

Rules and Regulations

Customer Service

1. Application for Service

Each prospective Customer desiring electric and/or water-wastewater service shall be required to complete BGMU's Application for Service before service will be supplied by BGMU. Applicants must provide a valid, US government issued photo ID and Social Security number. Renters must also provide a valid lease agreement. Applicants must be 18 years of age or older and may be subject to an online screening to verify identity. An existing residential Customer with at least 12 months of satisfactory payment history may call BGMU during normal business hours to transfer service. Application fees must be paid in order to obtain service.

If a water meter serves more than one service location (unit), water service must stay in the property owner's name. If separate water meters are present, tenant(s) may apply for water service.

Commercial and Industrial Customers whose service requirements are 50 kW or greater or otherwise vary from standard usage as determined by BGMU Management, may be required to sign a power service contract. All power Customers of BGMU are subject to the provisions of the wholesale power contract between BGMU and TVA.

2. Deposits

A security deposit may be required to establish service. Deposits must be paid at the time of accepted application. Deposits are non-transferable from one customer to another. Upon written request by the Customer (after twelve (12) months of service) or at the discretion of BGMU, the deposit requirement may be re-evaluated based on the most recent usage or the Customer's pay history. Should the original deposit be too high, BGMU will refund the excessive amount of the deposit.

Deposits are originally calculated on the previous owner's/tenant's usage. BGMU may require any customer to increase the deposit to up to two (2) times the average monthly bill, based on the customer's pay history, inflation, or actual usage.

A. Commercial/Industrial Security Deposits

A deposit or suitable guarantee (surety bond) equal to twice the average monthly bill will be required before service is established. Upon termination of service, BGMU will apply the deposit and any accrued interest against unpaid bills of the Customer. If any balance remains, it shall be refunded to the Customer.

B. Residential Security Deposits

i. New Customers

A security deposit may be required to establish service. A one month average bill or two times the average monthly bill will be required depending on a practical credit score. If the credit score is acceptable, the deposit may be waived.

If the customer is new to BGMU, or has not had active service in the previous twelve (12) months, BGMU will run a 'soft' credit check based on the customer's payment history at other utility companies. The result indicates the required deposit:

Green – No deposit,

Yellow – One month average bill, or

Red – Two times the average monthly bill.

Any applicant who refuses to provide a Social Security number shall be deemed a credit risk and shall be subject to a deposit equal to two times the average monthly bill.

ii. Previous Customers

A security deposit may be required to re-establish service. A one month average bill or two times the average monthly bill will be required depending on previous pay history. If previous pay history is acceptable, the deposit may be waived. (If previous service was not active in the last twelve (12) months, a practical credit score will be used to determine the deposit.)

C. Customers with Multiple Service Locations

Residential customers, including landlords, who are responsible for multiple service locations, may choose to keep service in their name. However, the Customer may be required to pay a deposit of up to two (2) times the average monthly bill for each service location. Service will remain in the Customer's name, and tenants will not be responsible for service.

Residential customers, including landlords, who are responsible for multiple service locations, may choose to provide continuing deposits for intermittent service. If the Customer expects to have service in his or her name temporarily (while the service location is unoccupied), a minimum continuing deposit of one-hundred dollars (\$100.00) will be required for the first service location. A continuing deposit of fifty dollars (\$50.00) will be required for each additional location. Service may transfer into the Customer's name intermittently until the Customer no longer requires utility service at the location. Application fees will apply for each location. See Section 3 for more information.

Residential customers who choose to provide deposits for intermittent service must agree that service will automatically transfer into the Customer's name if/when the tenant contacts BGMU to disconnect service. However, if service has been disconnected for nonpayment, service will not automatically transfer. In such situations, the Customer must contact BGMU to have service reconnected, and application fees may apply.

D. Interest on Deposits

Cash deposits will accrue interest at the rate BGMU earns on Electric Operating Fund accounts in local banks.

Upon termination of service, deposit(s) and accrued interest will be applied to any unpaid balance. After all accounts have a zero balance, any remaining deposit will be processed and refunded to the Customer.

3. Application Fees

An application fee will be required for each utility service in a Customer's name. The fee is thirty-five dollars (\$35.00) for electric service and thirty dollars (\$30.00) for water and/or wastewater service. Application fees are collected at the time of application for service. The fee for an after-hours application is sixty dollars (\$60.00) per service and will be charged on the Customer's first monthly bill. Applications will not be accepted after normal business hours if service is currently on or if service was disconnected for non-payment.

Landlords requiring service for a limited time (for maintenance, repairs, vacancy, etc.) shall pay ten dollars (\$10.00) per service application during business hours, provided service is active. If service has been disconnected, the application fee is twenty dollars (\$20.00) per service during business hours and sixty dollars

(\$60.00) per service after business hours.

4. **Billing**

BGMU shall bill each Customer on a monthly basis according to the applicable rate schedule for services, lease agreements, and charges due under the current Warren County Fiscal Court Ordinances for sanitary garbage collection, storm water billing, and recycling. Said bills shall show each charge separately. Billing for wastewater service is based on water meter readings. Bills paid after the due date on the provided billing statement shall be subject to an additional charge of five percent (5%).

The due date for payment on all bills will not be less than fifteen (15) days after the date of the bill. Bills paid on or before the due date will be payable at the net amount. Payments made after the due date will be subject to a late payment charge. The late payment penalty charge will be five percent (5%) on electric, water, wastewater, sanitation, and recycling fees shown on the bill. Sales and school tax are excluded from penalty charges. If the due date falls on Saturday, Sunday or any holiday BGMU observes, the next business day following will become the due date. If remittance is made by mail, the postmark date will become the date of payment.

If the Customer violates any of these rules and regulations and/or becomes delinquent in the payment of the Customer's bill, BGMU may employ an attorney or attorneys to protect its rights thereunder. In the event of such employment following any violation by the Customer and to the extent allowed by law, the Customer shall pay reasonable attorney's fees and expenses incurred by BGMU, whether or not an action is actually commenced by law against the Customer by reason of the violation. The Customer agrees to indemnify BGMU from all loss, damages and expenses, including attorneys' fees incurred in connection with any suit or proceeding in or to which BGMU may become a party for the purpose of protecting or asserting any lien that it may have for the collection of any account owed.

Customers who wish to receive electronic bill presentation and electronic termination notices may enroll online or in the BGMU office and must consent to terms and conditions.

Failure to receive a bill (in paper or electronic format) will in no way release the Customer from due dates or any other related obligations.

BGMU reads every meter monthly. Occasionally, due to conditions outside of BGMU's control, a Customer's meter reading may have to be estimated. Those conditions may include snow or ice covering the water meter pit, meter failure, locked gates, or vicious animals.

Occasionally a Customer may experience a high bill. In many instances, a high bill is the result of hot or cold temperatures during the Customer's billing cycle. Customers may request a re-read of their meter. BGMU reserves the right to charge the requesting customer a \$30.00 fee if, in BGMU's estimation, the re-read indicates the original reading was accurate.

The Levelized Billing program computes payments based on actual metered consumption of the current month and previous eleven months. Commercial Customers do not qualify for Levelized Billing. To be eligible for Levelized Billing, the Customer must have lived at the current residence for at least one year and have a zero (\$0.00) balance, with no more than three (3) late notices. If payment is not received by the due date, the Customer may be removed from the Levelized Billing Program.

5. Bill Payment Options

Customers may choose to pay using the following options:

- Mail – Checks
- BGMU Office – Cash, Check, Credit/Debit Card
 - o A kiosk is also located in BGMU’s office. The kiosk accepts eChecks and credit/debit cards.
 - o A drop box is located in the drive thru for after-hours check or money order payments.
- Automated Phone System – eCheck, Credit/Debit Card
- Website – www.bgm.com – eCheck, Credit/Debit Card

Credit card payments are not accepted for account balances greater than one-thousand dollars (\$1,000.00).

Customers may sign up for Electronic Funds Transfer (EFT). Payments will be deducted from the Customer’s bank account on the bill’s due date each month. Customers can sign up using a bank account or credit card. The Customer’s bill will be marked, “Bank Draft – Do Not Pay”.

6. Returned Payment Charges

When a payment is returned to BGMU, a thirty dollar (\$30.00) returned payment fee will be applied to the Customer’s account, and the payment will be reversed. If a Customer has two (2) returned payments within a twelve (12) month period, future payment options will be limited.

7. Disconnection or Refusal of Service by BGMU

A. Disconnection of Service for Non-Payment of Utility Bill

If payment is not received by the due date on the bill, BGMU may disconnect service ten (10) days after mailing a separate written notice (or electronic notice if the customer chooses) to the Customer. The written/electronic notice will inform the Customer of disconnection and the available rights and remedies to dispute the bill, including BGMU’s phone number, 270-782-1200. No further notice will be provided before service is disconnected. After service is disconnected, a thirty dollar (\$30.00) disconnect fee will be applied to the Customer’s account. If electric service is disconnected at the transformer instead of the meter, the actual cost of disconnection or a minimum of seventy-five dollars (\$75.00) will apply. Payment in full (including late fees, disconnect/reconnect fees, etc.) is required before service will be restored. An additional deposit may also be required.

i. Medical Necessity

Upon approval of BGMU’s Medical Necessity Form, disconnection of service will be postponed for ten (10) days from the originally scheduled disconnection date to allow the Customer time to make payment or seek alternative shelter. The Medical Necessity Form must be completed by a medical doctor or nurse practitioner licensed to practice in the state of Kentucky. He or she must certify that the disconnection of service would create a life-threatening medical situation for the customer or other permanent resident of the Customer’s household. It is the responsibility of the Customer to ensure that the form has been approved by BGMU. The form expires every twelve (12) months. It is the Customer’s responsibility to submit a completed form each year. A life-threatening medical condition does not relieve a customer of the obligation to pay for utility services, including any late fees or other applicable charges. If full payment of the past due amount, including all late fees, is not received by the end of the ten (10) day postponement period, service will be disconnected without further notice.

The Medical Necessity Form, or any other written or verbal communication from BGMU,

does not guarantee continuation of services as weather events, equipment failures, and other events outside of BGMU's control may cause discontinuation of service.

ii. Weather Conditions

BGMU evaluates weather daily at www.weather.gov for Bowling Green, KY, 42101. If the forecasted low is expected to be twenty-eight (28) degrees Fahrenheit or lower, BGMU will not disconnect service due to nonpayment. Disconnections will also be postponed if a Heat Index Advisory is in effect. At the conclusion of the weather condition, BGMU will follow normal disconnection procedures. This policy does not apply to accounts where disconnection occurred prior to the weather condition, nor does it extend pre-existing pay agreements or other arrangements.

B. Refusal of Service for Non-Payment of Former Services

Service may be refused to any Customer who has a delinquent account with BGMU for any past service.

C. Disconnection or Refusal of Service for Reasons Other than Non-Payment

BGMU may refuse to connect service or may discontinue service for the violation of any Rules and Regulations, the provisions of the Schedule of Rates and Charges, or any contract between BGMU and the Customer. BGMU may discontinue service to the Customer for theft of utility services or for the possession of theft devices on the premises of the Customer. The discontinuance of service by BGMU for any cause does not release the Customer from obligation to BGMU for any services rendered. In addition, BGMU may refuse or discontinue service if property is deemed unsafe or in violation of State or City codes or at the request of an Electrical Inspector or Fire Department official.

D. Disconnection of Service in the Event of Electricity or Water Emergencies or the Potential Shortage in the Availability of Service

BGMU reserves the right to limit or deny service according to guidelines stated in the TVA Emergency Load Curtailment Plan for Electricity.

If a Water Shortage Advisory, Alert, Emergency or Rationing is issued by Bowling Green's Mayor and Judge Executive, BGMU will follow rules defined in the Bowling Green, Kentucky Code of Ordinances (23.4-02) in an effort to conserve water and eliminate the waste of all treated water. Based on the severity of the declaration, BGMU shall enforce regulations and fines for non-compliance.

8. Service Reconnection

If electric or water service has been disconnected by BGMU for nonpayment, a returned payment, or failure to comply with BGMU regulations or agreements, reconnection charges will be collected by BGMU before service is restored. If the Customer requests reconnection prior to 4:00 p.m., a thirty dollar (\$30.00) reconnect fee will apply. After 4:00 p.m., the charge will be sixty dollars (\$60.00). If electric service is reconnected at the transformer instead of the meter, the actual cost of reconnection or a minimum of seventy-five dollars (\$75.00) will be collected before service is restored. (Note: Service charges apply for both disconnection and reconnection. See Section 7A for disconnection information.)

9. Disconnection of Service by Customer

Customers who wish to discontinue service must give written notice at least one (1) business day in advance.

Commercial Customers may have different regulations for termination described in the power contract. Notice to discontinue service prior to the expiration of the contract term will not relieve the Customer from any minimum or guaranteed payment specified by the contract or applicable rate schedule.

10. Right to Appeal and/or Request Hearing

The Customer has the right to appeal to the Director of Customer Service or a person designated to act in the Director's absence to resolve questions pertaining to the amount billed or the Customer's rights to be served by BGMU. The Customer may make the request by calling the Director of Customer Service at 270-782-1200, mailing a letter, or coming to the BGMU office at 801 Center Street, Bowling Green, KY 42102-7300.

If the Customer's claim is not resolved by the Director of Customer Service to the Customer's satisfaction, the Customer has the right to a three-person hearing committee appointed by the General Manager of BGMU, or his/her designee. If the request is made within two (2) business days of the decision rendered by the Director of Customer Service, the committee will weigh evidence presented by the Customer and the Director of Customer Service. The Customer has the right to have a representative at the hearing, to testify, and to present witnesses. The Customer has the right to examine BGMU's records pertaining to the Customer's account, and the Customer's service will not be terminated during the hearing process. The Customer has the right to a post-termination hearing if there was no hearing before termination, if such hearing is requested within 48 hours after termination.

A. **TVA Complaint Resolution Process**

In the case of electric billing disputes or other electric service issues, the Customer is expected to resolve the dispute by working with BGMU, including but not limited to the appeal and hearing process described above. If the dispute is not resolved, BGMU will provide the Customer with information regarding TVA's Complaint Resolution Process. Customers will be informed about the availability of the TVA Complaint Resolution Process upon application for service, at any time upon request, and through information provided on BGMU's website or other technological means of communication, if available.

11. Water Loss on Customer Property

A. **Summer Watering Program**

Customers may receive up to four (4) consecutive wastewater adjustments for watering lawns during the summer. The adjustment is based on the average usage from the previous six (6) months. Any wastewater usage above the average, plus three (3) units, will be adjusted. If the customer's actual usage is less than the average plus three (3) units, the bill will not be adjusted. Customers enrolled in the Levelized Billing program will continue to pay the levelized amount due (shown on the bill). The credit/adjustment affects the account balance, not the levelized amount due. The Customer must enroll in the program by August 1. Wastewater adjustments may be denied by the BGMU Board or management in the event of a water shortage or when circumstances affect the operation of BGMU.

B. **Outdoor Water Use**

In addition to the Summer Watering Program, Customers can request one (1) adjustment per calendar year if above normal water consumption is the result of outside use (such as filling pools or other activities that result in water not returning to wastewater lines). BGMU may adjust wastewater charges to the average of the previous six (6) months usage, plus three (3) units. The Customer must request the adjustment within two (2) months after receiving the bill. Wastewater adjustments may be denied by the BGMU Board or management in the event of a water shortage or when circumstances affect the operation of BGMU.

C. **Leak Adjustments**

Occasionally, a Customer will experience a leak in pipes or equipment on the Customer's side of the meter. The following conditions must be met before an adjustment will be considered:

- i. The adjustment will only apply to wastewater charges. If water from the leak enters the sewer system, an adjustment will not be made.

- ii. The Customer must request an adjustment within two (2) months after receiving a bill for the leak.
- iii. Customers may receive one (1) adjustment per year. The adjustment may include up to two (2) consecutive bill cycles.
- iv. A plumber's affidavit or materials invoice list may be required to receive a water adjustment for leaks. (The Customer must prove the leak has been repaired.)
- v. Any wastewater usage above the average, plus three (3) units, will be adjusted. If the customer's actual usage is less than the average plus three (3) units, the bill will not be adjusted.

BGMU may attempt to locate a water leak between the meter and outside entrance of the water service to the residence or building. This service will be provided at no cost to the Customer. For commercial establishments, if a leak is suspected inside the building, BGMU may attempt to locate the leak on an hourly cost basis for labor and equipment. However, BGMU will not guarantee the accuracy of results for this "inside" service and will not assume any liability or responsibility for providing the service.

12. **Customer Responsibilities**

The Customer is responsible for maintaining all electric and water facilities on the Customer's side of the meter. The Customer is responsible for payment of all electricity and water which is registered on the meter serving the Customer's premises.

Fats, Oils, and Grease (FOG) can create sewer backups and sanitary sewer overflows. Trash and items other than human waste also contribute to backups and overflows. The Customer is responsible for taking actions to prevent blockages. Fats, Oils, and Grease should be thrown in the garbage, not down the drain. Nothing besides human waste and toilet paper should be flushed in the toilet.

The Customer is responsible for all maintenance of the sewer lateral (including, but not limited to, all grease, root and debris removal) from the Customer's building to the BGMU main. If failure of the Customer's sewer lateral occurs due to a collapsed pipe under a public street, BGMU will repair said pipe after the collapse has been confirmed.

All meters, fire hydrants, valves, service connections and other equipment furnished by BGMU shall remain the property of BGMU. The Customer shall provide adequate space and exercise proper care to protect the property of BGMU. In the event of loss or damage to BGMU's property arising from neglect of the Customer to care for same, the cost of necessary repairs or replacements shall be paid by the Customer. If it is necessary to locate underground service lines, BGMU requires two (2) working days' notice prior to any excavation. This notice is in conjunction with KY 811 (Before You Dig) requirements. The contact phone number is 811, or they can be accessed via the web at www.Kentucky811.org.

13. **Utility Easements and Rights of Access**

BGMU employees, properly identified by a BGMU identification card, shall have access to the Customer's premises at all reasonable times for the purpose of reading meters, testing, repairing, removing or exchanging any or all equipment belonging to BGMU. Access privileges are assured by right-of-way conditions, which forbid obstacles such as buildings, fences, locked gates, trees, shrubs, and dogs or other animals, from prohibiting entrance/exit and proper working area. BGMU has the right to remove obstacles without compensation. BGMU may allow fences on the right-of-way easement, but the Customer may be required to install a ten-foot wide gate, allowing access to facilities by BGMU vehicles. If the owner chooses to lock the gate, BGMU may request access to the key, or the Customer will need to make arrangements with the Meter Reading Department to access the meter. In emergency situations, BGMU may cut locks or remove fences to access equipment.

If construction is planned that will prohibit access to BGMU meters or other facilities, the Customer should contact the BGMU Engineering Department for assistance in possible relocation of facilities.

BGMU enforces a tree trimming policy and a pipeline clearance policy in conjunction with its easement agreement. The standard Utility easement agreement states, "The Grantee (BGMU) shall have the further right from time to time to cut down and clean away any trees within or on either side of said easement which now or hereinafter in the opinion of the Grantee may be a hazard..." More information on BGMU's tree trimming policy can be found online at www.bgm.com.

14. **Meter Testing**

At its own expense, BGMU will periodically test and inspect meters in order to ensure and maintain a high standard of accuracy. BGMU will perform additional tests or inspections at the Customer's request. Meters not tested within the last eight (8) years will be tested at BGMU's expense. If the meter has been tested within the last eight (8) years and if tests made at the Customer's request show the meter is accurate within two percent (2%), slow or fast, no adjustment will be made to the Customer's bill, and a test charge of fifty dollars (\$50.00) will be paid by the Customer. This charge will be shown on the Customer's next monthly utility bill. If the test shows the meter exceeds two percent (2%), fast or slow, an adjustment will be made to the Customer's bill for the billing period prior to the test, and there will be no charge for testing. Customers requesting pulse outputs from meter installations shall bear all expenses incurred by BGMU to provide pulse output data.

15. **Outdoor Security Lights**

BGMU security lights are controlled by a photocell that turns lights on at dusk and turns them off at dawn. A seventy-five dollar (\$75.00) application fee may be collected at the time of application or may be added to the Customer's next monthly bill. If additional poles or security light fixtures are required, the Customer will pay an estimated cost for the installation prior to receiving service. If service is transferred from one customer to another without being disconnected, no charge will apply. Usage will be billed at a flat monthly rate as shown in TVA's Outdoor Lighting Schedule.

The Customer agrees that security light fixtures and wires will remain the property of BGMU and may be removed at any time by BGMU upon failure to pay charges set forth, or when deemed necessary by BGMU. Facilities paid for by the Customer shall remain property of the Customer. Removal, relocation, replacement or required maintenance of Customer owned facilities shall be at the Customer's expense.

The Customer further agrees to notify BGMU if security lights fail to turn on or operate properly, and BGMU shall make reasonable efforts to service units within two (2) business days. Security lights will be serviced during business hours only. Further, the Customer agrees to protect units from damage insofar as possible.

16. **Interruption of Service**

BGMU will use reasonable diligence to provide a regular and uninterrupted supply of electricity, water, and wastewater service, and/or fiber optic services (including Internet and phone); however, BGMU shall not be liable for any damages resulting from service interruptions or disturbances.

17. **Notice of Trouble**

The Customer shall notify BGMU immediately should service be unsatisfactory for any reason or should there be any defects, trouble or accidents affecting the supply of electricity, water, or wastewater. Such notice may be made by telephone, 24 hours a day, at 270-782-4302. The service charge for a service call outside of normal business hours is seventy-five dollars (\$75.00). If the problem exists within the area of BGMU's responsibility, the Customer will not be charged. BGMU is not responsible for and cannot make inside repairs.

18. Standby and Resale Service

All purchased electric service (other than emergency or standby service) used on the Customer's premises shall be supplied exclusively by BGMU, and the Customer shall not, directly or indirectly, sell, sublet, assign, or otherwise dispose of the electric service or any part thereof.

19. Meter Tampering

It is unlawful for anyone other than BGMU personnel to make meter connections or any form of alteration to standard utility services. If evidence indicates any form of alteration, the Customer being served at the meter location shall be subject to the following penalties (in addition to all other penalties provided by law):

- A. If BGMU personnel must inspect, remove, or replace the meter, service charges will apply.
- B. All equipment and labor costs to fix damaged equipment will be charged to the offending Customer.
- C. Service will be discontinued until all existing utility bills, plus estimated usage deemed appropriate, are paid in full.
- D. Meter tampering charges will also be assessed. They are as follows:
 - i. First Offense - \$100.00 minimum,
 - ii. Second Offense - \$200.00 minimum,
 - iii. Third Offense - \$300.00 minimum (and the Customer will be subject to prosecution).

20. Discounts on Water and Wastewater Bills

In order to establish eligibility for a ten percent (10%) discount on the first seven (7) units of water and wastewater service as described by the Code of Ordinances of the City of Bowling Green, the Customer must:

- A. Submit a Water/Wastewater Discount Application.
- B. Verify in writing that the income of the Customer, when added to the income of all other members of the household, does not exceed \$22,000.00.
- C. Provide copies of requested documents that relate to the income of the Customer and other members of the household.

Should a Customer submit evidence of certification by the Kentucky Cabinet for Health and Family Services for eligibility to receive food stamps, BGMU may waive the above requirements.

After the Customer is approved, the discount will apply for two (2) years. After two (2) years, the discount will be removed from the Customer's account. The Customer is responsible for submitting a new application every two (2) years.

21. Information to Customers

BGMU shall inform Customers about rates, including local rate actions initiated by BGMU, and service policies by making such information available upon application for service and at any other time upon request. Upon request by the Customer, BGMU will provide the Customer's consumption history for the prior twelve (12) months. BGMU, as it deems appropriate, shall utilize channels such as mail, e-mail, newsletter, website

(www.bgmu.com), newspaper, bill inserts, bill messages, radio, and television to inform Customers about rates and service policies and changes to those policies.

22. Water Attachment Fees

| Water Service Size | Attachment Fee |
|-----------------------|---|
| 5/8" "drop in" meter* | \$230.00 |
| 5/8" size | \$1,065.00 |
| 1" size | \$1,665.00 |
| 2" size | \$4,000.00 |
| Larger than 2" | Attachment fee to be determined and prepaid at time of request. Final charge based on actual cost of installation. Overpayment will be refunded; actual cost in excess of prepayment invoiced to applicant. |

*Drop in meter denotes a meter box, set, location, and elevation approved by BGMU and applies only to new development/construction.

Each service (meter) will be charged according to the fee schedule above, and payment must be made at the time of application. If more than one service is installed, final charge for each additional service to an existing lot will be based on time and materials. Overpayment will be refunded; actual cost in excess of prepayment will be invoiced to applicant.

All fees are due upon request for attachment.

23. Sewer Attachment Fees

All sewer attachments, regardless of size, require an eighteen-hundred dollar (\$1,800.00) deposit at the time of application. The final charge is based on time and materials. Overpayment will be refunded; actual cost in excess of prepayment will be invoiced to the applicant.

24. Extension of Water and Wastewater Service¹

Since 1975, the following rule has been the policy of BGMU with respect to the extension of water and wastewater service to unserved areas.

A. Improvements External to Applicant's Property

If an applicant for new service by BGMU pays to BGMU the cost of extending, greater than 100 feet, any requested water or sanitary sewer line to the applicant's property, the applicant shall be entitled to a pro-rata refund of costs for each subsequent connection to that line by others until the line reaches its designated capacity. The amount of the refund shall be the pro-rata portion of the original extension price as determined by the discharge flow (as measured in gallons per minute) of the new connection compared to the water or sanitary sewer line's designated capacity (as measured in gallons per minute). The applicant shall contact BGMU to determine the designated capacity of the subject water or sanitary sewer line. In no event shall the refund amount exceed the amount paid by the applicant. The refund period shall extend for a period of ten (10) years from the date the facilities extending service to the applicant's property are accepted by BGMU.

1. "KRS 96.539 *Development of Rules to Govern Extension of Water and Sewer Service by City.* Any water or sewer utility owned by a city shall develop rules to govern extensions of service to unserved Customer in areas. These rules may require that the applicant or applicants for new service pay to the new utility all or part of the cost of extending utility lines. Where such payment is required, however, the cost of any extension greater than one hundred (100) feet per applicant shall be subject to refund by BGMU on a prorated basis for each additional Customer whose service line is directly connected to the extension line paid for by the initial applicant or applicants. The refund period shall extend at least ten (10) years, and in no case shall the refund amounts exceed the amount paid. Nothing in this section shall be construed to prevent a water or sewer utility from adopting extension or refund policies which are more lenient to Customers than are herein specified."

PROVIDED, however, no applicant shall be entitled to a refund for the cost of such extension as provided above unless the following occur:

- i. The applicant makes a written request to BGMU for such extension. The applicant shall perform and be responsible for all design, engineering, and inspection costs for the project.
- ii. The application is accompanied by applicant engineering estimate (based on BGMU specifications) of the cost for such extension.
- iii. The application is accompanied by certified or cashier's check payable to BGMU equal to the engineering estimate.
- iv. BGMU publicly bids the project, hiring a contractor pursuant to such bid, and funds the project with applicant funds (including advertising and bidding costs).
- v. Upon completion of the project, an audit will be performed by BGMU. If the cost exceeds the applicant estimate, the applicant shall pay BGMU the difference within thirty (30) days after receipt of billing; further, if the cost is less than the applicant estimate, applicant shall be refunded the excess amount within thirty (30) days after completion of the audit.
- vi. Refund will be made to the applicant within thirty (30) days after receipt of payment by BGMU from additional customers whose service line is directly connected to such extension line.

B. Improvements Internal to Applicant's Property

No refund shall be paid to an applicant for utility improvements internal to the applicant's property when the applicant subdivides and develops his property pursuant to and in accordance with the Rules and Regulations of the City-County Planning Commission of Warren County. However, an applicant may elect to seek refunds from lot purchasers in the form of privilege fees for all or a portion of the cost of water and/or sewer lines if, and only if, the applicant executes all forms required by BGMU Management and complies with all the rules and regulations of BGMU.

- C. Improvements Developed by BGMU.** If water and/or sewer lines are developed by BGMU to extend those lines to previously unserved areas, then the costs for those extensions may be allocated to property owners served by the new lines when a property owner requests water and/or wastewater service. Methodology for allocating those costs for reimbursement by these property owners for each area of development shall be established by the BGMU Board.

25. Use of Public Wastewater System

According to Bowling Green Ordinance 23-3.02, land which is within one-thousand, five hundred (1,500) feet of existing public sanitary sewers, measured by way of public rights-of-way or public utility easements, is considered to be served by sanitary sewage facilities. All persons served by BGMU's wastewater system shall pay for wastewater system service in accordance with the current BGMU Schedule of Sewer Rates and Charges as established by the Board of Commissioners for the City for the use of and services rendered by BGMU's wastewater system.

BGMU cannot issue statements of whether or not a home or business is connected to BGMU's wastewater system without performing a dye test. The dye test can be performed for a fee of fifty dollars (\$50.00), payable in advance, or this test can be conducted by a licensed plumber. An appointment can be arranged for wastewater line dye testing by contacting the Water/Wastewater Engineering Department at 270-782-1200.

26. Commercial and Industrial Construction, Reconstruction and Development

Regulations relating to construction, reconstruction, and development for commercial and industrial Customers

are available at BGMU's office and may be reviewed during regular business hours.

27. **Scope**

Rules and Regulations and applicable rate schedules are included in contracts for receiving electric, water and wastewater service and apply to all services provided by BGMU, whether service is based upon contract, agreement, signed application or otherwise. A copy of this schedule of Rules and Regulations, together with a copy of BGMU's Schedule of Rates and Charges, which was approved in a public BGMU Board of Directors' meeting, shall be kept open to inspection at the office of BGMU located at 801 Center Street, Bowling Green, KY, 42101. Rules and Regulations for Customer Service shall be applied without regard to race, color, religion, age, gender, national origin, or marital status.

28. **Open Records Request**

Certain documents and records are available for public review. BGMU has established guidelines pursuant to the Kentucky Open Records Act. Permission to inspect or copy documents may be obtained by written request to the Official Custodian. A copy of BGMU guidelines concerning Open Records Request is available at the BGMU office located at 801 Center Street, Bowling Green, KY.

29. **Revisions**

Rules and Regulations and applicable rate schedules may be revised, amended, supplemented or otherwise changed from time to time, without notice. Such changes, when effective, shall have the same force as the present Rules and Regulations and applicable rate schedules.