

ENTERGY MISSISSIPPI, INC.

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MISSISSIPPI PUBLIC SERVICE COMMISSION

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Service Policy consists of Eleven Pages

**SERVICE POLICY
APPLYING TO THE SUPPLYING AND TAKING OF ALL CLASSES OF ELECTRIC SERVICE**

GENERAL STATEMENT OF PURPOSE AND APPLICATION

This Service Policy is designed to govern the supplying and taking of electric service in such manner as will secure to each Customer the greatest practicable latitude in the enjoyment of his service consistent with good service to himself and other Customers, and with safety to Customers and Company. The supplying of service by Company and the taking of service by Customer shall in all respects be subject to the requirements of law and to the orders of Mississippi Public Service Commission.

This Service Policy and all Rate Schedules are on file with Mississippi Public Service Commission and at Company's various offices, and copies are obtainable by any Customer without charge upon request made in person, by telephone or by mail, at any office of the Company.

This Service Policy, subject to revision from time to time, supersedes and takes precedence over all regulations by whatever term designated which may heretofore have governed the supplying and taking of the Company's electric service, and is applicable to all service rendered or to be rendered by the Company.

SECTION I DEFINITIONS

The following expressions when used in the Service Policy, in Rate Schedules, and in Agreements For Service, shall, unless otherwise indicated, have the meanings given below:

1. **Customer.** Any individual, partnership, association, firm, public or private corporation or governmental agency, having Company's service at any specified location.
2. **Company.** Entergy Mississippi, Inc.
3. **Commission.** The Mississippi Public Service Commission.
4. **Electric Service.** The availability of electric power and energy, irrespective of whether any electric power and energy is actually used. Supplying of service by Company consists of the maintaining by it, at the point of delivery, of approximately the established voltage and frequency by means of facilities adequate for carrying Customer's proper load.
5. **Point of Delivery.** The Customer's service terminals or the point where Company's wires are joined to Customer's wires unless otherwise specified in Customer's Agreement for Service.
6. **Customer's Installation.** In general, all wiring, appliances, and apparatus of any kind or nature on Customer's side of the point of delivery (except Company's meter installation), useful in connection with Customer's ability to take and utilize electric service, unless otherwise specified in Customer's Agreement For Service, or other written contract with Customer.
7. **Service Lines.** The wires, owned by Company, connecting Company's distribution facilities to Customer's service terminals.
8. **Month.** An interval of approximately thirty days between successive meter reading dates, except when the calendar month is specified.
9. **Agreement For Service.** The agreement or contract between Company and Customer by which electric service is supplied and taken.

10. **Giving Notice.** Except as otherwise specified, when notice is required to be given to any party, it may be in writing and may be delivered personally or left with any adult member of the household willing to receive it, or sent by mail to such party's last known address or to the place electric service is made available to such party (the time of notice to be computed from the date of such delivery or mailing).
11. **Meter.** The meter or meters, together with auxiliary devices, if any, constituting the complete installation needed to measure the power and energy supplied to any individual Customer at a single point of delivery.
12. **Customer Extension.** Any branch from, or continuation of, an existing line to the point of delivery to Customer, including increases in capacity of any of Company's existing facilities, or the changing of any line to meet the Customer's requirements and including all transformers, service lines, and meters.
13. **Holidays.** New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

SECTION II AGREEMENTS FOR SERVICE

14. **Form and Execution of Agreement For Service.** Service rendered by Company shall be subject to the provisions of Company's Service Policy and the lawfully applicable rate schedule on file with the Mississippi Public Service Commission, and the supplying and taking of such service shall, for the purpose of this Service Policy, constitute an Agreement For Service if no written agreement for service or application for service has been executed.

Company may require an application for service to be made on its standard form of application for service or that other appropriate Agreement For Service be entered into for the service desired; and when such form is signed by Customer and accepted in writing by Company, it becomes binding and is termed an agreement for service. Should such agreement be lost or destroyed, the form shall be presumed conclusively to be standard.

If an application for service is not signed by Customer, the rendering of service by Company and the accepting of such service by Customer shall impose the same obligation on each as if it had been executed.

15. **Term of Agreements For Service.** Unless otherwise provided, Agreements For Service are to continue in effect for an initial period of five consecutive years.
16. **Expiration or Renewal of Agreements For Service.** Unless otherwise provided, each Agreement For Service will automatically extend from its expiration date for additional successive periods of five consecutive years each, unless and until either party notifies the other in writing not more than thirty days nor less than ten days prior to the end of any such period of its desire to terminate such Agreement.
17. **Customer's Right to Suspend or Cancel Agreement For Service.** A Customer using residential electric service for whom the Company has made no unusual investment to serve may give the Company 48 hours notice of intention to cancel his Agreement For Service; and Company will accept such notice as cancellation, unless otherwise provided in the Agreement For Service, Rate Schedule, or elsewhere in this Service Policy, if satisfied that Customer no longer requires electric service at that particular location.

A Customer using commercial or industrial service for whom Company has made no unusual investment to provide service under the Agreement For Service, may, after giving 10 days written notice and receiving Company's written approval, suspend operation, provided no electric power or energy is required during the period of suspension. In the event of such suspension of operation, the expiration date of the Agreement For Service shall be extended for a period of time equal to the period of suspension. Under like circumstances, Customer may give Company 30 days written notice of desire to cancel the Agreement if, due to permanent and total abandonment of operation, electric service is no longer required on the premises. If Company is satisfied that Customer no longer requires any electric service the Agreement will be cancelled by Company giving Customer written acceptance of such notice of permanent and total abandonment.

18. **Company's Right to Suspend Service or Cancel Agreement For Service.** For any default or breach of Agreement For Service by Customer, including the Payment of bills within the specified period, Company may suspend service or terminate the Agreement For Service. No notice of suspension or termination need be given in cases of unauthorized use or disposition of service by Customer, or in case of short circuit or other dangerous condition on Customer's side of the point of delivery or in case of utilization by Customer of service in such a manner as to cause danger to persons or property or to jeopardize service to Customer or others. For any other default or breach of Agreement For Service by Customer no suspension or termination will be made by Company without giving at least five (5) days written notice to Customer, stating in what particular the Agreement For Service has been violated. Failure of Company to act at any time, after such default or breach shall not affect any of Company's rights hereunder or constitute a waiver of any remedy or defense afforded by law. In the event Customer becomes bankrupt or insolvent, or makes an assignment for the benefit of creditors, or files a petition for an arrangement or for a wage earner's plan under the Bankruptcy Act, Company may cancel Customer's Agreement for Service and Company may disconnect said service and may require such arrangements as to responsibility for bills, deposits, etc. as it may deem appropriate for continued service.
19. **Change of Address of Customer.** When Customer changes his address, he shall give reasonable notice to Company prior to the date of change. Customer is responsible for all service supplied to the vacated premises until such notice has been received and Company has had a reasonable time, but not less than three days, to discontinue service.
20. **Successors and Assigns.** Agreements for Service shall inure to the benefit of and be binding upon the respective heirs, legal representatives, and successors and assigns by operation of law of the parties thereto but shall be voluntarily assignable by either party only with the written consent of the other except that Company may without Customer's consent assign any Agreement For Service to any person or corporation in any lawful way acquiring or operating all or any part of Company's property used in supplying service under such Agreement.

SECTION III SUPPLYING AND TAKING OF SERVICE

21. **Supplying of Service.** Company will supply electric service at points on existing facilities of adequate capacity and suitable voltage under Agreements For Service in accordance with this Service Policy, and applicable rate or rates as from time to time are lawfully fixed. Company will extend, enlarge or increase its facilities to the extent necessary to provide additional service to existing customers or service to new customers whenever the cost of such extension, enlargements, or increases is not unreasonably large in relation to prospective revenues for a period of time consistent with the life of such additional facilities.

Whenever, in Company's judgment, any guarantees, deposits, contributions toward the cost of such facilities, and/or advances toward the cost of such facilities are required to establish a reasonable relationship between facilities cost and reasonably expected revenues therefrom, Company may require such satisfactory guarantees, deposits, contributions, and/or advances as a condition precedent to the installing of such additional facilities and the supplying of service therefrom; provided, however, that temporary service shall be rendered to any installation where (A) the rendition of such service will not impair service to other customers of the Company and (B) the customers desiring such temporary service shall deposit in advance with the Company an amount adequate to secure (1) the payment of charges for service at the applicable rate schedule and (2) the cost of installing and removing (less salvage value) any temporary facilities required for such service.

22. **Continuity of Service.** Company shall supply Customer a steady and reliable supply of electric energy, but does not warrant or guarantee the service against irregularities or interruptions. Company shall not be liable to Customer, whether under contract or otherwise, for any damages or loss, direct or consequential, by reason of the failure of the Company to supply, or the Customer to receive, electric energy, or for any interruption, voltage reductions or abnormalities, reversal of the supply, or other irregularity, in the supply of electric service to Customer where such failure, interruption, reduction, abnormalities, reversal or other irregularity, directly or indirectly, (i) is by function of underfrequency relays or other automatic load shedding equipment to preserve the integrity of Company's system or interconnected systems; or (ii) is due to the negligence of Company, or its employees or contractors, and does not constitute gross negligence of or a willful default by Company; or (iii) is the result, in whole or in part, of injunction, fire, strike, lockouts and other industrial or labor disturbances, riot, explosion, storm, hurricane, wind, lightning, flood, accident, breakdown, material shortage, delay in delivery, fuel shortage, fuel rationing, or fuel curtailment, governmental or regulatory action or inaction (including but not limited to action sought or supported by Company), acts of God, acts of any public enemy, civil disturbance, sabotage, delay or failure of performance by a third party, war, national emergency, voluntary cooperation by the Company in any method of operation with, or in any program recommended or requested by civil or military authorities, or as a result of other acts or conditions, whether of the same or different type, which are beyond the reasonable control of Company. In connection with strikes, lockouts and other industrial disturbances, the settlement thereof shall be entirely within the discretion of the Company, and the Company shall not be required to make any settlement thereof by acceding to the demands of the opposing party or parties when such course is in the judgment of the Company unfavorable to the Company, and in connection with any disputes with governmental or regulatory authorities with respect to orders, conditions, restraints, regulations or other actions, the resolution thereof shall be entirely within the discretion of the Company, and the Company shall not be required to accede to any such actions when such course is in the judgment of the Company unfavorable to it.

If compliance with orders or formal requests of any governmental agency, curtailing or diverting Company's available electric power resources, makes it impossible for Company to supply the full electric power requirements of all its customers, Company shall not be liable for any injury or loss caused by the resultant curtailment, in whole or in part, of its supply to any Customer. If any such curtailment reduces the amount of power available to a customer below the minimum amount contracted for, such customer shall be relieved of the obligation to pay for more than the amount of power from time to time made available by Company.

Inability on the part of Company to meet its contractual obligations to any customer, when such inability is due to Company's compliance with an order or formal request of a governmental agency, shall not constitute default on the part of Company as to any contract or agreement, and any contract or agreement affected by such compliance shall remain in full force and effect except as necessarily modified during the effective period of such order or formal request.

Serious curtailment of fuel and/or the loss of generation or transmission facilities could conceivably require a reduction in the load on Company's system. In most cases the exact

nature and magnitude of the contingency will be unknown prior to its occurrence. To assure timely implementation and to provide a logical sequence of steps for load curtailment to protect the integrity of power supply with minimum impact on the health, safety, and well-being of the general public, such steps are outlined below. However, the severity and nature of such contingency may require that a part or all of the steps listed below be taken simultaneously or in different sequence. The Company's judgment will be controlling in all such cases. The normal sequence to be followed will be:

A. Voluntary Load Curtailment

1. Manually reduce as much as possible all non-essential energy use at Company's offices and other facilities.
2. (a) ask industrial and commercial customers to curtail power not essential to production, process, or commercial service being rendered.
(b) Request other electric systems served at wholesale to begin immediate implementation of conservation or curtailment plans among their respective retail customers to the extent necessary to conform to the steps being taken by the Company.
3. Make requests through radio, TV, and any other appropriate news media to all customers to voluntarily reduce non-essential energy use.

B. Involuntary Load Curtailment

1. Reduce distribution voltage to the extent practicable.
2. (a) Require nonresidential customers to curtail power and energy use not essential to personal safety and security, production, process, or commercial service being rendered, and for purposes of this provision, nonessential power and energy shall include, but not be limited to, advertising, display and esthetics lighting.
(b) Prorate service to large (200 KW and above) nonresidential retail customers.
(c) Require smaller nonresidential customers to curtail power and energy use as directed by Company.
(d) In event any customer is requested to reduce use of power and energy under any of the above provisions and fails to comply with the request, Company shall have the right to totally discontinue service to said customer without further notice during the period such curtailment is in effect. Such discontinuance shall not be deemed a violation of law, the Rules and Regulations Governing Public Utility Service of the Public Service Commission or the Agreement For Service. Company shall not be liable for penalties, damages, direct or indirect, by reason thereof. Upon taking such action the Company shall forthwith notify the Commission of the identity and location of the customer and the circumstances relating to discontinuance and will provide an additional report upon reconnection if discontinued for a period of more than 72 hours.
3. Suspend service to Company-owned private area lights and floodlights.
4. Partially suspend municipal street lighting on a selected basis.
5. Interrupt service to selected customers or classes of customers. Such interruptions shall take into consideration the continuation of service for the most essential human needs.
6. During any period of suspension, the Company will not initiate service to new loads of the categories under suspension.
7. Interrupt service to selected distribution feeders throughout the service area for periods of time, alternating among the circuits. Such interruption shall take into account consideration of the continuation of service to the most essential public facilities such as hospitals, water supply systems, sewage disposal facilities, etc.
8. Suspension, discontinuance, or interruption of service to any customer under any of the foregoing provisions shall not be a violation or breach of law, the Rules and Regulations Governing Public Utility Service of the Public Service Commission or any Agreement For Service; and the term of any Agreement For Service shall not be reduced by the period of any such suspension, discontinuance or interruption of service.

C. Load Shedding

To preserve the highest practical continuity of service, in an emergency threatening the integrity of its power supply, Company may curtail or interrupt service to all or any of its customers when, in its judgment such curtailment or interruption will tend to prevent or alleviate the threat to its power supply. In such event the judgment of the Company shall be deemed conclusive on all parties involved. The selection by Company of the customers to be curtailed or interrupted shall also be conclusive on all parties concerned, and Company shall be under no liability with respect to any such curtailment or interruption.

Certain distribution power supply circuits are equipped with under frequency relays which will open said circuits when system frequency drops below a predetermined level. These relays may operate in sudden and unforeseen emergency situations involving the loss of a major source of power supply.

The selection and implementation by Company of any act or procedure set out above in this Section 22, shall be conclusive on all parties of the exercise by Company of reasonable care and diligence, and Company shall not be liable to any party for any damage, direct or indirect, by reason thereof.

23. **Suspension of Service for Repairs and Changes.** When necessary to make repairs or changes in Company's plant, generating equipment, transmission or distribution system, or other property, Company may, without incurring any liability, suspend service for such periods as may be reasonably necessary.

There shall be no reduction of demand, minimum or similar charges for months in which such suspensions do not exceed an aggregate of twenty-four hours. There shall be a pro rata reduction in such charges for months in which such suspensions do exceed that amount, which reductions shall be liquidated damages to Customer for all default of Company in service rendition. Company will notify Customer in advance of such suspension whenever practicable.

24. **Use of Service.** Service shall be for Customer's use only and may not be sold or remetered or otherwise disposed of by Customer to lessee, tenants, or others.

In no case shall Customer, except with the written consent of Company, extend or connect his installations to lines across or under a street, alley, lane, court, avenue, or other public or private space, in order to obtain service for adjacent property through one meter, even though such adjacent property be owned by Customer.

25. **Right of Way.** In event Company is unable to secure and/or maintain adequate right of way (including franchise, licenses and certificates) upon terms satisfactory to Company, Company's obligation to render service shall cease.

Without reimbursement Customer shall furnish right of way on premises owned or controlled by Customer for Company's facilities necessary or incidental to serving the Customer, including land for a ground type substation if necessary, and shall maintain the Company in the use and occupancy thereof. Company shall construct its facilities on said right of way in conformity with the National Electrical Safety Code. Customer takes notice of the "10-Foot Statute" (Sections 45-15-1 to 45-15-13, inclusive, Mississippi Code of 1972, as amended), which requires a person to notify the Company before carrying on any function, activity, work or operation in closer proximity to any high voltage overhead line than 10 feet, and the rules under the Occupational Safety and Health Act requiring 10 feet of clearance from high voltage lines, and covenants that he will not violate said provisions nor permit such violation by any person under his control with respect to the Company's lines on or adjacent to Customer's premises. Should Customer violate this provision, or any other applicable provision of law as to safety around electric power lines, then Customer will indemnify the Company for any damages unless actual damages are caused by the Company's own negligence.

26. **Location of Customer's Service Terminals.** Customer's service terminals shall be located at a point readily accessible to Company's service facilities, such point to be determined by Company.

27. **Nature and Use of Customer's Equipment.** Customer will operate his equipment in such manner that it will not adversely affect Company's service either to the Customer or to others. When Company supplies three-phase service, the Customer will control his use of the service so that the load at the point of delivery will be maintained in reasonable electrical balance between the phases.

Customer will so select and operate his equipment as to maintain a power factor of not less than 85% at the point of metering. Company may at its option install meters or other instruments to measure the reactive kilowatt-ampere demand, power factor, or any other measurements.

When neon, fluorescent, mercury vapor lamps or tubes, or other types of gaseous tube lamps are installed, each unit or separately controlled group of units shall include power factor corrective devices so that overall power factor (including auxiliaries) of any such unit or group of units is not less than approximately 90% lagging.

All of Customer's installations shall be governed by and be in accordance with local municipal ordinances, rules and regulations of the Commission and other controlling regulations.

28. **Changes in Installation.** Since Company's service lines, transformers, meters, and other facilities used in supplying service to Customer have a definite limited capacity, before making any material changes or increases in Customer's installation, Customer should give notice thereof to Company and obtain Company's consent thereto. Company, as promptly as possible after receipt of such notice, will give its written approval to the proposed change or increase or will advise Customer upon what conditions service can be supplied for such change or increase.

29. **Customer's Responsibility.** Customer will install and operate his electrical equipment in accordance with the National Electrical Code or the National Electrical Safety Code, as may be applicable. Customer assumes all responsibility for said installation and equipment, and utilization of said energy on Customer's side of the point of delivery, and will save Company harmless from and against all liability on account of damage to persons or property occasioned by, or in any way resulting from any dangerous or defective condition on Customer's side of the point of delivery, unless caused solely by Company's negligence. Company shall be under no obligation whatsoever to inspect Customer's installation and equipment.

30. **Installation and Maintenance of Company's Equipment.** Except as otherwise provided in this Service Policy, in Agreements For Service, or Rate Schedules, Company will install and maintain its lines and equipment on its side of point of delivery. Company shall not be required to install, inspect, or maintain any lines or equipment except meters, on Customer's side of the point of delivery. Only Company's employees are authorized to connect Company's service lines to Customer's service terminals.

Company will extend its overhead service lines, supply one set of service line attachment fittings, and make connection to Customer's service terminals. However, when Customer's service terminals cannot reasonably and safely be reached by a single span, unless Customer has brought his service terminals to the point nearest Company's existing facilities, the additional length of service lines, including intermediate supports, will be supplied and installed by Company at Customer's expense; but title thereto shall remain in Company.

Customer shall permit no one but Company's employees, or persons authorized by law, to inspect or handle Company's equipment. Company's employees shall have access to Customer's premises at all reasonable hours for purposes of connecting or disconnecting

service, inspecting or removing or replacing Company's property, reading meters and other purposes incident to maintaining Company's equipment.

31. **Protection by Customer.** All wiring and apparatus supplied by Company shall remain its property, and that part of same in Customer's possession shall be safely kept by Customer; and upon termination of Agreement For Service shall be returned by Customer to Company in as good condition as when received by Customer, ordinary wear and tear excepted. Customer shall, at its expense, make good the loss or damage of Company's said property except such loss or damage caused by force majeure. Company shall have the right to remove its said property upon termination of Agreement For Service.

SECTION IV METERING AND BILLING

32. **Installation.** Company will furnish and install the necessary meter, and Customer shall provide and maintain a location, free of expense and satisfactory to Company, for its installation. Customer shall protect the meter against damage or tampering by unauthorized persons.
33. **Evidence of Consumption.** The registration of Company's meter shall be accepted and received at all times as prima facie evidence of the amount of power and energy taken by Customer.
34. **Tests.** Company will test its meters and maintain their accuracy of registration in accordance with good practice or as required by law. On request of Customer, Company will make special tests. If any such special test shows the average registration of a meter to be in error by more than 2%, fast or slow, Company will bear the cost of the test. If the amount of this error is less than 2%, fast or slow, Customer shall bear the cost of the test, and minimum charge therefor will not be less than \$10.00.

If any routine or special test of a Company meter discloses the registration to be in error by more than 2%, fast or slow, then all bills affected by such error of registration and which were rendered for service during the previous three months, will be suitably adjusted, except that such adjustment shall not be carried back for more than one-half of the lapsed time since the last test. In case the accuracy of registration for the prescribed period cannot reasonably be determined then all bills affected shall be corrected by Company on the basis of the best available data. Whenever any bill or bills have been adjusted or corrected as provided above, Company will refund to Customer any amount found to have been collected in excess of the proper amount, or Customer will pay to Company any additional amount found to be due, as the case may be.

35. **Connection Charge.** Upon application for service at a new or different service location, all customers shall pay a connection charge of \$45.00. Said connection charge shall not be construed to be in lieu of any other deposit required or charge prescribed by Company under the applicable rate schedule, extension policies, or this Service Policy.
36. **Billing Periods.** Bills ordinarily will be rendered regularly at monthly intervals but may be rendered more frequently at Company's option. Non-receipt of bills by Customer shall not release or diminish the obligation of Customer with respect to payment thereof.
37. **Sales Tax and Other Directly Allocable Taxes.** There will be added to the billing of Company to Customer, either as a separate item or integrated with the amounts otherwise payable, the proportionate part of any directly allocable tax, impost, or assessment imposed or levied by any governmental authority, which is assessed or levied against the Company or directly affects the Company's cost of operation and which Company is legally obligated to pay on the basis of meters, customers, or rates of, or revenue from electric power and energy or service sold, or on the volume of energy generated, transported, purchased for sale, or sold, or on any other basis where direct allocation is possible.

38. **Separate Billing For Each Location.** Service at separate locations or addresses will not be combined for billing. The Company's rate schedules for metered service are predicated on the delivery of service at a single point of delivery, through one kWh meter and with not more than one transformation. Should Customer require more than one transformation at a location, Customer will normally provide all additional facilities required at his expense. However, if for any reason, Company furnishes two or more meters for a single Customer, or supplies service under a rate schedule which does not require a meter, each meter and/or point of delivery not metered will be separately billed.
39. **Payment.** The date of the Company's bill rendered to the Customer ("Date of Bill") shall be deemed to be the date of posting by the postal service. Bills are payable upon presentation. Bills are due fifteen (15) days from the Date of Bill ("Due Date"). If the Customer has selected a due date under a bill management plan offered by the Company, then the selected due date so established shall become the applicable Due Date for that Customer. If full payment is not received before or on the Due Date, then the Company may, pursuant to the provisions of this Service Policy, suspend or discontinue the Customer's Electric Service.
40. **Reconnection Charge.** When service to the Customer is rightfully disconnected for nonpayment of bill or other violation of the Agreement for Service, then as a prerequisite for re-establishing service, the Customer shall pay the Company a reconnection charge of \$50.00.
41. **Late Payment Fee.** Each month that full payment is not received by the Company before or on the Due Date, a Late Payment Fee shall be added to Customer's bill. The Late Payment Fee for residential service is \$5.00 in each month in which full payment is not received before or on the Due Date; however, no Late Payment Fee shall be applicable to bills with unpaid balances of less than \$10.00. The Late Payment Fee for non-residential service is 1.5% of the unpaid balance on the account in each month in which full payment is not received before or on the Due Date.

Qualified Low-Income Residential Customers, as defined below, and city, county, state, and federal government accounts ("Governmental Accounts") shall be exempt from a Late Payment Fee, as and to the extent provided in this Section 41. A Qualified Low-Income Residential Customer is a residential customer that is certified by the Mississippi Department of Human Services ("MDHS") through the local Community Action Agency/Human Resource Agency ("MDHS Agency") as being at or below 150% of the current Federal Poverty Guidelines. Additionally, the electric service provided by the Company to a Qualified Low-Income Residential Customer 1) must be in the name of the person certified by MDHS as being at or below 150% of the current Federal Poverty Guidelines, and 2) must have been a residential customer of the Company for the previous three (3) consecutive months. Only one residential service account per Qualified Low-Income Residential Customer qualifies for the purposes of the exemption set out in this paragraph.

The Company has and shall have no obligation, liability, or responsibility whatsoever to treat, list, categorize, charge, or bill as an exempt account any Qualified Low-Income Residential Customer or any Governmental Account that is not specifically and affirmatively identified to the Company in writing by the Customer, or by the MDHS Agency in the case of Low-Income Residential Customers, as being exempt. Any exemption for any Qualified Low-Income Residential Customer account or any Governmental Account applies and shall apply and be in effect prospectively only from the date the account is specifically and affirmatively identified to the Company in writing by the Customer, or by the MDHS Agency in the case of Low-Income Residential Customers, as being exempt ("Date of Identification"). Any such specific and affirmative Governmental Account written identification, in order to qualify as and to be considered such, must include the account number of the particular Customer account in question. The Customer account is not and shall not be exempt from payment of, nor from the obligation to pay, any Late Payment Fee for, on, or with regard to any bill or portion thereof the Due Date of which is prior to such Date of Identification; furthermore, the Company is not and shall not be responsible, liable, obligated, or required to refund, or otherwise to provide any credit

on any particular Customer account with regard to, any Late Payment Fee paid with regard to or as a part of any bill or portion thereof the Due Date of which is prior to the Date of Identification.

Payments received from Customer during a billing period will be applied first to any Late Payment Fee charges.

42. **Returned Check/Bank Draft.** When a Customer's check or bank draft is returned to the Company, a \$40.00 service charge may be assessed to the Customer by the Company. The assessment and/or collection of such service charge shall not limit the rights of the Company to resort to other remedies provided by law, including but not limited to the right to disconnect service to the Customer pursuant to the Commission's rules and the Company's policies.
43. **Unlawful Use of Service.** In any case of tampering with meter installation or interfering with the proper functioning of meter installation or any other unlawful use or diversion of service by any person, or evidences of any such tampering, interfering, unlawful use or service diversion, Customer's service may be immediately discontinued as provided in Paragraph 18 of this Service Policy, and Company shall be entitled to collect from Customer at the appropriate rate for all power and energy not recorded on the meter by reason of such tampering, interfering, or other unlawful use or diversion (the amount of which may be estimated by Company from the best available data), and also for all expenses incurred by the Company on account of such unauthorized act or acts. Unlawful meter tampering and diversion of current is a misdemeanor punishable by law.
44. **Selection of Rate Schedules.** When a prospective customer requests or otherwise contracts for service, the Company will, upon request, assist in the selection of the appropriate rate schedule for the service requested. The selection will be based on the prospective Customer's statement as to the class of service desired, the amount and manner of use, and any other pertinent information supplied the Company at the time service is requested or contracted for. Company shall not be liable for any errors in connection therewith.

If, for any cause an Agreement For Service is entered into in which is specified a Rate Schedule not applicable to the class of service taken, on discovery of the error all bills rendered during the preceding twelve months shall be recalculated in accordance with the lowest properly applicable Rate Schedule; and any excess paid shall be refunded by Company or any balance due shall be paid by Customer, as the case may be.

45. **Change to Optional Schedule.** A Customer being billed under one of two or more optional schedules applicable to his class of service may elect to be billed on any other applicable schedule by notifying Company in writing, and Company will bill Customer under such elected schedule from and after the date of the next meter reading. However, a Customer having made such a change of schedule may not make another such change within the next twelve months.
46. **Billing Upon Discontinuance of Service.** In event Customer becomes bankrupt or insolvent or otherwise terminates or causes the termination of the Agreement For Service, except as provided in Subsection 17 hereof, the minimum billing for service for the unexpired term of the Agreement For Service shall immediately become due and payable, as liquidated damages to the Company; except, that where Customer has been taking service under a rate schedule which, because of its long term, gives the Customer benefits not available under a shorter term, the amount due and payable shall not exceed the amount determined by recomputing all bills previously rendered on the rate schedule applicable to the shorter term and deducting from the total the amounts actually paid for service. If the rate schedule and/or rider schedule applicable to the shorter term provides that the costs of the Company incurred in installing and removing facilities required to render service be paid for by Customer, such charge will be added to the final bill.

SECTION V DEPOSITS

47. **When Required and Application.** Company may require a reasonable deposit as a guarantee for payment of service as permitted by the rules of the Commission. Any bill in arrears may be paid by means of application thereto of Customer's deposit. If service has been suspended, Company may continue the suspension of Customer's service until said deposit has been restored. Upon Customer's failure to restore said deposit within ten days after suspension of service, Company may apply any portion of said deposit to any just demand of Company and shall refund to Customer any remainder of said deposit.
48. **Interest.** Interest will be computed as required by the rules or orders of the Commission on any cash deposit of Customer. The deposit with accrued interest, if any, will be credited to Customer's final bill after discontinuance of service and any remainder will be refunded to Customer.

SECTION VI APPLICATION OF AND CHANGES AND ADDITIONS TO SERVICE POLICY AND RATE SCHEDULES

49. **Application for Service Policy and Rate Schedules.** All Agreements for Service at present in effect or that may be entered into in the future are made expressly subject to this Service Policy and any modifications hereof that may be lawfully made, and subject to all applicable existing Rate Schedules and any lawfully made changes therein, substitutions therefor or additions thereto. When feasible, thirty days notice will be given to any Customer affected by any such change, addition, or substitution.