

**Rule 7**  
**GENERAL RULES AND REGULATIONS – BASIS OF RATES**

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Unless otherwise specifically provided in the rate schedule or contract, Company's rates are based upon the furnishing of electric service to the customer's premises at a single point of delivery and at a single voltage and phase classification. When optional rate schedules are available, the customer may not change from one rate schedule to another more frequently than once in any twelve-month period.

A. INDIVIDUAL CUSTOMER:

Each separately operated business activity and each separate building will be considered an individual customer for billing purposes, except that if several buildings are occupied and used by one residential customer or by one general service customer in the operation of a single and integrated business enterprise, Company will furnish electric service for the entire group of buildings through one service connection at one point of delivery, provided all such buildings are on the same premises.

B. REACTIVE POWER:

All rate schedules in this tariff are based upon the minimizing by the customer of the taking of reactive power.

1. The reactive kilovolt-ampere demands may be determined either by permanently installed instruments or by test and, when determined by test, the resulting reactive demand will remain in effect until a new determination is made.
2. If the customer installs and owns facilities needed to supply the required reactive power, suitable disconnecting switches shall be installed to automatically disconnect such facilities from Company's lines whenever the customer's load is disconnected there from. When reactive power correction equipment is installed by the customer, such equipment must be connected and switched in a manner acceptable to Company.

C. UNMETERED SERVICE:

Service to fixed loads, with fixed periods of operation, such as street lights, traffic lights, television amplifiers and other similar installations may, for the convenience and mutual benefit of the Customer and Company, be unmetered. The average monthly use (one-twelfth of the annual use determined by test or estimated from equipment ratings) shall be billed monthly in accordance with the applicable schedule.

D. CONTINUING SERVICE:

Except as specifically provided otherwise, the rates of this tariff are based on continuing service at each service location. Disconnect and reconnect transactions shall not operate to relieve a Customer from minimum monthly charges.

(continued)

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E. SPECIAL DEMAND:

All rate schedules of this tariff are based upon loads for which standard demand measurements adequately reflect the size of load imposed on Company's system. In the event of loads with large short-period fluctuations, Company reserves the right to employ special demand determinations.

F. PRIMARY METERING AND DELIVERY:

In those instances where the Customers are afforded service with metering or delivery at primary voltage on rate schedules not specifically providing for primary voltage, the Primary Voltage Metering and Delivery adjustment provisions of Schedule 36 will be applied to billing amounts of the applicable rate schedule.

G. AGRICULTURAL PUMPING SERVICE:

At the option of the Customer, Agricultural Pumping Service may be provided under the General Service Schedule provided, however, that seasonal disconnects shall not relieve such Customer from monthly billings for the General Service Schedule minimums.

H. INTEREST:

No interest will be paid or collected by the Company, unless specifically provided for in the Company's tariffs, except under Federal Law 97-177.

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