
<td>7.5</td>
<td>56</td>
</tr>
<tr>
<td>Transmission and Distribution Service for Direct</td>
<td>7.6</td>
<td>56</td>
</tr>
<tr>
<td>Access Customers</td>
<td>7.6</td>
<td>56</td>
</tr>
<tr>
<td>Customers Who Elect Competitive Electric Generation</td>
<td>7.7</td>
<td>57</td>
</tr>
<tr>
<td>Service</td>
<td>7.7</td>
<td>57</td>
</tr>
<tr>
<td>Changing to Another Electric Generation Service</td>
<td>7.8</td>
<td>57</td>
</tr>
<tr>
<td>Right to Participate in the Direct Access Program</td>
<td>7.9</td>
<td>57</td>
</tr>
<tr>
<td>Aggregation</td>
<td>7.10</td>
<td>57</td>
</tr>
<tr>
<td>Master-Metered Customers</td>
<td>7.11</td>
<td>57</td>
</tr>
<tr>
<td>Split Load</td>
<td>7.12</td>
<td>57</td>
</tr>
<tr>
<td><strong>UNBUNDLED SERVICES AND OBLIGATION TO SERVE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution Services</td>
<td>7.13</td>
<td>58</td>
</tr>
<tr>
<td>Distribution Service Customer Responsibilities</td>
<td>7.14</td>
<td>58</td>
</tr>
<tr>
<td>Meter Installation and Maintenance; Meter Reading;</td>
<td>7.15</td>
<td>58</td>
</tr>
<tr>
<td>Billing and Payment Processing</td>
<td>7.15</td>
<td>58</td>
</tr>
<tr>
<td>Meters and Metering Options for Direct Access Customers</td>
<td>2.16</td>
<td>59</td>
</tr>
<tr>
<td>Direct Access Customer Billings and Payments</td>
<td>2.17</td>
<td>60</td>
</tr>
</tbody>
</table>
## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Title</th>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit and Collections</td>
<td>7.18</td>
<td>60</td>
</tr>
<tr>
<td>Default Service for Current and New Customers</td>
<td>7.19</td>
<td>60</td>
</tr>
<tr>
<td>Provider of Last Resort</td>
<td>7.20</td>
<td>60</td>
</tr>
<tr>
<td>Distribution Customers Returning to SRP for Electric Generation Service</td>
<td>7.21</td>
<td>61</td>
</tr>
<tr>
<td>Switching Application Charges</td>
<td>7.22</td>
<td>61</td>
</tr>
<tr>
<td>Frequency and Timing of Switching</td>
<td>7.23</td>
<td>61</td>
</tr>
<tr>
<td>Energy-Related Services</td>
<td>7.24</td>
<td>62</td>
</tr>
<tr>
<td>SYSTEM BENEFITS CHARGE</td>
<td>7.25</td>
<td>62</td>
</tr>
<tr>
<td>TAXES AND OTHER CHARGES</td>
<td>7.26</td>
<td>62</td>
</tr>
<tr>
<td>CONSUMER PROTECTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cooling-Off Period</td>
<td>7.27</td>
<td>62</td>
</tr>
<tr>
<td>Customer Authorization for ESP Service</td>
<td>7.28</td>
<td>62</td>
</tr>
<tr>
<td>Disputed Customer Authorization</td>
<td>7.29</td>
<td>63</td>
</tr>
<tr>
<td>Access to the SRP Distribution System</td>
<td>7.30</td>
<td>63</td>
</tr>
<tr>
<td>ELECTRIC SERVICE PROVIDERS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Obligations of ESPs</td>
<td>7.31</td>
<td>64</td>
</tr>
<tr>
<td>Governing Documents</td>
<td>7.32</td>
<td>64</td>
</tr>
<tr>
<td>ELECTRIC GENERATION SERVICE PROVIDERS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competitive Services and Certification</td>
<td>7.33</td>
<td>65</td>
</tr>
<tr>
<td>Responsibility for Purchases of Electric Power</td>
<td>7.34</td>
<td>65</td>
</tr>
<tr>
<td>Scheduling Coordination</td>
<td>7.35</td>
<td>65</td>
</tr>
<tr>
<td>Contracting with SRP</td>
<td>7.36</td>
<td>65</td>
</tr>
<tr>
<td>METER, METER READING, AND BILLING AND PAYMENT PROCESSING SERVICE PROVIDERS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Providing Competitive Metering, Meter Reading, and/or Billing and Payment Processing Services</td>
<td>7.37</td>
<td>66</td>
</tr>
</tbody>
</table>

vii
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Title</th>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCHEDULING COORDINATORS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Application Request</td>
<td>7.38</td>
<td>66</td>
</tr>
<tr>
<td>Governing Documents</td>
<td>7.39</td>
<td>66</td>
</tr>
<tr>
<td>APPENDIX A</td>
<td>7.1</td>
<td></td>
</tr>
</tbody>
</table>

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SRP RULES AND REGULATIONS
DEFINITIONS

1.1 The following terms, when used herein, have the meaning specified:

1.1.1 ACCACT; The Arizona Corporation Commission.

1.1.2 ACT: See “Arizona Electric Power Competition Energy Reliability Act.”

1.1.3 ADVANCE TOWARD CONSTRUCTION (ATC): See Contribution in Aid consists of Construction the provisions of Title 30, Chapter 6 (§ 30-801, et seq.) of the A.R.S., as amended.

1.1.4 AGREEMENT FOR ELECTRIC SERVICE: The terms and conditions, either standard or non-standard, to provide electric service and specify the Price Plan and other terms and conditions under which a Customer will pay for that service from SRP.

1.1.5 ANCILLARY SERVICES: The following services, as further described in the Open Access Transmission Tariff, that are necessary to support the transmission of capacity and energy from resources to Loads, while maintaining the reliable operation of the Transmission System.

a. ANCILLARY SERVICE 1 (Scheduling, System Control and Dispatch Service): Service required to schedule the movement of Power through, out of, within, or into a Balancing Authority Area.

b. ANCILLARY SERVICE 2 (Reactive Supply and Voltage Control from Generation Sources Service): Service required to maintain Transmission voltages within limits generally accepted in the region and consistently adhered to by SRP.

c. ANCILLARY SERVICE 3 (Regulation and Frequency Response Service): Service necessary to provide continuous balancing of resources (generation and interchange) with Load and to maintain scheduled interconnection frequency at sixty Hz.

d. ANCILLARY SERVICE 4 (Energy Imbalance Service): Service provided to supply or absorb Energy during each hour when a difference occurs between the scheduled and the actual delivery of Energy to a Load within a Balancing Authority Area.
2 11-5-18

e.7.1.1 ANCILLARY SERVICE 5 (Operating Reserve – Spinning Reserve Service): Service needed to serve Load immediately in the event of an electric system Contingency.

f.7.1.1 ANCILLARY SERVICE 6 (Operating Reserve – Supplemental Reserve Service): Service needed to serve Load in the event of an electric system Contingency. Such service is available to serve Load within a short period of time but not immediately.

g. ANCILLARY SERVICE CHARGE: A charge per kW or kWh used to recover costs related to Ancillary Services.

1.1.6 ARIZONA ELECTRIC POWER COMPETITION ACT (THE “ACT”): For the purpose of these Rules and Regulations, the Arizona Electric Power Competition Act is deemed to consist of the provisions of Title 30, Chapter 6 (§ 30-801, et seq.) of the A.R.S., as amended, together with other provisions of House Bill 2663 (enacted as Chapter 209, Session Laws, 43rd Legislature, 2nd Regular Session), and amendments thereto, that are relevant to the provision of retail electric competition in the service territory of a public power entity, as defined in A.R.S. § 30-801.16.

1.1.7 A.R.S.: Arizona Revised Statutes.

1.1.8 BACKUP SERVICE: Demand and Energy provided by SRP to the Customer during an unscheduled full or partial outage of Customer’s generating equipment to replace electricity ordinarily produced by that generating equipment. The largest 15-minute Demand measured on the Supply Meter of each generator will be less than or equal to the generator Reservation Capacity.

1.1.9 BALANCING AUTHORITY: The responsible entity that integrates resource plans ahead of time, maintains load-interchange generation balance within a Balancing Authority Area, and supports interconnection frequency in real time.

1.1.10 BALANCING AUTHORITY AREA: The collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority. The Balancing Authority maintains load resource balance within this area.

1.1.11 BILLING, COLLECTIONS CHARGE: A fixed monthly charge to recover costs related to maintaining Customer accounts including producing and mailing Customer bills and processing Customer payments.
BILLING PERIOD: The time interval between two consecutive bills, typically 30 or 31 days.

BOARD: The SRP Board of Directors.

BUILDING: A structure that stands alone or is separated from adjoining structures by fire walls with all openings therein protected by fire doors. If this definition conflicts with local building codes, the local code definition will prevail.

CAPACITY: The continuous load-carrying ability of Generation, Transmission, or other electrical equipment, expressed in megawatts (MW), megavolt-amperes (MVA), kilowatts (kW), or kilovolt-amperes (kVA).

CLASS OF USE: A classification of Customer usage type, defined by end use, voltage level, electricity use pattern, Price Plan, or other criteria (e.g., Residential, General Service, Lighting).

COGENERATION FACILITY: A facility comprised of one or more Parallel Generation units that produces both (a) electric energy and (b) steam or another form of useful energy that is used for industrial, commercial, heating, or cooling purposes.

COMMON FACILITIES: Facilities providing electric service to Persons other than the owner that use Energy registered through a single meter when the owner owns all distribution facilities beyond the Point of Delivery.

COMPETITIVE CUSTOMER SERVICE: Services related to customer care functions provided by SRP.

CONNECTED LOAD: The sum of the ratings of the Customer’s Power-consuming equipment that is or may be connected to SRP’s electric installation or system.

CONSUMER OMBUDSMAN: An SRP representative who works with Customers to investigate and resolve certain non-Transmission related Customer disputes in accordance with A.R.S. § 30-803.

CONTINGENCY: The unexpected failure or outage of an electric system component, such as a generator, transmission line, circuit breaker, switch, or other element. A contingency failure also may include multiple components that are related by situations leading to simultaneous component outages.
CONTRIBUTION IN AID OF CONSTRUCTION (CIAC): Advance

A payment from a Customer for the design and construction of new or additional facilities, or Enhanced Distribution Facilities and related costs. Previously referred to and for other purposes as Advance Toward Construction provided in these Rules and Regulations.

CUSTOMER: Any Person receiving electric service from SRP for one or more accounts, including Electric Generation Service, Transmission service, Distribution service, and Ancillary Services and Other Services necessary to deliver and measure Electrical Energy and Power. Where the context requires, the term “Customer” includes an applicant for SRP service.

DEDICATED: Electric service provided to a Customer via facilities usually used only to serve that Customer.

DEDICATED FACILITIES: Facilities that, by contractual arrangement, are utilized by only one Customer to receive electric service.

DEMAND: The rate at which Electrical Energy is delivered to or by an electric system or part of an electric system at a given instant or averaged over any designated interval of time. Demand may be expressed in kilowatts (kW), kilovolt-amperes (kVA), megawatts (MW), or other suitable units. The designated interval can be specified in the Standard Electric Price Plan, the Agreement for Electric Service, or within these Rules and Regulations. Types of Demand may include:

a. AVERAGE DEMAND: The Electrical Energy delivered during any interval of time as determined by dividing the total Energy by the units of time in the interval.

b. BILLING DEMAND: Demand, usually expressed in Kilowatts (kW) or kilovolt-amperes (kVA), used for calculation of the bill. It may be the Connected Load, the measured Demand, or a modification of either as provided for in an Agreement for Electric Service, Price Plan, or any special agreements.

c. COINCIDENT DEMAND: As it applies to Totalizing, the total energy demand required by a Customer occurring simultaneously during a particular time period for the Service Equipment under consideration.
d. DEMAND INTERVAL: The time period during which electrical energy is measured, usually in 15-, 30-, or 60-minute increments.

e. INSTANTANEOUS DEMAND: The rate at which electrical energy is delivered at a given instant.

f. INTEGRATED DEMAND: The average of the instantaneous demands during the demand interval.

g. INTERRUPTIBLE DEMAND: The amount of customer demand that, in accordance with contractual arrangements, can be interrupted by direct control of the electric system operator or by action of the customer at the direct request of the electric system operator. In some instances, the demand reduction may be initiated by the direct action of the electric system operator (remote tripping) with or without notice to the customer in accordance with contractual provisions.

h. PEAK DEMAND: The highest electric requirement occurring in a given period (e.g., an hour, day, month, season, or year). For an electric system, it is equal to the sum of the metered net outputs of all generators within a system and the metered line flows into the electric system, less the metered line flows out of the electric system.

1.1.20 DISTRIBUTED GENERATION FACILITY: Any electricity generating technology capable of parallel operation that is connected on the customer’s side of the retail meter.

1.1.21 DISTRIBUTION/DISTRIBUTION SYSTEM: The portion of SRP’s electric system used to deliver electrical energy to customers from points on the transmission system.

1.1.29 DISTRIBUTED ENERGY DEVICE: A fixed monthly charge used to recover costs related to the distribution system.

1.1.30 DISTRIBUTION DELIVERY CHARGE: A charge per kWh or per kW used to recover costs related to the distribution system.

1.1.31 ELECTRIC GENERATION SERVICE: The provision of electricity for sale to retail electric customers, except (a) distribution service,
1.1.22 (b) Transmission service and (c) Generation that is necessary for the reliable operation of the electric Distribution or Transmission systems/Facility or an Energy Storage Facility.

1.1.23 ELECTRIC SERVICE SPECIFICATIONS: The SRP manual that contains information regarding SRP’s requirements for wiring, metering, equipment, and other matters as specified in the relevant SRP manual.

1.1.24 ELECTRICAL ENERGY/ENERGY: The generation or use of electric Power by a device during a period of time, expressed in kilowatt-hours (kWh), megawatt-hours (MWh), or gigawatt-hours (GWh).

1.1.25 ELECTRONIC DATA INTERCHANGE (EDI): The computer-to-computer electronic exchange of business documents using standard formats that are recognized nationally and internationally.

1.1.26 EMERGENCY DISCONNECT: See Section 4.15.2.

1.1.27 ENERGY: See “Electrical Energy/Energy.”

1.1.28 ENERGY CHARGE: A charge per kWh for the Electrical Energy used by the Customer.

1.1.29 ENERGY IMBALANCE SERVICE: See “Ancillary Services 4.”

1.1.30 ENERGY STORAGE FACILITY: An energy storage device or multiple devices at a single location capable of Parallel Operation, that is connected on the Customer’s side of the retail meter.

1.1.31 ENHANCED DISTRIBUTION SYSTEM/FACILITIES: Any improvements or modifications made to SRP’s standard Distribution system at the request of, or to benefit, a Customer or potential Customer, or as mandated by SRP’s distribution operational requirements.

1.1.32 EXECUTIVE DISPUTE RESOLUTION COMMITTEE: A three-person committee of SRP executive representatives that has final management decision-making responsibility for resolution of any dispute within its purview that is referred to it.

1.1.33 EXTENSION: Lines and/or Service Laterals required to extend electric service from SRP’s existing permanent facilities to the Point of Delivery.

1.1.34 FACILITIES CHARGE: An amount to be paid by the Customer as a lump sum or periodically, for Transmission or Distribution facilities provided by SRP.
1.1.32 FROZEN: Refers to Price Plan or rider for which new Customers or new accounts are no longer accepted. A Frozen Price Plan may or may not have an expiration date. Frozen Price Plans and their associated riders may be changed in the same manner as any other Price Plan or rider.

1.1.33 GENERATION: The process of producing Electrical Energy from other forms of energy; also, the amount of Electrical Energy produced, usually expressed in kilowatt-hours (kWh) or megawatt-hours (MWh).

1.1.34 GENERATOR METER: The time-of-use meter that measures the total Power and Energy produced by the Customer’s on-site Generation unit capable of interconnection with SRP’s electric system.

1.1.35 GOVERNMENTAL ENTITY: A county, city, or other governmental entity having jurisdiction over a particular matter.

1.1.36 HIGH-RISE BUILDING: Any Building, residential or commercial, typically having more than 4 stories within which the most economically feasible electrical Distribution system exceeds 240 volts and step-down transformation is necessary to serve the ultimate Customer.

1.1.37 INTERCONNECTION AGREEMENT: An agreement between SRP and a Person who interconnects a Distributed Energy Device to SRP’s electric system.

1.1.38 INTERCONNECTION SERVICE: Service available to a Customer owning, leasing, or operating a Qualifying Facility, or other generation facility that owns, leases, or operates a Distributed Energy Device, if approved by SRP. Such service permits a Customer to interconnect with, and deliver Power and Energy to, SRP’s electric system.

1.1.39 KILOVOLT-AMPERE (kVA): 1,000 volt-amperes.

1.1.40 KILOWATT (kW): A unit of Power equal to 1,000 watts or approximately 1.341 horsepower.

1.1.41 KILOWATT-HOUR (kWh): The amount of Energy delivered in one hour when delivery is at a constant rate of one kilowatt (kW).

1.1.42 LOAD: An end-use device or Customer facility that receives Power from the electric system.
1.1.54 **LOAD FACTOR**: The ratio of Average Demand to Peak Demand during a specific period of time, expressed as a percentage.

1.1.55 **MAINTENANCE ENERGY**: The energy purchased by Customer during its scheduled maintenance periods, calculated by multiplying the hours in the scheduled maintenance period by the Reservation Capacity of the Cogeneration Facility.

1.1.56 **METER CHARGE**: A fixed monthly charge to recover costs related to owning and maintaining the electric meter.

1.1.57 **METER READING CHARGE**: A fixed monthly charge to recover costs relating to meter reading service provided by SRP.

1.1.58 **OBsolete**: Refers to a Price Plan, rider, or Price Plan equipment that is no longer available. Prices for Obsolete equipment may be changed in the same manner as any other Price Plan or rider.

1.1.59 **OPEN ACCESS TRANSMISSION TARIFF (OATT)**: The SRP tariff filed on a voluntary basis with and accepted without change (or otherwise approved) by the Federal Energy Regulatory Commission (FERC). The SRP OATT sets forth the rates, charges, and general terms and conditions under which SRP will provide Transmission service.

1.1.60 **OPERATING RESERVE—SPINNING RESERVE SERVICE**: See “Ancillary Service 5.”

1.1.61 **OPERATING RESERVE—SUPPLEMENTAL RESERVE SERVICE**: See “Ancillary Service 6.”

1.1.62 **PARALLEL GENERATION**: Electrical generation equipment that has been approved by SRP OPERATION: When any electricity generating technology or Energy Storage Device is capable of sending energy on to operate interconnected (in parallel) with SRP’s electric system.

1.1.63 **PARTY**: In addition to any other Person that may, under applicable law, be deemed a “party,” a Person will be considered a Party for purposes of these Rules and Regulations if that Person (a) is entitled to notice under A.R.S. § 48-2334(A)(3); (b) is considered an “interested person” under A.R.S. § 2334(A)(2); or (c) submits a written comment, proposal, question, or document request, makes a presentation to the Board, or interviews any employee of SRP or consultant of the Board, in connection with a Public Process.

1.1.64 **PERSON**: Any individual, partnership, corporation, limited liability company, governmental body, or other entity.
1.1.48 POINT OF DELIVERY: The location at which SRP’s electric facilities make contact with a Customer's Service Equipment.

1.1.49 POWER: The time rate of transferring Energy, usually expressed in kilowatts (kW).

1.1.50 POWER FACTOR: The ratio of real Power (kilowatts (kW)) to apparent Power (kilovolt-amperes (kVA)) for any given load and time and generally expressed as a percentage.

1.1.51 PRICE PLAN: See “Standard Electric Price Plan.”

1.1.52 PRIMARY GENERAL SERVICE: Electric service that does not require transformation by SRP below the voltage level at the low side of a Distribution substation.

1.1.53 PUBLIC NOTICE: The public notice required by A.R.S. § 30-802(D)(1) and/or A.R.S. § 48-2334(B) regarding proposed changes to any Standard Electric Price Plan or the Terms and Conditions for Competition.

1.1.54 PUBLIC PROCESS: A proceeding undertaken by the Board under A.R.S. § 30-802 and/or A.R.S. § 48-2334 for purposes of changing any Terms and Conditions for Competition or any Standard Electric Price Plan.

1.1.55 QUALIFYING FACILITY: A Cogeneration Facility or Small Power Production Facility that is defined as a qualifying facility under the regulations issued by the Federal Energy Regulatory Commission.

1.1.56 REACTIVE SUPPLY AND VOLTAGE CONTROL FROM GENERATION SOURCES SERVICE: See “Ancillary Service 2.”

1.1.57 REGULATION AND FREQUENCY RESPONSE SERVICE: See “Ancillary Service 3.”

1.1.58 RESERVATION (RESERVED) CAPACITY: The higher of (a) the measured kilowatt (kW) output of each Qualifying Facility at the time of start-up test or (b) SRP’s estimate of the Customer’s peak Demand during Backup Service based on Customer’s historical usage, evaluated and updated annually and specified in the Interconnection/Generation Agreement.

1.1.59 RESERVATION (RESERVED) CAPACITY CHARGE: A seasonally adjusted monthly charge that incorporates Customer’s specific generator capacity and forced outage rate so that SRP will provide capacity when needed by the Qualifying Facility.
1.1.55 RULES AND REGULATIONS: These Rules and Regulations, which have been adopted by SRP pursuant to A.R.S. § 48-2301 et seq., the Act, and other pertinent authority. The Rules and Regulations have also been referred to by SRP as “Electric Service Guidelines.”

1.1.56 SECONDARY GENERAL SERVICE: Electric service that requires transformation by SRP below the voltage level at the low side of a Distribution substation.

1.1.57 SERVICE EQUIPMENT: The necessary electrical facilities, usually consisting of a circuit breaker or switch and fuses, conductors, and accessories, constituting the main control and cutoff of the delivery of Electrical Energy to a Customer, and which are installed, owned, and maintained by the Customer.

1.1.58 SERVICE LATERAL: A system of wires, fixtures, equipment, and sometimes poles, or the equivalent ducts, conduits, and cables, used to deliver Electrical Energy from the Line or Distribution transformer to the Point of Delivery.

1.1.59 SPECIAL CONTRACT: A written agreement between SRP and a Customer that contains provisions expressly intended to supersede provisions in these Rules and Regulations, or the Standard Electric Price Plans, or the Terms and Conditions for Competition. Special Contracts require the prior approval of the SRP Board of Directors.

1.1.60 SPECIAL PRICING MEETING: See Section 2.2.3.d.

1.1.61 SRP: The Salt River Project Agricultural Improvement and Power District.
1.1.62 SRP DISTRIBUTED GENERATION INTERCONNECTION HANDBOOK: SRP’s requirements for Customers who desire to connect a Distributed Energy Device to SRP’s electric system. These Guidelines are available from SRP upon request.

1.1.63 SRP GUIDELINES FOR CUSTOMER OWNERSHIP OF SUBSTATION EQUIPMENT: SRP’s requirements for Customers who own substation equipment connected directly to the SRP 69kV or greater voltage transmission system. These Guidelines are available from SRP upon request.

1.1.67 SRP INTERCONNECTION GUIDELINES FOR DISTRIBUTED GENERATORS: SRP’s requirements for Customers whose electric system is connected to an electrical generation device.

1.1.88 STANDARD ELECTRIC PRICE PLAN - PRICE PLAN: SRP’s published Standard Electric Price Plans (including riders and similar documents) for standard contract Customers, including residential, industrial, commercial, lighting, and pumping Customers. There may be more than one Price Plan setting forth the charges and conditions for a particular class or type of service. A Price Plan usually includes an identification letter and number, class of service, character or applicability, prices, conditions, and references to these Rules and Regulations.

1.1.89 STANDBY SERVICE: Service supplied to a Customer who normally receives Power and Energy requirements from sources other than SRP.

1.1.90 SUPPLY METER: The time-of-use meter that measures the total Power and Energy supplied by SRP to the Load of a Customer with a Qualifying Facility.

1.1.91 SUPPLEMENTAL DEMAND: The maximum 15-minute integrated kilowatt (kW) Demand calculated by summing the demand of the Supply Meter plus the Demand of the Generator Meter(s) less the Reservation Capacity of Customer’s generator(s).

1.1.92 SUPPLEMENTAL ENERGY: All Energy registered on the Supply Meter, less any Backup Service or Maintenance Energy.

1.1.93 SUPPLEMENTAL SERVICE: Demand and Energy purchased by Customer to supplement Power and Energy generated by Customer’s generator(s).

1.1.94 SYSTEM BENEFITS CHARGE: A non-bypassable per kilowatt-hour (kWh) charge included in all Price Plans to fund certain programs benefiting the System.

7
1.1.95 TERMS AND CONDITIONS FOR COMPETITION: SRP’s terms and conditions, determined and adopted in accordance with the Act, for customer selection, complaint resolution, consumer protection, stranded costs, distribution service rates and charges, system benefits charges, and other related matters as determined in the reasonable discretion of the Board.

1.1.96 TOTALIZING: For billing purposes on the appropriate Price Plan, the measurement of the simultaneous Demand and Electrical Energy of a Customer who receives electric service from more than one service entrance section at a single site or campus.

1.1.97 TRANSMISSION/TRANSMISSION SYSTEM: The interconnected group of associated equipment used by SRP for the movement or transfer of Electrical Energy between points of supply and points at which it is transformed for delivery to Customers or is delivered to other electric systems.

1.1.98 TRANSMISSION DELIVERY CHARGE: A charge per kilowatt-hour (kWh) or per kilowatt (kW) to recover costs related to the Transmission system.

1.1.99 UP AND DOWN COSTS: All labor, material, and other charges to install and/or remove SRP’s electrical facilities. The removal (down) costs will be reduced by the salvage value, if any, of any removed material.

1.1.100 VOLT-AMPERE: The apparent Power when one ampere flows between two points having a potential difference of one volt.
GENERAL PROVISIONS

2.1 INTRODUCTION

2.1.1 These Rules and Regulations define the terms and conditions of SRP’s agreement with a Customer to supply electric and related services, and, except as expressly provided otherwise in a Special Contract between SRP and the Customer, supersede any other policies or procedures. Sections 1 through 6 of these Rules and Regulations shall apply to all SRP Customers. Terms and conditions that specifically address Direct Access Service have been suspended and are contained in Section 7 of these Rules and Regulations.

2.1.2 Implementation and administration of these Rules and Regulations is supplemented by the appropriate Standard Electric Price Plan and the Electric Service Specifications. Upon request, SRP will provide Customers with copies of the specifications relating to their service installations and a copy of the applicable Price Plan. These Rules and Regulations, the Price Plans, and the Electric Service Specifications are also available at www.srpnet.com.

2.1.3 If an issue arises that is not addressed, or is only partially addressed, in these Rules and Regulations or other applicable documents, SRP reserves the right to then consider the issue and implement policy or practice pertinent to it.

2.1.4 The citation or referencing of any document or portion thereof in these Rules and Regulations also means any applicable successor document or portion thereof.

2.1.5 The descriptive headings of the various sections of these Rules and Regulations have been inserted for convenience of reference only and in no way define, modify, or restrict any of the terms and provisions thereof.

2.1.6 When used herein, the terms “include” and “including” mean without limitation.

2.1.7 The waiver by SRP of any breach of any term, covenant, or condition herein contained shall not be effective unless such waiver is in writing, and any waiver shall not be deemed a waiver of any breach of any other term, covenant, or condition, or any subsequent breach of the same or any other term, covenant, or condition herein contained.
2.1.8 SRP will provide service under these Rules and Regulations without regard to race, creed, color, sex, marital status, religion, disability, or national origin.

2.1.9 To be binding on SRP, all promises, agreements, or representations made by an employee or agent of SRP must be set forth in a written agreement signed by an employee of SRP duly authorized to make such promises, agreements, or representations.

2.1.10 These Rules and Regulations shall be deemed to have been made in the State of Arizona and shall be construed and governed in accordance with the laws of the State of Arizona without regard to its choice of law provisions. Venue for any legal proceeding arising out of or in connection with these Rules and Regulations shall be exclusively in a state or federal court located in Maricopa County, Arizona, and the parties SRP and Customer irrevocably submit to the jurisdiction of any such court.

2.1.11 Each party to Customer and SRP each expressly waives any rights that it may have to a trial by jury with respect to any legal proceeding arising out of or in connection with these Rules and Regulations. Each party waives any rights that it may have to a trial by jury with respect to whether such legal proceeding brought by or against it or any of its affiliates.

2.2 CHANGES TO SRP’S RULES AND REGULATIONS, AND STANDARD ELECTRIC PRICE PLANS, AND TERMS AND CONDITIONS FOR COMPETITION

2.2.1 The Board may change these Rules and Regulations at any time. Further, SRP’s management is authorized to make non-material, administrative updates to these Rules and Regulations.

2.2.2 The Board may change any Standard Electric Price Plan, any Terms and Conditions for Competition, or any other price, fee, charge, minimum demand, or other pricing term at any time, unless expressly agreed otherwise by a written contract, subject to compliance with the applicable procedural requirements of A.R.S. §§ 30-
Management of Communications.

2.2.3 The following rules and procedures apply with respect to each Public Process.

a. Management of Communications. In accordance with A.R.S. §§ 30-802 and/or 48-2334, the SRP Corporate Secretary will coordinate each Public Process, and will be the single point of contact for all requests for information, documents, and interviews, and the submission of any comments, questions, or proposals, with regard to the subject of the Public Process. The Public Notice shall prescribe the means of communicating with the Corporate Secretary for purposes of the foregoing requests and submittals. The Corporate Secretary will create and maintain a list of persons or entities that submit written comments, proposals, questions, or document requests, make presentations to the Board, or interview any employee of SRP or consultant of the Board, in connection with a Public Process. The Corporate Secretary is responsible for acknowledging receipt of each request and submittal (whether directed to SRP management, the Board, or the Board’s consultant(s)), and ensuring that all such communications are fairly, timely, and accurately presented to the SRP Board and other appropriate persons.

b. Interviews. In accordance with this subsection, interested persons or their representatives, may interview SRP management concerning proposed changes to the Standard Electric Price Plans and/or Terms and Conditions for Competition, and may interview the consultant(s), if any, selected by the Board to assist it in evaluating such proposed changes. Each Public Notice will state that such interviews may be requested, and will include the instructions and deadline(s) for requesting interviews, and the proposed date(s), time(s), and place(s) for such interviews. Unless other arrangements are made, any Board consultant will be available for interviews only on the date(s), time(s), and place(s) specified in the Public Notice. Interview requests must be submitted in the manner, and by the deadline, set forth in the Public Notice, and must describe the general topic(s) related to the Public Process for which the interview is requested. Interested persons or their representatives, may request interviews of a particular SRP employee, but SRP will have sole discretion to select, based on availability and knowledge, the employee(s) to be interviewed. SRP will make reasonable efforts to make the most
knowledgeable employees available, and will instruct interviewed employees to answer the questions to the best of their ability; however, the employee(s) may, when further consideration is warranted, provide responses to some questions subsequent to the interview.

Following the completion of each interview, SRP will make available upon request, or post on its website, either an interview transcript or a written summary of the questions asked, and responses provided, during the interview.

c. Written Questions and Requests for Documents. In accordance with this subsection, interested persons or their representatives may submit, through the Corporate Secretary, written comments and questions on the proposed changes to the Standard Electric Price Plans and/or Terms and Conditions for Competition, and may request documents relative to the proceedings. The Public Notice will state that such comments, questions, and document requests may be submitted, and will include the instructions and deadline(s) for submitting the same. Comments, questions, and document requests must be submitted in the manner, and by the deadline(s), set forth in the Public Notice. SRP will make reasonable efforts to provide timely responses to questions submitted, and accommodate document requests in a timely manner, but reserves the right, to the extent permitted by applicable law, to decline requests for documents or information that are unduly burdensome. Persons requesting copies of meeting transcripts or other materials prepared by a third party may be required to obtain such materials from the third-party preparer, with payment of applicable fees.

b.d. Board Meetings. SRP will use reasonable efforts to hold the Board meeting required under A.R.S. § 30-802(B)(3) and/or A.R.S. § 48-2334(D) (the “Special Pricing Meeting”) on the date that is 60 days after the Public Notice. To help ensure that the Board can accomplish its purposes and hear a range of viewpoints, the Board may, to the extent permitted by applicable law, impose reasonable rules and requirements with respect to public comments at the Special Pricing Meeting or other Board meetings at which the Board permits public comments. Such rules may include, without limitation, reasonable time limits on speakers and limitations on the number of speakers, and a requirement that prepared remarks be added to the record without being read aloud.

c.e. Publication. SRP will publish on its website at www.srpnet.com, within one business day of approval by the Board, any changes to the Standard Electric Price Plans, and will publish notice of such
2.2.4 In addition to any other person or entity that may, under applicable law, be deemed a “party,” a person or entity will be considered a “party” for purposes of the Act if that person or entity: (a) is entitled to notice under A.R.S. § 48-2334(A)(3) or § 30-802(B)(1); (b) is considered an “interested person” under A.R.S. § 48-2334(A)(2) or § 30-802(B)(3); or (c) submits a written comment, proposal, question, or document request, makes a presentation to the Board, or interviews any employee of SRP or consultant of the Board, in connection with a Public Process.

2.3 CONSUMER PROTECTION

2.3.1 Confidentiality:

In accordance with state law, SRP will not release Customer-specific information to third parties unless (a) the information is reasonably required for legitimate account collection activities or credit analysis activities, or when such information aids in providing safe and reliable service to the Customer, (b) the Customer specifically authorizes in advance the release of such information in writing, or (c) release is otherwise provided by court order. SRP may provide certain customer-specific information to its contractors and vendors for billing, remittance, research, customer service, marketing, and related SRP purposes.

2.3.2 Unfair, Deceptive, and Abusive Business, Marketing, and Advertising Practices:

SRP adheres to the standards of practice of the American Association of Advertising Agencies (AAAA) and applicable federal laws, rules, and regulations regarding advertising and marketing (including telemarketing rules. Any changes to the AAAA standards of practice are subject to SRP review and acceptance).

2.3.3 Customer Complaints or Questions Regarding SRP Services:

a. If a residential service Customer has a question or problem concerning electric services provided by SRP, the Customer may
call the SRP Residential Customer Services at 602-236-8888 or toll free at 1-800-258-4777.

a.b. Commercial, industrial, and all other Customers who have a question or problem concerning electric services provided by SRP, may contact their SRP Account Energy Manager about the matter, or call SRP’s Business Center at 602-236-8833 or toll free at 1-800-258-4777.

b.c. If the SRP representative contacted will be unable to resolve the issue informally or, if necessary, the representative will document it on behalf of the Customer and direct it to the appropriate SRP department for further review and response.

e.d. SRP electric Customers whose annual Energy usage is less than 100,000 kilowatt-hours (kWh) may appeal submit disputes to a Consumer Ombudsman for an independent review and determination. If the Customer does not accept the Consumer Ombudsman’s determination, the Customer may request an in-person informational hearing with SRP’s Director of Consumer Affairs Manager, who will render a final decision on behalf of SRP.

d.e. SRP electric Customers with annual Energy usage equal to or greater than 100,000 kilowatt-hours (kWh) may appeal submit billing, payment, and credit disputes to SRP’s Executive Dispute Resolution Committee for resolution. The Executive Dispute Resolution Committee may at any time seek the assistance of a Consumer Ombudsman in dispute settlement.

2.3.4 Other Customer Complaints or Questions:

a. If a Customer’s question or problem concerns electric services provided by an Electric Service Provider other than SRP, the SRP representative contacted by the Customer will direct the Customer to the responsible Electric Service Provider, or the Customer may contact the Arizona Corporation Commission at 602-542-4251 or toll free at 1-800-222-7000 about the matter.

b. Pursuant to the terms of the Act, for certain Code of Conduct disputes governed by policies established under the Act, upon the request of a Customer and after all of the above applicable dispute resolution options have been met, SRP will submit such dispute to non-binding third-party arbitration or mediation. SRP and the Customer will equally share the costs of the non-binding arbitration or mediation.
Pursuant to the terms of the Act, a Customer may apply to the SRP Board of Directors for a rehearing regarding certain disputes involving policies established under the Act.
PROVISION OF SERVICE

APPLICATION FOR SERVICE

3.1 General:

3.1.1 Except where the terms of a Special Contract provide otherwise, SRP provides service to a Customer under and in accordance with these Rules and Regulations. In applying for service, the Customer agrees to be bound by the terms and conditions of these Rules and Regulations, the Standard Electric Price Plans, the Electric Service Specifications, SRP Distributed Generation Interconnection Guidelines, SRP Guidelines for Customer Ownership of Substation Equipment, and any Agreement for Electric Service between SRP and the Customer, if applicable.

3.1.2 SRP will assess a Customer a service fee each time SRP is requested to establish or re-establish Distribution service to that Customer. As necessary, SRP will redetermine the service fee from time to time to reasonably compensate SRP for associated costs.

3.1.3 In the case of a new service or a connection to an established service, a Customer, if requested by SRP, will provide the following information with the application for service:

a. Purpose for which service is to be used including a description of major appliances, motors, and other electric use equipment.

b. Location (service address).

c. Address to which bills are to be mailed.

d. Whether the Customer is Documentation supporting Customer’s authority over the premises, either as an owner, tenant, or property manager of the premises, or otherwise has authority over the premises. Application an application to establish an active Customer account will be accepted only from the Person accepting responsibility for billing payment, or an authorized agent thereof.

e. Date the Customer will be ready for service.

f. Whether premises have been previously supplied with electrical service.
SALT RIVER PROJECT AGRICULTURAL
IMPROVEMENT AND POWER DISTRICT
RULES AND REGULATIONS

2.1.4 The Customer’s service characteristics and service requirements determine the applicable Standard Electric Price Plan(s). SRP can help determine the most advantageous Price Plan or rider for the Customer. However, because of varying Customer usage patterns, SRP cannot guarantee that the Price Plan a Customer selects is the most economical. In the absence of SRP error or SRP’s agreement in advance, SRP will not provide any refunds if the Customer would have paid less for service had the Customer been billed on an alternate Price Plan or rider.

g. Sufficient identification and other information about the Customer to enable SRP to confirm the Customer’s identity.

When requested, sufficient

h. Sufficient financial information about the Customer to enable SRP to evaluate the Customer’s financial condition and creditworthiness if Customer requests a waiver of deposit or similar matter.

i. When requested, documentation supporting Customer’s authority over the premises.

j. Any other related information SRP deems necessary to provide service under the terms and conditions of these Rules and Regulations, Standard Electric Price Plans, and the Electric Service Specifications.

3.1.4 SRP will not provide service or install a meter until the Customer has satisfactorily complied with all of the following requirements:

a. Unless otherwise provided herein, settlement of all outstanding indebtedness of the Customer due SRP, including deposits, guaranties, and Contributions in Aid of Construction.

b. Installation of service entrance and wiring in compliance with the Electric Service Specifications.

c. Conformance to applicable requirements of governmental agencies having jurisdiction.

d. Provision of adequate easements and access to the premises satisfactory to SRP for installation, maintenance, and removal of SRP’s facilities.

e. Provision of identification and other information satisfactory to SRP to confirm the Customer’s identity.

f. Execution of all applicable written agreements required by SRP.
If SRP approves more than one Point of Delivery for a Building, in accordance with the provisions of Section 5.1.2, Customer will submit separate application(s) for each Point of Delivery.

SRP will provide service under these Rules and Regulations without regard to race, creed, color, sex, marital status or national origin.

To be binding on SRP, all promises, agreements, or representations made by an employee or agent of SRP must be set forth in a written agreement, signed by an employee of SRP duly authorized to make such promises, agreements, or representations.

SRP may require applicants for service in classifications other than residential to sign an Agreement for Electric Service that will state, at minimum, the particular Standard Electric Price Plan under which the Customer will receive service.

Service may be discontinued upon Customer’s default under, or the expiration of the term stated in, an Agreement for Electric Service under which service is rendered. Should SRP, at its option, continue service beyond the term of an Agreement for Electric Service, such service will be under the terms and conditions provided in the Standard Electric Price Plans determined by SRP to apply from time to time. Continuance of service beyond the term of such Agreement for Electric Service will not constitute a waiver of SRP’s right to discontinue service for Customer’s breach of or lack of an Agreement for Electric Service.

An application for service may be made by contacting an SRP business office, by telephone through SRP’s Business Center at 602-236-8833 or toll free at 1-800-258-4777, or by any other method approved by SRP.

An application for service may be made by contacting an SRP business office, by telephone through Residential Customer Services at 602-236-8888 or toll free at 1-800-258-4777, or by any other method approved by SRP.
SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT RULES AND REGULATIONS

CONDITIONS OF SERVICE

3.4 General:

3.4.1 Each type of electric service may not be available at a given location. Before making any installation or purchasing equipment, the Customer should inquire from SRP as to the exact character of service that will be available at the Customer's service location. For very large installations or special applications, SRP may supply service under terms and conditions other than those generally available.

3.4.2 For all Cogeneration or Small Power Production Facilities Distributed Energy Devices, the Customer must allow metering and monitoring equipment at the site of the generator device in order to verify the reliability and quality of the electric Power connected to SRP’s electrical system. The type of metering and units to be metered shall be at SRP’s option. Meters and the location of metering will conform to the specifications, terms, and conditions outlined in Section 5.6.

3.4.3 For all Distributed Energy Devices, the Customer must submit an application for Interconnection Service, comply with the Distributed Generation Interconnection Handbook, and sign an Interconnection Agreement as outlined in Section 3.14. Upon SRP’s request and in its sole discretion, SRP may also require a third-party owner or operator of an electrical Distributed Energy Device to sign SRP’s Interconnection Agreement.

3.5 Frequency, Voltage, and Phase:

Service supplied will be alternating current at a regulated frequency of approximately 60 hertz. Single-phase and three-phase services with accompanying voltages are set forth in the Electric Service Specifications.

3.6 Motor Loads, Alternating Current:

Motor Loads are subject to limitations set forth in the Electric Service Specifications.

CLASSIFICATION OF SERVICE – STANDARD ELECTRIC PRICE PLANS

3.7 General – Applicability or Qualifications for Price Plans and Riders:

Customers should consult the Standard Electric Price Plans to determine the Price Plans under which they qualify for service. Price Plans available to Customers at any given time may be viewed on the SRP website at www.srpnet.com, or may be requested by...
phone from SRP’s Residential Customer Services or SRP’s Business Center. (see Sections 3.2.3 and 3.3 for contact information).

The Customer’s service characteristics and service requirements determine the applicable Standard Electric Price Plan(s). SRP can help determine the most advantageous Price Plan or rider for the Customer. However, because of varying Customer usage patterns, SRP cannot guarantee that the Price Plan a Customer selects is the most economical. In the absence of SRP error or SRP’s agreement in advance, SRP will not provide any refunds if the Customer would have paid less for service had the Customer been billed on an alternate Price Plan or rider.

3.8 Residential Service Plans (E-21, E-23, E-24, E-26 and E-28):

The following types of installations and no others qualify for residential Price Plan service:

3.8.1 Accessory buildings and outdoor lighting, including buildings located on the same premises and occupied as living quarters by household employees of a Customer, or guest houses not rented by the Customer to permanent or transient guests, when served through the Customer's meter. SRP will not serve commercial establishments such as hotels and motels under residential Price Plans.

3.8.2 A residential dwelling used primarily as a home that maintains standard residential service but is also used for business purposes. If service enhancement is needed to serve the residence/business, SRP will consider it general service, not residential. The Customer will then need to select an applicable general service Price Plan.

3.9 General Service Price Plans (E-32, E-34 and E-36):

3.9.1 The Standard Price Plan for General Service (E-36) applies to any class of service for which no other Price Plan is available.

3.9.2 Temporary service will be furnished under the Standard Price Plan for General Service (E-36). SRP, at its sole discretion, will determine whether a Customer's proposed service is temporary. Charges for other than a standard Billing Period will be prorated.
3.10 Secondary, Primary, and Dedicated Large General Service Price Plans (E-61, E-62, E-65, and E-66):

3.10.1 SRP may begin service under one of these Price Plans for new accounts with expected monthly startup consumption greater than 300,000 kWh. Service will continue under the Price Plan provided that actual consumption exceeds 300,000 kWh during each of the first three consecutive months of service. If actual consumption does not meet the Price Plan criteria, SRP may transfer the account to an applicable General Service Price Plan E-32 or E-36.

3.10.2 SRP charges a Facilities Charge to Customers who use SRP facilities for the transformation and distribution of electricity below the 69 kV level. The Facilities Charge is determined under the Facilities Rider Supplemental to Price Plans E-61, E-63, E-65, E-66, and E-6667.

a. Installation of new or additional Dedicated Facilities shall be subject to the terms and conditions of a separate construction contract. The Customer may be responsible for (i) replacement and installation of Dedicated Facilities substation equipment or other Dedicated Facilities through a Contribution in Aid of Construction, (ii) a change in the monthly Facilities Charge, or (iii) both.

b. SRP may charge the Customer to recover costs incurred by SRP to remove Dedicated Facilities.

c. To the extent not recovered by SRP’s Price Plans, Customers who own substation facilities will pay a monthly Facilities Charge to recover the cost of serving that Customer from SRP’s Transmission or sub-Transmission System.

3.11 Pumping Service Price Plans (E-47 and E-48):

These Price Plans are applicable to pumping water for commercial agricultural production or municipal water utilities.

3.12 Traffic Signal Lighting Service Price Plan (E-51):

SRP will estimate kilowatt-hour (kWh) consumption for billing purposes based on Connected Load and duration of its use. As a condition of service, the Customer must provide SRP notice of any changes in Connected Load after the initial installation.

3.13 Lighting Service Price Plans (E-56 and E-57):
3.13.1 Customers with lighting controllers will pay a monthly Facilities Charge pursuant to the Price Plan, based on the maximum Load rating of the controller.

3.13.2 SRP will estimate kilowatt-hour (kWh) consumption for billing purposes based on Connected Load and duration of its use. SRP may meter any installation.

3.13.3 SRP will maintain the lighting system except when the Customer owns the lights. SRP installation and ownership of new municipal public lighting facilities is not available.

3.13.4 If SRP provides lighting equipment, the prices will be as stated in the Lighting Equipment Rider, Municipal/Non—Municipal Public Lighting Equipment Riders, or the Private Security Lighting Equipment Rider, to the extent applicable.
CLASSIFICATION OF SERVICE — OTHER

3.14 Interconnection Service:

3.14.1 This service is available to any Customer owning or operating a Qualifying Facility who wishes to interconnect with SRP and who meets SRP requirements for interconnection. Except as required by applicable law, Interconnection Service for non-Qualifying Facilities is at the sole option of SRP.

3.14.2 Prior to receiving service under the Buyback Service Rider or other applicable rider, the Customer must enter into an Agreement for Interconnection Service Agreement. That Agreement supplements the SRP Distributed Generation Interconnection Guidelines, the applicable Price Plan, and these Rules and Regulations, and details the rights and obligations of SRP and the Customer pertaining to Interconnection Service. All costs of interconnection and metering are the responsibility of the Customer, unless specified otherwise provided in an agreement between SRP and the Customer. SRP reserves the right to require any Customer who desires to install a Distributed Energy Device to go through SRP’s Open Access Transmission Tariff interconnection process.

3.14.3 Purchases by SRP of electric Power and Energy from Customers with Qualifying Facilities Distributed Energy Devices will be made based upon the Buyback Service Rider or other applicable Price Plan or rider.

3.15 Requirements for Submitting Self-Generation Proposals:

Customer shall provide SRP a written statement of its intent to seek and ability to operate a self-generation project or equipment and attach a copy of the engineering and economic feasibility studies supporting the proposed self-generation project. Specific requirements can be obtained by contacting SRP.
MONETARY PROVISIONS

DEPOSITS AND CONTRIBUTIONS IN AID OF CONSTRUCTION

4.1 Form of Security:

4.1.1 Generally, SRP will require a cash deposit or other form of security acceptable to SRP to secure payment of an account or accounts for electricity and related services provided by SRP to a Customer whenever, in SRP’s sole discretion, Customer’s anticipated billings exceed limits determined by SRP or there is a significant risk or indicator of non-payment of indebtedness. In making its determination, SRP may consider the financial condition or creditworthiness of the Customer, the Customer's payment history with SRP, the Customer's payment history with other creditors, the level of services provided by SRP, and the quality of documentation provided to confirm the identity of the Customer, among other factors.

4.1.2 A cash deposit accepted as security for payment of electric service will earn interest at the rate established by SRP until a turn-off for the relevant account is processed, provided such deposit has been held by SRP for at least 180 days. All accrued interest will be credited to the Customer as of December 31 of each calendar year (or another date as may be determined from time to time by SRP) or upon return of the deposit to the Customer, whichever occurs first.

4.2 Refunds of Deposits:

4.2.1 SRP will return a cash deposit to the Customer when service is discontinued after first applying the deposit and accrued interest to any amounts owed to SRP under any account, or accounts, for which Customer is responsible.

4.2.2 SRP will return a cash deposit on an account upon the establishment of a credit history satisfactory to SRP and provided adequate documentation of the identity of the Customer of record is on file, as determined by SRP. For those residential accounts where the Customer is eligible for a deposit refund, SRP may provide refunds automatically. Customers may request refunds on other accounts.

4.2.3 Refunds of cash deposits will be made by check, by application to the account, or by other appropriate mechanism as determined by SRP.
4.3 Waiver of Deposit:

4.3.1 SRP, in its sole discretion, may waive or reduce a security deposit when, for example:

a. the risk of loss is not significant,

b. the maximum credit exposure under SRP’s standard payment terms is nominal, or

c. the Customer and SRP agree to accelerated payment terms and a shorter notification timeline for disconnection than otherwise provided by these Rules and Regulations.

4.3.2 SRP may revoke a deposit waiver, require a deposit, and/or require an additional deposit if a Customer’s identity cannot be established to SRP’s satisfaction, or, as determined by SRP, based upon the Customer's financial condition or creditworthiness, the Customer’s payment history with SRP or other creditors, the Customer's billings exceeding limits determined by SRP, or other significant risk or indicator of nonpayment of indebtedness, all as determined by SRP.

4.3.3 SRP may revoke a deposit waiver, require a deposit, and/or require an additional deposit if a Customer’s identity cannot be established to SRP’s satisfaction.

4.4 Contributions in Aid of Construction:

4.4.1 General:

a. SRP does not pay interest on Contributions in Aid of Construction. Contribution in Aid of Construction payments are generally non-refundable. However, SRP may, in its sole discretion, refund unused design fees if a Customer cancels a project prior to construction.

b. If SRP must add to, expand, or upgrade its facilities due to the increased Load of an existing Customer or the projected Load of a new Customer, SRP may require the Customer to pay a Contribution in Aid of Construction.

c. SRP may require a Customer who requests relocation, conversion (undergrounding), modification, or other alteration of SRP’s facilities to pay a Contribution in Aid of Construction.
d. SRP may require a Contribution in Aid of Construction payment for any Enhanced Distribution System or Enhanced Distribution Facilities installed at the request of, or to benefit, a Customer or potential Customer.

e. SRP may require a Contribution in Aid of Construction payment for any design, construction, and related costs performed at the Customer's request and that is not specifically covered by these Rules and Regulations. Work will begin only after SRP determines the proper Contribution in Aid of Construction amount and documents in a written agreement any necessary additional terms and conditions.

f. SRP will require a Customer who requests temporary service facilities to provide a Contribution in Aid of Construction payment in the amount of the estimated Up and Down Costs prior to SRP performing any work.

g. SRP may require a Contribution in Aid of Construction for the facilities required to serve any Load that, based on SRP estimates, will not provide SRP an adequate return on investment.

h. For platted residential developments with four or more contiguous lots of one acre or less in size, SRP may require a Contribution in Aid of Construction.

i. For Distribution systems in master planned areas and commercial/industrial subdivisions, SRP may require a non-refundable Contribution in Aid of Construction.

j. For Service Laterals, SRP requires the Customer or developer to provide all trenching, backfill, boring, and conduit when facilities are requested or required to be placed underground, or pay a Contribution in Aid of Construction for the cost of such work.

k. SRP may require a Contribution in Aid of Construction for any facilities that will be installed to provide service to the Customer.

l. SRP may, at its option, compute its charges on the basis of standard unit costs as determined from periodic studies made by SRP of similar construction or removal.
4.4.2 Line Extensions:

a. Any distribution Line or Service Lateral Extension or reconstruction of existing single- or dual-, three-phase facilities over 1,000 feet in length will be individually evaluated. Such Line or Service Lateral Extension or reconstruction may require payment of a Contribution in Aid of Construction.

b. For underground Line or Service Lateral Extensions, SRP may require a Customer to pay a Contribution in Aid of Construction to SRP for the cost of all trenching, backfill, boring, and conduit.

4.5 Refunds of Contributions in Aid of Construction:

4.5.1 SRP will refund any portion of a Contribution in Aid of Construction designated as refundable, according to the terms of the written agreement between SRP and Customer.

4.5.2 To be eligible for refund, the Customer must make a refund request and present satisfactory supporting documentation within the time frame provided in the agreement. SRP will make a reasonable effort to pay refunds due within 90 days of a timely request by the Customer.

4.5.3 SRP will not make cash refunds of Contributions in Aid of Construction unless all amounts owing to SRP have been paid in full. SRP may apply such refunds to any amounts owed to SRP by the Customer, including other electric service accounts for which Customer is responsible.

BILLING AND PAYMENT

4.6 Meter Readings:

4.6.1 SRP will utilize meter readings that are normally 30 or 31 calendar days apart for purposes of rendering a monthly bill. If, for any reason, the meter reading interval exceeds or falls short of the regular interval by five calendar days or more, SRP will prorate the monthly service charges, kilowatt (kW) charges and, if applicable, kilowatt-hour (kWh) charges in the applicable Price Plan. At its sole discretion, SRP may change the frequency of meter reading.

4.6.2 SRP may compute bills under any Price Plan based on a reasonable usage estimate made by SRP if any of the following conditions apply:
SALT RIVER PROJECT AGRICULTURAL
IMPROVEMENT AND POWER DISTRICT
RULES AND REGULATIONS

a. The meter fails to register accurately;

b. The meter reader is unable to obtain a meter reading because of
   locked gates, safety concerns, inclement weather, lack of access, or
   other hindrance;

c. Service is temporarily supplied without a meter;

d. A contrivance has been used to circumvent the accurate registration
   of metering devices or there is other evidence of fraud, as described
   in Section 4.14;

e. The meter reading schedule has been officially changed so that
   readings are taken at other than monthly intervals and estimation is
   necessary to compute the monthly bill; or

f. The meter, when capable of electronic communication with SRP,
   fails to communicate a meter read on a timely basis.

4.6.3 Any failure of SRP to render a complete monthly bill shall not be a waiver
of SRP’s right to payment for services supplied by SRP.

4.6.4 Meters will be considered accurate for billing purposes when their
registered usage is maintained within plus or minus 3% of 100% accuracy.
The range will not exceed the variation established by standard utility
practice, except when such allowable range is otherwise specifically limited
by special contractual provisions. When a meter test confirms the registered usage variation to be in excess of the allowable
variation, SRP will adjust the billing, and either debit or credit, the Customer retroactively for a time period reasonably estimated by SRP to be
the period of the metering error. When a requested meter test confirms that registered usage is within the registration accuracy standards, SRP may
assess the Customer a service fee.

4.6.5 When the Customer’s service entrance is energized for the Customer’s
convenience, but unmetered, the Customer will pay SRP a daily charge
determined by SRP.

4.7 Billing and Terms:

4.7.1 SRP will mail, email, or otherwise provide the Customer a bill for electric
services provided by SRP and other SRP charges. Except as provided in
Section 4.9 or as otherwise agreed by SRP, the Customer must pay the bill
before it becomes delinquent. At SRP’s option, any Person, other than the
4.7.1 Customer of record, who benefited from electric services provided by SRP, may be held responsible for payment.

Note: These provisions are applicable to SRP charges only. For questions concerning charges from other Electric Service Providers, see the Direct Access Program portion of these Rules and Regulations.

a. If one or more of the applicable charges of the Price Plans change during a Billing Period, SRP may prorate the charges accordingly.

b. Unless otherwise provided in these Rules and Regulations, a charge may be imposed for connection or reconnection of service. A service fee may also be charged for other SRP actions related to a Customer’s account.

c. SRP increases or decreases bills in proportion to, and Customer shall pay, any taxes, fees, or charges (excluding federal or state income taxes) levied or imposed by any governmental authority and payable by SRP for any services, Power, or Energy provided by SRP.

4.7.2 Bills will be delinquent unless payment is received by the due date listed on the bill. SRP may charge interest on all delinquent amounts owed to SRP at a rate not to exceed the maximum legal interest rate, and SRP may assess a late payment fee on delinquent amounts.

4.7.3 At the option of SRP, kilowatt (kW) Demand for billing purposes will be determined on a connected basis for spot welder and arc welding machines, X-ray apparatus, or any other intermittent or fluctuating Loads. A Customer should consult SRP before installation of any such equipment.

4.7.4 When a Person causes SRP to incur unusual administrative, labor, material, or other costs, SRP may assess a fee to recover such costs.

4.8 Billing and Payment Options:

The most current billing and payment options available to Customers may be viewed on the SRP website at www.srpnets.com or may be requested by phone from SRP’s Residential Customer Services or Business Center. (see Sections 3.2.3 and 3.3 for contact information).
4.9 Payment Disputes:

4.9.1 The Customer should notify SRP of discrepancies in SRP’s billing for services provided by SRP. If a Customer advises SRP in good faith that an amount is in dispute, SRP will not commence collection action against the amount in dispute until SRP has verified that the bill was correct; provided, however, that the Customer notifies SRP of the dispute claim before the amount becomes delinquent and pays all other amounts billed by SRP.

4.9.2 Disputes by SRP electric Customers whose annual Energy usage is less than 100,000 kilowatt-hours (kWh) may be appealed to a Consumer Ombudsman for an independent review and final determination.

4.9.3 All billing, payment and credit disputes from SRP electric Customers with annual Energy usage over 100,000 kilowatt-hours (kWh) may be referred to SRP’s Executive Dispute Resolution Committee for resolution in accordance with Section 2.3.3.

4.10 Collection of Terminated Accounts:

4.10.1 A Customer whose account has been terminated will be issued a final bill, which must be paid in full upon presentation. If a final bill becomes delinquent, SRP may use any legal means available to collect the amount due from the Customer or any other responsible Person. The Customer or any other responsible Person shall reimburse SRP for all costs and expenses incurred by SRP to collect the amount due.

4.10.2 If SRP disconnects an account for non-payment and the Customer does not pay the account in full, SRP may use any legal means available to collect the amount due from the Customer or any other responsible Person. The Customer or any other responsible Person shall reimburse SRP for all costs and expenses incurred by SRP to collect the amount due.

DISCONTINUANCE AND RECONNECTION
4.11 General:

Failure of SRP at any time to suspend the delivery of service, to terminate an Agreement for Electric Service, or to seek any other legal remedy upon default or breach by the Customer will not affect SRP’s right to seek any such remedies for the same or any future default or breach by the Customer. If a Customer fails to perform as required by these Rules and Regulations, the Price Plans, the Electric Service Specifications, or the Customer’s Agreement for Electric Service, if any—SRP may disconnect service. No personal visit to a Customer’s premises is required prior to
disconnection of service. SRP also may disconnect service to the Customer when necessary to comply with any law or regulation applicable to SRP or the Customer, or if a governmental jurisdiction having authority Governmental Entity revokes its clearance for the provision of electrical service.

4.12 Reconnect After Disconnect for Non-Payment:

4.12.1 Seven calendar days prior to disconnecting service for a delinquent SRP billing, SRP will mail, e-mail, or personally deliver to the Customer’s premises a written notice stating the delinquent amount and that SRP intends to disconnect service unless the delinquent amount is promptly paid. This notification requirement does not apply to delinquent extensions for payment of prior billings when a seven-day notice was previously given, to delinquent extensions for payment of deposits or other up-front charges that were billed as a courtesy to the Customer, to a pre-pay account when the Customer controls timing of the disconnection based on self-management of the pre-pay balance, or to insufficient funds regarding the Customer’s payment.

4.12.2 Once SRP disconnects service, SRP will not reconnect service until the Customer (a) applies for service; (b) pays all amounts the Customer owes SRP, including but not limited past-due bills and any charges for the cost of disconnecting and reconnecting service; and (c) corrects the condition that resulted in the disconnection. SRP may require an additional security deposit based on its evaluation of the Customer’s creditworthiness.

4.13 Disconnect and Reconnect Pursuant to a Request of a Governmental Jurisdiction Having Authority Governmental Entity:

4.13.1 If SRP receives a request to discontinue service from a governmental jurisdiction having authority Governmental Entity, stating that it has revoked its clearance for the provision of electrical service, SRP may immediately disconnect service to the Customer without notice.

4.13.2 Once SRP disconnects service due to a request by a Governmental Entity, SRP will not reconnect service until it receives notice that the clearance for the provision of electrical service has been restored by the governmental jurisdiction having authority Governmental Entity.

4.14 Fraud:

4.14.1 A Customer No Person shall not connect a wire or contrivance to any apparatus used by SRP to supply electricity to a Customer, nor shall the Customer any Person provide power Power to any device by induction from SRP’s lines Lines, in such manner that the CustomerPerson takes electricity that is not properly metered or accounted
4.14.1 No meter or other instrument installed for measuring the quantity of electricity consumed may be wrongfully obstructed, altered, injured, or prevented from functioning. When a meter seal has been broken by someone other than SRP’s personnel, SRP may assess a reconnection fee to the Customer’s billing. Bills for unmetered electricity may include the full cost or expense incurred by SRP to investigate and confirm diversion of electricity. SRP also reserves the right to impose additional charges, as it deems appropriate, when a provision of this Section 4.14.1 has been violated. Bills for all such charges are due and payable immediately upon presentation unless otherwise agreed by SRP. In addition to the remedies herein, SRP reserves all legal rights available to it including, without limitation, pursuing criminal prosecutions against, and criminal and civil damages from, any party that violates this Section 4.14.1 or applicable law.

4.14.2 If SRP has evidence that any Customer has caused or allowed any of the conditions of Section 4.14.1 to exist, SRP may, at any time, without notice, discontinue the supply of electricity to the Customer and remove the meter or meters, apparatus, wires, and Service Lateral, as well as any evidence of the condition.

4.14.3 SRP will charge the Customer for periods of unmetered service, estimated using data from available records and information. In the event of damage to meters or service equipment, the current Customer of record shall pay SRP based on estimated Energy usage not previously billed as well as any SRP costs associated with restoring proper metering or service.

4.14.4 If SRP disconnects service to the Customer because of a violation of these Rules and Regulations, SRP will not restore service to the Customer until all amounts due SRP have been paid. SRP will include the full cost or expense incurred by SRP for the removal and reinstallation of the meter or meters, apparatus, wires, and Service Lateral. The Customer’s service entrance must comply with SRP’s then-current Electric Service Specifications before it can be re-energized.

4.15 Other Reasons for Discontinuance:

4.15.1 SRP may terminate an Agreement for Electric Service with a Customer and/or suspend the delivery of service for any other default or breach of the Agreement by the Customer, but, except as expressly provided otherwise in these Rules and Regulations, SRP will not terminate or suspend service without first giving written notice to the Customer, stating in what particular way the Agreement has been violated.
4.15.2 SRP may terminate or suspend delivery of service in the event of a short circuit or other electrical system failure on the Customer’s side of the Point of Delivery or, if the utilization of the service by the Customer, in SRP’s sole discretion, is a safety hazard or may cause damage to Persons or property (“Emergency Disconnect”). Notwithstanding any other provision of these Rules and Regulations, the Price Plans, the Electric Service Specifications, or a Customer’s Agreement for Electric Service or the Distributed Generation Interconnection Handbook, no advance notice need be given to the Customer in the event of an Emergency Disconnect.

4.15.24.15.3 Upon prior written notice, SRP may terminate or suspend the delivery of service if: (a) the Customer refuses to grant or is unable to procure easements necessary for or incidental to SRP’s facilities or its provision of service to the Customer according to Section 5.1.5 or any written agreement between SRP and the Customer, or (b) SRP is not provided proper access to SRP Lines, Service Laterals, meters, or other equipment located on property owned or controlled by the Customer to perform maintenance or repair of SRP facilities, to provide service to the Customer, or to read meters on the Customer’s premises.

4.15.34.15.4 Notwithstanding any other provision of these Rules and Regulations, the Price Plans, the Electric Service Specifications, or the Customer’s Agreement for Electric Service or the Distributed Generation Interconnection Handbook, SRP may disconnect a Customer at any time, without notice, and remove the meter or meters if the Customer has misrepresented his or her identity in any manner.

4.15.5 Upon prior written notice to Customer, SRP may terminate or suspend the delivery of electric service to any Customer who: (a) without obtaining SRP’s prior written approval, connects or allows the connection of a Distributed Energy Device to any portion of such Customer’s electric system; (b) is required to sign SRP’s Interconnection Agreement but refuses to do so; (c) fails to procure the signature of a third-party owner or operator on SRP’s Interconnection Agreement; or (d) fails to comply with the SRP’s Distributed Generation Interconnection Handbook.

4.15.6 SRP may terminate or suspend delivery of electric service at any time, without notice, if a Customer’s identity cannot be established to SRP’s satisfaction.

RESALE OF ENERGY

4.16 General:
4.16.1 Without written notice to and assent from SRP, a Customer may not resell, redistribute, or re-deliver Energy supplied by SRP except as stated in the following Sections.

4.16.2 Written notice is not required if: (a) the Customer is the owner of the premises being served; (b) the Customer elects to accept delivery of Energy to all facilities through one Point of Delivery; (c) the delivery of Energy is measured through one meter; and (d) Energy is delivered only to lessees of Customer.

4.16.3 An owner that elects to deliver Energy to lessees as described in Section 4.16.2 shall be responsible for the expense, installation, and maintenance of any submeters or other devices installed in the Customer’s Distribution System to determine the lessees’ electrical usage.

4.16.4 Revenues collected by the owner from a lessee for lessee’s electrical usage must be in accordance with the laws, codes, rules, and regulations established by the Governmental Entities having jurisdiction thereof.

4.16.5 If a Customer violates any provision of Section 4.16, SRP may terminate or suspend the delivery of electric service, may refuse to supply electricity, and may seek any other available legal remedy to enforce compliance with such provision.
CONSTRUCTION

LINES AND SERVICE LATERALS

5.1 General:

5.1.1 Lines and electric connections necessary to supply service to the Customer will be provided by SRP in accordance with accepted utility engineering practice and subject to the applicable conditions and provisions of these Rules and Regulations and SRP’s Electric Service Specifications. All connections to SRP’s Lines will be made by SRP unless otherwise agreed to in writing by SRP.

5.1.2 Only one Service Lateral per Building will be constructed and service will be supplied only under a single set of conditions, such as voltage and number of phases, except that, where two or more Classes of Use are required or if, in SRP’s opinion, the Building is exceptionally large or has extraordinary electric capacity requirements, SRP may approve more than one Point of Delivery to the Building. Separate applications for service must be made for each delivery and each must be metered separately.

5.1.3 SRP reserves the right, at any time, to designate the location of its Lines on a Customer’s premises and the location of the Point of Delivery and/or Customer’s Service Equipment. Customer’s Service Equipment must be installed in accordance with SRP’s Electric Service Specifications.

5.1.4 If SRP is not given adequate assurance of a satisfactory return on investment to extend its facilities, SRP will extend those facilities only after satisfactory arrangements have been made with the Customer to reimburse SRP for the cost of the required installation and the cost of operation thereof.

5.1.5 Upon SRP’s request, the Customer shall provide SRP easements satisfactory to SRP for Lines, Service Laterals, transformers, capacitors, and other equipment necessary or incidental to the provision of service by SRP. Acquisition of easements on third-party property shall be the responsibility of the Customer requesting service; provided, however, that SRP may in its sole discretion and with no obligation or guarantee, assist Customer in acquiring third-party easements and Customer shall reimburse SRP for all incurred costs. SRP is not obligated to commence (i) the design, installation, or modification of electrical facilities for a Customer nor to construct an Extension of its electric system for service to the Customer until each Customer to be served by such electrical facilities or the Extension has obtained and delivered to SRP easements satisfactory

7
5.1.5 to SRP for such facilities or the Extension. For residential services and existing non-residential services without easements, the Customer shall be deemed to have granted an easement to SRP for all Service Laterals located upon the premises of the Customer.

5.1.6 Upon SRP’s request, the Customer shall allow installation and maintenance of equipment of other utilities within SRP’s easements or other rights-of-way located upon property owned or controlled by the Customer.

5.1.7 If the Customer requests relocation or removal of SRP’s facilities upon or from the premises of the Customer, such relocation or removal will be made at the expense of the Customer.

5.1.8 If electrical service to a location is terminated, SRP may, in its sole discretion, either remove its Service Lateral and related facilities or leave all or any portion of such Service Lateral and related facilities in place. If any portion of the Service Lateral is not removed by SRP and any Person, including the owner of the premises, later requests relocation or removal of such Service Lateral, the relocation or removal will be made at the expense of the requesting Person.

5.1.9 The length of Line or Service Lateral to be used in computing the additional required Contribution in Aid of Construction, if any, will be measured along the shortest practical distance, as determined by SRP.

5.1.10 Any overhead or underground Extension not specifically addressed by these Rules and Regulations or the Electric Service Specifications will be constructed only after special study by SRP to determine the required Contribution in Aid of Construction and to document all additional terms and conditions.

5.2 Service Laterals:

5.2.1 SRP will install an overhead or underground Service Lateral from existing overhead or underground Lines provided the point of attachment is within the distance limits established by SRP’s construction standards, and provided that adequate clearance can be maintained from any obstructions or hazards. A Contribution in Aid of Construction payment may be required.

5.2.2 Where only underground Lines are available, overhead Service Laterals will not be constructed to serve Customers.
EXTENSIONS

5.3 Construction – Line Extensions:

5.3.1 SRP will extend its Lines to serve a Customer where such Lines are contiguous to the existing electrical utility system (i.e., an Extension must be a branch from, a continuation of, or an addition to, an existing SRP Line).

5.3.2 SRP may construct Line Extensions with greater Capacity than that required by the Customer's electrical Load. The Customer will not be required to bear the cost of such additional Capacity unless the excess is specifically requested or needed to supply anticipated Load growth of the Customer.

5.3.3 Distribution Line Extensions in excess of 1,000 feet for a single Customer must be agreed to in writing by the Customer(s) and SRP.

5.3.4 When special Lines are constructed to serve a large Load, and such Lines would not otherwise provide SRP with a satisfactory return on investment, nor would they be constructed except for the revenue derived from the requesting Customer, then other Customers will be served from said Lines only upon their execution of Agreements for Electric Service. Such Agreements will provide for the discontinuance of service in the event of a loss of revenue derived from the large Load or, at the option of SRP, will require the other Customers to pay an additional monthly minimum charge and/or a Contribution in Aid of Construction.

5.3.5 When a Customer requests electric service that requires a three-phase Line Extension, SRP will extend any three-phase feeder Line required to serve the Extension if: (a) in the opinion of SRP, the feeder Line will promote the overall efficiency and reliability of its electric system; (b) the feeder Line is a continuation of SRP’s existing three-phase Distribution System; and (c) the remaining capacity of the existing feeder is greater than the sum of the Loads of the Customers for whom the Extension and any adjacent Extension is being constructed.
OTHER CONSTRUCTION STANDARDS

5.4 Building and Service Entrance:

5.4.1 Customers will provide all wiring within Buildings on their premises and between the Buildings and the service entrance. The location of the service entrance must be approved in advance by SRP.

5.4.2 The Customer must install, operate, and maintain its electrical facilities in a safe and adequate manner at all times. The SRP Electric Service Specifications manual may be used as a guide. SRP will provide the Customer with sections of those specifications relevant to the Customer’s installation upon request. The manual adheres to the “National Electric Code® (NFPA 70)” and the “Electric Utilities Utility Service Equipment Requirements Committee” and is generally compatible with local municipal codes. The SRP Electric Service Specifications are subject to such additions and revisions required to remain current with code changes and SRP policy.

5.4.3 SRP is not obligated to inspect the Customer’s wiring, electrical facilities, or any installation downstream of the Point of Delivery. SRP may refuse or discontinue service to a Customer if, in SRP’s opinion, any portion of the Customer's electrical system or installation is unsafe or creates a safety hazard.

5.5 High-Rise Buildings:

5.5.1 The Customer will provide and own all the distribution facilities within a High-Rise Building, except when a study by SRP indicates a concentration of electrical usage sufficient to justify the additional investment and ownership of such facilities by SRP.

5.5.2 When SRP will provide and own the distribution facilities, the Customer or Building owner must provide rights-of-way within the High-Rise Building that are satisfactory to SRP. In all cases, the raceways dedicated for use of SRP’s facilities will be separated from all other raceways, shafts, etc. within the Building.

5.6 Meters and Equipment:

5.6.1 Except as otherwise agreed by SRP, (a) only Customers who are eligible to select, and have selected, a competitive Electric Service Provider may choose a competitive Meter Service Provider, and (b) unless such Customers have chosen a competitive Meter Service Provider, SRP will furnish and install the meter or meters to measure the electricity used by the Customer.
5.6.1 the Customer. The SRP meter or meters may be installed on the Customer's side of the Point of Delivery and will remain the property of SRP. The Customer must furnish sufficient space and proper devices for the installation of meters. **Regardless of who is the Meter Service Provider, the meter location must be approved by SRP and must offer adequate protection of metering equipment.** The location must also provide sufficient space and reasonable access for service and meter-reading functions. Any Customer contemplating a change in installation or location of meters or equipment must file the proper application for such change with SRP. After an application has been filed, SRP may grant to the Customer or Customer's agent permission to access the service entrance meter area.

5.6.2 The Customer must protect all property of SRP, including Lines, Service Laterals, transformers, capacitors, meters, structures, and other equipment located on the Customer's premises, from theft, damage, or interference.

a. The Customer shall be responsible for loss of or damage to SRP property located on the Customer's premises arising from the Customer's neglect, carelessness, or misuse and shall reimburse SRP for the cost of necessary repairs or replacements.

b. The Customer must notify SRP of any failure of SRP equipment.

5.6.3 SRP will install one meter or set of measuring devices for each Service Lateral, except where individual metering is necessary to bill multiple Customers or different Classes of Use.

5.6.4 To qualify for Totalizing, a Customer must comply with SRP’s Totalizing policies and procedures, as described in the Electric Service Specifications. SRP offers Totalizing of electrical usage in the following scenarios:

a. A Customer desiring the advantages of having the total electrical usage at a given premise or enterprise billed as a unit must bring wiring to a central point so that the entire Load for a given type of service may be supplied through a single Service Lateral and one meter. If SRP determines a Customer’s load exceeds SRP’s ability to serve through a single Service Lateral, the installation of additional SRP facilities, Customer service entry sections, and associated metering may be required. If the Customer desires the total electrical usage billed as a unit, the additional service entry sections must be placed adjacent to the existing service entry sections. **Under any circumstance, the decision to bill the total electrical usage as a unit will be at the sole discretion of SRP.**
Totalizing may be permitted when a Customer is fed from a dedicated feeder and has multiple services and meters. At minimum, all of the following conditions must be met: (i) the Customer accounts must be on the same E-60 series Price Plan, (ii) the multiple services must be located on the same or immediately adjacent property, and (iii) Totalizing shall not commence until the Customer has begun paying the full dedicated facilities charge. Facilities Charge.

When two or more Classes of Use exist within a Building, a separate application must be made for each Class of Use. SRP may require that each Class of Use be metered separately. Different Classes of Use may be supplied through a separate Service Lateral at the sole discretion of SRP.

When two or more meters are to be installed on the same Building to service different Customers, they must be grouped at a common point. The meter loops for each Customer must be clearly designated. The placement of meter loops and meter boards must be made by the Customer or owner of the Building at a location or locations to be designated by SRP, and must be installed in accordance with the SRP Electric Service Specifications or as required by authorized governmental agencies having jurisdiction. Governmental Entities.

When electric meters are to be installed on a switchboard, the Customer is responsible for all drilling necessary for SRP to mount and connect its meters before installation of the meters. A template for such drilling can be obtained from SRP.

Metering transformers, if required, will be furnished and installed by SRP. A Contribution in Aid of Construction may be required for them.

Except as may be provided in the Customer’s Agreement for Electric Service, any device or equipment installed by SRP on the Customer's premises will be owned and maintained solely by SRP regardless of any Contribution in Aid of Construction or deposit that may have been provided.

If a Customer, such as the operator of a mobile home park, desires that the master meter being used to bill the Customer be replaced with multiple meters billed individually to individual tenants, the Customer shall contact SRP regarding the matter. SRP will then inspect the Customer's premises and determine the physical changes required to convert from master...
5.6.10 metering to individual metering. The Customer may be required to pay a Contribution in Aid of Construction for any new or upgraded facilities that SRP determines are necessary. The Customer will also be responsible for removal of all Customer-owned electrical facilities no longer required to provide electric service.

5.7 Point of Delivery:

5.7.1 In all cases, SRP will determine the Point of Delivery.

5.7.2 The Customer is responsible for construction, operation, and maintenance of all electrical facilities downstream from the Point of Delivery. SRP is responsible for construction, operation, and maintenance of all facilities upstream from the Point of Delivery. SRP will at all reasonable times, as a condition of service and in accordance with these Rules and Regulations, have the right of access to SRP’s facilities, including termination connections.

5.8 Voltage:

5.8.1 SRP will furnish and install the necessary transformation equipment to furnish the Customer with service at one of the nominal voltages specified in the applicable SRP Price Plan. SRP reserves the right to install the transformer and related facilities in a manner that promotes the overall efficiency and reliability of SRP’s electrical system and that provides service consistent with recognized utility practices to the Customer's Point of Delivery in accordance with these Rules and Regulations.

5.8.2 SRP will provide service to large industrial and commercial Customers from SRP’s facilities built based on SRP standards applicable to the type and character of service to be furnished.
LIABILITY AND RESPONSIBILITY

CUSTOMER’S EQUIPMENT AND ITS OPERATION

6.1. General:

SRP may refuse or disconnect service when the Customer's wiring or equipment is so designed or operated as to disturb service to other Customers or constitutes a physical or electrical hazard, as determined by SRP. All motors connected to SRP Lines must be of a type that will not require starting current deemed unreasonable by SRP, or shall be equipped with protective devices that restrict the starting current to limits acceptable to SRP. SRP may require that motor loads of less than 5 horsepower be single phase.

6.1.1 Harmonics and Voltage Flicker:

Customers may not connect loads to the SRP electric system that cause unacceptable voltage fluctuations (incandescent lamp flicker) and/or distortions (voltage/current harmonics) to the electric system. Examples of loads that may cause voltage fluctuations, distortions, or harmonics include welders, hoists, X-ray machines, gaseous-discharge lamps, rectifiers, motors, adjustable speed drives, and arc furnaces. SRP may require that such loads be supplied from a separate, dedicated service and/or that corrective equipment be installed at the Customer’s expense. The Customer shall be responsible for all associated costs. To prevent unacceptable voltage fluctuations and/or distortions, SRP enforces the following guidelines and may install specialized metering equipment and collect all associated costs, to ensure compliance:

Flicker guidelines:

For voltage systems less than 1000 volts, the following standards will apply, as applicable:


For voltage systems of 1000 volts or higher, the following standards will apply, as applicable:

- IEC 61000-3-7, “Assessment of emission limits for the connection of fluctuating load installations in MV, HV, and...
SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT RULES AND REGULATIONS

HV Power Systems” (EHV power systems” (2008 or latest edition)).

* IEEE Std 1453, “IEEE Recommended Practice for Measurement and Limiting Analysis of Voltage Fluctuations and Associated Light Flicker Fluctuating Installations on AC Power Systems” (2004 or latest edition)).

Harmonic guidelines:

* IEEE Std 519, “IEEE Recommended Practices and Requirements for Harmonic Control in Electric Power Systems” (1992 or latest edition)).

6.2. Generation Distributed Energy Devices on Customer’s Premises Including Backup Generators and Solar or Other Renewable Generation:

6.2.1 Energizing equipment connected to the SRP electric system could act as a source of electrical backfeed, causing injury or death to electrical utility personnel working on Lines, Service Laterals, or other SRP electrical facilities in the vicinity. Customer shall refer to the SRP’s Distributed Generation Interconnection Guidelines for Distributed Generators Handbook (which is available on SRP’s website at www.srpnet.com) and may be changed from time to time at the sole discretion of SRP for requirements for and technical information about connecting Distributed Energy Devices to the SRP electric system. Any Customer whose electric system is connected to an electrical generation device Distributed Energy Device shall comply with the SRP’s Distributed Generation Interconnection Guidelines for Distributed Generators Handbook. No electrical generation device Distributed Energy Device may be connected to any portion of a Customer’s electric system that is connected to the SRP electric system unless SRP has first been notified of and approved such connection. Such notification and approval shall both be in writing.

6.2.2 If a Customer desires its or a third party’s generation device Distributed Energy Device to be directly or indirectly connected to SRP’s electric system through the Customer’s electric system, the Customer shall first sign SRP’s form of Distribution Interconnection Agreement. Upon SRP’s request and in its sole discretion, SRP may also require a third-party owner or operator of an electrical generation device Distributed Energy Device to sign SRP’s form of Distribution Interconnection Agreement.

6.2.3 Upon prior written notice, SRP may terminate or suspend the delivery of electrical service to any Customer who (1) without obtaining SRP’s written approval, connects or allows the connection of an electrical generation device Distributed Energy Device to the SRP electric system or (2) fails to meet the requirements for connecting Distributed Energy Devices to the SRP electric system as outlined in SRP’s Distributed Generation Interconnection Guidelines for Distributed Generators Handbook.
device to any portion of such Customer’s electric system that is connected (or connects in closed transition) to the SRP electric system;  
(ii) is required to sign SRP’s Distribution Interconnection Agreement but refuses to do so; (iii) is unable to procure the signature of a third party owner or operator on SRP’s Distribution Interconnection Agreement; or  
(iv) fails to comply with the SRP Interconnection Guidelines for Distributed Generators.

6.2.46.2.3 For Customer Load normally served from the SRP system, which can also be switched to a Customer’s generator Distributed Energy Device if the SRP electric system is deenergized, an open transition transfer switch shall be installed between SRP’s and the Customer’s electric systems. This switch shall electrically and mechanically prevent connection of the Customer’s generator Distributed Energy Device to SRP’s electric system. The Customer should contact SRP if the Customer has any questions regarding these requirements.

6.2.56.2.4 Except in cases of SRP’s gross negligence or willful misconduct, the Customer shall indemnify and hold harmless SRP from and against all claims, whether arising in tort, contract, strict liability, or any other legal theory, for loss of or damage to property or injury to Persons arising out of the design, construction, or operation of any electrical generation device Distributed Energy Device connected to the SRP electric system by or on behalf of the Customer.

6.3. Customer-Owned Substation Equipment:

Customers who own substation equipment shall conform to the “SRP Guidelines for Customer Ownership of Substation Equipment,” which guidelines may be changed from time-to-time at the sole discretion of SRP. A copy of the guidelines Guidelines may be obtained from the Customer’s SRP Account Representative.

6.4. Polyphase Circuit Balance:

A Customer receiving three-phase electric Energy must maintain, as nearly as is reasonably possible, equal currents in the three phases at the Point of Delivery. If, at any time, the current in any phase exceeds the average of the currents in the three phases by more than 5%, the amount to be paid by the Customer for the period during which the imbalance occurs may be increased by a percentage equal to that of the imbalance.

6.5. Power Factor:

SRP may include adjustments to bills for Loads for which the Power Factor falls below 85 percent leading or lagging at any metering point during any Billing Period. If a
Customer's Load operates at less than 85% leading or lagging Power Factor, SRP may, in addition to taking other measures set forth in the Price Plan, require the Customer to provide, at Customer's expense, corrective equipment to increase the Power Factor to at least 85% lagging an acceptable level.

6.6. Single Phasing and Phase- Reversal Protection:

6.6.1 SRP shall not be responsible to the Customer for, and the Customer shall release SRP from, damage to motors, other current-consuming equipment, and/or devices mechanically or electrically connected to such equipment, resulting from any phase reversals, single-phasing of three-phase service, or other similar conditions except when such damage is the direct result of SRP's gross negligence or willful misconduct.

6.6.2 For three-phase motors driving elevators, hoists, tramways, cranes, conveyors, or other equipment that could create hazard to life in the event of uncontrolled reversal of motor rotation, the Customer must provide reverse-phase and open-phase protection, at the Customer's expense, to completely disconnect the motors from their electrical energy source in the event of phase reversal or loss of one or more phases.

6.7. Changes in Installation:

Each of SRP's service wires, transformers, meters, and other devices used to supply electricity to the Customer's installation has a maximum capacity. Customer must obtain prior written consent of SRP to increase the Connected Load. Failure to obtain such consent may result in damage to SRP's equipment, extended interruption of the Customer's service, and damage to equipment of other Customers. When such damage is due to failure of the Customer to obtain consent, SRP may require the Customer to pay any and all damages including the cost to repair or replace the damaged equipment.

LIABILITY

6.8. Liability – General:

6.8.1 SRP makes no warranty, express or implied, as to the adequacy, safety, operation, or other characteristics of any of the structures, equipment, wires, conduits, appliances, or devices owned, installed, operated, or maintained by the Customer or leased by the Customer from third parties.

6.8.2 Except in cases of SRP's gross negligence or willful misconduct, the Customer shall indemnify and hold harmless SRP from and against all claims, whether arising in tort, contract, strict liability, or any other legal theory, for loss of or damage to property or injury to Persons arising out of
6.8.2 (a) the delivery or use of electric service at or on the Customer’s side of the Point of Delivery, and (b) the Customer’s delivery of electricity to SRP.

6.8.3 Except in cases of SRP’s gross negligence or willful misconduct, SRP shall not be liable, whether in tort, contract, strict liability, or any other legal theory, for the loss or damage to property (but not including bodily injury) arising (a) out of the delivery of electricity, or (b) from the presence or operation of SRP’s facilities, wires, equipment, or structures on or near the Customer’s premises.

6.9. Service Interruptions, Variations, and Curtailments – Limitation on Liability:

6.9.1 SRP does not guarantee a regular and uninterrupted supply of service to customers. SRP makes no warranty, express or implied, as to the adequacy, consistency, safety, character, or any other characteristic of the electricity or the supply or delivery thereof. SRP expressly disclaims all warranties, express or implied, regarding the supply and delivery of electricity to Customer.

6.9.2 SRP may, without liability, interrupt or limit the supply of service in order to make repairs, changes, or improvements to any part of its system for the general good of the service or the safety of the public or to prevent or limit any actual or threatened instability or disturbance of the system.

6.9.3 If a shortage of electricity occurs and SRP apportions its available supply of electricity, or reduces the system voltage, or temporarily disconnects service, SRP shall not be liable for any resulting loss or damage.

6.9.4 If Load reduction is required, Customer Load will be curtailed as deemed practicable by SRP in its sole discretion.

6.9.5 SRP shall not be liable, except in cases of SRP’s gross negligence or willful misconduct, whether in tort, contract, strict liability, or any other legal theory, for any losses, costs, damages, or expenses, other than for bodily injuries, arising out of any interruption, variation, and/or curtailment of service, including but not limited to an interruption, variation, and/or curtailment of service permitted by this Section 6.9 or caused by an uncontrollable force. The term “uncontrollable force” shall include but not be limited to accident, flood, earthquake, tornado, storm, lightning, and other natural catastrophes, fire, epidemic, failure of facilities, war, riot, civil disturbances, terrorism, labor disturbances, labor disputes, strikes, sabotage, restraint by court or public authority, action or non-action by any governmental agency, or failure to obtain the necessary permits, licenses, authorizations, or approvals from any governmental agency or authority, state or municipal interference, or any other cause beyond SRP’s control. SRP shall exercise
due diligence to restore service in the event interruptions occur. Nothing herein shall be construed to require SRP to settle a strike or labor dispute.

6.9.5.6 For all service interruptions, variations, and/or curtailments of any nature, including any interruption, reversal, spike, surge, or variation in supply or voltage, transient voltage, or any other failure in the supply of electricity, to the extent the liability of SRP has not been precluded altogether pursuant to these Rules and Regulations, the liability of SRP to Customers or other Persons for damages, of whatever nature, including loss of business, loss of production, or damage to computers or other electronic equipment and appliances, shall in no event exceed the cost of necessary repairs of physical damage proximately caused by the service failure to those electrical delivery facilities of Customers that were then equipped with the protective safeguards recommended or required by the then-current edition of the National Electrical Code, or liquidated damages in the amount of $10,000, whichever is less.

6.9.6.7 Service to Customer is expressly conditioned upon, and, in consideration for the services being rendered to Customer by SRP, the Customer hereby releases and agrees to release SRP from any direct, indirect, or consequential loss, damage, claim, charge, cost, or expense of any kind or nature that has resulted or may result, in connection with variations, curtailment, and/or interruption to electric service to the Customer.

6.9.7.8 A variety of protective devices and alternate power supplies that may prevent or limit damage that may arise as a result of the events described in this Section 6.9 are available for purchase by the Customer from third parties. In addition, insurance coverage for such damage may be available for purchase by the Customer. Unless the Customer has entered into a written contract with SRP for temporary backup generation, SRP has no obligation to provide backup generation in the event of a scheduled or unscheduled outage, or otherwise. The Customer assumes full responsibility for obtaining the necessary protective devices, alternate power supplies, and insurance, and SRP shall in no event be liable for any loss, damage, claim, charge, cost, or expense of any kind or nature that Customer could have prevented or insured against through procurement of protective devices, alternate power supplies, and insurance.

6.9.8.9 Customer shall use reasonable efforts to avoid or mitigate its damages or losses suffered as a result of SRP’s conduct under this Section 6.9.
6.10. Access to Premises:

6.10.1 In accepting service, the Customer grants to SRP’s employees and agents an unconditional right of access to the premises of the Customer at all reasonable times for purposes such as installing, connecting, reading, testing, repairing, adjusting, disconnecting, removing, inspecting, or maintaining any of SRP’s meters, wires, poles, or other equipment, and providing notices.

6.10.2 Customers with electronic gated access to their premises or community shall install or cause to be installed SRP-approved access switch assemblies on the property access gate(s) that will allow SRP employees and agents to enter and exit the gated property through the access gate(s) using an SRP proprietary key. The Customer shall be responsible for installation and maintenance of the SRP-approved switches at Customer’s expense. The Customer hereby releases SRP from and waives any claim it may have against SRP if installation of an SRP-approved switch invalidates or voids any warranty covering the Customer’s electronic gate. SRP shall not be liable to the Customer for, and the Customer shall indemnify and hold harmless SRP from and against, any claims for damage to the Customer’s gate(s) or to property of the Customer or any third party and death or injury to Persons arising out of the installation or use of the access switch assemblies, regardless of whether or not the access switch assemblies are purchased from or approved by SRP. If the Customer is not required by law, ordinance, or code to provide manual or electronic control of the Customer’s access gate(s) to emergency service personnel or the US Postal Service, and if an access gate is continuously guarded by the Customer, the Customer shall not be obligated to install an access switch assembly on the continuously guarded access gate. An access gate shall be deemed to be continuously guarded if a Customer or its employee or contractor is assigned to operate the access gate 24 hours a day, seven days a week, and such individual operating the access gate is present at a station located adjacent to the access gate, so that such individual is immediately accessible at all times to any SRP employee attempting to enter or exit the Customer’s property through the access gate.

6.10.3 All employees authorized to do work for SRP on the premises of the Customer will carry badges or other suitable identification, which they are instructed to show to the Customer upon request.
ENCROACHMENTS

6.11. Vegetation Encroachments and Hazards:

6.11.1 The Customer, not SRP, is responsible for pruning or removing vegetation (trees, shrubs, vines, etc.) that may interfere with Lines, Service Laterals, transformers, meters, and other SRP facilities on a Customer’s premises. The Customer should hire a qualified clearance tree trimmer to clear encroaching vegetation from such facilities and shall cause any contractor hired by the Customer to comply with all applicable laws when pruning or removing vegetation near SRP equipment and facilities, including Arizona Revised Statutes Sections 40-360.41 et seq. (regarding activities near overhead power lines).

6.11.2 Vegetation on a Customer’s premises must comply with any planting and encroachment requirements established by SRP. A Customer shall not plant or maintain any vegetation near any SRP electric facilities (whether overhead or underground) in a manner that encroaches or could foreseeably encroach upon SRP’s electric facilities, or interferes with SRP’s ability to safely operate, access, maintain, and protect SRP’s electric system. If vegetation on a Customer’s premises encroaches or could foreseeably encroach upon any of SRP’s Lines, Service Laterals, transformers, meters, or other equipment and interferes with SRP’s ability to safely operate, access, maintain, and protect the SRP electric system or to read meters, SRP may prune or remove the vegetation and may charge the Customer for SRP’s costs to do so. Upon prior written notice to the Customer, SRP shall be provided access to property owned or controlled by the Customer in order to prune or remove, at Customer’s expense, such vegetation. SRP shall not be liable to the Customer for, and shall be held harmless from, any claims for damages associated with the pruning or removal of such vegetation, including, but not limited to, the value of or replacement cost of such vegetation.

6.11.3 The Customer is responsible for maintaining a clear, dry, landscaped area three feet from and around the edges of all transformer and other equipment pads, as described in SRP’s Electric Service Specifications and any planting and encroachment standards established by SRP.

6.11.4 If a Customer fails to remove or remedy a vegetation encroachment or hazard as described herein, or if a Customer fails to provide access to SRP to prune or remove such vegetation, or fails to reimburse SRP for its reasonable costs of pruning, removal, or remediation, SRP may terminate service to the Customer’s account(s) until the Customer removes or
remedies the vegetation encroachment or hazard or reimburses SRP for the costs of doing so.

6.11.4 If SRP is required to bring a lawsuit to enforce these provisions, SRP shall be entitled to all remedies available under the law, including injunctive relief, authorizing SRP to immediately prune or remove the vegetation that encroaches or could foreseeably encroach upon any of SRP’s Lines, Service Laterals, transformers, meters or other equipment or interferes with SRP’s ability to safely operate, access, maintain, and protect SRP’s electric system or to read meters.

6.12. Structural Encroachments and Hazards:

6.12.1 A Customer shall not construct or install (or allow to be constructed or installed) any structure (including walls, fences, mailboxes, propane tanks, sheds, and other permanent objects) or excavate or place fill near any SRP electric facilities (whether overhead or underground) in such a manner that such structure, excavation, or fill encroaches upon SRP’s electric facilities or interferes with SRP’s ability to safely operate, access, maintain, and protect the SRP electric system. Customer must at all times maintain all clearances from SRP facilities as specified in the National Electric Safety Code, in Arizona Revised Statutes Sections 40-360.21 et seq. (regarding activities near underground facilities) and Sections 40-360.41 et seq. (regarding activities near overhead power lines), in any applicable SRP easement or other right-of-way document, or as otherwise required by law, rule, or regulation. The Customer is responsible for properly locating and protecting underground SRP facilities by obtaining an appropriate Blue Stake clearance before any excavation is made. The Blue Stake telephone number is Appropriate clearance may be obtained by calling Arizona 811 (formerly Blue Stake) at (602) 263-1100, or 1-800-STAKE-IT.

6.12.2 SRP reserves the right to remove or modify any structure, fill any excavation, or remove any fill, wet landscaping, or irrigation system that encroaches upon or could damage SRP’s electric facilities (whether overhead, underground, or street light) or interferes with SRP’s ability to safely operate, access, maintain, and protect the SRP electric system, and SRP may charge the Customer for SRP’s costs to do so. SRP shall not be liable to the Customer for any loss of or damage to the Customer’s property resulting from such action.

6.12.3 If a Customer fails to remove or remedy a structural encroachment or other hazard as described herein, or if a Customer fails to reimburse SRP for its reasonable costs of such removal or remediation, SRP may terminate service to the Customer’s account(s) until the Customer removes or remedies the structural encroachment or hazard or reimburses SRP.
NOTE: THE DIRECT ACCESS PROGRAM BELOW AND ALL RELATED DEFINITIONS AND PROVISIONS IN THE RULES AND REGULATIONS ARE CURRENTLY SUSPENDED.

DIRECT ACCESS PROGRAM

7.0 APPLICABILITY:

The following Rules and Regulations apply to Electric Service Providers (ESPs), their agents and SRP Distribution Customers who elect to participate in SRP’s Direct Access Program.

7.1 Additional Definitions:

7.1.1 BUNDLED SERVICE: Electric service provided as a package to the Customer including all Electric Generation Service, Transmission service, Distribution service, Ancillary Services and Other Services necessary to deliver and measure Electrical Energy and Power.

7.1.2 CERTIFICATE OF CONVENIENCE AND NECESSITY (CC&N): For the purpose of these Rules and Regulations, a certificate issued to an Electric Service Provider by the ACC when required pursuant to A.R.S. § 40-281, et seq., and applicable ACC rules.

7.1.3 CODE OF CONDUCT: The code approved by the SRP Board of Directors in compliance with A.R.S. § 30-803(F), to prevent anti-competitive activities that could result from SRP providing both competitive and non-competitive services to retail electric Customers.

7.1.4 CUSTOMER: Any Person utilizing Bundled or Unbundled Services from SRP for one or more accounts, whether or not such Person receives Electric Generation Service from SRP. Where the context requires, the term “Customer” includes an applicant for SRP service.

7.1.5 DASR: See “Direct Access Service Request.”

7.1.6 DIRECT ACCESS PROGRAM: The Terms and Conditions for Competition in the Retail Sale of Electric Generation Service determined by SRP pursuant to A.R.S. § 30-802, the SRP Open Access Transmission Tariff (OATT) and other applicable SRP tariffs, Standard Electric Price Plans, these Rules and Regulations, the SRP Protocols, and all related contracts and agreements, each as amended from time to time, together
7.1.7 DIRECT ACCESS SERVICE: Competitive Electric Generation Service or Other Services provided to eligible Customers pursuant to the Direct Access Program.

7.1.8 DIRECT ACCESS SERVICE REQUEST (DASR): An Electronic Data Interchange (EDI) transaction used as the primary means of communication between the ESP and SRP regarding a Customer’s intent to switch from one ESP to another; to update or change information about a Customer; advise of meter exchanges or request meter related actions; terminate energy services being provided by the ESP; and disconnect service to a Customer.

7.1.9 ELECTRIC SERVICE PROVIDER (ESP): An entity providing Electric Generation Service and/or Other services pursuant to the Direct Access Program.

7.1.10 ELECTRIC SERVICE PROVIDER SERVICE AGREEMENT/ESP SERVICE AGREEMENT: A contract between an Electric Service Provider and SRP to facilitate the provision of Electric Generation Service and/or Other Services to retail Customers in SRP’s Distribution service territory.

7.1.11 METER READING SERVICE PROVIDER (MRSP): An entity that reads meters, performs validation, editing and estimation on raw meter data to create validated meter data; translates validated data to an approved format; posts this data to a host computer for retrieval by billing agents; manages the host computer; exchanges data as necessary with SRP and ESPs; stores meter data for problem resolution; performs other related functions; and, if required, is certified by the ACC.

7.1.12 METER SERVICE PROVIDER (MSP): An entity that installs, maintains, removes, and replaces meters, and performs other related functions and, if required, is certified by the ACC.

7.1.13 ONE MW (Relative to Load): For the purpose of determining certain Customers’ eligibility for certain Direct Access Services, a Billing Demand in excess of 1,000 kW and Energy usage of more than 300,000 kWh during each of three consecutive Billing Periods, provided the actual monthly maximum Demand does not fall below 700 kW during six subsequent consecutive Billing Periods. Unless otherwise provided by the applicable Price Plan, the Billing Demand and Energy usage must occur at
a single Point of Delivery, and must be measured through a single meter and by time of use.

7.1.14 OTHER SERVICES: Certain “other services” that may be provided competitively, as set forth in the Act. Such “other services” consist of metering, meter reading, billing and payment processing.

7.1.15 PROTOCOLS: The operational and administrative policies established by SRP to implement the provision of competitive Electric Generation Service and Other Services to retail Customers under the Direct Access Program.

7.1.16 PROVIDER OF LAST RESORT: The default provider of Electric Generation Service to certain Customers.

7.1.17 UNBUNDLED SERVICE: Elements of electric service provided and priced separately, including, but not limited to Electric Generation Service, Transmission service, Distribution service, Ancillary Services, and Other Services.

7.2 Retail Electric Service Competition:

7.2.1 SRP’s Distribution service territory is open to competition for Electric Generation Service and Other Services (metering, meter reading, billing and payment processing (collecting) services) in accordance with the Arizona Electric Power Competition Act.

7.2.2 SRP will discharge its responsibilities to all qualified providers of such services under the Direct Access Program in a non-discriminatory manner in accordance with its Code of Conduct, the Act and other applicable laws, rules and regulations, each as they may be amended from time to time.

CUSTOMER PARTICIPATION

7.3 Participation:

All Distribution Customers are eligible for (a) competitive Electric Generation Service as of June 1, 2000, and (b) Other Services as of December 31, 2000 if Customer has elected competitive Electric Generation Service.

7.4 Service Elections by Customers:

All SRP-Distribution Customers may obtain service under one of the following two options:
7.4.1 Standard Electric Price Plans:

Under this option, unless otherwise agreed by SRP and Customer, SRP will provide all standard electric energy services, including metering, meter reading, and billing and payment processing (collection), on a bundled basis at standard prices established by SRP. Any Customer who has not chosen Direct Access Service will remain on the appropriate Price Plan.

7.4.2 Direct Access Service:

Under this option, Customers may purchase Electric Generation Service and Other Services from competitive providers.

7.5 Responsibility for Direct Access Services:

7.5.1 SRP Not Liable for ESP Services:

To the extent a Customer takes service from an ESP (or its agents), SRP has no obligation to the Customer with respect to service provided by the ESP. The Customer must look to the ESP to carry out the responsibilities associated with such ESP service.

7.5.2 ESP Not Liable for SRP Services:

To the extent a Customer takes service from SRP, an ESP has no obligation to the Customer with respect to service provided by SRP. The Customer must look to SRP to carry out the responsibilities associated with such SRP service.

7.6 Transmission and Distribution Service for Direct Access Customers:

Subject to the provisions of the Direct Access Program (including but not limited to the applicable Price Plans), applicable rules of the Federal Energy Regulatory Commission and compliance therewith by ESP and Customer, SRP will provide Transmission and Distribution service for delivery of electric Power and Electrical Energy to Direct Access Service Customers under applicable Price Plans, tariffs, contracts and these Rules and Regulations. For any Transmission service that SRP provides to allow an ESP to serve a Direct Access Service Customer, the Customer is deemed to have authorized its ESP (and any Scheduling Coordinator providing scheduling coordination services to ESP) to act as the Customer’s agent to obtain such Transmission service. The Customer is obligated to pay SRP for any Transmission services.
7.7 Customers Who Elect Competitive Electric Generation Service:

Customers who elect competitive Electric Generation Service, may also elect certain Other Services (metering, meter reading, billing and payment processing) to the extent such services are offered by the selected ESP, or by a third party, provided that such third party meets the requirements of the ACC, ESP and SRP. Metering, meter reading, and billing and payment processing service options are described in the Section titled “Unbundled Services and Obligation to Serve” of these Rules and Regulations, set forth below.

7.8 Changing To Another Electric Generation Service Provider:

Whether a Customer chooses to continue Electric Generation Service from SRP or selects an ESP, the Customer may choose or change their Electric Generation Service supplier in accordance with the provisions of the Direct Access Program.

7.9 Right to Participate in the Direct Access Program:

All SRP Customers may participate in the Direct Access Program.

7.10 Aggregation:

Accounts of different Customers or multiple accounts of the same Customer may be aggregated (combined) for Direct Access Service.

7.11 Master Metered Customers:

For Customers with master meters, each eligible individual master-metered account (including those for which the Customer provides sub-metered tenant billings) may participate in the Direct Access Program as a single account. A master metered Customer may not partition the electric Load of a single master-metered account among more than one ESP. The entire Load of a single master-metered account must receive Electric Generation Service from only one ESP.

7.12 Split Load:

A Customer requesting Direct Access Service may not partition the competitively served portion of the electric Load of a service account among more than one ESP. The entire competitive Load of a service account must be allocated to only one ESP.
UNBUNDLED SERVICES AND OBLIGATION TO SERVE

7.12 Distribution Services:

7.13.1 Within the SRP Distribution service territory, SRP is the sole provider of Distribution services. The Customer or the Customer’s authorized ESP must always contact SRP to apply for, commence, or terminate Distribution service.

7.13.2 Distribution services will be provided by SRP to Distribution Customers subject to and in accordance with these Rules and Regulations.

7.13.3 The Customer must contact its Electric Service Provider to initiate and terminate service provided by that ESP, including Electric Generation Service.

7.13.4 Service to all SRP Customers, including Direct Access Customers, shall be subject to service interruptions, variations and curtailments as provided in Section 6.9 of these Rules and Regulations. SRP’s liability in connection with service to Direct Access Customers shall be determined in accordance with Sections 6.8 and 6.9 of these Rules and Regulations.

7.14 Distribution Service Customer Responsibilities:

7.14.1 The Distribution service Customer must resolve any SRP credit-related matters directly with SRP. Such matters include but are not limited to payment arrangements, credit extensions, deposits, refunds, and disconnections for non-payment.

7.14.2 The Customer should call SRP if the Customer desires to report an interruption of electric service.

7.15 Meter Installation and Maintenance; Meter Reading; Billing and Payment Processing:

For Customers who choose competitive Electric Generation Service, the following functions are competitive:

7.15.1 Metering, including installation and maintenance.

7.15.2 Meter reading.

When competitive meter reading service is elected, SRP must be provided meter reads in accordance with its then current meter reading schedule for the Customer’s premises.
7.15.3 Billing and payment processing.

7.16 Meters and Metering Options for Direct Access Customers:

7.16.1 Customers with Loads in excess of 100,000 kWh per year who choose an ESP must have a meter capable of measuring Load in 15-minute intervals. The cost of meters, including installation costs and any associated monthly charges, shall be paid in accordance with the terms applicable to the metering option selected and the Meter Service Provider (MSP) Protocol.

7.16.2 Residential Customers or commercial Customers with Loads of 100,000 kWh per year or less who choose interval metering, or whose ESP requires interval metering, may use interval metering provided and installed by SRP or any other eligible ESP. The party requesting the interval metering is responsible for the cost of the meter, including installation cost.

7.16.3 All meters provided by ESPs or Customer must meet applicable American National Standards Institute (ANSI) standards for safety, reliability, and accuracy.

7.16.4 The ESP initiating the removal of an existing meter by SRP must pay the removal cost. If an existing SRP meter is made surplus as a result of competitive metering service, the ESP must pay the unrecovered cost of the existing meter. SRP will then retire the meter from service. The ESP may acquire the retired meter by notifying SRP of such ESP intent prior to removal of the meter.

7.16.5 SRP may offer optional meter technologies that SRP has approved and that are capable of providing data to bill the rates offered by ESPs. Optional meter technology will be offered under the following terms:

a. The incremental cost (including cost of purchase, installation, maintenance, and meter reading), if any, of a meter changeout beyond the SRP standard is the responsibility of the requesting ESP or Customer.

b. If an existing meter is made surplus by a meter changeout, the ESP requesting the changeout will pay the unrecovered cost for the existing meter.

c. If feasible, SRP will install the related equipment (switches,
communications, etc.) necessary to enable ESPs to offer options such as interruptible service, but the ESP must pay the incremental cost of the equipment, including installation cost.

7.17 Direct Access Customer Billings and Payments:

Each ESP must provide consolidated billing directly to each of its Customers. Such ESP consolidated bill will consist of charges to the Customer for services provided by the ESP and SRP. The Customer will remit payment for all charges to the ESP and the ESP will pay SRP for SRP charges to the Customer within SRP’s standard credit cycle.

7.18 Credit and Collections:

ESPs are responsible for receiving and processing all Customer payments and for remitting payment for all invoiced SRP charges to SRP by the payment due date whether the Customer has paid ESP for such charges. If a Customer does not provide full payment to the ESP, SRP will provide delinquent disconnect and reconnect service for the affected ESP for a pre-established fee and in accordance with the provisions of a written agreement between SRP and the ESP. SRP will not disconnect electric service for amounts owed to an ESP without authorization from the ESP.

7.19 Default Service for Current and New Customers:

SRP will continue to provide Bundled Service, in accordance with the applicable Price Plan, to each existing and new Customer who does not choose competitive Electric Generation Service.

7.20 Provider of Last Resort:

7.20.1 SRP will be the Provider of Last Resort for Electric Generation Service for every retail electric service Customer within SRP’s Distribution service territory whose annual usage is 100,000 kWh or less and whose Electric Generation Service has been discontinued through no fault of the retail electric service Customer, if other suppliers are unwilling or are unable to supply Electric Generation Service.

7.20.2 For such Provider of Last Resort Customers:

a. SRP will provide Electric Generation Service in accordance with its applicable Price Plans.

b. SRP may require an appropriate deposit as a condition of service.

c. SRP may require the Customer to be in good credit standing with SRP.

d. SRP may waive its standard notification requirements in the event
of extenuating circumstances affecting an ESP’s operations and ability to comply with such requirements.

e. SRP will notify the Customer of the date that it began Provider of Last Resort Electric Generation Service to the Customer. No switching fee applies to commencement of Provider of Last Resort service. The Customer may select a new ESP in accordance with the Direct Access Program.

f. The Customer must pay SRP for Provider of Last Resort and any other services provided by SRP.

7.21 Distribution Customers Returning to SRP for Electric Generation Service:

7.21.1 SRP may, at its option, provide Electric Generation Service to retail electric service Customers who wish to return to SRP. Except for Customers entitled to Provider of Last Resort service, SRP is not legally obligated to provide Electric Generation Service to other returning retail electric service Customers. SRP will review each request on an individual basis.

7.21.2 If an ESP defaults, SRP may, in its sole discretion, provide temporary service to a returning customer either under SRP’s existing Price Plans or under applicable market rates, whichever are greater, during the time in which SRP determines its willingness and ability to provide Electric Generation Service to that Customer on an ongoing basis. The Customer must pay SRP for any such temporary service.

7.22 Switching Application Charges:

SRP will assess a switching charge to the ESP gaining the Customer (including SRP for a returning Customer), for all switching applications submitted on behalf of the Customer.

7.23 Frequency and Timing of Switching:

7.23.1 A Customer may request to switch ESPs no more than once each Billing Period. SRP will process the first valid request received within a Billing Period.

7.23.2 SRP must receive electronic notification from the ESP acquiring a Customer of the Customer’s intent to switch ESPs not later than 10 days prior to the scheduled meter date, with the switch to be effective on such read date. However, if SRP has to provide different meter equipment, or if the Customer has elected competitive metering service, the switch may be delayed until a later meter-read cycle.
7.24 **Energy-Related Services:**

SRP provides various energy-related services. These may include, but are not limited to:

a. Energy efficiency audits.

b. Heating, ventilation, air conditioning and miscellaneous appliance management.

c. Sales and installation of emergency backup power equipment.

d. Home automation.

e. Energy information systems.

f. Diagnostic maintenance services.

**SYSTEM BENEFITS CHARGE**

7.25 SRP assesses a System Benefits Charge on all retail energy delivered within the SRP Distribution service territory. SRP may assess the Provider of Last Resort component of the System Benefits Charge only to Customers whose annual energy usage is 100,000 kWh or less.

**TAXES AND OTHER CHARGES**

7.26 Customers must pay all taxes, fees and similar charges applicable to Direct Access Service. The ESP and SRP are each responsible for calculating the taxes, fees and charges for their respective services and remitting them to the appropriate jurisdiction.

**CONSUMER PROTECTION**

7.27 **Cooling-Off Period:**

Residential Customers have a three-business-day, cooling-off period during which they may cancel a contract with a new ESP and provide written notice to that ESP of the cancellation.

7.28 **Customer Authorization for ESP Service:**

7.28.1 Before submitting a DASR to SRP on behalf of an SRP Distribution Customer who desires to change its Electric Generation Service supplier, the ESP acquiring such Customer must obtain a written and dated authorization form from the Customer confirming the change of supplier.
The ESP is responsible for retaining such authorization forms, and upon request shall provide copies to SRP, the Distribution Customer and other appropriate parties.

7.28.2 The Customer authorization to change ESP shall:

a. not contain any inducements;

b. not state or suggest Customer take action to retain the current supplier of Electric Generation Service;

c. be in legible print with clear and plain language confirming the rates, terms, conditions and nature of the service to be provided;

d. be in the same language as any promotional or inducement materials provided to the Customer; and

e. not be collected by using a box or container to collect sweepstakes or contest entries that, at the same time, is used to collect authorization by a retail Customer to change their supplier of Electric Generation Service or to subscribe to other services.

7.28.3 Advertising, service agreements and bills must use plain language and uniform words and phrases to allow the Customer to accurately compare offers and services.

7.28.4 An ESP that submits or executes a change in the retail Customer’s supplier of Electric Generation Service in violation of the requirements stated above may be liable to refund the entire amount of the Customer’s electricity charges attributable to Electric Generation Service from such ESP for three months, or the period of unauthorized service, whichever is less, in accordance with A.R.S. § 30-806(C).

7.29 Disputed Customer Authorization:

SRP will refer to the ACC disputes regarding a Customer’s authorization for services from an ESP that is subject to ACC certification.

7.30 Access to the SRP Distribution System:

SRP will allow access to its Distribution system only to ESPs authorized under A.R.S. § 30-801, et seq., that have been certificated by the ACC and that have appropriate ESP contract(s) in effect with SRP.
SALT RIVER PROJECT AGRICULTURAL
IMPROVEMENT AND POWER DISTRICT
RULES AND REGULATIONS

ELECTRIC SERVICE PROVIDERS

7.31 General Obligations of ESPs:

7.31.1 Authorization to Provide Direct Access Services or Act as Agent of Customer:

The ESP must obtain any written authorization necessary to provide Direct Access Service to the Customer or for the ESP (or its Scheduling Coordinator, if applicable) to act as Customer’s agent to acquire Direct Access Service.

7.31.2 Timeliness and Due Diligence:

ESPs must exercise due diligence to meet their obligations and deadlines pursuant to the Direct Access Program.

7.31.3 Arrangements with ESP Customers:

ESPs must assure that appropriate contractual or other arrangements necessary to implement Direct Access Service, including any necessary arrangements with MSPs or MRSPs, are in place with their Customers. Such contracts or arrangements must be consistent with all applicable laws, ACC requirements and the Direct Access Program. SRP is not responsible to monitor, review or enforce contracts or arrangements on behalf of ESP or any other party.

7.31.4 Transfer of Cost Obligations Between ESPs and Customers:

Nothing in these Rules and Regulations is intended to prevent ESPs and their Customers from agreeing to reallocate between them any costs for Direct Access Services that are designated in the Direct Access Program to be paid by a particular party, to the extent such reallocation is permitted by law. Such reallocation will not affect either party’s payment responsibility to SRP.

7.32 Governing Documents:

7.32.1 When the ESP is providing service to Direct Access Customers, the ESP must retain in effect its CC&N and must abide by the provisions of any required ESP Service Agreement and all applicable provisions of the Direct Access Program.
7.32 Documents applicable to the Direct Access Program are available for review at SRP’s main office located at 1521 N. Project Drive, Tempe, Arizona, 85281-1206.

ELECTRIC GENERATION SERVICE PROVIDERS

7.33 Competitive Services and Certification:

SRP’s Distribution service territory is open to competition for the sale of Electric Generation Service by ESPs certificated by the ACC, and who have an appropriate ESP Service Agreement in force with SRP. Providers of Other Services shall also be certificated by the ACC, if required, and must have an agreement acceptable to SRP in force with either an ESP that is a provider of Electric Generation Service, or SRP.

7.34 Responsibility for Purchases of Electric Power:

ESPs who are providers of Electric Generation Services are responsible for the purchase of the electric generation needs of their Direct Access Service Customers. Such ESPs shall ensure delivery of such purchases in accordance with the schedules provided by the ESP’s Scheduling Coordinators to the SRP Balancing Authority.

7.35 Scheduling Coordination:

ESPs providing Electric Generation Service must have one or more Scheduling Coordinators, with no more than one Scheduling Coordinator per service account. ESPs must disclose the identity of these Scheduling Coordinators to SRP, including when the ESP is performing Scheduling Coordinator services on its own behalf. SRP will not enforce requirements between an ESP and its Scheduling Coordinators. Scheduling Coordinators must enter into a Scheduling Coordinator agreement with SRP and must comply with the SRP Protocols and other applicable provisions of the SRP Direct Access Program.

7.36 Contracting with SRP:

To conduct business within the SRP Distribution service territory, a provider of Electric Generation Service must enter into an appropriate ESP Service Agreement with SRP. Among other requirements, the ESP must:

7.36.1 Provide SRP a copy of the approved Certificate of Convenience and Necessity (CC&N).

7.36.2 Provide SRP a copy of the signed agreement between the ESP and a qualified Scheduling Coordinator, unless the ESP intends to perform Scheduling Coordinator services on its own behalf.
7.36.3 Interact with SRP via established EDI transaction sets and satisfactorily complete data transfer testing.

METER, METER READING, AND BILLING AND PAYMENT PROCESSING SERVICE PROVIDERS

7.37 Providing Competitive Metering, Meter Reading, and/or Billing and Payment Processing Services:

A party providing competitive Metering, Meter Reading and/or Billing and Payment Processing services to a Direct Access Service Customer or ESP must obtain and maintain in effect any certification required by the ACC; comply with all applicable Protocols for Meter Service Providers (MSPs) or Meter Reading Service Providers (MRSPs); comply with other applicable provisions of the Direct Access Program; and comply with all other applicable laws, rules and regulations. MSP, MRSP or Billing and Payment Processing Services provided by the ESP, whether directly or by contract between the ESP and an independent MSP, MRSP or other service provider, must be performed in accordance with the applicable ESP Service Agreement. MSPs or MRSPs planning to offer services directly to Direct Access Customers must enter into an appropriate Service Agreement with SRP.

SCHEDULING COORDINATORS

7.38 Application Request:

A Scheduling Coordinator (SC) applicant may request an application and other necessary information from SRP by mail, fax, e-mail, or in person

7.39 Governing Documents:

7.39.1 Scheduling Coordinators must abide by the provisions of the Scheduling Coordinator agreement with SRP and all applicable provisions of the Direct Access Program.

Documents applicable to the Direct Access Program are available for review at SRP’s main office located at 1521 N. Project Drive, Tempe, Arizona, 85281-1206.
APPENDIX A

The following pricing terms have the meaning specified:

7.1 ANCILLARY SERVICES CHARGES: Charges used to recover costs related to ancillary services. Ancillary Services are the following services, as further described in SRP’s Open Access Transmission Tariff, that are necessary to support the transmission of capacity and energy from resources to loads while maintaining the reliable operation of the transmission system.

7.1.1 ANCILLARY SERVICE 1 (Scheduling, System Control, and Dispatch Service): Service required to schedule the movement of Power through, out of, within, or into a Balancing Authority Area.

7.1.2 ANCILLARY SERVICE 2 (Reactive Supply and Voltage Control from Generation or Other Sources Service): Service required to maintain Transmission voltages within limits generally accepted in the region and consistently adhered to by SRP.

7.1.3 ANCILLARY SERVICE 3 (Regulation and Frequency Response Service): Service necessary to provide continuous balancing of resources (Generation and interchange) with Load and to maintain scheduled interconnection frequency at 60 Hz.

7.1.4 ANCILLARY SERVICE 4 ((Energy Imbalance Service): Service provided when SRP is participating in the Energy Imbalance Market and when the Energy Imbalance Market has not been suspended to supply or absorb Energy during each hour when a difference occurs between the scheduled and the actual delivery of Energy to a Load within a Balancing Authority Area.

7.1.5 ANCILLARY SERVICE 5 (Operating Reserve – Spinning Reserve Service): Service needed to serve Load immediately in the event of an electric system Contingency.

7.1.6 ANCILLARY SERVICE 6 (Operating Reserve – Supplemental Reserve Service): Service needed to serve Load in the event of an electric system Contingency. Such service is available to serve Load within a short period of time but not immediately.

7.2 BILLING AND CUSTOMER SERVICE CHARGE: A charge used to recover costs related to support customer applications, contracts, orders and bills for delivery and collection, receiving preparing recording and handling customer billing data, customer account records, routine orders for service, disconnections and transfers, providing assistance, and communicating with customers.

7.3 DISTRIBUTION DELIVERY CHARGE: A charge used to recover costs related to the Distribution System, in particular, substation and primary costs.
7.4 DISTRIBUTION FACILITIES CHARGE: A charge used to recover costs related to the distribution system, in particular, secondary costs comprising secondary transformers, conductors, conduits, switches, and other secondary appurtenances, and some directly assigned customer enhancement-related expenses.

7.5 GENERATION CHARGE: A charge to collect expenses incurred directly in the production of power, less the Fuel and Purchased Power and Ancillary Services expenses.

7.6 METER CHARGE: A charge to recover costs related to owning and maintaining the electric meter.

7.7 SYSTEMS BENEFIT CHARGE: A charge included in all Price Plans to fund certain programs benefiting the general public.

7.8 TRANSMISSION CHARGE: A charge to recover costs related to the Transmission System.
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APPENDIX A

The following pricing terms have the meaning specified:

1. **ANCILLARY SERVICES CHARGES**: Charges used to recover costs related to ancillary services. Ancillary Services are the following services, as further described in SRP’s Open Access Transmission Tariff, that are necessary to support the transmission of Capacity and Energy from resources to Loads while maintaining the reliable operation of the Transmission System.
   
   a. **ANCILLARY SERVICE 1 (Scheduling, System Control, and Dispatch Service)**: Service required to schedule the movement of Power through, out of, within, or into a Balancing Authority Area.
   
   b. **ANCILLARY SERVICE 2 (Reactive Supply and Voltage Control from Generation or Other Sources Service)**: Service required to maintain Transmission voltages within limits generally accepted in the region and consistently adhered to by SRP.
   
   c. **ANCILLARY SERVICE 3 (Regulation and Frequency Response Service)**: Service necessary to provide continuous balancing of resources (Generation and interchange) with Load and to maintain scheduled interconnection frequency at 60 Hz.
   
   d. **ANCILLARY SERVICE 4 (Energy Imbalance Service)**: Service provided when SRP is participating in the Energy Imbalance Market and when the Energy Imbalance Market has not been suspended to supply or absorb Energy during each hour when a difference occurs between the scheduled and the actual delivery of Energy to a Load within a Balancing Authority Area.
   
   e. **ANCILLARY SERVICE 5 (Operating Reserve – Spinning Reserve Service)**: Service needed to serve Load immediately in the event of an electric system Contingency.
   
   f. **ANCILLARY SERVICE 6 (Operating Reserve – Supplemental Reserve Service)**: Service needed to serve Load in the event of an electric system Contingency. Such service is available to serve Load within a short period of time but not immediately.
   
   g. **ANCILLARY SERVICE CHARGE**: A charge per kW or kWh used to recover costs related to Ancillary Services.

2. **BILLING AND CUSTOMER SERVICE CHARGE**: A charge used to recover costs related to support customer applications, contracts, orders and bills for delivery and collection, receiving preparing recording and handling customer billing data, customer account...
records, routine orders for service, disconnections and transfers, providing assistance, and communicating with customers.

2.3. DISTRIBUTION CHARGE/DISTRIBUTION FACILITIES CHARGE: A fixed monthly charge used to recover costs related to the Distribution System, in particular, secondary costs comprising secondary transformers, conductors, conduits, switches, and other secondary appurtenances, and some directly assigned customer enhancement-related expenses.

3.4. DISTRIBUTION DELIVERY CHARGE: A charge per kWh or per kW used to recover costs related to the Distribution System, in particular, substation and primary costs.

ENERGY CHARGE: A charge per kWh for the Electrical Energy used by the Customer.

4. GENERATION CHARGE: A charge to collect expenses incurred directly in the production of power, less the Fuel and Purchased Power and Ancillary Services expenses.

5. METER CHARGE: A fixed monthly charge to recover costs related to owning and maintaining the electric meter.

6. SYSTEMS BENEFIT CHARGE: A non-bypassable per kilowatt hour (kWh) charge included in all Price Plans to fund certain programs benefiting the general public.

7. TRANSMISSION DELIVERY CHARGE: A charge per kilowatt hour (kWh) or per kilowatt (kW) to recover costs related to the Transmission System.
Request to Transition to
The Western Power Pool Reserve Sharing Group

Power Committee
Chris Hofmann | February 23, 2022
Overview of Contingency Reserves

• There are many different types of reserves

• Contingency Reserves = capacity available to respond to disturbances in 10 minutes or less

• Required by NERC standards for all Balancing Authorities (BA)

• Amount required is the greater of:
  • The single largest hazard
  • 3% of load + 3% of generation

• BA’s can share obligation
  • Participate in a Reserve Sharing Group
Overview of Reserve Sharing Groups (RSG)

- Minimum two BAs sharing reserve obligations
  - Reserves spread across larger geographic footprint
  - Increased accessibility and reliability
- Primary benefits
  - Reduced capacity that a BA is required to withhold
  - Increased reliability with diversity
  - Increased capacity to meet loads
- Power Pools have served this role since 1927
- RSGs established in NERC Reliability Standards in 2005
Overview of RSG (cont.)

• 12 Registered RSG in North America

• Western Interconnection
  • Western Power Pool (most of WECC)
  • Southwest Reserve Sharing Group (SRSG)
  • California Mexico (CAMX) Reserve Sharing Group

• Eastern Interconnection
  • PJM, SPP, MISO
  • NYISO, ISO NE
  • Additional sub-regions in Eastern Interconnection

• SRP Board approved participation in SRSG in 1997
Benefits of Western Power Pool

- Reduced reserve obligation
- Increased transmissibility of reserves
- Increased access to capacity
- Increased qualifying events
- Integration with EMS software
SRSG Reserve Zone

Southern CA Non-CAISO → Arizona → New Mexico

West Texas
WPP Reserve Zone with Desert Southwest

- British Columbia
- Alberta
- PNW – Montana
- Idaho
- Utah – Wyoming
- Western Colorado
- Eastern Colorado
- Northern California Non-CAISO
- Southern California Non-CAISO
- Arizona - Nevada
- Texas – New Mexico
Revision to SRP Open Access Transmission Tariff

• OATT language update request
  • Remove reference to Southwest Reserve Sharing Group (SRSG)
  • Replace with Western Power Pool Reserve Sharing Group (WPPRSG) reference
  • Generic reference to reserve sharing group agreements will remain static
    • Network Resource
    • Designation of Network Resource
    • Operation of Network Resource
    • Energy Imbalance Service
    • Generation Imbalance Service
    • Operating Reserve
Next Steps

• All SRSG members expressed non-binding intent to join WPP RSG

• Application vote February 2023
  • 1-2 months to process

• Post approval process
  • 1 year integration process
Request

Management requests that the Power Committee recommend that the Board authorize the General Manager and Chief Executive Officer, Associate General Manager and Chief Power System Executive, President or Vice President to enter into agreements required with an application to join the Western Power Pool Reserve Sharing Group and to make changes to SRP’s Open Access Transmission Tariff necessary to reflect the transition from participation in the Southwest Reserve Sharing Group to the WPP RSG.
thank you!
FP24 Resource Plan

Power Committee

Grant Smedley | February 23, 2023
Agenda

• Background & Context
• Remaining Needs
• FP24 Resource Plan
• Key Metrics
• Takeaways
Changes Since FP23 Resource Plan

- Inflation Reduction Act (IRA)
- Natural gas price volatility
- Supply chain challenges
- Load forecast uncertainty
- Permitting/regulatory challenges
- Coolidge Expansion Project
Load Forecast

**Peak Demand (MW)**

- History
- FY23-35 Growth: 3.2%

**Energy Sales (GWh)**

- History
- FY23-35 Growth: 3.9%
Remaining Resource Needs to Serve Peak Demand

- **Remaining Need**
- **Known Resources**
- **Total Existing Resources**

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New Resources – 6-Year Financial Plan

- Solid color denotes resources that are online, under contract, or approved.
- Dotted boxes denote resources that are planned but not yet approved.

Legend:
- Demand Response
- Energy Efficiency
- Rooftop Solar
- Standalone Storage
- Solar & Storage
- Solar
- Wind
- Nuclear
- Gas
- Harquahala Toll

Nameplate Capacity (MW)
New Resources – Through 2035

- Solid color denotes resources that are online, under contract, or approved.
- Dotted boxes denotes resources that are planned but not yet approved

6-year Financial Plan

02/23/23 Power Committee, G. Smedley
Progress on Board-Established Carbon Reduction Goals

- FP24 Plan will achieve goal to reduce carbon intensity by 65% by 2035
- FP24 Plan provides opportunity for SRP to outperform goal and achieve 82% reduction by 2035
Key Takeaway: >75% of electricity needs will be met without carbon emissions by 2035 *

*Based on FP24 Resource Plan. Energy mix may change based on load growth and resource mix.
Fuel and Purchased Power

Drivers of Changes since FP23:
• New resources procured in All-Source RFP
• Increased natural gas fuel costs

Impacts:
• FY24-FY29: +$930 million (new resources)
Capital Expenditures

Drivers of Changes since FP23:

• Shifting 100 MW of solar and 100 MW of battery storage projects to capital (IRA)
• Pumped Storage Project spending

Impacts:

• +$660M increase in capital due to moving solar and battery storage to capital
• +$340M increase from Pumped Storage Project

02/23/23 Power Committee, G. Smedley
Key Takeaways

1. In the 6-year horizon, the FP24 Resource Plan includes significant carbon-free resource additions, a flexible natural gas reliability backbone, and SRP-owned renewables and battery storage.

2. The cost of this year’s Plan is higher due to gas prices and resources procured due to denial of Coolidge Expansion Project, but those costs are critical to helping ensure that customers have access to reliable power.

3. The FP24 Plan enables SRP to achieve over 80% reduction in carbon intensity by 2035.

4. This Plan enables SRP to provide >75% of energy from carbon-free resources by 2035.
thank you!
Remaining Resource Needs

At least 200 MW by summer 2026
At least 300 MW by summer 2027

Remaining Need

Known Resources
Total Existing Resources

Megawatts

0
1,500
2,500
3,500
5,000
7,500
10,000
12,500
2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035

02/23/2023 Power Committee, G. Smedley
All-Source Request for Proposals (RFP)

- Resources that provide capacity at summer peak
  - At least 200 MW by May 2026
  - At least an additional 300 MW for a total of 500 MW by May 2027

- Accelerate planned carbon-free resource additions
  - Up to 500 MW of carbon-free energy by May 2027

- SRP will develop a self-build natural gas option; RFP will be used to identify other alternatives

- SRP retained Power Advocate to administer RFP and support evaluation

- Self-build option will be compared to RFP alternatives; Power Advocate will independently review
Evaluation Criteria – Peak Capacity

**Operating Characteristics 20%**
- Peak Capacity
- Flexibility
- Resource Diversity

**Affordability 20%**
- Capacity Cost
- Energy Cost

**Sustainability 20%**
- Emissions
- Land Use
- Water Use

**Executability 40%**
- Development Considerations
- Counterparty Risk
- Location
Evaluation Criteria – Carbon-Free Energy

Operating Characteristics 10%
- Peak Capacity
- Flexibility
- Resource Diversity

Affordability 40%
- Capacity Cost
- Energy Cost

Sustainability 10%
- Emissions
- Land Use
- Water Use

Executability 40%
- Development Considerations
- Counterparty Risk
- Location
## Target Schedule

<table>
<thead>
<tr>
<th>MILESTONE</th>
<th>DATE (2023)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issue RFP</td>
<td>February</td>
</tr>
<tr>
<td>Proposals Due</td>
<td>April</td>
</tr>
<tr>
<td>Complete SRP Self-Build Option</td>
<td>April</td>
</tr>
<tr>
<td>Analysis and Third-Party Evaluation</td>
<td>April - September</td>
</tr>
<tr>
<td>Update Power Committee on Evaluation</td>
<td>June</td>
</tr>
<tr>
<td>Present Evaluation Results to Power Committee</td>
<td>September</td>
</tr>
<tr>
<td>Power Committee/Board Recommendation</td>
<td>October/November</td>
</tr>
</tbody>
</table>
thank you!