

RULES FOR ELECTRIC SERVICE**RULE 2 – REQUIREMENTS FOR SERVICE****A. SERVICE BY APPLICATION**

The Company may connect service upon request of the applicant. The applicant shall provide notification to the Company of the date that they want service to commence or the date that use of service has already begun. The applicant shall provide information necessary, as determined by the Company, for the Company to properly supply service and apply the provisions of this tariff.

B. CONTRACTS FOR SERVICE

(1) Non-residential applicants 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) Contracts for service are for an initial term of one year except as otherwise specifically provided in this tariff or the contracts for service.

(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 that have 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 a 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 the service rendered, Company will apply the rate schedule that is most advantageous to the customer, based on customer's advice to Company regarding customer's service conditions.

(2) When customer's requirements change permanently and another rate schedule becomes more advantageous but requires the execution of a contract, Company will, after receiving notice of change in service conditions from the customer, recommend a new contract under the more advantageous rate schedule for an initial term consistent with the provisions of that rate schedule.

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- (3) When, for any reason, a contract is entered into with a customer on a rate schedule not applicable to the service, Company will transfer the service to the rate schedule applicable for the relevant billing periods, and notify the customer of the adjusted charges for service already supplied.

D. SECURITY DEPOSITS

(1) The Company may require deposits or guarantees satisfactory to the Company as security for the payment of bills for service to be provided by the Company before it commences or continues to supply service. The need for a deposit or guarantee is based on the credit and other risks of the applicant or customer. For residential service, a guarantee may be provided by a third-party guarantor consistent with the Commission's regulations.

(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 security deposits will be computed at the simple annual interest rate determined by the Secretary of Revenue for interest on the underpayment of tax under Section 806 of the Act of April 19, 1929 (P.L. 343, No. 176), known as The Fiscal Code. 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.

(3) Deposits, plus accrued interest, may be held until a timely payment history is established, and will be refunded to a residential customer under the following conditions:

- (a) When a customer establishes credit;
- (b) When a customer substitutes third-party guarantor (up to the limits of the guarantee);
- (c) When a customer is not currently delinquent and has made on time and in full payments for service provided by the Company for 12 consecutive months; or
- (d) When a customer is confirmed to be eligible for a customer assistance program.

(4) Deposits, plus accrued interest, will be applied to the outstanding balance on the customer's account for service provided by the Company upon termination or discontinuance of service with any remaining deposit refunded to the customer; provided, however, that beginning July 1, 2027, if a customer has previously paid a security deposit and subsequently demonstrates that they are income-eligible for PPL Electric's CAP, the Company will return the security deposit to the customer and will not apply the security deposit to the customer's bill unless the customer specifically agrees that it may be applied to the customer's bill.

(5) The Company will not require a cash deposit from applicant who, based upon household income, confirmed to be eligible for a customer assistance program. Pursuant to Section 56.32(e) of the Commission's regulations, an applicant is confirmed to be eligible for a customer assistance program by the Company if the applicant provides income

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documents or other information attesting to his or her eligibility for state benefits based on household income eligibility requirements that are consistent with those of the public utility's customer assistance programs. Customers and applicants who are currently participating in PPL Electric's CAP or have received a LIHEAP grant within the current or prior LIHEAP program year will not be assessed a security deposit and, in turn, will not be required to provide further information or documentation of low income status to qualify for the security deposit exemption.

(6) In the event of a termination of service of a customer who has used a third-party guarantor to establish credit, the Company may transfer to the third-party guarantor's account any portion of the unpaid balance of the customer for service provided by the Company.

E. RIGHT-OF-WAY (ROW)

(1) The customer (or property owner) shall provide, without charge to the Company, ROW and access across property owned or controlled by customer (or property owner) and locations and housings which are suitable in the opinion of Company for the construction, reconstruction, maintenance or operation of Company's overhead and underground distribution facilities. Suitable rights and ROW includes, but is not limited to, the right of ingress and egress to and from the electric facilities for any of the purposes aforesaid; and also the right to trim, cut or remove trees, underbrush and other obstructions which in the judgment of Company, may at any time interfere with the construction, reconstruction, maintenance or operation of the electric facilities, and in connection therewith, the right to treat with herbicides approved for the removal and control of trees, brush and under growth.

(2) When restoration of service to the premises is not possible due to an obstruction, the customer, or the owner of the property on which the obstruction is situated is responsible for removing the obstruction.

(3) The Company shall also have all of the aforesaid rights related to its provision of underground service to a customer/property owner, even if Company does not require the customer/property owner to execute a formal ROW document.

F. ACCESS

Company employees, agents, and contractors shall have access 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 Company property.

G. CUSTOMER'S INSTALLATION

The customer's service facilities shall be installed and maintained in accordance with Company's REMSI. 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 on wiring and

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equipment without incurring responsibility for said wiring and equipment. Company may refuse to commence or continue service when, in Company's opinion, customer's installation is not in proper operating condition, safe, in compliance with applicable building codes, or does not conform to this tariff.