

KENTUCKY UTILITIES COMPANY
INCORPORATED

P. S. C. No. 3

RULES AND REGULATIONS OR TERMS AND CONDITIONS

Applicable to All Classes of Electric Service

POWER FACTOR

Where the Customer has equipment installed that operates at low power factor the Company reserves the right to require the Customer to furnish, at his own expense, suitable corrective equipment to maintain a power factor of 80%, lagging or higher, gaseous tube lighting excepted.

POWER FACTOR CORRECTION RULE (Applicable to Gaseous Tube Lighting Installations)

Neon lamps, mercury vapor lamps, and other gaseous type lamps or lighting devices having low power factors, will be served under the Company's standard rate schedules where customers furnish, install and maintain power factor corrective equipment designed to increase the power factor of each unit of such equipment or group of equipment to not less than ninety (90) percent lagging. This is in accordance with the Public Service Commission of Kentucky Administrative Order No. 29.

The Company will serve new gaseous type lighting installations, made subsequent to December 31, 1939, provided they meet the above requirements, which requirements shall apply to each unit of equipment of all types of gaseous tube lighting, including neon, and fluorescent types wherever used and without respect to the quantity thereof or to the percentage which it bears to the associated incandescent lighting load, or to the age of the equipment being installed. The Company's standard rate schedules will be applied where customer provides power factor corrective equipment to future additions to gaseous tube lighting installations, made prior to December 31, 1939, and to such prior installations in their entirety in the event of rearrangement, relocation or replacement thereof.

POWER FACTOR PENALTY

The Company reserves the right to refuse service to such equipment, as listed above, that does not have power factor correction equipment as outlined above.

If under unusual conditions or circumstances the power factor of the equipment is not corrected, as outlined above, and the Company does furnish electric service to the load in question, then, in view of the additional costs to the Company to serve this low power factor load, the service billing figured at the standard rate applicable will be adjusted by adding seventy-five cents (75c) per kilovolt-ampere rated capacity of the unit or units not corrected, but in no event will the amount of the monthly billing adjustment be less than \$1.00. This adjustment of the billing will continue only during the time the power factor of such equipment is uncorrected.

NOTE: If the equipment with uncorrected power factor is rated in watts or kilowatts, then the kilovolt-ampere rating will be determined and the adjustment applied as outlined above. Present fluorescent equipment has power factor of approximately 50%, and, therefore, the KVA rating may be determined by multiplying the KW rating by two.

DEPOSIT

The Company will have the right at any time to require the Customer to make and maintain a reasonable deposit in advance to secure the prompt payment of bills. Any portion of such deposit not applied to payment of bills will be refunded when the Customer discontinues service. Interest on this deposit will be paid or credited annually to Customer's account at the rate of 6% per annum.

BILLING FOR SERVICE

(a) All bills will be based upon consecutive meter readings made in accordance with the Company's meter reading schedule, and shall be taken as nearly as may be practicable either every thirty days for monthly billing or as nearly as practicable every sixty days for bi-monthly billing or as otherwise specified.

Where charges per kilowatt hour are stated for a specified number of kilowatt hours supplied in the month, such number of kilowatt hours shall be doubled when computing bi-monthly bills, and in computing bi-monthly minimums both the kilowatt hours available under the schedule and the monthly minimum charge shall be doubled.

Where a customer is billed bi-monthly and desires to make monthly payments, the Company will accept budget payments for such purpose. Such budget payments will be credited to the customer's account.

(b) Failure to receive a bill in no way exempts Customer from the provisions of these TERMS AND CONDITIONS.

(c) When the Company is unable to read a meter after reasonable effort, the Customer will be billed at the average of the three immediately preceding monthly or bi-monthly bills and the billing adjusted when the meter is read.

(d) Customer's bill will be due within ten (10) days from date of bill.

DISCONTINUANCE OF SERVICE

When bills for electric service are in arrears, or in case the Customer fails to comply with these TERMS AND CONDITIONS, the Company will have the right to discontinue all its electric service to the Customer and to remove its property from the Customer's premises upon mailing notice to address to which the monthly bills are sent. For Customers whose service has been disconnected for non-payment of bills there will be a charge of \$3.00 for reconnecting the service.

MOTOR INSTALLATIONS See Sheet No. 28**PRIMARY OR TRANSMISSION SERVICE**

The Customer in order to earn the primary or transmission service rate, must own and maintain or lease all transformers and other facilities necessary to take service at the primary or transmission voltage delivered.

ASSIGNMENT

No application and agreement or contract for service may be assigned or transferred without the written consent of the Company.

RENEWAL OF CONTRACT

If, upon the expiration of any service contract for a specified term, the Customer continues to use the service, the contract (unless otherwise provided therein) will be automatically renewed for successive periods of one year each, subject to termination at the end of any year upon 30 days prior written notice by either party.

AGENTS CANNOT MODIFY AGREEMENT

No agent has power to amend, modify, alter, or waive any of these TERMS AND CONDITIONS, or to bind the Company by making any promises or representations not contained herein.

SUPERSEDE PREVIOUS TERMS AND CONDITIONS

These TERMS AND CONDITIONS supersede all Terms and Conditions under which the Company has previously supplied electric service.

OFF PEAK WATER HEATING See Sheet No. 27

Date of Issue: January 15, 1958

Date Effective: January 15, 1958

Issued by

W. H. SKINNER, Vice President

Lexington, Kentucky


