

RULES FOR ELECTRIC SERVICE RULE 2 - REQUIREMENTS FOR SERVICE

A. SERVICE BY APPLICATION

The Company may connect service on request or Company may, for the convenience of a new customer, leave a service energized at a premises which has become vacant. The customer shall notify Company the date service is desired or use of service begun and shall give information necessary for Company to properly supply the service and apply the provisions of this tariff.

B. SERVICE CONTRACTS

(1) Every non-residential applicant for electric service may be required to sign a contract specifying the intended use of service, the applicable rate schedule and other service conditions. A contract between Company and customer is valid only when accepted in writing by a duly authorized Company representative. The customer shall abide by the terms and conditions of the contract and the provisions of this tariff.

(2) Service is for an initial term of one year except as otherwise specifically provided.

(3) Acceptance or use of service is deemed a request for the supply of such service and constitutes a contract to pay for the service under these rules and the applicable rate schedule. The receipt of electric service makes the receiver a customer of the Company.

(4) Contracts with the Commonwealth of Pennsylvania for service under a street lighting service rate schedule which provides for an initial contract term extending beyond the end of the current fiscal period for which the Commonwealth may contract, shall specify an initial contract term to the end of said fiscal period with provision for renewal for subsequent full fiscal periods. Contracts for new installation shall include a provision that should service be discontinued before the end of the initial term specified in the rate schedule, then the Commonwealth shall pay Company's estimated expense due to such discontinuance.

C. SELECTION OF RATE SCHEDULES

(1) When more than one rate schedule is applicable to a service, the Company applies the rate schedule which is most advantageous to customer, based on customer's advice to Company regarding customer's anticipated service conditions. However, customer has the option of contracting for service under any applicable rate schedule.

(2) When customer's requirements change permanently and another rate schedule becomes more advantageous, Company will, after receiving notice of change in service conditions from the customer, recommend a new contract under the more favorable rate schedule for an initial term of not less than one year from the last meter reading date.

(3) When, through any cause, a contract is entered into with customer on a rate schedule not applicable to the service, Company will transfer the service to the rate schedule applicable, so notify customer and adjust the charges for service already supplied.

(Continued)

RULE 2 - REQUIREMENTS FOR SERVICE (CONTINUED)

D. SECURITY DEPOSITS

(1) The Company may require deposits or guarantees satisfactory to the Company as security for the payment of bills for service provided by the Company before it commences or continues to supply service. The need for deposit or guarantee is based on the credit and other risks of the individual. For residential service, a guarantee may be provided by a third party who is a responsible customer. (C)

(2) The amount of deposit shall not exceed Company's estimate of the average bill for service provided by the Company for one-sixth of the estimated annual bill, with a minimum of \$5.00. For residential customers, the interest rate on deposits made to secure the payment of bills for service provided by the Company will be calculated pursuant to Section 202 of the Act of January 30, 1974 (P.L. 13, No. 6) and will be paid annually. For all other customers, the interest rate will be the average of 1-year Treasury Bills for September, October, and November of the previous calendar year. Interest ceases upon refund of deposit or upon discontinuance or termination of service, whichever occurs first. (C)

(3) Deposit, plus accrued interest, which may be held for a maximum period of 24 months, is refunded to a residential ratepayer under the following conditions: (C)

- (a) When a ratepayer establishes credit.
- (b) When a ratepayer substitutes third-party guarantor (up to the limits of the guarantee). (C)
- (c) When a ratepayer is not currently delinquent and has paid bills for service provided by the Company for 12 consecutive months without having service terminated.

(4) Deposit, plus accrued interest, is applied to the outstanding balance for service provided by the Company of any ratepayer upon termination or discontinuance of service and remainder is refunded.

(5) In the event of a termination of service, the Company may transfer to a third-party guarantor's account any portion of the unpaid balance for service provided by the Company. (C)

E. RIGHT-OF-WAY

The customer (or property owner) shall provide, without charge to the Company, right-of-way across property owned or controlled by customer (or property owner) and locations and housings which are suitable in the opinion of Company for the installation of Company's facilities. Suitable right-of-way includes, but is not limited to, providing ground line clearing of trees, brush and other obstructions, rough grading, and access by mechanical construction equipment.

(Continued)

(C) Indicates Change

RULE 2 - REQUIREMENTS FOR SERVICE (CONTINUED)

F. ACCESS

Company employees shall have access at all reasonable hours to customer's premises, without charge, for the purpose of inspecting installations, installing meters, reading, testing, removing, replacing or otherwise maintaining or disposing of any of Company's property.

G. CUSTOMER'S INSTALLATION

The customer's service facilities shall be installed and maintained in accordance with Company's "Rules for Electric Meter and Service Installations". In residential and commercial complexes and multiple occupancy buildings, the owner is responsible for all service entrance facilities including individual service wiring where separate metering for each tenant is required by the Company. Company is not responsible for customer's wiring or equipment. Company is willing to assist customer with advice without incurring responsibility. Company may refuse to commence or continue service when, in Company's opinion, customer's installation is not in proper operating condition or does not conform to this tariff.

(C)