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TOWN OF HULL
MUNICIPAL LIGHTING PLANT
HULL, MASSACHUSETTS

GENERAL TERMS AND CONDITIONS

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**TOWN OF HULL
MUNICIPAL LIGHTING PLANT
15, EDGEWATER ROAD
HULL, MASSACHUSETTS 02045**

GENERAL TERMS AND CONDITIONS

I BASIC PROVISIONS

1. The Town of Hull Municipal Lighting Plant ("HMLP") furnishes electrical service in the Town of Hull in accordance with the provisions of Massachusetts General Laws, Chapter 164, Special Law St. 1891, Chapter 370, and the applicable Rules and Regulations of the Massachusetts Department of Public Utilities ("DPU"). HMLP's Schedule of Rates ("Schedule of Rates"), which includes these Terms and Conditions, is on file with the DPU and is also open to public inspections at HMLP's office.
2. HMLP provides street lighting to the Town of Hull in quantities determined by the street lighting budget approved annually at the Town of Hull Town Meeting and as directed by the Town Manager. Repair of inoperative lights are the responsibility of HMLP.
3. These Terms and Conditions are a part of every contract and application for service from HMLP and govern all classes of service. In any case where a provision of these Terms and Conditions conflicts with a provision of an application or agreement for electrical service, a contract for electric service, or a particular rate schedule, the provision of the application, agreement, contract or rate schedule shall apply.
4. Observance of these Terms and Conditions, which apply to all present and prospective customers and applicants for service, is a requirement for the initial and continuing supply of electricity by HMLP.
5. Unless otherwise expressly provided by these Terms and Conditions or by law, the Light Plant Manager is authorized to act on behalf of HMLP.
6. Unless specifically authorized by the Hull Municipal Light Board, no representative of HMLP has the authority to amend, modify, alter or waive any rule, provision or rate contained in the Schedule of Rates, which includes these Terms and Conditions, or to bind HMLP for any promise or representation made to do so.
7. HMLP's Terms and Conditions for supplying electric service, rate schedules and various instructions may be revised, amended, superseded, supplemented, or otherwise changed from time to time.

II OBTAINING SERVICE FROM HMLP

1. SERVICE APPLICATIONS
 - A. APPLYING TO HMLP: Anyone desiring electrical service from HMLP must appear in person at HMLP's office and apply for service in writing on the form provided by HMLP

before HMLP will commence service. At the discretion of the HMLP manager, HMLP may waive this requirement to permit application by mail, telephone or fax where appearing in person will impose a unique and substantial hardship to a particular applicant for service.

B. APPLICATIONS FOR RESIDENTIAL SERVICE

1. **APPLICATIONS BY OWNERS:** An applicant who owns the premises for which service is requested must provide HMLP with proof of ownership of the premises before HMLP will begin service. A tax bill or statement of any attorney verifying that the applicant has closed on the property is acceptable proof of ownership. HMLP may, at the discretion of the HMLP manager, accept other forms of proof it deems equally reliable. HMLP shall not, however, accept a purchase and sales agreement as proof of ownership.
2. **APPLICATIONS BY TENANTS:** An applicant who is renting the premises for which service is requested must provide personal identification, a Certificate of Occupancy (on dwellings five years old or older) from the Hull Board of Health and pay a deposit (see Section III).
3. **ELIGIBILITY FOR RESIDENTIAL SERVICE:** HMLP offers two broad classes of service, "residential service" and "commercial service". Different rates and security deposit requirements apply to each of these two classes of services.

Residential service is available when the premises to be served are primarily used for domestic, household purposes, as determined by the HMLP manager. In determining, in his or her discretion, whether the premises for which service has been requested are "primarily used for domestic, household purposes", the HMLP manager will take the following considerations into account:

- a. the extent to which the premises serve as the domicile or primary abode of one or more persons;
- b. the extent to which the premises are used to conduct any business venture or other activity intended to generate income;
- c. whether any person uses the premises exclusively for purposes related to a business venture or other activity intended to generate income;
- d. the proportion of the premises devoted to domestic, household purposes in comparison to the proportion used in connection with a business venture or other activity intended to generate income;
- e. whether the premises serve as a place of employment for one or more persons, excluding persons employed to assist with household and child care tasks;
- f. whether machinery or other equipment ordinarily used only for commercial or industrial purposes are used on the premises on a regular basis; and

- g. such other factors as the HMLP manager may deem relevant to determining whether the premises to be served are primarily used for domestic, household purposes.

If after weighing these factors it appears to the HMLP manager that the premises are primarily used for domestic, household purposes, residential service will be made available. If it appears otherwise, commercial service will be made available.

In the event that residential service is made available and it later appears in the judgment of the HMLP manager in light of the above factors that the premises are not being used for domestic, household purposes, HMLP may require the customer to convert to commercial service and to pay the security deposit applicable to commercial accounts.

C. NEW ACCOUNT CHARGE

1. **RESIDENTIAL CUSTOMERS:** Except as provided in Section II (1) (C) (3), below, all applicants for residential service will be required to pay a new account charge of \$40.00 (except current HMLP customers transferring from one location to another, will pay a transfer charge of \$20.00) in order to initiate service.
 2. **OWNERS OF RESIDENTIAL RENTAL PROPERTY:** Upon advance request ("Landlord-tenant Agreement") by an owner of rental property to which service is supplied in the name of the tenant, HMLP will automatically initiate service in the owner's name in the event that the tenant vacates the premises and discontinues service. The new account charge in such instances shall be \$20.00. Transfer does not take effect as a result of non-payment of account. Any changes to Landlord-tenant Agreement must be made in writing.
 3. **COMMERCIAL CUSTOMERS:** All applicants for commercial service will be required to pay a new account charge of \$40.00 (except current HMLP customers transferring from one location to another, will pay a transfer charge of \$20.00) in order to initiate service.
- D. **COMPLETION OF APPLICATIONS:** HMLP will consider an application to have been filed as of the date that the application is complete. An application is complete when the applicant has provided HMLP with all the information requested on the application form.
- E. **SERVICE INFORMATION:** When an application is complete, HMLP will advise the Customer of the following: the type and character of the service it can furnish; the point at which service will be delivered; and, if necessary, the location the Customer must provide for HMLP's metering equipment.
- F. **PAYMENT OF CHARGES DUE:** Any amounts the Customer may owe HMLP for any reason must be paid in full before HMLP will establish service, including charges due for the electric service at the same or another location; charges due for the extension of lines,

installation of a service lateral or reconnection of service; and sums due as an advance payment of minimum charges under any provisions of the Schedule of Rates.

III SECURITY DEPOSITS

1. IN GENERAL: Where these terms and conditions require that a security deposit be made, HMLP will not begin service until the security deposit has been paid in full.
2. RESIDENTIAL ACCOUNTS
 - A. PROPERTY OWNERS: Residential Customers who own the property to which service is to be provided will not be required to make a security deposit unless HMLP has discontinued their service in the past for non-payment of charges. An owner who has had service discontinued for non-payment of charges will be required to make a security deposit equal to \$100.00 or the two highest of the last twelve (12) billings for the new service location, whichever amount is greater.

When the service location is owned by the Customer, HMLP will have a lien placed against the property for all past due outstanding balances due at that service location pursuant to Massachusetts General Laws Chapter 164, s.58B.

- B. TENANTS: Residential Customers who do not own the property to which service is to be provided will be required to make a security deposit, as follows:
 1. ELECTRIC HEAT OR ELECTRIC HOT WATER HEATERS: For Customers with electric heat or hot water heaters, the deposit shall be equal to the two highest electric bills for that address in the previous twelve (12) months of electrical service while the premises are occupied. If the property is new and there are no previous electric bills, HMLP shall require a deposit equal to two months estimated usage for peak months. Minimum deposits will be \$200.00 for electric heat, \$150.00 for electric hot water or \$150.00 for heat pumps.
 2. CUSTOMERS WITH NON-ELECTRIC HEAT AND HOT WATER: Residential tenants with neither electric heat nor electric hot water heaters will be required to make a security deposit of \$100.00 or an amount equal to the total of the two highest of the last twelve (12) occupied billings for the service location, whichever is greater.
 3. EXCEPTION FOR CERTAIN TENANTS: A tenant moving from one HMLP service location to another at which he or she will also be a tenant, or an owner moving to a location at which he or she will be a tenant, will not be required to make a security deposit if he or she has been an HMLP Customer for at least three (3) years and has never had any amount due on any account for more than thirty (30) days.
- C. RETURN OF RESIDENTIAL DEPOSITS: If a Customer has not owed HMLP any amount for more than thirty (30) days during three (3) consecutive years, HMLP will credit the deposit to his or her account in January of the next year. If the Customer makes a written request, HMLP will return the deposit by check instead of crediting it to his or her account.

If HMLP terminates service to a residential Customer for non-payment, HMLP will apply the deposit against the amounts due and owing. The Customer must make a new deposit before service will be reconnected. At the discretion of the HMLP manager, the new deposit may be adjusted to reflect the actual use of electricity by the Customer at that location.

When a Customer asks HMLP to terminate service, HMLP will apply his or her deposit toward the final bill. The remainder of the deposit, if any, will be returned to the Customer by check.

3. COMMERCIAL ACCOUNTS

- A. AMOUNT AND METHOD OF PAYMENT: Commercial Customers must pay a deposit equivalent to the two (2) highest months of electricity used within the previous year of electric service at the location for which service is sought. If service has been requested for a new or substantially changed business, HMLP will estimate the monthly usage in order to determine the amount of the deposit. The Customer may make the deposit in cash, or, with the written permission of the Light Plant Manager and the Town Manager, an open ended letter of credit or a surety bond purchased by the Customer in the name of HMLP.

- B. RETURN OF COMMERCIAL DEPOSITS: Commercial deposits will be returned in the following manner:

NEW ACCOUNTS

-after at least eleven of twelve consecutive monthly bills are paid by the end of the month rendered, the deposit will be lowered to an amount equal to one half of the existing deposit.

-after at least twenty two of twenty four consecutive monthly bills are paid by the end of the month rendered, the balance of the deposit will be credited to the commercial customer's account.

-if, following the above procedure, (and for all EXISTING ACCOUNTS) the Customer falls into arrears by more than sixty days past the date of the bill, the HMLP manager will start the deposit cycle again as outlined above. In this instance, the deposit amount may be added to the Customer's account.

At the discretion of the HMLP manager, the deposit may be adjusted annually, either upward or downward, on the basis of the actual bills for a twelve (12) month period.

If HMLP terminates service to a commercial Customer for non-payment, HMLP will apply the deposit against the amounts due and owing. The Customer must make a new deposit before service will be reconnected.

When a commercial Customer asks HMLP to terminate service, HMLP will apply the deposit towards the final bill. The remainder of the deposit, if any, will be returned to the Customer by check.

- C. **INTEREST ON ALL DEPOSITS:** Interest on deposits will be credited to residential and commercial accounts in February of each year. The rate of interest will be that established by the Department of Public Utilities.

IV SELECTION OF RATE SCHEDULES

1. **AVAILABILITY OF VARIOUS RATE SCHEDULES:** There may be circumstances when a Customer's electric service requirements may be supplied by HMLP under more than one rate schedule. HMLP will inform new Customers of the rate schedules available to them and assist them in determining which rate schedule best meets their service needs. However, the responsibility for selecting the most favorable rate remains solely that of the Customer, subject to the provisions of the Schedule of Rates. HMLP will not be liable for any claim that service provided to any Customer might have been less expensive or more advantageous if supplied under a different rate.
2. **CHANGING FROM ONE RATE SCHEDULE TO ANOTHER:** HMLP shall give new Customers a reasonable opportunity to select a rate schedule applicable to their service requirements. Once a Customer has done so, he or she must remain on that schedule for the following twelve (12) months unless there is a substantial and permanent change in his or her equipment or electric demand.

V TEMPORARY SERVICE

1. **DEFINITION AND AVAILABILITY:** Temporary service is service for which, in the judgment of HMLP, will not continue for a sufficient period of time to yield HMLP adequate revenues at its regular rates to support the expenditures necessary to provide such service.

Temporary service is available only to those applicants or Customers who can be served from HMLP's existing lines or facilities. All applicants for temporary service must be made in the name of the owner of the premises to which service is to be supplied. HMLP will supply temporary service if the applicant or Customer makes the payments described below and pays for electricity at the temporary service rate(s).

2. **SECURITY DEPOSIT:** Payment of a security deposit is required for all temporary service. The actual amount of the deposit will be based upon the size, scope and expected duration of the service. In no event shall the security deposit for temporary service be less than \$100.00.
3. **SERVICE CHARGES:** Payment of a service charge is required for all temporary services. The actual charge shall be based upon the size of service taken, the length of time for which temporary service is requested, the applicant or Customer's anticipated power needs, and the cost of installing and removing the service connection. The estimated cost of installing and removing the connection, less salvage, must be paid in advance. In addition, the following minimum service charges shall apply.
 - A. When temporary construction or equipment is required in order to provide service, a minimum service charge of \$200.00 will be made for installing and removing the temporary service drop, meter and connections. The service charge shall also include

the total cost of installing and removing any poles, wires, transformers or other equipment or appliances that may be required.

- B. When no temporary construction or equipment is required in order to provide service, a minimum service charge of \$100.00 will be made for unsealing and sealing the meter.
- 4. **DURATION AND CHANGE TO REGULAR SERVICE:** Temporary service shall continue for as long as HMLP deems such service appropriate. HMLP may, in its discretion, require a Customer to change from temporary service to regular service. In no event shall temporary service continue beyond the receipt of a Certificate of Occupancy for the premises receiving temporary service.

A change to regular service shall include the obligation to comply with all provisions of these General Terms and Conditions.

VI DISCONTINUATION OF SERVICE

- 1. **BY THE CUSTOMER:** Requests for discontinuation of service must be made in writing. The Customer will remain responsible for any service used until five days after HMLP received his or her written request for discontinuation or until a new Customer begins service at the same location, whichever occurs sooner, and shall pay the minimum charge, if any, for the remainder of the applicable term of service.
- 2. **BY HMLP:** HMLP may discontinue service and remove its equipment as follows:
 - A. **UNSAFE WIRING, FRAUD OR THEFT:** HMLP may discontinue service without notice if the Customer's wiring is found to be in a dangerous or unsafe condition or if necessary to protect HMLP from fraud or theft. Service shall not be resumed until the Town of Hull Wiring Inspector certifies that any dangerous or unsafe conditions have been corrected to his or her satisfaction.
 - B. **UNSATISFACTORY EQUIPMENT:** HMLP may discontinue service and remove its equipment if, in HMLP's judgment, the equipment has become unsatisfactory for further service due to deterioration, civil commotion, vandalism, state of war, explosion, fire, storm, flood, lightning or any other cause reasonably beyond HMLP's control. The Customer may be required to pay the applicable charges for the remainder, if any, of the applicable term of service.
 - C. **NON-PAYMENT OF CHARGES:** If a Customer defaults on payments due HMLP, HMLP will discontinue service in accordance with DPU regulation 220 CMR 25.00 to the extent that the regulation is applicable. HMLP will not restore service until the Customer has:
 - 1) made application for service and paid all bills due for service previously furnished; and
 - 2) made a satisfactory deposit to insure payment of future bills; and

- 3) paid the cost, if applicable, of reconnection of the premises for which service has been discontinued. The charge for reconnections done at the Customer's request, outside of HMLP's normal hours of operation, is \$200.00 and will be at the discretion of the HMLP manager if deemed such reconnection appropriate. If after hours requests involve line crew dispatch, there is a fee of \$1,000.00.
3. LOSSES OR DAMAGE: HMLP shall not be responsible or liable for loss or damage to any person or property resulting from disconnection of service. This rule shall apply regardless of whether service is disconnected at the Customer's request or because required by HMLP, and regardless of whether the Customer owns the premises to which service has been supplied.

VII BILLING

1. INDIVIDUAL METERING: Each unit in new construction of multiple unit housing must be individually metered.
2. BILLING PERIODS AND METER READINGS: Bills shall be based on readings of HMLP's metering equipment and rendered monthly. When a customer is served through more than one meter, each meter will be considered separately and a separate bill rendered for each.
3. ESTIMATED BILLS: If HMLP cannot obtain a meter reading, it will render an estimated bill as allowed by the DPU. Estimated bills will not be rendered for more than six consecutive months, however, and the Customer must provide HMLP access to the meter at least once every six months.
4. PAYMENT AND CREDITING OF ACCOUNTS: Unless otherwise provided, all bills shall be payable when received, whether for electric service, other HMLP services or equipment. Payments shall be applied first towards repairs and other services furnished by HMLP, and then towards electric service. Within these categories, payment shall be applied first to unpaid balances, including late payment charges (if applicable), and then to current charges. HMLP shall charge Customers \$25.00 for each returned check.
5. DISCOUNTS: Applicable discounts will be allowed if HMLP receives the Customer's payment in full in HMLP's office on or before the final discount date. In the event that payment is made by check and the check is returned for insufficient funds, no discount will be allowed unless a substitute payment is received in full in HMLP's office on or before the final discount date.

VIII SERVICE INSTALLATION

1. SINGLE SET OF SERVICE CONDUCTORS: In general, electric service shall be supplied to a Customer's premises through only one set of service conductors except where separate service may be required for 1) fire pumps, 2) emergency lighting purposes, or 3) additional service of different voltages or characteristics.

2. **INSTALLATION OF SERVICE CONDUCTORS AND POINT OF DELIVERY:** Unless there is an agreement between HMLP and the Customer to the contrary, HMLP will furnish, install and maintain overhead service conductors from its supply system to a point designated by HMLP as the point of delivery, which point shall be on, or adjacent to, the Customer's premises. Unless otherwise provided, the point of delivery shall be considered as the point where HMLP's lines connect with the Customer's lines, without regard, necessarily, to HMLP's metering equipment, transformer or other apparatus.
3. **WIRING AND EQUIPMENT BEYOND POINT OF DELIVERY:** All wiring and equipment beyond the point of delivery, except for HMLP's metering equipment and transformers, shall be furnished, installed and maintained by the Customer at Customer's expense.
4. **SUPPORT FOR OVERHEAD SERVICE CONDUCTORS:** The Customer shall provide and maintain, without cost to HMLP, a safe and substantial support for HMLP's overhead service conductors. In no case will HMLP be responsible for any damage caused by failure of, or defect in, such support. The point of attachment of HMLP's overhead service conductors to the Customer's building, premises, or other means of support, shall comply with those electrical codes enforced by the Town of Hull Wiring Inspector with respect to location, accessibility, and clearance above ground, from building openings and over roofs.
5. **SERVICE ENTRANCE EQUIPMENT:** Unless otherwise provided, all necessary service entrance equipment (i.e., service head, service entrance conductors, service raceway, service equipment) shall be furnished, installed and maintained by the Customer at Customer's expense.
6. **METER SWITCHES AND CIRCUIT BREAKERS:** The Customer must furnish and install a service and meter switch or oil circuit breaker meeting HMLP's specifications on his or her premises. HMLP may seal the service and meter switch, and adjust, set, and seal the oil circuit breaker. The Customer shall not break these seals and shall not change these adjustments or settings or interfere with them in any way.

METER BYPASSES: All 200 Ampere services shall have manually operated bypass type meter sockets. Bypasses are not designated for and must not be used as load breaking devices. The bypass mechanism must meet the following requirements.

- A. Only manual bypasses are permitted;
- B. The bypass must have a mechanism operated by a single handle;
- C. The non-bypassed, in-service position of the operating mechanism must be visible when the meter is installed;
- D. It must not be possible to replace the meter socket cover when the operating mechanism handle is in the bypassed position; and,
- E. 200 ampere seven terminal sockets with bypasses must have a mechanism which locks the meter blades in the socket jaws.

Meter sockets with bypasses whose operating mechanism is not visible when the meter is installed by bypasses which require auxiliary equipment such as straps, jumpers, etc., are not allowed.

7. SPACE, HOUSING, FENCING AND FOUNDATIONS: The Customer shall furnish, at no cost to HMLP, the space, housing, fencing and foundations needed to permit installation of the equipment that will be used to supply the Customer with electricity. This rule applies regardless of whether HMLP or the Customer furnishes the equipment to be installed. The space, housing, fencing and foundations provided by the Customer must meet HMLP's specifications and shall be subject to HMLP's approval.
8. SPECIAL EQUIPMENT: If HMLP determines that its regular rates will not yield adequate revenues to support the cost of any equipment, necessary in HMLP's judgment to properly supply electricity to a Customer's premises, the Customer shall bear the expense of the equipment, including installation costs. This rule shall apply regardless of whether the equipment is located on or off the Customer's premises.
9. OPERATION OF PARALLEL EQUIPMENT: There shall be no parallel operation of electric generating equipment or other sources of electrical supply with HMLP service without HMLP's written consent.
10. EQUIPMENT FURNISHED BY HMLP: All equipment and facilities finished and installed on the Customer's premises by HMLP shall be and remain the property of HMLP. HMLP may remove its property from the Customer's premises whenever service is terminated or disconnected for any reason.

IX METERING

1. INSTALLATION AND MAINTENANCE: Metering equipment required to measure the Customer's use of electric service shall be furnished, installed, maintained, calibrated and read or check-read by HMLP subject to the limitations described in paragraphs IX (3) and XII (2) below.
2. LOCATION: HMLP shall determine a suitable location for the installation of metering equipment and the Customer shall make that location available to HMLP. In order to allow HMLP to obtain meter readings, meters for new housing construction must be located outdoors. Meters currently located indoors must be relocated to outdoors when otherwise due for substantial repair or replacement.

HMLP reserves the right to relocate its metering equipment whenever an existing location is not readily accessible, is conducive to making current diversion and for other reasons. Should any change in location become necessary, the Customer shall pay the costs of any changes in Customer's service entrance.

3. TESTING AND INSPECTION: HMLP shall make, at its expense, periodic requests for test or inspections of its metering equipment to insure that it is maintained in good order and within reasonable limits of accuracy.

4. **CUSTOMER REQUESTS FOR TESTING:** HMLP will honor a Customer's request for test or inspections of its metering equipment only after all other possible explanations for a bill higher than expected by a Customer have been eliminated.

Where testing requested by a Customer shows that HMLP's metering over-registers more than 2% under normal operating condition, HMLP will pay for the testing. In such situations, HMLP shall adjust only the bill rendered immediately before the test unless there is clear and convincing evidence that the meter has been malfunctioning for a longer period of time. Where testing requested by a Customer shows that HMLP's metering equipment does not over-register more than 2% under normal operating conditions, the Customer shall pay for the testing. The minimum charge for a meter test will be \$40.00 and must be paid in advance.

X CUSTOMER'S INSTALLATION

1. **WIRING PERMITS AND CERTIFICATES:** The Customer shall be required to secure all necessary wiring permits or certificates from the Town of Hull Wiring Inspector and/or building department before HMLP will supply electric service. The Customer shall pay any fee required for such permits or inspections. HMLP may refuse electric service to a Customer if it has reason to believe that any wiring, appliances or equipment on the Customer's premises is unsafe or does not conform to those electrical codes enforced by the Town of Hull Wiring Inspector.
2. **INSPECTIONS BY HMLP:** HMLP reserves the right to inspect any wiring, appliance or equipment on a Customer's premises even if it is not owned or controlled by HMLP. HMLP may exercise this right before it begins to supply service or at any time thereafter. In no event shall HMLP be bound to make such inspections. Inspections if made by HMLP are made primarily to insure compliance with its own requirements; to cooperate with the Customer, architect, contractor and other interested persons; and to protect the interests of other Customers.
3. **EQUIPMENT TO LIMIT DISTURBANCES TO OTHER CUSTOMERS:** HMLP reserves the right to require that a Customer whose use of electric service is intermittent or causes fluctuations or other disturbances in service supplied to other Customers to furnish, install and maintain suitable corrective equipment to limit the fluctuations or other disturbances. The Customer causing the fluctuation or other disturbance shall furnish, install and maintain the required equipment at its own expenses.
4. **HIGHLY FLUCTUATING LOADS AND LARGE INSTANTANEOUS DEMANDS:** To prevent interference with service supplied to other Customers, Customers operating equipment that has highly fluctuating loads or other large instantaneous demands may be required to pay the costs of isolating their loads from the balance of HMLP's system. If such Customer equipment does not have adequate corrective devices to limit fluctuations or disturbances to the system, HMLP may require the Customer to furnish, install and maintain his own transformer.
5. **EQUIPMENT TO ACHIEVE POWER FACTOR:** Unless otherwise specified by HMLP, a Customer shall be required to maintain a power factor of at least 80% of the total load supplied by any

one service connection. Where testing or measurement reveals that the power factor is less than 80%, HMLP reserves the right to require a Customer to furnish, install and maintain at Customer's expense, the corrective equipment necessary to improve or increase the power factor of the total load.

6. **POWER FACTOR TESTING, COMPLIANCE AND CHARGES:** In order to determine the power factor of a Customer's load at the time of peak demand, HMLP reserves the right to make a test measurement at least once every six months. Where the power factor is found to be less than 80%, HMLP reserves the right to make a power factor adjustment according to the applicable rate schedule. If the applicable rate schedule contains no provision for making a power factor adjustment, HMLP reserves the right to add 1% to the Customer's bill for each 1% by which the power factor is less than 80%.
7. **ASSISTANCE BY HMLP:** Upon Customer request, HMLP may provide Customer with information regarding the use of corrective equipment to limit fluctuations and disturbances to the HMLP system or to improve the power factor of the Customer's load. HMLP shall not, however, assume any responsibility for the installation or maintenance of corrective equipment.
8. **CUSTOMER CHANGES IN LOAD OR EQUIPMENT:** A Customer wishing to make any substantial changes or additions to its load or equipment must notify HMLP of its plans and obtain HMLP's permission before proceeding. A Customer proceeding without HMLP's permission shall be liable for any damage the changes may cause to meters or other property owned or controlled by HMLP.
9. **FULL VOLTAGE OR ACROSS-THE-LINE STARTING OF MOTORS:** Full voltage or across-the-line starting of motors greater than 10 horsepower is not permitted without special permission of HMLP. Across-the-line starting of motors shall not be permitted where objectionable disturbance or annoying light flickers results.
10. **REDUCED-VOLTAGE CONTROLLERS:** Reduced-voltage starting of motors shall be required, at HMLP's option, where limited capacity or abnormal motor starting characteristics necessitate the use of reduced-voltage controllers, the type of reduced-voltage controller used in individual cases shall be subject to HMLP's approval.
11. **DAMAGE TO CURRENT CONSUMING EQUIPMENT:** HMLP shall not be responsible for damage to motors or other current-consuming equipment which may result from phase reversals, single-phasing of three-phasing service or other similar conditions beyond HMLP's reasonable control.
12. **CUSTOMER RISK AND LIABILITY:** The Customer shall assume all liability and risk which may be incidental to the supply of electric service on the Customer's side of the point of delivery. HMLP shall not assume any obligation or responsibility for any conditions on the Customer's premises or for defects in the Customer's wiring, appliance or equipment.

XI ACCESS TO CUSTOMER'S PREMISES

HMLP shall have access to the Customer's premises at all reasonable times to install, read, inspect, test, operate, maintain or repair its equipment; discontinue service; and for any other purpose reasonable related to the provision of electric service by HMLP.

XII ADDITIONAL CUSTOMER RESPONSIBILITIES

1. **MAINTENANCE OF WIRING, APPLIANCES AND OTHER FACILITIES:** The Customer shall be responsible for maintaining facilities, wiring and appliances that are suitable and proper for the safe and satisfactory reception and use of the service furnished. Service conductors from Customer's meter trough to HMLP point of attachment will be copper. Service grounding will conform to National Electric Code (NEC). No effort HMLP may make to assist a Customer in meeting this condition of service shall be deemed an assumption of liability on HMLP's part.
2. **CARE AND PROTECTION OF HMLP PROPERTY ON CUSTOMER PREMISES:** The Customer shall be responsible for the care and protection of any HMLP property located or installed on the Customer's premises, and shall not permit anyone but HMLP to have access to such property. HMLP's property, machinery or equipment shall not be handled or operated by anyone other than HMLP without express written permission from HMLP. The Customer shall indemnify and hold HMLP harmless should any violation of this provision result in bodily injury or damage to persons or property.
3. **INJURY TO PERSONS OR PROPERTY:** HMLP shall not be liable for direct, indirect or consequential damages or losses of any kind, whether resulting from injuries to persons or property or otherwise, that may be traceable to trouble with or defects in any apparatus, wiring facilities or equipment located beyond the point where HMLP's service connection to a Customer's premises ends, or to any other cause occurring beyond that point, unless 1) HMLP has been negligent, 2) the damage, loss or injury is the natural, probable and reasonably foreseeable consequence of HMLP's negligence, and 3) HMLP's negligence is the sole and proximate cause of the damage, loss or injury. Where these three conditions are not met, liability, if any, for such damages, injuries or losses shall be that of the Customer.

XIII INTERRUPTION OF SERVICE

1. **SERVICE QUALITY AND INTERRUPTIONS.** While HMLP endeavors to furnish adequate and reliable service, HMLP does not guarantee continuous service or warrant that service will be free from interruptions or defects and disclaims any and all loss or liability resulting from its failure to provide service or its inability to maintain uninterrupted and continuous service to the extent allowed by law. HMLP shall not be responsible for any losses or damages caused by any variation or diminution in service, abnormal voltage, or reversal of its service. To the extent such liability may not be disclaimed by law, HMLP shall not be liable for such condition except to the extent that such condition is caused solely by HMLP's gross negligence or willful misconduct. In no event shall HMLP be liable for any indirect, incidental or consequential losses or damages of any kind resulting therefrom. HMLP shall have no duty to regulate voltage and/or frequency beyond that required by the American National Standard for Electric Power Systems and Equipment, ANSI C84.1, and if the Customer requires regulation of voltage and/or frequency

that is more refined, the Customer shall furnish, install, maintain and operate the necessary apparatus at his own expense.

XIV UNDERGROUND SERVICE FROM HMLP OVERHEAD LINES:

A Customer's premises may be connected to HMLP's aerial distribution system through an underground connection upon payment by the Customer of the total cost of installing the underground service including the cost of underground conductors long enough to reach the top of the pole and the necessary riser. The equipment paid for by the Customer shall be owned, maintained and, if necessary in HMLP's sole determination, replaced by the Customer.

XV SEPARATE SERVICE OR METER FOR OUT-BUILDINGS

HMLP shall not be required to install a service connection or meter for a garage, barn or other out-building that, due to its location, may be supplied with electricity through a service connection or meter installed in the main building.

XVI FAILURE OF COMPANY'S SERVICE DROP

HMLP will not re-energize the Customer's facilities after failure of HMLP's service drop (which in this case is considered to be the tap-off point on HMLP lines, feeding to an individual consumer) until HMLP has received written authorization and approval for reconnection from the authorized wire inspector.

XVII GENERAL LIABILITY OF HMLP

HMLP shall not be liable for any loss, injury or damages, whether direct, indirect or consequential, to any person or property resulting in any way from the use of electricity, or from the presence of HMLP's apparatus and equipment on a Customer's premises, or from any change in service unless 1) HMLP has been negligent, 2) the loss, reasonably foreseeable consequences of HMLP's negligence, and 3) HMLP's negligence is the sole proximate cause of loss, injury or damages.

Notwithstanding the provisions of this section, the provisions regarding HMLP and/or Customer liability set forth in sections IV (2), VI (3), VIII (4), X (8), X (11), X (12), XII (1), XII (2), XII (3), and XIII (1) of these Terms and Conditions shall be controlling when applicable.