

ORDINANCE NO. 194, 2006
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROVING REVISED ELECTRIC SERVICE RULES AND REGULATIONS

DATE FILED: December 15, 2016 4:40 PM
FILING ID: E9BD9C02EC609
CASE NUMBER: 2016CV144

WHEREAS, Section 26-463 of the Fort Collins City Code requires that the rules and regulations applicable to electric service and persons receiving electric service provided by the city shall be such rules as are adopted by the Utilities General Manager and approved by ordinance of the City Council; and

WHEREAS, the *Electric Service Rules and Regulations* were last revised in 2002 when they were approved by Ordinance No. 083, 2002; and

WHEREAS, the Utilities General Manager has recommended that changes be made to the *Electric Service Rules and Regulations* simplifying the approval of customer owned generation facilities which are operated in parallel with the Utilities distribution system in order to better accommodate customer needs and to promote alternative energy systems; and

WHEREAS, the changes will continue to ensure system reliability and promote customer and employee safety; and

WHEREAS, the Electric Board reviewed the proposed changes to the *Electric Service Rules and Regulations* on February 15, 2006 and unanimously recommended approval of the same;

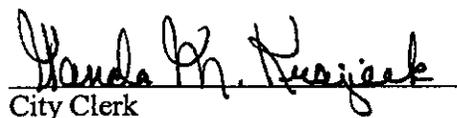
WHEREAS, the Utilities General Manager has also recommended several additional "housekeeping" revisions to the Electric Service Rules and Regulations.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that the *Electric Service Rules and Regulations* as shown in the attached Exhibit A are hereby approved by the City Council.

Introduced, considered favorably on first reading, and ordered published this 5th day of December, A.D. 2006, and to be presented for final passage on the 19th day of December, A.D. 2006.

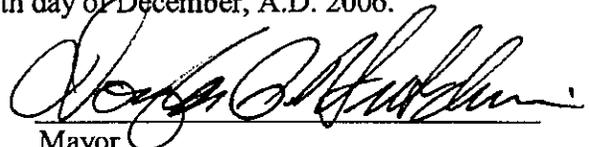

Mayor

ATTEST:


City Clerk

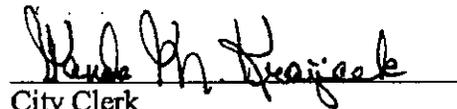


Passed and adopted on final reading on the 19th day of December, A.D. 2006.



Mayor

ATTEST:



City Clerk

CITY OF FORT COLLINS UTILITIES

Electric Service Rules and Regulations

1. Authority for Regulations

These Electric Service Rules and Regulations are authorized by Section 26-463 of the Code of the City of Fort Collins, and shall be available for public review at the Fort Collins Utilities Service Center, the Fort Collins Utilities Customer Service Office and the Office of the City Clerk of the City of Fort Collins.

2. General

- 2.1. These rules and regulations set forth terms and conditions under which electric service is supplied by the City of Fort Collins Utilities (hereinafter called the Utilities) and are intended to govern all classes of electric service supplied by the Utilities to customers (sometimes called users) both within and outside the corporate limits of the City.
- 2.2. The Utilities provides a choice of several rate schedules for electric service to the following customer classes: residential, commercial and industrial. Charges, applicability and terms and conditions of service are specified in each of the rate schedules.
- 2.3. Copies of the electric rate schedules are available at the Utilities Customer Service Office.
- 2.4. In addition to the provisions and conditions herein, service supplied under the electric rate schedules is subject to the service regulations specified in the rates, Electric Service Standards, and such amendments or additions thereto as may be made by the City.
- 2.5. Electric service furnished by the Utilities is also subject to the requirements set forth in the Code of the City relating to electrical installations, inspections, licensing, permits and regulations, and in the rules and regulations of the Chief Electrical Inspector pursuant to the Electrical Code.
- 2.6. Any waiver at any time of the Utilities' requirements under these rules and regulations shall not be deemed as a waiver as to any violation or other matter subsequently occurring.

3. Service Available

- 3.1. Unless stated otherwise in the rules and regulations pertaining to specific electric rate schedules, electric service supplied shall be 60 cycle alternating current typically as follows:
 - Single Phase
3-wire 120/240 or 120/208 volts
 - Three Phase
4-wire 208 wye/120 volts
4-wire 480 wye/277 volts
- 3.2. The Utilities reserves the right to specify the phase and nominal voltage at which service shall be supplied and to serve at different voltages where distribution is made at other nominal voltages.

4. Type of Service

4.1. Permanent

Unless specific arrangements are made to the contrary, electric service shall be considered rendered on a continuous, permanent basis subject to termination as provided later in these rules and regulations.

4.2. Temporary Service

Temporary service is defined as electric service provided for a short-term need, such as that service required by such customers as circuses, construction contractors, carnivals, tent shows and similar enterprises. Prior to the start of any construction required to provide temporary service, the applicant shall pay to the Utilities an amount equal to the Utilities' estimate of the total cost of constructing and removing all facilities necessary to supply the desired service less the salvage value of the materials used. At the Utilities' option, this billing may be issued following completion of the temporary installation. The amount paid is non-refundable and cannot be applied to service bills. The cost of electric service shall be in accordance with the provisions of the application for such service and shall be as stated in the applicable rate schedules.

5. Term of Service

5.1. Discontinuance by Customer

5.1.1. Any customer desiring to discontinue electric service should complete and submit a "Termination Request" form to the Utilities three days prior to the desired discontinuance date. At the Utilities discretion, requests to discontinue service may be accepted by telephone.

5.1.2. The customer shall be financially responsible in any event for electric service rendered until the final meter reading is obtained. Further, such request does not relieve the customer in any way from any minimums or payments guaranteed under the customer's service contract.

5.2. Discontinuance by the Utilities

5.2.1. The Utilities may discontinue service under any of the following conditions:

a) If, in the opinion of the Utilities, the user's wiring or equipment is considered unsafe, service may be discontinued after notice and shall not be reconnected until the unsafe condition has been corrected. The Utilities may discontinue service without notice to the user if the unsafe condition could be considered dangerous to the life, health or safety of any person. Notice is defined as the Utilities depositing, postage prepaid, in the first-class United States mail, such notice or letter to the user describing any unsafe conditions. Personal contact or a door hanger may be utilized in lieu of a mailing

b) If, in the opinion of the Utilities, the user's wiring or equipment is considered unsafe, service may be discontinued after notice and shall not be reconnected until the unsafe condition has been corrected. The Utilities may discontinue service without notice to the user if the unsafe condition could be considered dangerous to the life, health or safety of any person. Notice is defined as the Utilities depositing, postage prepaid, in the first-

class United States mail, such notice or letter to the user describing any unsafe conditions. Personal contact or a door hanger may be utilized in lieu of a mailing.

c) Service may be discontinued without notice to the user if, in the opinion of the Utilities, continued service is detrimental to the Utilities' facilities or to others served by the Utilities.

d) Service may be discontinued for nonpayment of past-due accounts directly or indirectly related to the provision of electric service, in which event written notice shall be given in accordance with the "Termination of Service-Notice and Hearing" section.

e) The customer shall not connect any energy-consuming appliance or device on the Utilities' side of a meter or tamper or otherwise interfere with the proper operation or registration of the Utilities' meter or permit others to perform such connection, interference or tampering. Violation of this provision may subject the customer to criminal prosecution and result in the disconnection of service without notice. Service will not be reconnected until the customer has paid an estimated service bill for the approximate period during which such violation existed and has installed standard service entrance wiring in accordance with the prevailing requirements of the Code of the City relating to electrical installations, inspections, licensing, permits and regulations.

f) Service may be discontinued upon violation of the provisions described under the section headed "Customer's Use and Facilities" as included herein.

g) Except where written notice prior to discontinuing services is specifically not required by these regulations or has been waived in writing by the customer, services shall not be discontinued prior to the giving of written notice required by these rules and regulations.

5.3. Reconnection Fees

In the event of disconnection by the Utilities for any of the foregoing causes, and after evidence is submitted that the cause for disconnection has been corrected, electric service shall not be restored until payment of a combined administrative and service restoration fee has been made.

5.4. Termination of Service-Notice and Hearing

5.4.1. If any bill for electrical service is not paid in full as of the date specified on the utility bill or if the Utilities determines that service shall be terminated and written notice is required pursuant to these rules and regulations, the Utilities shall mail via first-class United States mail or shall cause to be delivered to the customer's premise receiving service, a written Delinquency Notice or Notice of Intent to Terminate. Such written notice shall be addressed to the customer at the address to which bills for service have been sent and shall contain the following information:

a) The number of the account.

b) The amount of the unpaid bill, the date of the unpaid bill, or the other condition causing service to be terminated.

c) The officer of the City or the Utilities to be contacted to inquire about the written notice and telephone number at which such officer can

be reached. Such officer shall be authorized to change any electrical service billing that is in error.

- d) The date, not less than seven days from the date the written notice is mailed, on which service shall be terminated if the account is not paid or if the condition causing termination of service is not corrected.
- e) Advisement of an additional charge if a turnoff notice is mailed or delivered.

5.4.2. If an agreement on the amount due or other reason for termination cannot be reached with the officer identified in the notice, the customer has the right to a protest hearing before the hearing officer. A written request for such a hearing must be filed with the Utilities' Customer Service Office prior to the proposed date of termination of service. The customer may appeal an unfavorable decision to the financial officer whose decision is final.

5.4.3. If, by the date specified in the notice, the condition warranting disconnection has not been corrected and no appeal has been upheld, or if a check for payment of utility service has been returned by the bank upon which it was issued as non-payable, the Utilities may mail or deliver a turnoff notice to the premises served. Such notice shall be left on the premises or sent via first class United States mail and no further delivery of notice shall be required. Such notice shall contain the following:

- a) The name of the customer and the number of the account
- b) The name of the customer and the number of the account.
- c) The address of the premises served.
- d) The date and time, not less than 48 hours after mailing or delivery of the notice, when service shall be terminated unless the condition causing termination of service is corrected.
- e) The amount required to be paid, or the condition to be corrected, in order to avoid termination of service.
- f) The amount of additional charge that shall be imposed to reinstate service if service is terminated.

5.4.4. If the delinquent account is not paid, or the other condition causing termination not corrected, within the time required by the turn-off notice, the Utilities shall terminate service to the premises. Service shall not be reinstated until the cause for disconnection has been corrected and the turn-off notice fee and a service restoration fee have been paid. Such fees shall be cost based.

6. Refusal of Service

6.1. The Utilities may refuse to provide service or to install service equipment under any of the following conditions:

- 6.1.1. The person or firm requesting the service or installation of service equipment currently owes the Utilities a delinquent amount for any utility services previously provided, whether to the same or different premises.
- 6.1.2. The person or firm requesting the service or installation of service equipment owes the Utilities a delinquent amount for utility service equipment previously installed.

- 6.2. If the Utilities refuses to provide service or install service equipment as specified herein, the person or firm requesting such service shall be informed by the Utilities in writing within five business days as to the reason for the refusal and the delinquent amount that must be paid before the Utilities shall fulfill the request.
- 6.3. Notwithstanding the above, if any person or firm disputes the amount owed, such person or firm may receive service as requested after depositing with the Utilities the amount requested, to be held by the Utilities in trust, for a period not to exceed thirty days, pending final determination of the amount owed. Such person or firm shall submit, within fifteen days of receipt of the Refusal of Service notice, a written statement as to the disputed amount, and the Utilities shall make its determination within fifteen days of such statement.
- 6.4. If such statement is not submitted to the Utilities within said fifteen days, or if the shall determine that the amount is properly owed to Utilities, said deposited amount shall be delivered to the Utilities in satisfaction of the amount owed. Appeal of any such determination by the Utilities shall be in accordance with the "Termination of Service Notice and Hearing" procedures provided in these rules and regulations.

7. Service Contract

7.1. Application

7.1.1. The service connection at any location under any schedule of rates shall be preceded by a signed application for service at the Utilities' Customer Service Office. Notwithstanding the foregoing, at the Utilities' sole discretion, applications for utility service may be accepted by telephone.

7.1.2. Approval of an application by the Utilities and acceptance of utility service by the shall constitute a contract between the customer and the Utilities whereby the customer shall agree to pay the Utilities for utility service in accordance with the applicable rate schedule and to abide by the rules and regulations contained herein. This contractual obligation of the customer may not be assigned without the prior approval of the Utilities.

7.1.3. The property owner of the premises to be served, if different than the applicant, shall be jointly financially responsible for all utility services delivered to the premises, regardless of any change of tenancy or ownership. Accordingly, the Utilities may require the property owner to sign the application for service.

7.1.4. In the case of multiple services, separate applications shall be required for each service under the rate schedule applicable to such service.

7.1.5. Meter readings shall not be combined for billing purposes, except when aggregated readings are available and deemed appropriate by the Utilities.

7.1.6. No promise, agreement or representation of any employee of the Utilities shall be binding upon the Utilities, unless the same shall have been incorporated in the application and recorded in a written contract for service.

7.2. Service Charge

A charge shall be made for the processing of a request for electric service as prescribed by the applicable rate schedule.

7.3. Service Deposit

7.3.1. The Utilities may at any time require any utility customer to pay a service deposit if the customer has received one or more final turn-off notices for

delinquency or if the customer is unable to provide proof of satisfactory credit history, or for any other reason that the Utilities may deem appropriate.

7.3.2. The amount of the deposit shall be two times the estimated monthly bill for electrical energy to the premises served as determined by the Utilities.

7.4. Returned Checks and Returned Electric Funds Transfers

The Utilities shall charge a fee for any check returned unpaid for any reason from a bank. The returned check fee shall also apply to any electric funds transfer (EFT) returned unpaid for any reason from a bank. The Utilities may also deliver to the customer a turnoff notice in accordance with these rules and regulations.

7.5. Selection of Rates

7.5.1. The Utilities shall, if desired, assist the prospective customer in selecting the available rate for service best suited for his requirements.

7.5.2. The customer shall be responsible for the rate schedule selected or under which service has been used, and the customer's use of service and payment therefor shall be in accordance with the provisions thereof.

7.5.3. If a customer desires to change the rate under which electric service is rendered, an application for service under the new rate must be submitted by the customer.

7.5.4. Based upon the customer's historical billing demand, the Utilities may require a customer to change to an applicable rate.

8. Metering and Billing

8.1. Metering of Service

8.1.1. The customer shall provide at the customer's expense, suitable mounting space or enclosure, conduit and associated equipment for the installation of metering in accordance with the Utilities' "Electric Construction Policies Practices and Procedures" and the Code of the City relating to electrical installations, inspections, licensing, permits and regulations.

8.1.2. The Utilities shall own and maintain metering equipment suitable and necessary for measuring the electric energy supplied.

8.1.3. Service supplied under each electric rate schedule shall be separately measured and billed.

8.1.4. Primary metering equipment shall be at the expense of the customer as a nonrefundable Contribution in Aid of Construction.

8.1.5. With the exception of service to adjoining properties owned and controlled by the user as a single commercial or business enterprise, service to the same customer at different locations shall necessitate separate applications for metering and billing.

8.1.6. Service shall be supplied and metered at the secondary voltages listed under "Service Available" section above unless otherwise approved by the Utilities.

8.1.7. The location of the meters shall allow access, at all times, by Utilities personnel for the purposes of reading meters and maintaining Utilities -owned equipment.

8.1.8. The location shall be on the exterior, unless otherwise approved by the Utilities.

8.1.9. Each meter socket shall be plainly and permanently marked to indicate which unit is supplied therefrom. The marking is to be the same as the mailing address for each unit. The owner or developer shall be responsible for electricity delivered through unmarked, illegible or improperly labeled meter sockets. Expenses incurred by the Utilities related to correcting improperly labeled meters shall be billed to the developer or owner.

8.2. Accuracy of Meters

8.2.1. Meters measuring electric service shall be checked for accuracy before installation and periodically thereafter on a scheduled or sample basis as determined by the Utilities.

8.2.2. Meters shall be considered accurate when they measure within 2% plus or minus when tested at 100% of full test current. No meter shall be kept in service that registers usage under no load conditions.

8.3. Billing Period

8.3.1. Meter reading shall be accomplished as nearly as practicable on a thirty-day or monthly basis.

8.3.2. Bills for payment become delinquent within twenty-five days after the billing date and the service becomes subject to shut-off as provided under "Discontinuance by the Utilities."

8.3.3. If the Utilities is unable for any reason to gain access to read any meter, or for any other reason the Utilities is unable to obtain a meter reading, the consumption and demand shall be estimated by the Utilities.

8.4. Budget Billing

8.4.1. If any single-family residential customer has resided at the service address for six months, has a satisfactory payment history and so requests, the Utilities may estimate the average monthly bill of such customer based upon the historic use of electrical service by that customer at that service address.

8.4.2. Such average amount shall be the monthly bill rendered to the customer for eleven billing periods. In the twelfth billing period, the Utilities shall collect the amount the customer owes or apply a credit to the customer's account for over-payments.

8.4.3. The monthly budget billing amount shall be adjusted for changes in the base electrical rate or historical use.

8.4.4. Budget billing can be obtained upon making a request for the same at the Utilities' Customer Service Office.

8.5. Fixed Consumption Billing

8.5.1. Fixed Consumption Billing is defined as billing for service provided to a constant or predictable unmetered, electrical load for which the Utilities has predetermined the customer's billing consumption based upon connected load, estimated usage, test measurements or other means.

8.5.2. Billing amounts and terms of service shall be in accordance with the electric rate schedule which would be applicable to the load if it were metered; provided, however, that the Utilities reserves the right to correct past billing amounts at any time to correspond with test metering results and to adjust billing consumption in accordance with updated load estimates based on current or anticipated loads and conditions.

8.5.3. Fixed Consumption Billing may be offered to the customer at the sole discretion of the Utilities, and such billing is subject to withdrawal whereupon electric service may be discontinued by the Utilities upon thirty days written notice to the.

8.5.4. Alteration of facilities or conditions, or addition of load by the customer without prior approval of the Utilities shall constitute diversion of electric energy.

8.5.5. The customer may discontinue electric service to a Fixed Consumption Billing load by providing proper request of such discontinuance to the Utilities.

8.6. Errors

The Utilities will exercise all reasonable means to assure accurate computation of all monthly service billings. When errors do occur and are discovered, the error will be corrected for future billings and the following policy guidelines will be used to make billing corrections:

- a) If the error resulted in the customer being overcharged and overpaying for utility service, the Utilities shall reimburse the customer for overpayments. The reimbursement will be calculated based on the overcharges for which the Utilities had a record for a period not to exceed six years immediately prior to the discovery of the error.
- b) For customers who were undercharged and have underpaid for utility services due to billing errors, the Utilities will not issue a bill for past undercharges. The provisions of this policy apply to mechanical or data errors that result through no fault of the customer and where, in the opinion of the Utilities, it is reasonable to assume that the customer is unaware of the error. This does not apply to customers who have intentionally or unintentionally bypassed any billing meter, provided any form of billing information resulting in undercharges or have in any way attempted to receive utility service at less than full price or failed to report unexplained bill reductions to the Utilities.
- c) The Utilities shall not collect interest on undercharges and shall not pay interest on overpayments.

8.7. Diversion of Electric Energy

8.7.1. If energy-consuming devices or equipment are connected ahead of the meter, or if there has been any tampering with or connections to the Utilities distribution facilities or service equipment or any tampering with the Utilities' meter including breaking of meter seals which would make possible or result in the consumption of electricity not registered on the Utilities' meter or an inaccurate measurement of demand, the customer shall be subject to immediate discontinuance of service without notice and to prosecution under applicable laws.

8.7.2. The installation of a check meter by the Utilities and registration on this meter at a greater rate than on the regular meter, after both meters have been tested and found accurate, shall establish a rebuttable presumption of such diversion of electricity.

8.7.3. In the event of such diversion of electricity, the Utilities shall be entitled to collect from the customer, at the appropriate rate, sufficient funds to cover the cost of all additional power and energy estimated by the Utilities which was not registered on the meter because of such diversion of electricity, and also sufficient funds to cover all expenses incurred by the Utilities on account of such unauthorized act or acts.

8.7.4. Service shall not be reconnected until the customer has installed such entrance and service equipment as is necessary to prevent further diversion of electricity. The may also be required to pay a service deposit. Furthermore, the customer may be subject to all applicable criminal penalties.

8.8. Lien on Property

8.8.1. The owner of every house, building, lot or premise shall be financially responsible for all electric service delivered to such property, and the cost of all unpaid bills for service shall constitute a perpetual lien upon the property, which lien may be enforced by an assessment upon the property so served, all as provided by the Code of the City.

8.8.2. Any information relating to the amounts due from the customer on account of utility service provided by the Utilities shall be made available upon request to the owner of the real property to which the service is being provided or to his or her agent.

8.8.3. The property owner shall be responsible for notifying the Utilities' Customer Service Office if notification is desired whenever there is a delinquency for the electric service at his/her property. The property owner will further notify the Utilities if he/she desires to become the customer of record whenever a termination request for the service at his/her property is received.

8.9. Gratuities

Inspectors, agents and employees of the Utilities or the City are forbidden from accepting any personal compensation or gratuities from customers.

8.10. Miscellaneous Fees and Charges

In the event a service is requested from the Utilities that is not otherwise provided for in the City Code or these Electric Service Rules and Regulations, the party requesting that service shall pay the cost of that service based on the actual or estimated direct cost of labor, equipment and materials, plus fifteen percent (15%) for indirect costs.

9. The Utilities' Facilities

9.1. Continuity of Service Not Guaranteed

The Utilities shall use reasonable diligence at all times to provide continuous service at the agreed nominal voltage, but shall not be liable to the customer for complete or partial failure (including loss-of phase) or interruption of service, or for fluctuations in voltage, resulting from causes beyond its control or through the ordinary negligence of its employees, servants or agents. The customer shall be responsible for taking whatever precautions the customer deems appropriate to protect against interruptions of service or fluctuations of voltage.

9.2. Voltage Regulation

The Utilities shall be diligent in providing electric service with reasonable voltage variations. The customer shall be responsible and liable for voltage or quality variations caused by the customer's appliances and equipment, such as may be produced by starting motors, x-rays, welders, pumps, etc.

9.3. Ownership of Transformers

9.3.1. Generally, the Utilities shall install, own and maintain all transformers required to deliver service at the Utilities' standard secondary voltages.

9.3.2. Where secondary service is metered on the primary side of the Utilities' distribution transformers, or if the customer owns the transformers and substation converting to the secondary voltage, credits shall be applied as provided in the applicable rate schedules.

9.3.3. When service is delivered at primary voltage, the customer shall generally own, install and maintain all transformers. Under schedules of rates for primary service and where secondary service is delivered or metered at secondary voltage, correction factors shall be applied as provided under applicable rates.

9.4. Overhead Service Loops

9.4.1. Consistent with current construction practices, service loops shall generally be installed underground. Overhead service loops shall be installed only at the Utilities' discretion.

9.4.2. Only one service loop shall be connected to a single premise or property, except in unusual cases and as approved by the Utilities.

9.4.3. If more than one service loop is installed, it shall be connected to the same general delivery point to facilitate disconnection of the property in the event of fire or other emergency.

9.4.4. Where practicable, all service loops shall be installed from the Utilities' secondary distribution at the lot line. If the property of the customer does not abut on the right-of-way of the Utilities' distribution system, it shall be the customer's responsibility to provide adequate easements or bring wiring to a point designated by the Utilities.

9.5. Contractor Access to Energized Transformer Compartments

9.5.1. The Utilities will provide access to energized transformer compartments at the request of a licensed electrical contractor or electrician. No such access will be allowed until the Utilities and contractor/electrician have executed an agreement specifying the responsibilities of each party.

9.5.2. The contractor/electrician must take every reasonable measure to ensure that public health, safety and welfare is protected while access to the transformer has been granted.

9.6. Attachment to Poles

9.6.1. Attachments to the Utilities' poles or lighting standards shall not be permitted except upon specific written authority of the Utilities.

9.6.2. The attachment of radio or TV antennae or other objects is specifically prohibited.

9.6.3. Attachment of communications circuits such as telephone, community antennae systems or other communication media may be made, provided that a joint use contract has been entered into between the Utilities and those desiring to make such attachments. Said attachments shall conform to the requirements of the latest edition of the National Electric Safety Code and additional requirements, if any, by the Utilities.

9.7. Locating Policy

9.7.1. To prevent service interruptions, personal injury and property destruction resulting from damage to underground facilities during excavation, Colorado state law requires notification of utilities at least two business days prior to any excavation. Notification will be made through the Utilities' notification agent.

9.7.2. Upon receiving such notice, the Utilities shall advise the excavator of the location and size of underground facilities in the proposed excavation area.

9.7.3. The Utilities shall designate the location of the facilities with clearly identifiable markings within eighteen (18) inches, laterally, from the exterior sides of the facilities, including the depth, if known, and shall be made pursuant to the uniform color code as approved by the Utility Location and Coordinating Council of the American Public Works Association.

9.7.4. The excavator shall undertake the excavation within 30 days of receiving the facility location. (If the markings are no longer clearly visible within that 30 days, another locate must be requested.) If an excavator discovers that the Utilities has incorrectly marked the location of the underground facilities, the excavator shall immediately inform Utilities and discontinue any excavation. Utilities' personnel will repair any damage and correct the faulty markings.

9.7.5. The Utilities shall have no responsibility or liability for the accuracy of the locations if the excavator fails to undertake excavation within 30 days. Within that 30 days, the Utilities shall have no responsibility or liability for the accuracy of the locations if the markings are no longer clearly visible.

9.7.6. In the event of actual or potential damage to an underground utility facility, the excavator shall stop excavation and immediately notify the Utilities of the location and extent of such damage. The excavator shall be responsible for the cost of repairing facilities, including the cost of mobilization of Utilities crews, in the event of:

- a) Damage to correctly located underground facilities,
- b) Damage to facilities in areas where locations were not requested,
- c) Damage to facilities that were located in excess of 30 days prior to excavation,
- d) Damage to facilities where the location markings were no longer visible,

9.7.7. The excavator shall be liable for any additional or continuing damage to the Utilities' system resulting after the first exposure of incorrectly located facilities.

9.8. Excavation. All excavation shall be in conformance with applicable local, state and federal laws and as described above.

9.9. Tree Trimming

9.9.1. The customer shall permit the Utilities to trim the limbs and branches of trees, bushes and shrubs to the extent that such trimming shall be reasonably necessary to avoid interference with Utilities' lines or to allow access to the Utilities' meter or other equipment on the customer's property.

9.9.2. The customer shall be responsible for such trimming of trees as may be necessary to avoid interference with the Utilities' meter and service wires running from the Utilities' distribution poles to the point of delivery on the customer's premises.

9.10. Shortage of Electricity

9.10.1. The Utilities will make reasonable efforts to furnish a continuous supply of electricity to meet demands. However, should shortages occur by reason of acts of God or causes beyond the immediate control of the Utilities, the Utilities will have the right to grant preference to those present and future services that in its opinion are the most essential to the public welfare, based on information then available to the Utilities.

9.10.2. The Utilities shall not be held liable for damages, including monetary loss or loss of business from shortages in supply of electric energy.

9.10.3. The customer shall be responsible for taking whatever precautions the customer shall deem appropriate to protect against shortages in the supply of electricity.

9.11. Liability

9.11.1. All installations of wire, meters, transformers or other materials or equipment made by the Utilities shall remain the property of the Utilities and shall not be tampered or interfered with directly or indirectly by the customer or any other unauthorized persons.

9.11.2. The customer shall be liable for any damage or loss to the property of the Utilities or other persons and injury to the Utilities employees or other persons through such unauthorized tampering or interference.

9.12. Underground Services from Overhead Distribution

9.12.1. Upon the request of the customer, the Utilities shall install or cause to be installed an underground service from an existing overhead distribution system, provided that the customer pays to the Utilities an amount equal to the estimated cost of the underground service. Such payment shall not be subject to refund and shall not be applied to payment of bills for electric service.

9.12.2. Such underground services shall remain the property of the Utilities and shall be operated and maintained by the Utilities, provided, however, that if damages to such services are caused by the customer, the customer shall pay the full cost of restoring the service to its original condition.

9.12.3. If an existing underground service previously installed as provided above requires relocation or replacement because of new construction or changes on the customer's premises or because of increased loads, the cost of such modification shall be borne by the customer.

9.13. Line Extension Policy

9.13.1. Where the Utilities is requested to extend, augment or alter its facilities, or if the Utilities is requested to provide new or additional capacity that may be needed, the Utilities shall provide such extension, augmentation or alteration in accordance with the requirements of these rules and regulations and "The Electric Service Standards."

9.13.2. All existing overhead electric utility facilities on or adjacent to the affected service location shall be converted to underground facilities in conjunction with the augmentation, extension or alteration of any part of such utility service facilities, except where the Utilities determines that underground construction is not practical or feasible.

9.13.3. Utility line extensions shall be installed underground in accordance with these rules and regulations, "The Electric Service Standards," and the requirements of the Code of the City.

9.13.4. The customer, owner or developer shall pay the full estimated cost of such conversion, extension, alteration or augmentation of facilities and a proportionate share of the cost of associated underground distribution system facilities necessary to provide the additional service capacity, all as determined by the Utilities. In addition, capacity costs attributed to the customer shall be paid by the customer. Such payment shall be made as a non-refundable contribution in aid to construction.

9.14. Line Extension Policy-Street Lighting Service

9.14.1. Extension of the street light system of the City shall be made in accordance with the Code of the City.

9.14.2. The full estimated cost of street lighting service shall be paid for by the customer, owner or developer.

10. Customers Use and Facilities

10.1. Customer's Installation

10.1.1. Before acquiring motors or other electric energy-consuming devices or providing for the installation and electric wiring for same, the user or prospective user of electric service shall notify the Utilities in ample time of its intent to determine if such motors or devices may be connected to the Utilities' system under the Utilities' rules and regulations governing electrical installations. The Utilities shall then determine if it has electrical service of the desired phase and voltage available therefor or whether extensions and improvements of the Utilities' system shall be required. The Utilities shall also establish points of delivery for service and meter locations.

10.1.2. Electric service shall be delivered to the customer at one point of delivery for each premise, such point of delivery to be designated by the Utilities as defined by "The Electric Service Standards." Only authorized employees of the Utilities shall be permitted to make and energize the connection between the Utilities' service wire and the customer's service entrance conductors.

10.1.3. The costs incurred by the Utilities through any changes in point of delivery and/or in the location of the Utilities' meters necessitated by changes on the customer's premises shall be subject to reimbursement to the Utilities by the customer.

10.1.4. All energy-consuming equipment of the user and all wiring therefore on the user's side of the point of delivery shall be furnished, installed, owned and maintained at all times by the user in conformity with applicable electric codes and in conformity with the City's rules and regulations pertaining to electrical installations, and the rules and regulations of the building official.

10.1.5. Where service is supplied at primary voltages, the customer shall provide, own, operate and maintain all facilities beyond the point of delivery at the end of the primary service unless specific arrangements are made to the contrary.

10.1.6. If the customer desires electric service at voltages, either primary or secondary, other than those available from the Utilities' distribution system, the customer shall furnish, own and maintain all special transformers and special control equipment necessary to supply such voltage or service. If special metering shall be required in such cases, the costs thereof shall be paid by the customer. Such metering equipment, however, shall be and remain the property of the Utilities and shall be tested and maintained by the Utilities.

10.1.7. If the customer has connected equipment, the operation of which is detrimental to service to other utility users (i.e. causes excessive voltage drop, flickering lights, excessive harmonics, etc.), and if the customer desires to continue the operation of such equipment, the Utilities may require the customer to install motor generators, line filters, reactors, isolation transformers, or transformer and/or line capacity beyond that normally required, in order to eliminate the detrimental effect upon other customers.

10.1.8. If such remedial measures involve expense on the part of the Utilities, all such costs shall be reimbursed by the user. If the customer's demands are measured in such cases, the Utilities may determine the billing demands on shorter intervals than fifteen minutes regardless of regular provisions in individual rates pertaining to the determination of billing demands.

10.1.9. The customer shall furnish and maintain required indoor, outdoor or underground space and facilities for the installation of the Utilities' transformers and other equipment necessary to properly render electric service to the customer.

10.1.10. The customer shall be responsible for providing protection to 3-phase motors against damage from over voltage, undervoltage, single and reversed phasing conditions.

10.2. Bypass of the Utilities' Distribution System -- Investment Recovery for Stranded Facilities

The owner of any real property within the City's jurisdictional limits who desires to utilize delivery facilities that strand existing or future Utilities' facilities to the detriment of other rate payers, may do so only upon receipt of written permission from the General Manager and will be required to pay an investment recovery fee. The investment recovery fee is based upon Utilities' development charges and the Utilities pro-forma estimate of lost distribution service revenue (including future energy growth and in-lieu of tax payment) multiplied by 10.38 (present worth @ 5%, 15 years). The fee may include a monthly charge for distribution facilities and system availability costs.

10.3. Easements

10.3.1. By making application for electric service, the customer agrees to grant or arrange for an easement on the customer's property for the installation,

operation and maintenance of electric lines, wires and other equipment of the Utilities necessary to render service to the customer.

10.3.2. When requested by the Utilities, the customer shall without expense to the Utilities make or procure a conveyance to the Utilities of satisfactory easements across the property owned or controlled by the customer for the Utilities' lines or extensions thereof necessary or incidental to the furnishing of service to the customer.

10.3.3. If such installation must be made on or over the property of a third party, it shall be the responsibility of the customer to obtain an easement for the Utilities from the third party before the installation can be made and service rendered.

10.3.4. If, after service is originally rendered, the customer's property is divided in such a manner that part of the property no longer has access to the right-of-way of the Utilities' distribution system, the customer shall reserve an easement for the benefit of the Utilities so that the Utilities may render electric service to such isolated parcel.

10.3.5. In the case where an easement has been granted and electric distribution facilities have been installed, the parties seeking to have such easement changed shall pay the Utilities the actual cost for relocation of the electric distribution facilities and shall provide the necessary alternative rights-of-way.

10.4. Access

10.4.1. Authorized employees of the Utilities shall have the right of safe access to the customer's premises at all reasonable times for any purpose incidental to the supplying of electric service or to otherwise carry out actions pursuant to these regulations or other applicable requirements or law.

10.4.2. Access to the electrical meters and utility service equipment located on the customer's premises must be provided for proper billing. This includes non-intrusive, automatic drop out access to the customer's telephone service for remote meter reading of meters by the Utilities when such service is available. If any meter cannot be read or access to utility service equipment is not provided for three consecutive months, the customer shall be notified by first-class mail that this condition must be corrected or the Utilities shall discontinue service until access to such equipment by the Utilities' personnel is accomplished.

10.5. Public Rights of Way

The Utilities has the right to install and maintain wires and facilities in, on, under or over any street, alley, sidewalk or other public place.

10.6. Foreign Power

10.6.1. Unless specific arrangements are made as provided under the Parallel Generation section of these rules and regulations, the customer shall make exclusive use of electric energy provided by the Utilities and no other source of electric energy shall be utilized within the jurisdictional limit of the City of Fort Collins.

10.6.2. This provision does not preclude the use of emergency generating systems owned by the customer, provided that switching arrangements are

installed to prevent the possibility of the emergency generator and the Utilities' service being connected to the load simultaneously. The manner of connection of any emergency generating system must be approved by the Utilities prior to use.

10.6.3. This provision does not preclude on-site generation if it is not in any way connected to the Utilities' distribution system.

10.7. Resale of Electricity

10.7.1. Electric service shall be furnished for the sole use of the customer at the premises designated in the service application and contract, and the customer shall not directly or indirectly sell or otherwise dispose of such service to any other person or persons, provided, however, that electrical service may be provided to a tenant by the owner as part of a lease-rental agreement.

10.7.2. The Utilities reserves the right to refuse to furnish electric service to any customer where such service is to be resold to others.

10.7.3. In the event that such resale comes to the attention of the Utilities, the Utilities shall have the right, without prior notice, to either discontinue service to the customer or to furnish service directly to the subconsumer.

10.8. Load Balance

Where secondary electric service is used, the customer's equipment shall be connected to balance the customer's electric loads as follows:

10.8.1. With single-phase 3-wire, the current carried by the neutral shall be not more than 15% of the current in either of the other wires.

10.8.2. With three-phase systems, the customer's load in any phase shall be not greater than 15% more than the load in either of the other two phases.

10.9. Power Factor

10.9.1. The customer shall at all times maintain a power factor as near unity as practicable and never lower than 90% lagging.

10.9.2. Luminous electric discharge tubes or other loads having inherent low power factor shall at all times be provided by the customer with effective power factor correction equipment such that the power factor resultant from such energy use shall not be less than 90%.

10.9.3. Where such power factor correction equipment is used, the customer shall provide appropriately sized and rated disconnecting or controlling equipment as needed to prevent excessive voltage variations on the Utilities' system and to provide safe isolation of correction equipment as required for Utilities maintenance operations. See the applicable rate schedule for regulations specific to each rate class.

10.10. Demand - Motor Limits

10.10.1. Single-Phase Motors

Single-phase motors operated at 120 volts shall be limited to less than 1 horsepower (hp) in size. Single-phase motors 1 hp or greater shall be operated at 240 volts and shall have a maximum locked rotor current limit of 75 amps. The Utilities' approval must be obtained prior to installing any single-phase motor

with locked rotor current in excess of this limit. The following information shall be provided to the Utilities when seeking approval:

- Horsepower rating
- Nameplate full-load amps
- Nameplate locked rotor amps
- Frequency of starts per time unit
- NEMA code letter
- Nameplate voltage

(Cautionary Note: Central air conditioning units rated 2.5 tons cooling capacity or greater typically have compressor motor locked rotor currents in excess of the 75-amp limit. Please consult the Utilities prior to installation for approval of units that exceed this limit.)

10.10.2. Three-Phase Motors

Three-phase motors up to 200 horsepower may be supplied under applicable rate schedules, provided that such motors have been manufactured in accordance with National Electrical Manufacturers Association (NEMA) standards, and further provided that suitable protection equipment and devices have been installed. Under some conditions, Utilities may require the installation of reduced voltage or other types of starting equipment. Such equipment may be required where, in the opinion of the Utilities, the starting frequency adversely affects service being rendered to other customers. Consult the Utilities prior to acquiring motors.

10.11. Intermittent Loads and Stand-By Service

10.11.1. Subject to the approval of the Utilities, use of x-ray machines, induction-type welders or equipment with similar operating characteristics shall be permitted under applicable rate schedules on secondary service, provided that adequate transformer and distribution capacity is available.

10.11.2. An incremental demand charge may be added if the customer's load is of an intermittent or fluctuating character or reflects frequent starting with high current inrush, or if standby service is provided for any reason. In these cases, the Utilities may consider the billing demand as the maximum amount of power used at any time, may add to the measured demand of the steady load up to 50% of the maximum fluctuating load, or may add to the measured demand an incremental demand charge determined from either the nameplate data of the equipment or by the kVa of extra transformer capacity necessary to serve such loads.

10.11.3. The customer also may be required to pay a one-time charge equal to the investment in special facilities necessary to serve such fluctuating load or to provide such standby service. Previous demand charge payments may not be applied as payment toward such investment.

10.11.4. Standby service may be utilized for back-up power, supplementary power or maintenance power to Qualifying Facilities operated in parallel with the Utilities as provided herein.

10.12. Indemnity to City and the Utilities

10.12.1. The City or the Utilities shall not be held responsible for any injury to persons or damage to property occasioned or caused by the acts, omissions or negligence of the customer or of any of the customer's agents, employees or licensees in installing, maintaining, operating or using any of the consumer's lines,

wire, equipment, machinery or apparatus, and for injury and damage caused by defects in the same.

10.12.2. The consumer shall hold the City and the Utilities harmless and indemnify it against any and all claims and liability for injury to persons or damage to property when such injury or damage results from or is occasioned by the facilities located on the customer's side of the point of delivery unless caused by the gross negligence or wrongful acts of the City's and the Utilities' agents or employees.

10.12.3. The consumer shall pay all costs that may be incurred by the City in enforcing this indemnity.

10.13. Working Adjacent to or in the Vicinity of Overhead Electric Lines

10.13.1. Any person, customer, business or other party working within ten feet of overhead power lines energized at more than 600 volts shall provide seventy-two hours notice to the Utilities of such work.

10.13.2. The Utilities shall coordinate the efforts to cover or in some manner to make such lines safe for the work or activity. The customer, person, business or party shall pay all costs associated with making such lines safe.

10.13.3. Failure to notify the Utilities seventy-two hours in advance of any activity within ten feet of overhead lines shall relieve the Utilities of all responsibility or liability for accidents, injuries or damages arising through or from such activities.

10.14. Locate Policy

10.14.1. To prevent service interruption, personal injury or property destruction resulting from damage to underground facilities during excavation, state law requires the notification of utilities at least two business days prior to any excavation. Notification is to be made through the Utilities notification service.

10.14.2. Upon receiving such notice, the Utilities shall advise the excavator of the approximate location and size of the underground facilities in the proposed excavation area. (See Section 9 of these Electric Service Rules and Regulations.)

11. Parallel Generation, Interconnection and Transmission

11.1. Application

Any Qualifying Facility (see definitions) may interconnect with, operate in parallel with, or transmit over the Utilities' facilities as provided herein.

11.1.1. Each Qualifying Facility shall make application to the Utilities and obtain written approval of entrance location, number of phases, voltage number and types of meters, and underground or overhead connection before making commitments to equipment purchases and before the start of construction.

11.1.2. For applications for other than routine parallel systems and connections, a service charge shall apply to offset the cost of processing an application/request for parallel operation, including but not limited to the cost of engineering and technical review and support.

11.1.3. The Operator of each Qualifying Facility shall obtain a Permit-to-Operate from Utilities prior to final parallel connection and operation with the Utilities' electric distribution system.

11.2. Parallel Generation for Customer's Use

11.2.1. A customer receiving electric service from the Utilities may generate all or part of such customer's instantaneous energy or capacity needs by operation of a Qualifying Facility in parallel with the Utilities' system, provided that electric service is being rendered under the standby provisions of a demand-metered rate schedule other applicable rate, or alternate agreement as negotiated between the Operator and Utilities. All such facilities shall be constructed, operated and maintained in accordance with these rules and regulations.

11.2.2. Under the above described conditions, net excess generation above the customer's instantaneous needs shall not be purchased by the Utilities and shall not be generated or transmitted into the Utilities' system through the customer's electric service connection.

11.2.3. If the Operator requires interruptible or standby services from the Utilities, the Operator shall enter into a separate electric service contract arrangement with the Utilities and/or PRPA if applicable, in accordance with the Utilities electric service schedules. If the Operator receives interruptible or standby service and the Operator intends to sell to a purchasing utility, there shall be no interconnection between the load served by the Utilities and the Operator's facility beyond the Utilities' point of delivery.

11.3. Delivery to a Purchasing Utility

11.3.1. The Operator may designate a purchasing third-party utility to which net excess generation (NEG) is to be delivered. Such delivery may be made to any interconnected utility with which the Operator has appropriate transmission or sale/purchase agreements in accordance with the provisions of these rules and regulations. In such event, the Utilities may assess wheeling charges for use of the distribution system as well as charges for losses and other costs incurred as a result of such delivery.

11.3.2. The Utilities may require a special contract with the Operator and other interested parties to such delivery.

11.3.3. Satisfactory evidence of a sale/purchase agreement and all necessary interconnection and transmission agreements with interested parties must be presented to the Utilities at least thirty days before generation of energy and capacity for such sale is commenced.

11.3.4. Per supply contract requirements with PRPA, the Utilities do not purchase energy or capacity from any source other than PRPA. The only exceptions are those systems of such a small size that they are deemed de minimis by PRPA and systems that are expressly approved and authorized by PRPA. For de minimis units, the Utilities may purchase NEG at the avoided cost of purchased power while still recovering infrastructure and operational costs.

11.3.5. For units too large to be considered de minimis, PRPA shall directly purchase or credit the Utilities for any NEG offered to the Utilities from a Qualifying Facility in accordance with the provisions of its tariffs.

11.3.6. Under no circumstances will the Utilities or PRPA purchase or credit NEG from a Qualified Facility without a valid Interconnection Agreement

between all parties. Obtaining electric service under a Utilities adopted parallel generation schedule shall qualify as an Interconnection Agreement.

11.3.7. If the Facility's NEG is for sale to a purchasing utility, the Operator shall deliver the NEG at the Utilities point of delivery or as otherwise designated by the Utilities.

11.4. Initial Start-Up

11.4.1. Each Qualifying Facility shall notify the Utilities of the initial energizing and start-up test of the Qualifying Facility's generating equipment. The Utilities shall have the right to be present at such test.

11.4.2. Notice of such initial energizing and start-up test shall be given by the Qualifying Facility to the Utilities at a reasonable time prior to such event.

11.4.3. No Qualifying Facility shall operate in parallel with the Utilities' system until all relays, controls and other devices, as required by the Utilities, have been installed and all safety standards and testing requirements have been met. Upon satisfactory inspection of interconnection facilities, final written approval to operate shall be provided by the Utilities in the form of a Permit-to-Operate.

11.5. Facility Design and Construction

11.5.1. The Operator shall design, construct, install, own, operate and maintain the Facility and all equipment needed to generate and deliver energy and capacity except for any special facilities constructed, installed and maintained by the Utilities.

11.5.2. The Operator shall construct, install, own and maintain interconnection facilities and system protection facilities as required for the Utilities to provide for system capacity, safety and operation.

11.5.3. The Facility shall meet all requirements of applicable codes and all standards of prudent electrical practice and the requirements of the Utilities. Such requirements may include locks, seals, breakers, protective relaying, automatic synchronometers and disconnecting devices.

11.5.4. The Qualifying Facility operator shall submit all of the Facility's specifications to the Utilities for review and approval prior to connecting the Facility to the Utilities system. The Utilities' review of the Operator's specifications shall not be construed as confirming nor endorsing the design, or as any warranty of safety, durability or reliability of the Facility.

11.5.5. The Operator agrees that, upon demand of the Utilities, the Operator shall change its Facility to comply with changing requirements of the Utilities' system.

11.5.6. In addition to any other applicable fees or charges, in the event it is necessary for the Utilities to install special facilities or to reinforce its system for purposes of receiving the Operator's energy or capacity, the Operator shall pay to the Utilities the estimated cost of such special facilities as a non-refundable contribution-in-aid-of construction prior to the start of construction.

11.6. Metering

11.6.1. If satisfactory metering is not otherwise provided, the Utilities may install and maintain meters at a mutually agreed upon location to measure the integrated demand and kilowatt-hours.

11.6.2. If the Operator sells to a purchasing utility, such metering shall be approved by the Utilities and PRPA, and shall record and indicate the integrated demand as determined by the Utilities and shall measure kilowatt-hours.

11.6.3. Meters for measure of reactive volt-ampere hours may be required by the Utilities if deemed appropriate.

11.6.4. All meter equipment, installation, ownership and administration costs thereof shall be borne by Operator, including costs incurred by the Utilities for inspecting and testing such equipment.

11.6.5. All billing meters used to determine the billing of sales to a purchasing utility shall be sealed. Seals shall only be broken by Utilities personnel for the purposes of meter testing, inspection, adjustment, or other maintenance.

11.6.6. The Utilities shall, at the Operator's expense, inspect and test all meters upon their installation and thereafter as determined necessary by Utilities.

11.6.7. If requested to do so by the Operator or the purchasing utility, the Utilities shall inspect or test a meter more frequently than the standard Utilities practice, but the expense of such inspection or test shall be borne by the Operator.

11.6.8. All billing meters shall be installed and operated in accordance with the terms and conditions of PRPA and the purchasing utility.

11.7. Facility Operation and Maintenance

11.7.1. The Operator shall operate and maintain its Facility according to prudent electrical practices and shall generate or otherwise supply such reactive power necessary to maintain a 95% power factor to maintain voltage levels and reactive support to the system.

11.7.2. If the Operator is unable or unwilling to provide such reactive power, the Utilities may do so at the Operator's expense or may disconnect the Facility without notice.

11.7.3. Facility operation shall be such that its electrical operation parameters are within the Utilities' system operating parameters at the point of Facility interconnection with the Utilities.

11.8. Discontinuity of Deliveries

The Utilities shall not be obligated to accept, and the Utilities may require the Operator to curtail, interrupt or reduce, deliveries of NEG under any of the following circumstances:

- a) in order to construct, install, maintain, repair, replace, remove, investigate or inspect any of the Utilities' equipment or any part of the Utilities' system;
- b) if the Utilities determines that curtailment, interruption or reduction is necessary because of emergencies, forced outages, operating conditions on its system or adverse affects upon electric service to other customers of the Utilities;
- c) as required by prudent electrical practices;
- d) expiration or termination of the sale/purchase agreement between the Operator and the purchasing utility or upon suspension of purchases by the purchasing utility for any reason;
- e) expiration or termination of the *Interconnection Agreement* between the Operator and the Utilities or

f) as otherwise provided in these rules and regulations and any special contract provisions.

11.9. Changes in Facility or Capacity Rating

11.9.1. The Operator shall advise the Utilities and PRPA of any proposed changes in its Facility or its capacity rating prior to making such changes.

11.9.2. Such changes shall be made in accordance with the City Code and these rules and regulations as if the changes were a new Facility.

11.10. Billing

11.10.1. Where the Operator has made arrangements to sell NEG to a purchasing utility, the billing meters shall be read by both the Utilities and PRPA.

11.10.2. Interested parties may be present or otherwise receive meter reading information in accordance with agreements between the parties and PRPA.

11.11. Payment

Payment for Net Excess Generation (NEG) sold to a purchasing utility shall be made by the purchasing utility in accordance with the terms and conditions of the sale/purchase agreement between the parties.

11.12. Easement Acquisition

By making application to interconnect with the Utilities, the Operator agrees to grant to the Utilities all necessary rights-of-way and easements to install, operate, maintain, replace and remove the Utilities' metering and other special facilities, and agrees to execute such other grants, deeds or documents as the Utilities may require to enable it to record such rights-of-way and easements. If any part of the Utilities' facilities are to be installed on property owned by a party other than the Operator, the Operator shall, without cost to the Utilities, procure from the owners thereof all necessary permanent rights-of-way and easements for the construction, operation, maintenance and replacement of the Utilities' facilities upon such property in a form satisfactory to the Utilities.

11.13. Indemnity

11.13.1. The Operator shall indemnify the Utilities, its officers, agents and employees against all loss, damage, expense and liability to third persons for injury to or death of persons or damage to property, proximately caused by the Operator's construction, ownership, operation or maintenance of, or by failure of any of the Operator's works or facilities used in connection with applicable contracts and these rules and regulations.

11.13.2. The Operator shall pay all costs that may be incurred by the Utilities in enforcing this indemnity.

11.13.3. The Utilities may require proof of the Operator's ability to provide adequate indemnity protection, as determined by the Utilities, at any time. Failure to provide proof of such indemnity shall be cause for discontinuance of service or interconnection.

11.14. Liability

11.14.1. Nothing herein shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a party to arrangements and contracts pursuant to these rules and regulations.

11.14.2. The Utilities shall not be liable for damages caused to the facilities of the Operator by reason of the operation, faulty operation or non-operation of the Utilities' facilities.

11.15. Rules and Regulations

The Operator must comply with all provisions of these rules and regulations and references thereto deemed applicable by the Utilities. Reference to the "customer" or "user" shall be interpreted as being interchangeable with "Qualifying Facility" and "Operator."

11.16. Definitions

For the purposes of this Section 11. Parallel Generation, Interconnection and Transmission, the following terms shall have the meaning indicated:

Back-Up Power - Electric energy or capacity supplied under the standby service provision of the applicable rate schedule by the Utilities to replace energy ordinarily generated by a Facility's own generation equipment during an unscheduled outage of the Facility.

Capacity Rating - The generator nameplate rating of the Qualifying Facility's equipment diminished by any anticipated losses between such equipment and the delivery point.

City - City of Fort Collins, Colorado, a municipal corporation.

Cogeneration - Facilities which simultaneously produce two forms of useful energy, such as power and steam, through the sequential use of energy. Such facilities must be owned by a party not primarily engaged in the generation or sale of electric energy.

Distributed Generation - A small-scale power-generation technology that provides electric power at a site closer to customers than central station generation. The term is commonly used to indicate non-utility sources of electricity, including facilities for self-generation.

Facility - The generator and associated equipment owned by a party other than the Utilities, used to generate or deliver electric power.

Interconnection Facilities - All facilities required to be installed solely to interconnect and deliver power from the Operator's generation to Utilities' system, including but not limited to connection, transformation, switching, indicating meters, safety equipment and system protection facilities.

Interconnection Agreement - an agreement between the Operator of a Qualifying Facility and the Utility that documents the specific details and pricing for any Net Excess Generation transactions.

Intermittent Loads - An electrical demand of an intermittent or fluctuating character or which reflects frequent starting with highcurrent in-rush.

Interruptible - Power made available under agreements which permit curtailment or cessation of delivery of electricity by the Utilities.

Maintenance Power - Electric energy or capacity supplied by the Utilities during scheduled outages of the Qualifying Facility.

Net Excess Generation (NEG) - delivery of electrical power *from* a customer facility *to* the electric system at any point in time.

Operator - One responsible for the construction, operation and maintenance of a Qualifying Facility.

Parallel Generation - The operation of Qualifying Facilities when interconnected with the Utilities system in accordance with the provisions of these rules and regulations.

Permit-to-Operate (PTO) - a non-transferable certificate issued by the Utility approving parallel operation of a Qualified Facility. The PTO applies only to the generation source for which it is issued, and shall be voided in the event of non-maintenance related modifications to interconnection protective devices or any other changes that otherwise compromise the protection scheme in place at the time original issue.

Prudent Electrical Practices - Those practices, methods and equipment, as changed from time to time, that are commonly used in prudent electrical engineering and operations to operate electric equipment lawfully and with safety, dependability, efficiency and economy.

Purchasing Utility - Any utility other than Fort Collins Utilities which purchases energy or capacity from a Qualifying Facility.

Qualifying Facility - A cogeneration or small power production facility which meets the technical requirements of the *Fort Collins Utilities Interconnection Standards For Generating Facilities* and has been issued a "Permit-to-Operate" by the Utility.

Small Power Production - Facilities which derive more than 75% of total energy input from biomass, waste or renewable resources, including wind, solar and water, to produce electric power. Such facilities must be of less than 80 megawatts capacity and must be owned by a party not primarily engaged in the generation or sale of electric energy.

Special Facilities - Interconnection facilities furnished by the Utilities at the Operator's request or because such facilities are necessary additions and/or reinforcements to the Utilities' system for the purpose of receiving, metering or transmitting energy or capacity from a Qualifying Facility.

Supplementary Power - Electric energy or capacity, supplied by the Utilities, regularly used by a Qualifying Facility in addition to that which the Facility generates itself.

System Protection Facilities - The equipment required to protect: (1) Utilities' system and its customers from faults occurring at the Facility; and (2) the Facility from faults occurring on the Utilities' system or on the systems of others to which it is directly or indirectly connected.