

STREET LIGHTING SERVICE REGULATIONS

1. SERVICE AGREEMENT

In order to assure certainty and uniformity of conditions, Company will only supply street lighting service under its uniform Service Agreement, consisting of (1) the Application for Street Lighting Service, (2) the applicable Schedule, and (3) the Street Lighting Service Regulations.

2. DEFINITIONS

- (a) Dusk is a period before nightfall and in the illumination of lamps it will be considered as being approximately 30 minutes after sunset.
- (b) Dawn is a period after daybreak and in the illumination of lamps it will be considered as being approximately 30 minutes before sunrise.
- (c) A special street lighting pole or post is any standard Company-owned pole or post installed as a part of its overhead street lighting system and on which no other Company overhead distribution facilities are installed or a pole or post installed as a part of its underground street lighting system. If another utility or company has overhead conductors or equipment installed on a Company-owned pole or post used by Company only for street lighting, such pole or post will be classified as a special street lighting pole; however, if Company installs its overhead street lighting equipment on a pole or post owned by another utility, such pole or post will not be classified as a special street lighting pole or post.
- (d) A system street lighting pole is a system distribution pole on which Company has attached both street lighting and overhead distribution facilities or a pole installed in conjunction with the street lighting system to which only overhead distribution facilities are attached.
- (e) A system street lighting metal pole is a metal pole on which Company has attached both street lighting and overhead distribution facilities or a metal pole installed in conjunction with the street lighting system to which only overhead distribution facilities are attached.

3. EXTENSIONS AND ADDITIONS

Company will extend its street lighting system to supply additional lighting units at Customer's request and install the additional lighting units insofar as practical, in accordance with good engineering practice, at the locations Customer designates. If any overhead lighting unit is more than 500 feet from the next adjacent lighting unit or Company has to extend its secondary overhead distribution system more than 500 feet, the Customer will make a nonrefundable contribution to Company equal to the estimated installed cost of the new circuit in excess of 500 feet.

4. CHANGE IN FIXTURE STYLE, LIGHT SOURCE OR LAMP LUMEN RATING

At Customer's request, Company will, at no cost to Customer, change the fixture, pole or post style or color at the same location provided the facilities to be replaced have been in service for 20 years or longer and the contract term for the new facilities is extended. The appropriate term shall be as described in the Contract Period paragraph stated in the Street Lighting Service Schedule. If the facilities to be changed to a different style or color have been in service less than 20 years, Customer shall pay a charge of \$50 if only the fixture is changed or \$500 if the facilities to be changed includes the pole or post. If the request requires a change in the overall lighting design and

layout and the fixture or pole are not installed in the same location, in addition to the fixture and pole change charge for an underground installation, Customer shall pay the estimated installed cost of the new underground circuit in excess of 250 feet plus any abnormal construction costs.

5. RELOCATION OF FACILITIES

If the Company's street lighting facilities are installed within its rights-of-way or easements, upon Customer's request Company will relocate such facilities to a new location within the same general area provided Customer will pay to Company any applicable charge as set forth in the Termination of a Service Agreement paragraph shown below. A new Contract Term shall not be required. If the relocation request involves both lighting and other distribution facilities, the cost of the relocation of all facilities shall be determined pursuant to the Line Extension Plan.

6. RIGHTS-OF-WAY

Customer shall furnish, without cost to Company, satisfactory rights-of-way or franchise for Company to install its street lighting circuits and necessary equipment. Customer will be responsible for trimming trees and other vegetation that obstruct the light output from the fixture(s) or maintenance access to the facilities.

7. CONTINUITY OF SERVICE

Company will exercise due diligence and reasonable care and foresight to maintain continuity of service as provided in the Service Agreement, but shall not be considered to be in default in respect of any obligation under the Service Agreement if prevented from fulfilling such obligation by reason of uncontrollable forces or by reason of outages of facilities for repair, replacement or inspection, provided due diligence was used to limit such outages, and provided such outages, except in emergencies, were conducted upon a reasonable prearranged schedule; the term "uncontrollable forces" shall be deemed for the purposes of this Agreement to mean earthquake, storm, lightning, flood, backwater caused by flood, fire, epidemic, accident, failure of facilities, war, riot, civil disturbance, strike, labor disturbance, restraint by an order of court or public authority, or other causes beyond the control of Company, which by exercise of due diligence and foresight Company could not reasonably have been expected to avoid. When Company is rendered unable to fulfill any obligation by reason of uncontrollable forces Company will exercise due diligence to remove such disability with reasonable dispatch.

8. BURNED OUT OR BROKEN LAMPS

Company will use reasonable diligence to see that all lamps are burning each night but does not guarantee the lamps against burn outs and breakage. Customer will be responsible for notifying Company of any and all lamps which are not burning according to schedule and Company shall have until dusk of two business days following notice to replace the lamps. If Customer has given Company written notice and Company fails to so replace the lamps designated in the notice within such two days, then, upon request by Customer, there shall be a pro rata reduction of the "Monthly Rate" charge per fixture.

When a pro rata reduction of the "Monthly Rate" charges is to be made, the lamp or lamps will be considered as burning until the day on which Company was first notified in writing by Customer and the amount of the "Monthly Rate" charges to be billed will be determined by multiplying the "Monthly Rate" charges by the ratio of the number of days in the month which the lamp actually burned to thirty days.

9. DAMAGE TO COMPANY FACILITIES

Customer shall protect Company's wiring, apparatus, lighting fixtures, and poles covered by the Service Agreement from damage or harm. In the event of any loss or damage to such property of Company caused by or arising out of carelessness, neglect, or misuse by Customer, his employees or agents, or vandalism, the cost incurred by Company to repair such facilities shall be paid by Customer.

10. CONFLICTS

In case of conflict between any provision of a street lighting schedule and these Street Lighting Service Regulations, the provisions of the street lighting schedule shall prevail.

11. NONSTANDARD FACILITIES

At the request of the Customer the Company may consent to install street lighting facilities, using Company approved equipment, which has not been established as a system standard subject to Customer paying to Company a Monthly Facilities Charge as determined under Company's filed Service Regulations.

The Company may, at its own discretion and without additional cost to Customer, install facilities on an experimental basis without adopting such facilities as standards.

12. DELINQUENT BILLS

Any bill not paid within 15 days from date of the bill shall be deemed to be delinquent and Company shall have the right at any time thereafter to discontinue the supply of electricity provided that (1) Company has notified Customer to pay any one or all of the delinquent bills and (2) Company has given Customer the required written notice of its intention to discontinue the supply of electricity.

13. TERMINATION OF A SERVICE AGREEMENT

If Customer desires to terminate all or a portion of the facilities installed pursuant to the Service Agreement, Company will agree to such termination if Company is satisfied that Customer no longer has need for street lighting service. If such termination request occurs before the expiration of the initial contract term, Company will agree to such termination and remove its facilities provided Customer pays an amount of money equal to 40% of the bills which otherwise would have been rendered for the unexpired months of the initial Contract Period.

14. AMENDMENT OF A SERVICE AGREEMENT

If and when mutually agreed upon, a lighting unit or pole may be added or removed from the street lighting system or the size of the lamp may be changed. Any change made under this paragraph shall be evidenced by a written memorandum.

If Company extends its general distribution system so as to use special street lighting poles for distribution poles or removes its distribution facilities from a pole used for street lighting purposes, Company shall so notify Customer of the poles affected and appropriate adjustments will be made in the rendering of monthly bills.

15. SALES TAX

Any applicable North Carolina Sales Tax shall be added to the charges contained in the Schedules and Street Lighting Service Regulations.

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