

# City of Pierz

## Electric Utility Policy

Revised: January 2018  
Adopted: April 23, 2018

**Electric Service Regulations  
of  
City of Pierz Electric Utility**

These service regulations govern the supply and taking of electric service. The regulations are designed to provide each Customer the greatest practicable latitude in the use of service consistent with reliable, economical, and safe service to all Customers. These service regulations together with rate schedules are on file at the City of Pierz City Hall, 101 Main Street S, Pierz, MN 56364, Telephone: 320-468-6471, Fax 320-468-2759, and copies are obtainable by any Customer upon request made in person, phone, by mail at the City Hall Office, or by visiting the City website at [www.pierzmn.org](http://www.pierzmn.org).

**Table of Contents**

<b>1.0 Definitions</b> .....	3
<b>2.0 Service Agreement</b> .....	5
<b>2.1 Form and Execution of Service Agreement</b> .....	5
<b>2.2 Ownership of Utility</b> .....	5
<b>2.2.1 Right to Access Premises</b> .....	5
<b>2.3 Rights to Termination of Service</b> .....	5
<b>2.4 Fees</b> .....	6
<b>3.0 Supply and Taking of Service</b> .....	6
<b>3.1 Supplying of Service</b> .....	6
<b>3.2 Customer Requested Disconnection &amp; Reconnection</b> .....	7
<b>3.3 Continuity of Service</b> .....	7
<b>3.3.1 Critical Needs Equipment</b> .....	7
<b>3.4 Suspension of Service for Repairs and Changes</b> .....	7
<b>3.5 Use of Service</b> .....	7
<b>3.6 Customer’s Responsibility</b> .....	8
<b>3.7 Right of Way</b> .....	8
<b>3.8 Right to Access Premises</b> .....	8
<b>3.9 Location of Point of Attachment</b> .....	8
<b>4.0 Customer’s Installation</b> .....	8
<b>4.1 Nature and Use of Installation</b> .....	8
<b>4.2 Residential Installation</b> .....	9
<b>4.3 Commercial and Industrial Installation</b> .....	9

4.4 Temporary Service.....	10
4.5 Inspection by City .....	10
4.6 Changes in Installations .....	10
4.7 Changes in Load.....	10
4.8 Relocation of Utility Facilities.....	10
<b>5.0 Company’s Installation .....</b>	<b>11</b>
<b>5.1 Installation and Maintenance .....</b>	<b>11</b>
<b>5.2 Protection by Customer.....</b>	<b>11</b>
<b>5.3 Customer Extensions .....</b>	<b>11</b>
<b>5.4 Relocation of Facilities.....</b>	<b>12</b>
<b>6.0 Outdoor Security Lighting.....</b>	<b>12</b>
<b>7.0 Metering.....</b>	<b>12</b>
<b>7.1 Installation.....</b>	<b>12</b>
<b>7.2 Metering.....</b>	<b>12</b>
<b>7.3 Evidence of Consumption.....</b>	<b>13</b>
<b>7.4 Tests.....</b>	<b>13</b>
<b>7.5 Hot Socket.....</b>	<b>13</b>
<b>8.0 Parallel Generation.....</b>	<b>13</b>
<b>8.1 Design.....</b>	<b>13</b>
<b>8.2 Disconnection.....</b>	<b>13</b>
<b>8.3 Customer Responsibility .....</b>	<b>13</b>
<b>9.1 Meter Reading and Billing.....</b>	<b>14</b>
<b>9.1.1 Reading and Understanding Utility Bill.....</b>	<b>14</b>
<b>9.2 Payments and Non-payments.....</b>	<b>15</b>
<b>9.3 Delinquent Bills/Late Payment Charges .....</b>	<b>15</b>
<b>9.3.1 Collection of Unpaid Final Bills.....</b>	<b>15</b>
<b>9.4 Delinquent Disconnection and Reconnection .....</b>	<b>15</b>
<b>9.4.1 Critical Needs Equipment .....</b>	<b>16</b>
<b>9.5 Cold Weather Rule .....</b>	<b>16</b>
<b>9.6 Separate Billing for Each Point of Entry.....</b>	<b>17</b>
<b>9.7 Adjustment for Inaccurate Meter Registration .....</b>	<b>17</b>
<b>9.8 Disputed Utility Bills.....</b>	<b>18</b>

9.9 Unlawful Use of Service.....	18
9.10 Proration of Bills.....	18
9.10.1 New Customers.....	18
9.10.2 Current Customers.....	18
9.11 Bankruptcy Terms.....	18
9.12 Foreclosure.....	18
9.13 Deceased Customer.....	19
10.0 Landlords and Tenants.....	19
10.1 Rules Regarding Landlords and Tenants.....	19
10.2 Connection/Discontinuance of Service.....	19
10.3 Landlord Failure to Pay.....	19
10.4 Landlord Notice for Disconnection.....	20
11.0 Deposits and Guarantees.....	20
11.1 Deposits.....	20
11.2 Refunds.....	20
11.2.1 Unclaimed Refunds.....	20
11.3 Interest on Deposits.....	20
12.0 Miscellaneous Regulations.....	21
12.1 Conflicts.....	21
12.2 Regulation and Jurisdiction.....	21
12.3 Appeal Process.....	21
12.4 City’s Discretion and Choice:.....	21

## 1.0 Definitions

Billing Month: An interval of approximately thirty days between successive meter reading dates, except when the calendar month is specified.

City: City of Pierz a municipal corporation, which owns and operates the Pierz Municipal Electric Utility.

City Service Line: Electrical line that is owned by the City.

Commercial: A customer using service at a location where the purchaser is engaged in selling, warehousing, or distributing a commodity, in some business activity, in rendering professional

service, or in some form of social activity. In borderline cases where the nature of the customers' activities does not differentiate clearly between Commercial and Industrial, the service is classified as Commercial.

Critical Needs: Medical equipment that serves to assist with the medical health of a customer that requires electric service to operate.

Customer: Person relating to the customer type that receives electrical services.

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 the City's existing facilities, or the changing of any line to meet the Customer's requirements, and including all transformers, service drops, and meters.

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 City's meter installation), useful in connection with Customer's ability to take electric service.

Electric Service: The supplying of electric power and energy, or its availability, irrespective of whether any electric power and energy is used. Supplying of service by the City consists of the maintaining by it, at the point of delivery, of approximately the agreed voltage and frequency by means of facilities adequate for carrying Customer's contracted load.

Heating Customer: Customer, who during heating months rely solely on Electrical Services to operate the heating source in their business or residence.

Industrial: A customer using service at a location where the purchaser is engaged in an industrial activity, such as the operation of factories, mills, machine shops, mines, oil wells, refineries, pumping plants, cleaning, and dyeing works, creameries, canning establishments, stockyards, etc., that is, in extractive fabricating or processing activities.

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 Customer at a single point of delivery.

Notice: Unless otherwise specified, a written notification delivered personally or mailed by one party to the other at such other party's last known address.

Point of Delivery: The end of the City service drop, or the point where the City wires are joined to Customer's service entrance conductors or apparatus, unless otherwise specified in Customer's Service Agreement.

Residential: A customer using electric energy supplied for residential (household) purposes.

Service Agreement: The agreement or contract between the City and Customer, pursuant to which service is supplied and taken.

Service Drop: The wires, owned by City, connecting the City's distribution mains to the Customer's service entrance conductors.

Service Entrance Conductors: The wires provided by the Customer extending from Customer's main line switch or center at which circuits originate, to the terminal of the City's service drop.

## **2.0 Service Agreement**

### **2.1 Form and Execution of Service Agreement**

When a request for service is made, and executed by Customer and the City, it then becomes binding and along with the applicable rate schedules is termed a service agreement.

- Residents must apply for service immediately upon moving to the City of Pierz. application for service may be done by stopping at Pierz City Hall.
- Residents will be required to verify identification and provide a social security number for their account to be established.
  - Social Security numbers are for the sole use of the City for collection on final delinquent accounts, and will not be provided to any other persons, companies, or inquirer for any purpose, other than the collection of funds on final delinquent accounts.

### **2.2 Ownership of Utility**

As a customer of the City, the customers are being served by a utility which is wholly owned by the people it serves. It is governed by City elected officials, working through an appointed committee, which is responsible for establishing operating procedures, setting rates, and for the future planning of the utility.

#### **2.2.1 Right to Access Premises**

- Free and clear access to utility equipment shall be maintained at all times for emergency and normal maintenance service and meter reading. City employees or authorized personnel have the right to enter the property, for reasons thereof but not limited to reading meters, performing maintenance, and routine inspections of equipment, as well as locating of utilities.
- The access area, shall be kept safe and free from any and all hazards, including pet animals.
- Free and clear access must also be provided for underground electrical service and feeder cables.

### **2.3 Rights to Termination of Service**

- Customer, may terminate service at any time by notifying the City not less than three days prior to the date termination is desired. Customer will be held responsible for all service supplied to vacated premises until such notice has been received by the City. Notification may be made by writing, telephone, or in person at City Hall during regular business hours.

- City, in addition to all other legal remedies, may terminate the service agreement or suspend delivery of service for any default or breach of the service agreement by the Customer. No such termination or suspension will be made by the City without (5) days written notice, excluding weekends and legal holidays. A notice will state to the customer, what particular part of the service agreement has been violated, except in cases of unlawful or unauthorized use of service by Customer, or dangerous short circuit on Customer's side of the point of delivery, or in case of utilization by Customer of service in such manner as to cause danger to persons or property. The Customer has the right to appeal the termination. Should the Customer choose to do so, he/she must contact City Hall in writing within (10) days from the date of said decision to arrange for a hearing. *(See section 12.3)*

## 2.4 Fees

- New Hook-ups for single family residential will incur a charge which is concurrent with the cost of providing the appropriate materials and labor necessary to complete 100% of the job.
- New hook-ups for Commercial/Industrial/Institutional/Multi-Family buildings will incur a charge which is concurrent with the cost of providing the appropriate materials and labor necessary to complete 100% of the job.
- The City will provide a standard form 2S meter, services requiring a different meter form, will incur additional charges.
- Three Phases: Commercial/Industrial/Institutional/Multi-Family units in need of three phase power will carry a charge which is concurrent with the cost of providing the appropriate materials and labor necessary to complete 100% of the job.
- Underground/Overhead Service Lines: All new developments in Pierz will have underground electric. Overhead lines may be used in areas with existing overhead lines. Property owners wishing to switch from overhead to underground service lines will bear the total cost including materials and labor which is necessary to complete such an improvement.
- Temporary Services: Property owners requesting the installation of a temporary service of any kind will pay entire cost of installation, use, and removal at a rate set by the annual fee schedule approved by the City Council on the first meeting of the year.
- Sales tax will be charged to electrical services. During the months of November-April, heating customers will not be responsible to sales tax.

## 3.0 Supply and Taking of Service

### 3.1 Supplying of Service

Service is supplied only under and pursuant to these service regulations and the applicable rate schedule, amendments and regulatory rules. Service is supplied under a given rate schedule only at such points of delivery as are adjacent to facilities of the City adequate and suitable, as to capacity and voltage, for the service desired.

### **3.2 Customer Requested Disconnection & Reconnection**

Customers have the right to request disconnection of service either in writing, in person, or by phone to City Hall at (320)468-6471. Disconnection requests must be made at least 3 days prior to disconnection date.

### **3.3 Continuity of Service**

The City will endeavor to provide continuous service but does not guarantee a constant supply of electric energy and shall not be liable to Customer for damages occasioned by interruption, except as provided by law. The City shall not be liable for any loss of profits, special, or consequential damages resulting from the use of service or any interruption or disturbance of service.

- In the event of power shortage any curtailment among Customers shall be made as nearly as practical pro rata without liability on the part of the City to any customer affected.
- If any part of service is furnished by the City to pump water, City assumed no obligation to maintain an adequate supply for fire protection, or any other purpose, whatsoever, and such use shall not subject City to any liability to any party for damages to person or property due to failure of water supply resulting from an interruption or deficiency of electrical service from whatsoever cause the same may arise.
- The restoration of power, will be handled in the order of most critical. If there is critical medical equipment in a home being affected by the outage, the City will evaluate the priority needs in the outage area and respond accordingly.
- In the event of a surge in power, the City shall not be liable for any loss of profits, special or consequential damages, injury, or death.

#### **3.3.1 Critical Needs Equipment**

Critical Needs Medical Equipment, may result in certain protections under MN. Stat. 216B.098.

- The City will attempt to provide continuous service but does not guarantee a constant supply of electric energy and shall not be liable to Customer for damages occasioned by interruption, except as provided by law. The City shall not be liable for any personal health issues that may arise due to medical equipment interruption from the disturbance of electrical energy. This also applies to those who have been disconnected due to account delinquency.

#### **3.4 Suspension of Service for Repairs and Changes**

When necessary to make repairs to or changes in lines or system, City may, without incurring any liability therefor, suspend service for such periods as may be necessary, and in such manner as to minimize inconvenience to Customer.

#### **3.5 Use of Service**

Service is for Customer's use only. City permits redistribution and sub metering only where allowed by law. The electric service equipment and associated wiring of buildings shall be arranged by the owner to permit individual metering of the electrical consumption of each building and occupancy unit to comply with MN. Stat. 216C.27 and any law amendatory thereto.

- If desired by the owner, the City will install and maintain necessary individual City meters to measure consumption and render bills on the applicable rate schedules to each Customer and separately occupied building and occupancy units.
- In no case may Customer, except with the written consent of City, extend or connect an installation to lines across or under a street, alley, lane, court or avenue or other public or private space in order to obtain service for adjacent property through one meter even though such adjacent properties are operated as one integral unit under the same name and for carrying on parts of the same business.
- In case of unauthorized metering, sale, or extension of service to another person, City, after (5) days written notice excluding Saturday/Sundays and legal holidays, may discontinue the supplying of service to Customer until such unauthorized act is discontinued and full payment is made for all service supplied or used, billed on proper classification and rate schedule, and reimbursement in full made to City for all extra expenses incurred, including expenses for clerical work, testing, and inspections.

### **3.6 Customer's Responsibility**

Customer assumes all responsibility on Customer's side of the point of delivery for the service supplied or taken, as well as for the electrical installation, appliances, and apparatus used in connection therewith, and hold City harmless from and against all claims for injury or damage to persons or property occasioned by or in any way resulting from such service or the use thereof on Customers' side of the point of delivery.

### **3.7 Right of Way**

Customer shall without compensation, make or procure satisfactory conveyance to City of right-of-way for City's lines necessary and incidental to the furnishing of service to Customer and for continuing or extending said lines over, under, across, or through the property owned or controlled by Customer in a manner deemed appropriate by City.

### **3.8 Right to Access Premises**

City personnel may enter Customer's premises only as authorized by applicable law and regulations, including but not limited to, meter reading, locating and maintenance.

### **3.9 Location of Point of Attachment**

Customer's point of attachment is to be located at a point readily accessible to City's distribution mains. Customer shall install and maintain a point of attachment for City's service drop. Said point of attachment shall be of sufficient mechanical strength to support the wind and ice loaded weight of the service drop and shall be located as determined by the City.

## **4.0 Customer's Installation**

### **4.1 Nature and Use of Installation**

All of Customer's wires, apparatus and equipment shall be selected with the view to obtaining safety, good efficiency, good voltage regulation, and the highest practicable power factor and shall be installed in accordance with standard practices.

- Customer shall install and maintain, on Customer's side of point of delivery, suitable protective equipment as may be required by the City for the protection of its service to other customers and may not employ or utilize any equipment, appliance, or device so as to affect adversely City's service to Customer or to others. The failure to require such equipment shall not operate to relieve Customer from the obligation to utilize and comply with standard practices.
- City may require auto starters or other suitable starting devices for motors above 5 horsepower. When polyphase service is supplied by City, Customer shall control the use thereof so that the load at the point of delivery will be maintained in reasonable electrical balance between the phases.
- Installation of neon, fluorescent, mercury vapor lamps or tubes, or other types of gaseous tube lamps, or other devices having low power factor characteristics, should be equipped with corrective apparatus to increase the power factor of each unit or separately controlled group of units to not less than approximately 90% lagging.
- In cases where a Customer requests service to a new facility where an extension of the City's distribution is required to reach such facility, the Customer may be required to participate in the cost of such extension.

#### **4.2 Residential Installation**

- Any request by Customer to have new service installed will be the financial responsibility of the Customer from the point of attachment to the City's service line, performed by a licensed electrician.
- Normal residential service provided shall be single phase 120/240-volt, 60 hertz, 200 amps maximum and shall require service cable length not exceeding 300 feet.
- Primary and secondary cables are to be installed in conduit for all under-ground installations. As with residential services, the City will make final connection to its distribution system only upon inspection and approval by electrical inspector.

#### **4.3 Commercial and Industrial Installation**

- Any request by Customer to have new service installed will be the financial responsibility of the Customer from the point of attachment to the City's service line.
- The City encourages the underground installation of all primary and secondary service cables to new commercial and industrial structures.
- The City will designate a junction point for connection of the Customer's secondary service cable. This junction will normally be the secondary terminals of a pad-mounted transformer placed at a mutually agreeable location on the Customer's property as close as practicable to the metering point.
- The City will install, own, operate, and maintain the primary underground cable, distribution transformer and the secondary connections at the transformer.
- The Customer shall furnish and install a transformer pad per City's specifications. If the transformer is in an area where it may be subject to physical damage, the City may require the Customer furnish and install an approved means of protection.
- Primary and secondary cables are to be installed in conduit for all under-ground installations. As with residential services, the City will make final connection to its distribution system only upon inspection and approval by an electrical inspector.

#### **4.4 Temporary Service**

Temporary service is intended to be supplied at secondary voltage only to be used by Customers for use during construction of permanent facilities and before the permanent service can be installed.

- Costs for temporary service construction and dismantling shall be borne by the customer
- The utility will provide a meter; however, it is the Customer's responsibility to provide a suitable support for mounting the meter socket and attaching the service drop cables.
- All temporary services will be metered and billed accordingly to the rate schedule.

#### **4.5 Inspection by City**

City retains the right, but does not assume the duty, to inspect Customer's installation at any time and will refuse to commence or to continue service whenever it does not consider such installation to be in good operating condition, but City does not in any event assume any responsibility whatsoever in connection with such matters.

#### **4.6 Changes in Installations**

As City service drops, transformers, meters, and other facilities used in supplying service to Customer have a definite limited capacity, Customer shall give notice to City and obtain City consent, before making any material changes or increases in Customer's installation. City as promptly as possible after receipt of such notice will give its approval to the proposed change, or increase, or will advise Customer upon what conditions service can be supplied for such change or increase. Failure to secure City's approval shall make Customer liable for any damage to City's facilities.

#### **4.7 Changes in Load**

All line equipment supplied and installed by City for the use of the Customer has a definite limit to its capacity. Therefore, it must be the responsibility of the customer to notify the City in writing before any major change is made in connection load, either in location or purpose; or addition of such equipment.

- This includes but is not limited to the installation of large motors, welders, electric heating, air conditioning, and items requiring heavy power use.
- Requests or failure to request changes for an increase in load, will render the customer liable for such changes and damage to meters or accessories, transformers, wires, or other apparatus of the City cause by the additional increase in load.

#### **4.8 Relocation of Utility Facilities**

It is the responsibility of the Customer to arrange for the relocation and/or protection of City's facilities whenever such action is appropriate.

- Any intended relocation or protection of City's facilities must be reviewed with and approved by the City in advance.
- The cost of any change or relocation of the City's facilities for the benefit of the Customer only, shall be borne solely by the Customer.

- The City will either bear/share costs to the extent that a change or relocation benefits the City.

## **5.0 Company's Installation**

### **5.1 Installation and Maintenance**

Except as otherwise provided in these service regulations, resolutions, service agreements, or rate schedules, City will install and maintain its lines and equipment on its side of the point of delivery but shall not be required to install or maintain any lines or equipment, except meters, on Customers side of the point of delivery. Only City agents and MN Power are authorized to connect Company's service drop to Customer's service entrance conductors and to connect City meters.

- Electrical Permit: The City is prohibited from connecting service drops to Customer's service entrance conductors until permitted by the governmental authority having jurisdiction.
- Standard Connection: The ordinary method of connection between City's distribution mains and Customer's service entrance conductors will be by underground wires, except as otherwise provided for in the City's extension rules. If Customer desires to have connection made in any other manner, special arrangements will be made between Customer and City by which the connection will be made and maintained at Customer's expense.
- Suitable Space: The Customer shall provide at no cost to City a suitable room or space for City's transformers and equipment specifically used in providing service to Customer when such room or space is deemed necessary by City.

### **5.2 Protection by Customer**

Customer shall protect City's wiring and apparatus on Customer's premises and shall permit no one except City agents or persons authorized by law to inspect or handle the same.

- In the event of any loss or damage to such property of City or other person caused by arising out of carelessness, neglect, or misuse by Customer or other unauthorized persons, the cost of making good such a loss, or repairing such damage shall be by Customer.
- City shall not be responsible to Customer or any other party because of any damage resulting from such installations which are not readily subject to inspection from the ground and the exterior of the premises, or from the meter location, unless Customer has notified the City of a condition which, in the reasonable opinion of the Customer, requires attention and the City shall have had a reasonable time within which to inspect and, if necessary, repair the same.

### **5.3 Customer Extensions**

The City, at its own expense, makes extensions where the revenue therefrom is sufficient, in City's opinion, to justify the necessary expenditure.

- Where the City cannot be assured that the business offered is of sufficient duration, where unusual expenditures are necessary to supply service because of location, size or character of installation, or where area requirements of regulatory bodies may control, the Customer or customers shall make arrangements satisfactory to City dependent upon the particular conditions of each situation.

#### **5.4 Relocation of Facilities**

City will, at its discretion, alter, relocate, or move the City facilities as may be requested in writing by Customer.

- Customer shall pay City for all costs associated with such alteration, relocation or removal including any new facilities required to provide service after the alteration, relocation or removal, unless there is a beneficial reason for the City to share costs.

#### **6.0 Outdoor Security Lighting**

Dusk-to-dawn outdoor security lighting is available to all customers who take electric service from the City under one of the standard rate schedules.

- The location must be within the City's designated service territory.
- Only single phase, 60 hertz, 120-volt service is available.
- Installation of security lights must be on an existing City pole where secondary voltage lines already exist or on a customer-owned pole approved by the City.
- New installation cost is the sole responsibility of the Customer.
- The Customer will have responsibility to financially maintain the fixture through a rate determined on the rate schedule.

#### **7.0 Metering**

##### **7.1 Installation**

City shall furnish and install the necessary meter or meters, and Customer shall provide and maintain a location, free of expense and satisfactory to City, all in accordance with City metering standards.

- Meter location and wires must be free of tree limbs, debris, and must be easily accessible to City employees and authorized personnel.

##### **7.2 Metering**

- To ensure future growth and cordial relationships during times of growth, all meters on all structures will be located on the exterior of the building in an area that is easily accessible to meter readers; and
- All new service connections must provide verification of right of way prior to hook-up.
- Master metering of multiple dwellings, apartment houses, or multiple business establishments in one building is not allowed.
  - Individual metering is required for each single-family unit and each separately owned or operated business. This applies to all new construction or major

remodeling of existing building. Major remodeling is defined as work equating to 25% or more of the value of the existing structure.

### **7.3 Evidence of Consumption**

Unless proven to be inaccurate, the registration of City meters shall be accepted and received at all times and places as prima facie evidence of the amount of power and energy taken by Customer.

### **7.4 Tests**

The City tests its meters and maintains their accuracy of registration in accordance with good practice. On request of Customer, City will make a special test which will be done at the expense of the City. If the Customer requests another test before the expiration of a twenty-four-month period, the Customer shall bear the cost of the test if the meter is found to be in error by less than 2%, fast or slow. The average registration accuracy of a meter is taken as the mean of full load (100% of rated load) accuracy, and light load (5-10% of rated load) accuracy. At City's discretion, tests may be made under average load conditions. (*see section 9.7*)

### **7.5 Hot Socket**

The City will periodically check the tension on meter boxes to detect hot sockets. In the event a meter fails the test, the Customer will receive a written letter giving them 30 days to remedy the problem at the Customer's expense.

- After 30 days, should the meter still fail the test, the electric service will be discontinued until a passed test can occur.
- In the event of a hot socket, the City shall not be liable for any loss of profits, special or consequential damages, injury, or death.

## **8.0 Parallel Generation**

### **8.1 Design**

Customer's electric generating equipment shall be designed (1) to operate in synchronization with City's system and (2) to automatically disconnect the facility from City's system in the event the system becomes de-energized. All synchronizing and protective devices to accomplish this mode of operation shall be provided and maintained by customer.

### **8.2 Disconnection**

Customer shall provide and maintain a manual lockable disconnect switch providing a visible open and capable of isolating the Customer's generator from the City's electrical system. This disconnect switch shall be readily accessible to City's personnel at all times, shall include a provision for padlocking it in the open position, and shall meet all other reasonable requirements established by City.

### **8.3 Customer Responsibility**

Customer shall pay for the cost of rebuilding and/or modifying City facilities to provide adequate capacity for the parallel generation system and adequate protection for the City's electrical system

- Customer shall be subject to City’s safety standards and interconnection requirements applicable to cogenerators and/or small power producers.

## 9.0 Billing

### 9.1 Meter Reading and Billing

Meters are read on or near the 20<sup>th</sup> of every month and statements are mailed out to Customers. Non-receipt of bills does not release or diminish obligation of Customer with respect to payment thereof. Customers who have questions about their bill may call City Hall at (320)468-6471.

#### 9.1.1 Reading and Understanding Utility Bill

Each item that could be represented on the utility bill is explained below:

Previous Balance	What the previous months bill was in total
Receipt	Any payment made on the account during the last billing cycle
Penalty	If any balance was left unpaid greater than \$5, this is the amount assessed to the balance for late payment
Solid Waste	Base rate, paid by every Customer in the City for solid waste removal services
Recycling	Base rate, paid by every Customer in the City for recycling services
Landfill (One, Two, or Three)	Rate paid by the Customer for removal of waste collected in the Landfill can
Electric	Rate charged for electrical service to Customer, based off Customer usage during the current billing cycle
Storm Water	Rate paid by every Customer in the City for removal of Storm Waters
Mosquito Spraying	Rate paid by every Customer in the City for treating of mosquitos throughout the summer  This fee is a flat fee, that is broken down throughout the twelve-month period, to reduce financial strain on Customers
S. Waste Tax	Sales Tax for removal and collection of solid waste
Electric Tax	Sales Tax for electrical service provided

## 9.2 Payments and Non-payments

- All payments collected must be in the form of a money order, check, credit card, or cash. Payments may be mailed to City Hall at P.O. Box 367, Pierz, MN 56364 or dropped off in person or in the drop off box located outside City Hall at 101 Main Street S.
- Customers may choose to establish a monthly automatic withdrawal from their checking account.
- Customers may establish an account through the online bill pay system. This system allows for viewing of bills and payments in the form of credit card or check.
- Checks returned for insufficient funds (NSF) will incur a NSF fee based off the rate set on the annual fee schedule approved by the City Council.
- Nonpayment of any electrical bills thirty (30) days after the billing date will result in a disconnect notice being certified by mail to the resident. (*see section 9.4*)

## 9.3 Delinquent Bills/Late Payment Charges

Utility bills not paid in full by the due date, will become delinquent and the total amount of the balance due on the statement shall be subject to a late payment charge of 10% if the unpaid balance exceeds \$5.00. Any bills remaining unpaid on closed accounts will be collected upon.

### 9.3.1 Collection of Unpaid Final Bills

The City has the right to collection of unpaid final bills. 30 days after the final bill has become delinquent, a notice will be given of delinquent account.

- Failure to respond within 30 days after notice, gives the City the right to pursue the MN Revenue Recapture program pursuant to the MN. Stat. 270A.07. The City will then intend to apply Customers tax refund to the debt until the debt is paid, cancelled, or the statute of limitations has expired.
- The Customer has the right to appeal the claim with the electric committee per request.
- Unpaid final account balances will not be the responsibility of the new customer.

## 9.4 Delinquent Disconnection and Reconnection

Accounts who have a delinquent balance after 30 days are subject to disconnection. Account balances, including but not limited to; the total balance on the bill, including all current balances, outstanding balances, penalties, and fees, must be made in full to avoid disconnection. Please see City process and timeline below:

- If utility account is 30 days delinquent, the City sends a certified notice of disconnection at least three-weeks prior to service being disconnected, through certified mail.
  - Account balance and disconnection date are always included in the notice
  - If the disconnection notice is returned to City Hall for any reason via the mail, the Public Works Supervisor will attempt to hand deliver said notice.
  - If Public Works Supervisor is unable to make a successful hand delivery of the disconnection notice, and the account still holds a balance, a courtesy call will attempt to be placed to the customer the morning of the disconnection date, prior to disconnection.

- The Customer will have 15 days from the date on the certified notice to pay the overdue bill amount before being disconnected.
- Should the service be disconnected, reconnection can be requested after the account balance has been paid.
  - Account balances, including but not limited to; the total balance on the bill, including all current balances, outstanding balances, penalties, and fees, must be made in full for reconnection.
- If payment is not received by the disconnection date on the notice, the account has now become 60 days delinquent, and will be set for disconnection at 10:00 a.m. on the date of disconnection.
- Households who have an active member of the military are exempt from delinquent disconnection. This refers to those military members who have active orders for deployment, training, etc.
- City will not disconnect a delinquent Customer during heat watches and warnings as well as subzero temperatures. Disconnection dates that fall during extreme weather conditions as mentioned above, will be rescheduled without notice to the next business day those conditions do not exist.
- Reconnection due to disconnect by the City shall carry a flat fee at a rate set by the annual fee schedule approved by the City Council on the first meeting of the year.
- If reconnection is requested after working business hours (8:00 a.m. to 4:30 p.m. Monday through Friday), the fee shall be twice that of the City's flat fee disconnection rate set by the annual fee schedule approved by the City Council on the first meeting of the year.

#### **9.4.1 Critical Needs Equipment**

Critical needs medical equipment, may result in certain protections under MN. Stat. 216B.098.

- If a licensed doctor, physician assistant, nurse practitioner, or registered nurse provides written certification to the City that failure to continue the electric service or reconnect the electric service will impair or threaten the health or safety of the customer, then the City must continue or reconnect the electric service, and the customer must enter into an agreed payment plan.

#### **9.5 Cold Weather Rule**

Pursuant to the Cold Weather Rule (MN. Stat. 216B.097), qualifying residents will have the opportunity to complete a payment plan with the City of Pierz *only* between the months of October 15 through April 15. The City must not disconnect and must reconnect the utility service of a residential customer during the period between October 15 and April 15 if the disconnection affects the primary heat source for the residential unit and all of the following conditions are met:

- Household income is at or below 50 percent of state median household income (city can verify; the receipt of any form of public assistance counts);
- The customer enters into a payment agreement and makes timely payments; and,
- Customer receives a referral to energy assistance, weatherization, conservation or other programs to reduce energy bills

- The City must comply with all notice requirements pursuant to MN Stat. 216B.096 prior to disconnecting service to a residential customer between October 15 and April 15.
- Cold Weather Rule and payment plans must be applied for at City Hall between the dates of October 15 and April 15 and approved by the Deputy Clerk before accepted. Prior to October 15 and beyond April 15, disconnects will take place under the above “Nonpayment’s and Disconnections” section of this policy. (See *section 9.2 & 9.4*)
- Payment plan amounts differ based on income levels:
- If the household income is at or below the 50% state median income, the customer will be required to pay at no more than 10% of the monthly household income.
- During the cold weather period, a customer whose household income is above 50 percent of state median income:
  - (1) has the right to a payment agreement that takes into consideration the customer's financial circumstances and any other extenuating circumstances of the household; and
  - (2) may not be disconnected and must be reconnected if the customer makes timely payments under a payment agreement accepted by the City.
- The customer must provide income verification documents at the time of application for the payment plan to be accepted.
- Failure to follow the agreement of the payment plan will result in disconnection.
- If a resident disagrees with a City decision regarding the Cold Weather Rule and payment plans, the resident may request a hearing with the City of Pierz City Council.

### **9.6 Separate Billing for Each Point of Entry**

At each point of delivery, the use of service is metered separately for each Customer served. Whenever for any reason City furnishes two or more-meter installations for a single Customer or supplies service under a rate schedule which does not require a meter, each point of metering and/or point of delivery where no meter is required is considered as a separate service. A separate service agreement is required, and bills are separately calculated, for each such separate service, except where City may, under special circumstances, waive this requirement.

### **9.7 Adjustment for Inaccurate Meter Registration**

In the event that any routine or special test of a meter discloses its average accuracy of registration to be in error by more than 2%, fast or slow, City will credit the account for a fast meter or charge electricity consumed, but not included in the bills previously rendered, for a slow meter.

- The credit or charge for both fast and slow meters will be based on corrected meter readings for a period equal to one month per month of inaccurate meter registration, but not to exceed 6 months, unless it can be established that the error was due to some cause, the date of which can be fixed with reasonable certainty, in which case the refund or charge will be computed to that date, but in no event for a period longer than (1) year.
- When the average error cannot be determined by test because the meter is not found to register or is found to register intermittently, the City may charge for an estimated amount of electricity used, which shall be calculated by averaging the amounts registered over corresponding periods in previous years or in the absence of such information, over

similar periods of known accurate measurement preceding or subsequent thereto, but in no event shall such charge be for a period longer than one year.

### **9.8 Disputed Utility Bills**

Should a Customer dispute, as being unjustified, his/her utility billing or subsequent notice of disconnection, he/she must contact City Hall in writing within (10) days from the date of said billing or notice to arrange for a hearing. Said hearing shall be with the Electric Committee, who's decisions in such hearings shall be a recommendation to the City Council, who's decision shall be the final.

### **9.9 Unlawful Use of Service**

In any case of tampering with meter installation or interfering with the proper functioning thereof, or any other unlawful use or diversion of service by any person, or evidence of any such tampering, unlawful use of service diversion, Customer is liable to immediate discontinuance of service without notice, and to prosecution under applicable laws, and the City shall be entitled to collect from Customer at the appropriate rate for all power and energy not recorded by the meter by reason of such tampering, interfering, or other unlawful use of service diversion (the amount of which may be estimated by City from the best available data), and also for all expenses incurred by the City on account of such unauthorized act or acts.

### **9.10 Proration of Bills**

#### **9.10.1 New Customers**

A new Customer will receive a first bill prorated to correspond to the date of new ownership, or lease start. Should a Customer fail to notify the City, the Customer will be responsible for the account to the billing date that is closest the account transfer date.

#### **9.10.2 Current Customers**

Should a Customer move out and fail to notify the City. The Customer will be liable for the account until date of notification by either the Customer notifies the City or notification is given by the new homeowner, new tenant, or landlord.

### **9.11 Bankruptcy Terms**

Upon proof of bankruptcy filing, the City of Pierz will void the account of any past due balances. This does not protect the Customer from disconnection on any future delinquency.

### **9.12 Foreclosure**

Upon notice of foreclosure, the City, will close the current Customer account, and pursue collection of the Customer balance with the foreclosed Customer. A new account will be created for the bank customer. After sale of the foreclosed home, bank customers account will be closed, and a new account will be created for new homeowner customer.

- Should the City make multiple attempts at collecting payment from bank customer with no avail, the City has the right to delinquent disconnection as with any other Customer.

### **9.13 Deceased Customer**

Upon notification to City that a customer has passed away, the City will finalize the account, and submit a final bill to the Power of Attorney, or family member handling finalization of the Customer's Estate. A new account will then be created with the new customers information, family member, new homeowner, spouse, etc.

## **10.0 Landlords and Tenants**

### **10.1 Rules Regarding Landlords and Tenants**

The City considers as its customer, that person or persons who completes the most current application for utility service, and who assumes responsibility for payment of service.

- Landlords are unable to request tenant account information unless the City has been given consent to release account information in writing, by the tenant customer.

### **10.2 Connection/Discontinuance of Service**

Service will normally continue until the customer requests that service be discontinued or until such time that the customer does not adhere to the rules and regulations of service. Upon request by the tenant customer for discontinuance of service, the meter reading is recorded and, if no arrangements have been made in advance by another person or persons, the service will be transferred back into the landlord's name, until notice of new tenant customer has been given.

- It is not the responsibility of the City to assure that the readout or move-date given by the tenant customer coincide with the date determined by the landlord.
  - In the case of a dispute of dates between the tenant and the landlord, the landlord will be held responsible for the bill during the disputed period.
- The City holds liable each account holder for the balance during their service period.
  - Should a tenant move out, and leave a balance on the account, the City will pursue the tenant customer for the collection of payment.

### **10.3 Landlord Failure to Pay**

City will notify tenant if the City intends to shut off a utility service to a residence because the landlord failed to pay for the service. Tenants will receive posted notice and a chance to pay.

- The posting will be placed in a conspicuous location in or on the building and provide tenants with the following information
  - The date service is set to be disconnected
  - The City telephone number to call to obtain further information
  - A brief description of the rights of tenants under this section to continue or restore service
  - Advice to consider seeking assistance from legal aid, a private attorney, or a housing organization in exercising the rights of tenants under MN state law to maintain their utility service

#### **10.4 Landlord Notice for Disconnection**

Should a tenant be set for disconnection for any reason, the City will not only notify the Customer, the homeowner will also be notified in writing at least 24 hours in advance.

- If the disconnection is due to customer delinquency, the landlord will not be able to request information about the account. The landlord can contact the City and find out if the account is still set for disconnection at any time once the notice has been given, however, account specific details will not be provided.
- Should the disconnection be due to maintenance, repair, or other technical problems, the landlord will be notified of why the disconnection is set to occur.

### **11.0 Deposits and Guarantees**

#### **11.1 Deposits**

Renters will be required to pay a deposit with their application of service and the deposit will be a flat fee rate set by the annual fee schedule approved by the City Council.

#### **11.2 Refunds**

Deposits will be returned upon renters moving out of the location, and upon renters leaving a zero balance on utility bills at the City.

- If there is a balance on the account, the deposit will be credited to that balance, and if any deposit remains thereafter, it will then be returned to the Customer.

##### **11.2.1 Unclaimed Refunds**

Utility deposits left unclaimed for more than one year after service is terminated are considered abandoned.

- This includes checks that have been sent and either returned for not having proper address or checks that have not been cashed.

#### **11.3 Interest on Deposits**

Each January 2, the City will determine the total cash balance of all deposits. The City, will then obtain, from two local approved depositories, interest rates which would be paid by the depository if the deposit balance were invested with the depository for a one-year period.

- The highest interest rate quoted will be used by the City to establish the interest rate paid to customer with cash deposits.
- The interest rate will be applied to deposits that year on the anniversary date the deposit was first made.
- The interest rate will not be less than the rate specified by the laws of the State of Minnesota.

## **12.0 Miscellaneous Regulations**

### **12.1 Conflicts**

In case of a conflict between any provision of these service regulations, Customer's service agreement, or a rate schedule, the provision of the service agreement takes precedence, followed by the provision of the rate schedule.

### **12.2 Regulation and Jurisdiction**

Electrical service shall be available from City at the rates and under the terms and conditions set forth in the currently applicable rate schedule or superseding rate schedules in effect from time to time.

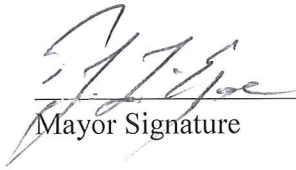
- All the rates and regulations referred to herein are subject to amendment and change by City.
- Any such amendments or changes may be subject to acceptance or approval by any regulatory body having jurisdiction thereof.


### **12.3 Appeal Process**

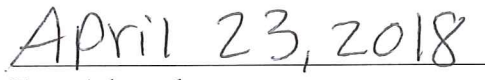
Should a Customer need to appeal a decision made on a disputed bill by the City Council, he/she must contact City Hall in writing within (10) days from the date of said decision to arrange for a hearing. Said hearing shall be held with the Board of Appeals and Adjustments, who's decisions in such hearings shall be the final.

### **12.4 City's Discretion and Choice:**

- The City holds full discretion of this policy. The City is only held to the rules and regulations of the Cold Weather Rule from October 15 to April 15.
- Beyond April 15 and before October 15, the City holds full choice and discretion in the electric policy and issues relating to reconnections, disconnections, payments, and payment plans.

  
\_\_\_\_\_  
Mayor Signature

  
\_\_\_\_\_  
Clerk Signature

  
\_\_\_\_\_  
Date Adopted