

RULES and REGULATIONS for CHILLED WATER SERVICE



CONTENTS

Rule 1. Definitions4

Rule 2. General Provisions5

 2.1 General Provisions5

Rule 3. Characteristics of Service.....6

 3.1 Character of Service.....6

 3.2 Availability of Service.....6

 3.3 Agreements6

 3.4 Material Availability.....7

Rule 4. Use of Service8

 4.1 General8

 4.2 Access and Damages.....8

 4.3 Customer Piping and Equipment9

 4.4 Chilled Water Quality and Disturbances.....9

 4.5 Improper Use and Tampering.....9

 4.6 Disconnection of Service.....10

Rule 5. Metering11

 5.1 General11

 5.2 Sizing, Installation, and Ownership.....11

 5.3 Equipment Location.....11

 5.4 Damaged Metering Equipment12

Rule 6. Application of Rates.....13

 6.1 General13

 6.2 Resale of Chilled Water13

 6.3 Billing14

 6.4 Minimum Charges.....14

 6.5 Property Owner - Rental Agent Agreement for Automatic Leave-On “ALO” Service.....14

Rule 7. Bills and Payments 15

 7.1 Responsibility for Payment of Bills 15

 7.2 Estimated Consumption 15

 7.3 Billing Errors..... 15

 7.4 Account Security Deposits 16

Rule 8. Dispute and Hearing Procedure..... 18

 8.1 Disputes 18

 8.2 Independent Hearings 18

Rule 9. Distribution System Extensions 20

 9.1 General 20

 9.2 Request for Distribution System Extension 20

 9.3 Ownership..... 20

 9.4 Availability of Distribution System Extension 20

 9.5 Installation of Distribution System Extension..... 20

 9.6 Adequate Temperature, Pressure, and Flow Capacity 21

 9.7 Economic Development Offsets 21

 9.8 Easements..... 21

 9.9 Tree Removal Permits..... 21

 9.10 Non-Standard Equipment 22

 9.11 Non-Standard Construction 22

 9.12 Other Facilities 22

 9.13 Construction Date of Distribution System Extension 22

 9.14 Chilled Water Facility Relocations and Removals 22

Rule 10. Services 24

 10.1 General 24

 10.2 Application for service 24

 10.3 Chilled Water Service..... 25

10.4 Chilled Water Facility Relocations and Removals.....	26
Rule 11. System Extension & Service Deposit	27
11.1 General	27
11.2 Distribution System Extension and Customer Chilled Water Service.....	27
11.3 Customer Chilled Water Service Only.....	27
Rule 12. Schedule of Fees & Charges.....	28

RULE 1. DEFINITIONS

ANNUAL REVENUE - BWL estimated income received from a Customer or a group of Customers for a twelve (12) month period, less sales tax, franchise fees and other fees earmarked in the rates.

BWL - When used in these Rules and Regulations, an abbreviation meaning the Lansing Board of Water & Light.

BTU - British Thermal Unit, the heat necessary to raise one pound of water one degree Fahrenheit.

CHILLED WATER DISTRIBUTION SYSTEM - The system of Chilled Water Mains, pipes, fittings, valves and all equipment and appurtenances thereto, necessary to distribute chilled water to Customers.

CHILLED WATER MAIN - The pipes owned and maintained by the BWL that conveys chilled water to and from a Customer Chilled Water Service.

CUSTOMER - A purchaser of chilled water service supplied by the BWL.

CUSTOMER PIPING - A piping system owned or controlled by the Customer that conveys chilled water from the Service Location throughout the Customer's Premises.

CHILLED WATER SERVICE PIPING - Those pipes, valves and appurtenances installed between a Chilled Water Main and Customer Piping.

DEMAND - The rate of chilled water delivered at a given point in Tons of refrigeration.

FACILITIES - A general term which includes BWL equipment, pipes, fittings, valves, structures and the like, used as a part of or in connection with a chilled water installation.

PERSON - Any individual, corporation, partnership, company, limited liability corporation, organization or governmental entity.

PREMISES - A building and its grounds.

RATE - The unit prices as established by the BWL's rate-making body and the quantities to which they apply as specified in the Rate Schedule.

RATE SCHEDULE - A filed statement of the chilled water Rate for a particular classification of service and the terms and conditions governing its application as are established by the BWL's rate-making body. Rate Schedules can be found on the BWL's website at www.lbwl.com/rates.

RTU - Remote Telemetry Unit housing BWL owned Chilled Water metering and monitoring equipment.

SERVICE LOCATION - The point at which the BWL has agreed to deliver chilled water service to Customer Piping.

SERVICE VALVES - The valves installed by the BWL at the Service Location on the Customer's Premises. The Service Valves may be located at the property line, or within the Customer's Premises, depending on the nature of the service and configuration of the Customer's Premises.

TON - A unit of refrigeration. One Ton equals to 12,000 BTU/hr.

RULE 2. GENERAL PROVISIONS

2.1 GENERAL PROVISIONS

- A. Copies of the BWL's Rate Schedules for chilled water service are open to public inspection at the BWL's offices and are available on the BWL website at www.lbw.com/rates or upon request. Application for original, modified, or added service should be made at BWL Utility Services, 1232 Haco Drive, Lansing, Michigan 48912.
- B. Any Person receiving or agreeing to receive chilled water service from BWL Facilities is deemed a Customer of the BWL subject to its Rates and these Rules and Regulations and responsible for the service used whether such service is provided under a signed agreement or not.
- C. Chilled water service will not be supplied to new or remodeled buildings until such installations comply with these Rules and Regulations.
- D. The Customer should contact the BWL Customer Projects Department to determine the characteristics of the chilled water service available at the Premises. The Customer Projects Department will inform the Customer of the BWL requirements, which must be fulfilled by the Customer in order to receive chilled water service.
- E. No rights, title, or interest in Facilities provided by the BWL will pass to any person as a result of any deposit or contribution made under these Rules and Regulations, unless otherwise specified herein or by contract. Deposits or contributions made by Customers toward Facilities will not be refundable unless expressly provided in these Rules and Regulations.
- F. The BWL may disconnect chilled water service to any Customer for any breach of the BWL's Rules and Regulations, policies, procedures, and practices, or in accordance with law. The Customer must pay a reconnection fee in accordance with Rule 12 to cover the cost of restoring chilled water service that has been disconnected for any breach of the BWL's Rules and Regulations, policies, procedures, and practices, or in accordance with law. The BWL may charge a reconnection fee in accordance with Rule 12 for each utility reconnected.
- G. The BWL will release Customer information in accordance with written Customer authorization and BWL policy.
- H. This document is intended to cover most situations where standardized policies, procedures, and practices have been established. No officer, agent, or employee of the BWL has authority to waive or modify the provisions of this document unless specifically authorized to do so by the Board of Commissioners. At any time, the Board of Commissioners may temporarily or permanently revise, modify, or suspend any portion of this document.

RULE 3. CHARACTERISTICS OF SERVICE

3.1 CHARACTER OF SERVICE

- A. The BWL produces and distributes chilled water for public use throughout its service area and intends, but does not guarantee, to furnish a continuous supply and to maintain chilled water temperature and pressure within reasonable limits.
- B. The BWL will not be liable for interruptions in the service, including, but not limited to, variations in the service characteristics, loss or damage of any kind or character caused by interruptions or variations in service, or loss or damage caused by conditions beyond the BWL's control. Such causes or conditions specifically include, but are not limited to, acts or failure to act by Customers or third parties, operation of safety devices, loss of electrical power needed to operate the BWL's control valve, metering, and monitoring equipment, absence of an alternate supply of service, the failure, malfunction, breakage, repairs, or inspection of machinery, or lack thereof, Facilities or equipment when the BWL has carried on a program of maintenance consistent with the general standards prevailing in the industry, acts of God, war, action of the elements, storm, flood, fire, riot, sabotage, labor dispute, labor disturbance, the exercise of authority by the government, the exercise of authority by the military, governmental regulation, and military regulation.
- C. Notwithstanding any other provision of these rules, the BWL may interrupt, curtail, or suspend chilled water service to all or some of its Customers without prior notice and in a manner that appears equitable under the circumstances or as necessary to protect the health, safety, and welfare of its employees or Customers and the reliability of the Chilled Water Distribution System. The BWL is not liable for any such interruption, curtailment, or suspension of chilled water service.

3.2 AVAILABILITY OF SERVICE

- A. Chilled water service is available twelve (12) months a year to Customers in the City of Lansing, except where the BWL has determined it to be impractical to serve.
- B. The BWL will endeavor to deliver Chilled Water Service at a maximum supply temperature not to exceed 44 degrees Fahrenheit.
- C. The BWL will endeavor to deliver Chilled Water Service with maximum pressure not to exceed 100 psig and minimum pressure of not less than 60 psig at the discharge of the BWL's production facility.
- D. Chilled water service is not considered available when the Chilled Water Service Piping must cross another parcel or lot not owned by the requesting Customer when the BWL does not have an existing easement in order to provide service. The Chilled Water Service Piping will cross only that legally described property upon which the building to be served is located.
- E. Where there is more than one Chilled Water Main capable of providing service, the BWL will determine which Chilled Water Main will be used and the location of the Chilled Water Service Piping connection.

3.3 AGREEMENTS

- A. The BWL may require the Customer to enter into a written agreement that details the terms, conditions and price to be paid by the Customer prior to chilled water service construction.
- B. In addition, the BWL may negotiate written contractual arrangements for Customers or prospective Customers whose load requirements exceed the capacity of the available distribution system in the area or

whose load characteristics or special service needs require unusual investments by the BWL in service Facilities or where there is not adequate assurance of the permanent use of the service. The agreement may contain language regarding the necessary service Facilities to be provided, duration of service, amount of deposit and refunds, minimum bills or other service conditions.

- C. The BWL may charge a connection or reconnection fee when the Customer requests the service to be made active outside normal business hours as specified in Rule 12.
- D. No promises, agreements or representations of any agent or employee of the BWL will be binding on the BWL unless the same is within the authority of that individual and incorporated in the written agreement.

3.4 MATERIAL AVAILABILITY

- A. Subject to the restrictions contained in Rule 3.2, the BWL will construct chilled water distribution Facilities and extensions only in the event it is able to obtain or use the necessary materials, equipment, and supplies. The BWL may, at its discretion, allocate the use of such materials, equipment, and supplies among the various classes of Customers and prospective Customers of the same class.

RULE 4. USE OF SERVICE

4.1 GENERAL

- A. Chilled water is supplied to a Customer for exclusive use on the Premises to which it is delivered by the BWL. Service may not be shared with another, sold to another, or transmitted off the Premises without the written permission of the BWL, except as noted in Rule 6. The Customer must use the service so as not to cause a safety hazard, endanger BWL Facilities, or disturb BWL service to other Customers.
- B. The location and use of chilled water is only for the purposes authorized by the BWL and is not to be extended to another building without authorization of the BWL. Only personnel authorized by the BWL may operate valves (including automated valves), or draw water from the system.

4.2 ACCESS AND DAMAGES

- A. The Customer must provide and maintain, at no expense to the BWL, appropriate access and working space around chilled water Facilities in accordance with all applicable BWL standards to permit ready and safe operation and maintenance of such Facilities, including, but not limited to, periodic testing, repairs, and replacement. If the Customer does not maintain appropriate access and working space to BWL Facilities, the BWL is authorized to remove anything that has or has the potential to come into contact with, interfere with, or be hazardous to the operation and maintenance of BWL Facilities. In such instances the BWL will have no obligation to restore the Customer's Premises.
- B. The BWL's authorized personnel or agents of the BWL must have access to the Customer's Premises at all reasonable hours for all purposes necessary to conduct business, including, but not limited to, the following:
 - 1. Install, inspect, read, repair, maintain, test, or remove its meters and fiber optics.
 - 2. Install, operate, inspect, and maintain other BWL equipment or Facilities.
 - 3. Inspect service installations, Customer Piping, and determine the connected chilled water Demand.
- C. If the meters, metering equipment or other BWL property are damaged or destroyed through acts or failure to act by the Customer or someone other than the BWL, the cost of necessary repairs or replacements is the responsibility of the Customer.
- D. If the BWL is unable to read, operate, maintain, or inspect a meter for reasons beyond its control, including, but not limited to, Customer interference, the Premises being locked, the meter being inaccessible or the presence of unsafe conditions, service may be disconnected or interrupted and the Customer will be responsible to pay the appropriate reconnection fee in accordance with Rule 12.
- E. If a Customer intentionally interferes with the BWL's access to Facilities, including, but not limited to, physical or verbal threats, assault or intimidation, the Customer will be responsible to pay an interference fee per incident in accordance with Rule 12.
- F. Service will not be reconnected until:
 - 1. Safe and appropriate access has been provided.
 - 2. All fees have been paid in full.

- G. The Customer is responsible for all losses, injuries, and damages associated with the Customer's failure to provide safe access to the Premises, which includes but is not limited to, accessibility, maintenance of equipment and continuation of service.

4.3 CUSTOMER PIPING AND EQUIPMENT

- A. The BWL will deny or terminate service to any Customer whose Customer Piping or equipment constitutes a hazard to the BWL's employees, its equipment, its service to others, or the public. The BWL is not responsible for installing, inspecting, repairing, maintaining, testing, or removing the Customer's Piping or equipment and is not be held liable for any injury or damage resulting from the condition of such piping or equipment.
- B. However, in situations in which the Customer's piping or equipment is damaged and needs repair as a direct result of the BWL's planned or emergency work, such piping or equipment will be repaired or restored by the BWL. The BWL will not repair or restore wiring or equipment that was damaged or defective prior to the BWL's work.
- C. The Customer must install and maintain the necessary Facilities or devices, including the condition of the building and core holes, to protect Customer-owned equipment against service interruptions and other disturbances on the BWL Chilled Water Distribution system.
- D. Alterations to the Customer Chilled Water Service or associated equipment require the approval of the BWL.

4.4 CHILLED WATER QUALITY AND DISTURBANCES

- A. The Customer must operate equipment and use the service in a manner that does not cause surges, water hammer or other disturbances to the Chilled Water Distribution System or to another Customer's service. If the BWL notifies the Customer of such a condition, the Customer must discontinue operation of equipment causing the condition until a correction has been made. If the Customer does not remedy the condition within the time requested by the BWL, the BWL will disconnect service until the Customer has remedied the situation and has paid the reconnection fees in accordance with Rule 12 and any costs associated with investigation.
- B. The Customer is responsible for all costs associated with alterations to the Chilled Water Distribution System required to continue proper operation of the system when the Customer causes such alterations.

4.5 IMPROPER USE AND TAMPERING

- A. Any Person or Customer that uses chilled water without making proper application for chilled water service is responsible for all charges for chilled water service. The amount of such charges will be determined by the BWL either by an actual meter read or by estimated consumption for the time chilled water was used.
- B. The BWL may disconnect service without notice, if a Person or Customer uses chilled water without proper application for service or chilled water service connection. In the case of such disconnection of service, the BWL will restore service only when the Person requesting reconnection is or becomes a Customer, has paid the meter tampering fee and reconnection fee in accordance with Rule 12, and has made appropriate restitution for stolen service and damaged equipment.
- C. The BWL may disconnect service without notice, if it determines the meter or piping on a Premises has been tampered with or altered in any manner. If the BWL disconnects service for this reason, the BWL will restore service only when the Person requesting reconnection is or becomes a Customer, has paid the meter

tampering fee and reconnection fee in accordance with Rule 12, made appropriate restitution for stolen service and damaged equipment, and made arrangements for metering and piping changes as may be required by the BWL.

4.6 DISCONNECTION OF SERVICE

- A. Service may be voluntarily or involuntarily disconnected. Customers or their representative should be present when service is disconnected because the Customer is responsible for confirming service disconnection. Customers must take all necessary measures to verify disconnection and secure customer-owned equipment in the event of chilled water service disconnection.
- B. Customers are responsible for notifying the BWL as soon as possible if the service disconnection was not effective and are also responsible for all chilled water service consumption registered or damages due to an ineffective disconnection. Service may be disconnected in the following circumstances:
 1. Customer Request
 - a. Service may be disconnected per the Customer's request.
 - b. A request for temporary disconnection of service for purposes such as winterization or seasonal occupancy is subject to a reconnection fee in accordance with Rule 12 to cover the costs of restoring service.
 - c. Service may be permanently disconnected for demolition purposes by submitting a demolition request form. Permanent disconnection is completed at the cost of labor and material required to complete the disconnection.
 2. Noncompliance
 - a. Service may be involuntarily disconnected for noncompliance with BWL Rules and Regulations.
 - b. Service may be involuntarily disconnected for noncompliance with Municipal, State, or Federal law.
 - c. Service may be involuntarily disconnected by issuance of a court order.
 3. Other
 - a. Service may be disconnected if the BWL no longer provides services to the applicable jurisdiction or territory.
 - b. Service may be disconnected if an alternative is available to the Customer subject to the BWL's approval.

RULE 5. METERING

5.1 GENERAL

- A. All chilled water sold to Customers is measured by commercially acceptable measuring devices owned and maintained by the BWL. In the event of a meter malfunction, consumption may be estimated.
- B. Inquiries regarding BWL installation requirements should be directed to the BWL Customer Projects Department.

5.2 SIZING, INSTALLATION, AND OWNERSHIP

- A. At no cost to the Customer, the BWL will furnish, own, and maintain metering and monitoring equipment, including the following elements:
 - 1. RTU Cabinet and components contained therein
 - 2. Temperature Transducers and Thermowells
 - 3. Flow Transducers and Mounting Hardware
 - 4. Temperature Control Valve and Actuator
 - 5. Differential Pressure Transducer, including taps and tubing
 - 6. Analog Thermometers and Thermowells
 - 7. All connective wiring from remote sensors to the RTU Cabinet
- B. At no cost to the BWL, the Customer must install the above components to BWL specifications and furnish the following elements:
 - 1. Two 120 VAC 20 AMP power circuits to the RTU Cabinet
 - 2. Connective Conduits between the Sensors and the RTU Cabinet
 - 3. All associated mounting hardware
 - 4. A conduit route for communications and control wiring from the location of the RTU Cabinet to an electrical manhole of the BWL's choosing
- C. The Customer will be responsible for the costs of installing communication and control wiring from the RTU panel to the Chilled Water Plant. The BWL will install, own, and maintain all communication and control wiring for the metering and monitoring equipment.

5.3 EQUIPMENT LOCATION

- A. The Customer must provide, at no expense to the BWL, a space or enclosure suitable to the BWL for the installation of the necessary metering equipment. The Customer must also furnish the space and the provisions for mounting metering and service equipment to meet BWL requirements. Inquiries regarding BWL requirements for equipment and its installation should be directed to the BWL Customer Projects Department.
- B. The Customer must locate metering equipment inside the building being served in a well-ventilated area with ample space for meter reading and maintenance.

- C. The Customer must not place metering equipment in a pit below floor level, in a restroom or on a platform higher than thirty (30) inches above the floor unless BWL approved steps and platform are installed.

5.4 DAMAGED METERING EQUIPMENT

- A. The Customer is liable for acts or failure to act by the Customer, their agent, or their tenant that result in damage to the metering equipment, monitoring equipment, or communication and control wiring. The BWL will repair or replace damaged metering and monitoring equipment, and communication and control wiring, and the cost will be reimbursed by the Customer.
- B. When a Customer requests service in a location where the BWL has an existing service connection, and the meter or meter setting is missing, broken, or otherwise inoperable, a damaged meter charge and meter set charge will be applied in accordance with Rule 12.
- C. In the event of a damaged or missing meter, meter setting, or service piping due to circumstances beyond the Customer's control, the Customer will be responsible for the costs of repair. In this instance, additional penalties may be waived at the discretion of the BWL. The BWL has sole discretion as to the extent of repair required.

RULE 6. APPLICATION OF RATES

6.1 GENERAL

- A. Chilled Water Rates are based on the BWL providing only one Customer Chilled Water Service to a building or structure.
- B. The BWL will separately meter and separately bill service at different points or at different buildings or structures unless specifically provided for in the applicable Rate Schedule.

6.2 RESALE OF CHILLED WATER

- A. The owner or operator of an office building, apartment building, shopping mall, or similar structure may purchase chilled water from the BWL for resale to occupants on the condition that service to each occupant must be metered separately and the occupants may not be charged more for such service than the appropriate BWL Rate available for similar service under like conditions. To qualify for resale of chilled water to tenants, the owner or operator must state in writing their intent to resell in the application for service. The owner or operator is responsible for payment of purchased chilled water for resale as required by Rule 7.
- B. The BWL has no obligation to furnish, test, or maintain meters or other equipment used for the resale of chilled water to an occupant by the reselling owner or operator.
- C. Billing records of the owner or operator may be audited once every 12 to 18 months using generally accepted auditing practices. The audit will be conducted by the BWL or if the BWL elects, by an independent auditing firm approved by the BWL. The reselling owner or operator will be assessed a reasonable fee for an audit conducted by the BWL or its agent.
- D. The reselling owner or operator is responsible for testing of each occupant's meter at least once every 3 years. The accuracy of such meters must be maintained within 2%. Meters must be tested only by outside testing services or laboratories approved by the BWL.
- E. A record of each meter, including testing results, must be kept by the reselling owner or operator during use of the meter plus one year thereafter. When requested by the BWL, the reselling owner or operator must submit certified copies of the meter test results and meter records to the BWL.
- F. The reselling owner or operator must render a bill once during each billing month to each of the occupants or tenants in accordance with the appropriate BWL Rate Schedule. Every bill rendered by the reselling owner or operator must specify the following information:
 - 1. The Rate Schedule title.
 - 2. The due date.
 - 3. The beginning and ending meter reading of the billing period and the dates thereof.
 - 4. The difference between the meter readings.
 - 5. The amount due for services and commodity use, as applicable to the Rate.
 - 6. Subtotal before taxes, sales tax, other taxes where applicable, the amount due for other authorized charges, and the total amount due.

- G. The due date must be 21 days from the date of rendition. The reselling owner or operator is responsible for all collections and payment disputes for resale occupants.
- H. The reselling owner or operator must supply each occupant with a chilled water system adequate to meet the needs of the occupant such as pressure, temperature, and other conditions of service.
- I. If the reselling owner or operator fails to meet the obligations of this Rule, the BWL will notify the appropriate authorities and after reviewing with the reselling owner or operator, and if the problem is not resolved the BWL may declare the reselling owner or operator in violation of Rule 2.
- J. The renting of a Premise with the cost of chilled water service included in the rental as an incident of tenancy will not be considered a resale of such service.

6.3 BILLING

- A. Customers having more than one meter will have consumption computed by an individual meter in accordance with the current Rate Schedule and contract.

6.4 MINIMUM CHARGES

- A. A minimum charge, as defined by the Rate in effect, will be applied to all services and billed to the Customer. When the Customer requests that a service be disconnected, the BWL will deactivate the service by any appropriate means, including, but not limited to, removing the metering devices and disconnecting the service from the BWL's Chilled Water Distribution System.

6.5 PROPERTY OWNER - RENTAL AGENT AGREEMENT FOR AUTOMATIC LEAVE-ON "ALO" SERVICE

- A. The BWL may waive application charges to maintain continuity of service at rental property locations provided:
 - 1. The landlord agrees in writing to assume the responsibility for chilled water service during the interim between tenants.
 - 2. The landlord is in compliance with all other BWL Rules and Regulations.
- B. The BWL strongly recommends that property owners and landlords enroll their properties in automatic leave-on service. The BWL is not responsible for the consequences of service interruptions that result from renters or tenants vacating premises. Automatic leave-on service allows property owners and landlords to maintain services, be aware when tenants vacate the premises and minimize any potential property damage that may result from service interruptions.

RULE 7. BILLS AND PAYMENTS

7.1 RESPONSIBILITY FOR PAYMENT OF BILLS

- A. Each BWL Customer is responsible for paying all utility bills as rendered on or before the due date shown on the bill. The Customer remains responsible for payment of the bills until the Customer orders service to be disconnected and the BWL has had reasonable time to secure a final meter reading. Bills are rendered on approximately a monthly basis. Bills are mailed to Customers approximately fifteen (15) days before the due date shown on the bill. The Customer must pay the net amount if paid on or before the due date on the bill. Failure on the part of the Customer, through no fault of the BWL, to receive the bill does not entitle the Customer to pay the net amount after the due date of the bill. If a bill remains unpaid after issuing a five (5) day written shut-off notice, the BWL has the right to disconnect service.
- B. In extenuating circumstances, a Customer will be afforded the opportunity to make payment arrangements.
- C. Service to a Customer will not be disconnected for nonpayment of a disputed bill pending the result of a hearing timely requested by a Customer. Service may be disconnected for nonpayment of sums billed that are not in dispute.
- D. A new Customer account may not be established for a Service Location if a delinquent Customer account holder resides at the same Service Location as the new Customer, unless the new Customer agrees to pay a deposit in accordance with Rule 12.
- E. The BWL may also require individual Customers to enter into a written "Billing Service Agreement," insuring the Customer is responsible for all services used.
- F. The BWL will make billing history available to Customers at no charge, provided the information is currently stored on an active database. Customer requests for billing history that is no longer on an active database will be subject to payment of hourly fees based on the average burdened hourly wage of the BWL employee assigned to perform the research and compilation of the data.
- G. The BWL will charge a non-sufficient funds fee in accordance with Rule 12 for returned checks.

7.2 ESTIMATED CONSUMPTION

- A. Readings may be estimated when conditions warrant. Until reconciled by an actual reading, bills rendered on estimated consumption have the same force and effect as bills rendered on actual meter readings.
- B. If for any reason all consumption used cannot be registered accurately, the unmetered portion will be estimated by the BWL based on prior consumption, operating characteristics of the building and equipment or the BWL's experience in like circumstances.

7.3 BILLING ERRORS

- A. When an error is found to exist in any billing rendered by the BWL, the BWL will correct such error to recover or refund the difference between the original billing and the corrected billing for up to three (3) years from the date the error is discovered. Refunds to Customers will normally be made promptly upon discovery of the error. Amounts due to the BWL from the Customer will be subject to normal collection policies, procedures, and practices.

7.4 ACCOUNT SECURITY DEPOSITS

- A. The BWL will require an account security deposit from any new or existing Customer with an unacceptable credit history. The account security deposit is normally two (2) times the average monthly bill (actual or estimated) as determined by the BWL. Account security deposits will be administered in accordance with Customer Service established standards and guidelines.
- B. The BWL may waive account security deposits in special circumstances or as set forth below in this Rule 7.4. The BWL may also demand deposits larger than two (2) times the average monthly bill if the BWL determines that a Customer presents a high credit risk.
- C. Unacceptable credit history includes, but is not limited to, the following:
 - 1. The Customer intentionally misinformed or misrepresented facts to the BWL.
 - 2. The Customer misrepresents his or her identity.
 - 3. The Customer diverted, tampered with, or otherwise interfered with utility service in the past 6 years.
 - 4. The Customer fails to provide positive identification at the time of applying for service.
 - 5. The Customer has had one or more payments canceled in the last 12 months due to any of the following:
 - a. Non-sufficient funds returned check
 - b. Account closed returned check
 - c. Non-sufficient funds bank bill
 - d. Account closed bank bill
 - e. Credit card reversal
 - f. Failed electronic funds transfers
 - g. Other payment method cancellation
 - 6. The Customer has an account within the last 6 years that is delinquent.
 - 7. Credit check using a credit reporting agency or similar entity reveals unfavorable credit risk.
- D. Deposits may be waived for new residential Customers in any of the following situations:
 - 1. The Customer has previously established an acceptable payment history with the BWL on a similar account.
 - 2. The Customer has no service history with the BWL, has been verified to be a low credit risk using accepted credit reporting standards through a credit reporting agency or similar entity.
 - 3. The Customer's bill is paid by a governmental agency.
 - 4. The Customer secures a guarantor, and the guarantor has an acceptable payment history.
 - 5. The Customer provides an acceptable surety bond.
 - 6. The Customer provides an acceptable credit reference letter from a similar utility company for a similar account. Account must have been in the Customer's name and maintained for a minimum of 12 consecutive months.

- E. Deposits may be waived for new commercial and industrial Customers in any of the following situations:
1. The Customer has previously established an acceptable payment history with the BWL on a similar account.
 2. The Customer's bill is paid by a governmental agency.
 3. The Customer secures a guarantor, and the guarantor has an acceptable payment history.
 4. The Customer provides an acceptable surety bond.
 5. The Customer provides an acceptable credit reference letter from a similar utility company for a similar account. Account must have been in the Customer's name and maintained for a minimum of 12 consecutive months.
- F. The BWL will refund account security deposits to Customers who have taken service for 12 months and have an acceptable payment history. The BWL will also refund deposits to Customers who have voluntarily terminated service and paid all charges due.
- G. The BWL will pay simple interest accrued on account security deposits held. No interest will be paid until the deposit is returned to the Customer. The interest rate will be updated on July 1 of each year. The interest rate used to calculate interest will be the sum of the Federal Funds rate in effect on the last day of March of the current year plus .25%.

RULE 8. DISPUTE AND HEARING PROCEDURE

8.1 DISPUTES

- A. In accordance with the Lansing City Charter, the BWL is required to provide a fair and equitable dispute and hearing process for its Customers as follows:
 1. When any Customer disputes a bill or service and the BWL is so advised in writing, the date of the notice of dispute will be recorded.
 2. Service to a Customer will not be disconnected for nonpayment of a disputed bill if the Customer has requested a hearing, pending results of the hearing. Service may be disconnected for nonpayment of bills that are not disputed.
 3. The disputed bill or service will be investigated promptly and completely.
 4. The Customer will be advised of the results of the investigation.
 5. An attempt will be made to resolve the dispute in a manner mutually satisfactory to both parties.
 6. The BWL will provide the opportunity for each Customer to enter into a reasonable settlement agreement in order to mutually resolve the disputed claim or to satisfy any liability not in dispute.
 7. If a settlement cannot be reached between the Customer and the BWL, the Customer may choose to appear before the BWL's Dispute Review Committee. The review will be scheduled within ten (10) days of the request or as mutually agreed to by both parties.
 8. If a settlement cannot be reached following examination by the Dispute Review Committee, the account will be referred to the BWL's General Manager.
 9. If a settlement is not reached after review by the BWL's General Manager, the Customer will be afforded an opportunity for a hearing before an independent hearing officer as set forth below in 8.2.
 10. The Customer will be responsible for payment of all other bills or portions of bills as rendered which are not in dispute.

8.2 INDEPENDENT HEARINGS

- A. Any Customer who disputes the services provided or a billing for services, furnished in accordance with the BWL's Rate Schedules, Rules and Regulations or established policies, procedures, and practices, may request a hearing. If a hearing request is based on a disputed past due bill, the request must be made within ten (10) calendar days following the final outcome of the dispute process. A request for a hearing may be made in writing and submitted to the BWL's corporate office at 1201 S. Washington Avenue, Lansing, Michigan 48910.
- B. Upon receipt of a request for a hearing, the BWL will forward this request to an independent hearing officer who is appointed by the BWL. The hearing officer will arrange a time for the hearing and advise both the Customer and the BWL of the date, time and location in writing. The hearing will be scheduled during normal business hours. Failure of either the Customer or the BWL to attend the hearing without cause and prior notice constitutes a waiver of the absent party's right to the hearing.
- C. The BWL and the Customer have the right to:
 1. Representation by counsel or other person of their choice.

2. Present evidence, testimony, and oral and written argument.
 3. Cross-examine witnesses appearing on behalf of the other party.
 4. Have the hearing recorded by a court reporter at the expense of the party requesting a court reporter. The hearing officer will also have the right to have the hearing recorded by a court reporter. Recordings will be preserved at least six (6) months from the date of the hearing. All evidence relevant to the dispute will be received.
- D. For each hearing, the hearing officer will compile a hearing record which will contain:
1. A concise written statement of the BWL's position in the dispute.
 2. A concise written statement of the Customer's position in the dispute.
 3. Copies of all evidence submitted by the parties.
- E. If a decision is reached during the hearing, the hearing officer must state the decision to both parties. If the hearing officer does not reach a decision during the hearing, additional time will be allowed to reach a decision. When a decision has been reached, either at the hearing or later, the hearing officer will prepare a report which will contain the following:
1. A concise summary of the evidence and position presented by the parties.
 2. The decision and a statement that the decision of the hearing officer was based solely on the evidence presented and reasons therefore.
 3. Advise that the representatives of the BWL and the Customer have a right to file an appeal with the Board of Commissioners.
 4. A statement as to any settlement agreement.
 5. A statement that the dispute determination is binding on both parties unless appealed to the Board of Commissioners within ten (10) days of the date of mailing of decision, and that any request for appeal must be in writing to the Corporate Secretary.
- F. The hearing officer will file the written report with the Board of Commissioners and the Mayor of the City of Lansing. A copy of the report will be sent to the Customer via certified mail.
- G. If the dispute is unresolved and the decision appealed, the hearing officer will make recommendations on the dispute to the Board of Commissioners who will then hear the dispute. The Corporate Secretary of the BWL will arrange a date, time, and location for the appeal and will issue, in writing, the date, time and location to both the Customer and the BWL. Failure of either the Customer or the BWL to appear at the time set for the appeal, without cause and prior notice, will constitute a forfeiture of the appeal. The decision rendered by the Board of Commissioners will be final.

RULE 9. DISTRIBUTION SYSTEM EXTENSIONS

9.1 GENERAL

- A. When application is made for chilled water service which requires the extension of the BWL's existing Chilled Water Distribution System or installation of a new chilled water service, the BWL will make such extensions when the estimated Annual Revenue, probable stability of the load, and prospective load growth reasonably warrant the capital expenditure required. The BWL will make the final determination of the estimated loads, consumption, and revenue from distribution extension and services to calculate Annual Revenue.

9.2 REQUEST FOR DISTRIBUTION SYSTEM EXTENSION

- A. Rule 9 sets forth the conditions under which the BWL will extend its Chilled Water Distribution System.

9.3 OWNERSHIP

- A. The BWL will provide, own, maintain, and specify all its distribution Facilities including location. No ownership rights to BWL Facilities will pass to any owner, developer, or Customer by reason of any contribution required by this rule.

9.4 AVAILABILITY OF DISTRIBUTION SYSTEM EXTENSION

- A. The BWL will, at its discretion, determine whether any Chilled Water Distribution System extension will be made, regardless of its intended use, and establish any special conditions or requirements that may apply, including, but not limited to, entering into an agreement with a developer, property owner, Customer, or governmental entity.
- B. Chilled Water Distribution System extensions are generally available throughout the chilled water service territory if the requested service will not disturb or impair service to other users and is within or contiguous to areas presently served.

9.5 INSTALLATION OF DISTRIBUTION SYSTEM EXTENSION

- A. All Chilled Water Distribution System extensions will be installed by the BWL or its agent.
- B. Chilled Water Distribution System extensions will be installed in public right-of-way except in certain cases where, at the BWL's discretion, they may be installed in dedicated recordable easements on private property at no cost to the BWL.
- C. The Customer must provide the BWL a final preliminary approved site plan for BWL review and approval.
- D. Installation of a Chilled Water Distribution System extension will be initiated provided:
 - 1. The owner, developer, governmental entity, or Customer has entered into a written agreement with the BWL for the construction of the Chilled Water Distribution System extension.
 - 2. The owner, developer, governmental entity, or Customer has paid any deposits as required by Rule 7.4 and Rule 11 for the Chilled Water Distribution System extension and any required system reinforcement.
 - 3. Where applicable, the owner, developer, governmental entity, or Customer has recorded the plat, final preliminary approval has been received, monuments or markers are in place, lot lines staked, sewers

installed, streets at finished grade (before gravel and curb and gutter installation), sidewalk grading completed, and the ground in workable condition.

- E. Construction during the winter season will only occur at the BWL's discretion.

9.6 ADEQUATE TEMPERATURE, PRESSURE, AND FLOW CAPACITY

- A. The BWL will not make Chilled Water Distribution System extensions unless adequate temperature, pressure and flow capacity is available at the location of the Chilled Water Distribution System extensions as determined by the BWL.
- B. When Chilled Water Distribution System reinforcement is required to provide adequate temperature, pressure and flow capacity at the location of the Chilled Water Distribution System extension, the Customer will bear the cost of such Chilled Water Distribution System reinforcement in accordance with Rule 11.

9.7 ECONOMIC DEVELOPMENT OFFSETS

- A. When the BWL determines the Chilled Water Distribution System extension will promote development that provides substantial and sustainable economic benefits to its Customers or the Lansing region, the BWL will consider an economic development offset subject to its availability.

9.8 EASEMENTS

- A. Prior to the installation of any chilled water distribution system extension the BWL must be provided at no expense to the BWL, recordable easements granting right-of-ways suitable for ingress, egress, installation, and maintenance, including, but not limited to, tree removal, restoration, replacement, construction, and relocation of the chilled water distribution system extension including any chilled water distribution system equipment as designed by the BWL for present and future service.
- B. In the event the required easements are not provided for such BWL chilled water distribution system extension, the BWL may elect to construct all or any part thereof along public highways or other private property. The BWL may require the owner, developer or Customer to pay the expense of the added construction caused by using such highways or other private property, and the expense of any necessary permits and easements required by taking such route to provide service.

9.9 TREE REMOVAL PERMITS

- A. Prior to the installation of any chilled water distribution system extension, the BWL must receive, in a form satisfactory to the BWL, permission to remove trees or other vegetation the BWL deems necessary to protect the integrity of its chilled water distribution system and the safety and welfare of its employees and the public.
- B. In the event the required tree removal permits are not provided for such BWL chilled water distribution system extension, the BWL may elect to construct all or any part thereof along public highways or other private property. The BWL may require the owner, developer, or Customer to pay the expense of the added construction caused by using such highways or other private property, and the expense of any necessary permits and easements required by taking such route to provide service.

9.10 NON-STANDARD EQUIPMENT

- A. When the Customer requests the BWL utilize equipment which differs from its normal specifications, the BWL may elect to provide such non-standard equipment with the Customer paying any additional cost.

9.11 NON-STANDARD CONSTRUCTION

- A. When, in the BWL's judgment, practical difficulties exist such as unexpected governmental requirements, frost or wet conditions, contaminated soil, rock within the excavation surface, or where it is necessary to deviate from the BWL's approved construction standards or established distribution system design, the BWL may require the Customer to pay for the additional cost resulting from the deviation.

9.12 OTHER FACILITIES

- A. The BWL may prohibit construction within its easement that may undermine or otherwise interfere with BWL Facilities. It will be the responsibility of the owner, developer or Customer to identify and provide the BWL with the locations of any existing privately owned underground facilities such as lawn sprinkler systems, field drainage systems, septic tanks, Customer-owned electric lines, etc. The BWL is not liable for any damage to privately owned facilities not properly identified or located.

9.13 CONSTRUCTION DATE OF DISTRIBUTION SYSTEM EXTENSION

- A. The BWL will utilize best efforts to construct the Chilled Water Distribution System extension to meet a mutually agreed upon completion date based on availability of work crews, material, and subject to approvals of the appropriate regulatory agencies, or as required by agreement between the BWL and the governmental entity.

9.14 CHILLED WATER FACILITY RELOCATIONS AND REMOVALS

- A. At the request of a Customer or developer, as required due to a conflict, or to meet BWL Standards, the BWL will relocate or remove its chilled water Facilities provided:
 - 1. The relocation or removal is feasible and meets BWL Standards, specifications, and Rules and Regulations.
 - 2. The Customer or developer obtains approval from all Customers impacted by the proposed relocation.
 - 3. The relocation or removal does not degrade chilled water reliability or quality.
 - 4. All governmental approvals, permits, and easements are obtained.
- B. Prior to any relocation or removal of chilled water Facilities, the Customer or developer will be required to make a nonrefundable contribution in aid of construction. The contribution in aid of construction will reimburse the BWL for all relocation and removal costs including material, labor, the cost of breaking and repairing streets, walks, parking lots, driveways, etc., repairing lawns, replacing shrubs, flowers, etc., and any right-of-way costs as per this Rule 9, plus the cost of any necessary modifications to the BWL's Chilled Water Distribution System caused by the relocation or removal, less the salvage value of any portion of the chilled water Facilities removed.
- C. After completion of the Chilled Water Distribution System extension, if Chilled Water Mains or related Facilities are not at the correct location or at the proper elevation due to changes beyond the control of the

BWL, the Customer or developer must reimburse the BWL for relocating Chilled Water Mains or related Facilities to the correct location or proper elevation.

RULE 10. SERVICES

10.1 GENERAL

- A. The Customer Chilled Water Service must be furnished, installed, owned and maintained by the BWL. In the course of maintaining or repairing a Customer Chilled Water Service where the Customer chilled water service passes under an area not readily accessible, the BWL will bear no responsibility for damage incurred or for restoration to said areas. The Customer will be responsible for additional repair costs due to these encumbered services or for damage as a result of acts or failure to act by the Customer, their agent, or their tenant.
- B. The Service Location must be specified by the BWL and must be located so the BWL's service Facilities meet or exceed all clearance requirements and applicable local codes.
- C. Should it become necessary for any cause beyond the BWL's control to change the Service Location, the entire cost of any changes in the Customer's service will be the responsibility of the Customer.
- D. Should it become necessary for the BWL to reinforce or upgrade the Chilled Water Distribution System to accommodate the requested service, a nonrefundable contribution in aid of construction may be required in accordance with Rule 11.

10.2 APPLICATION FOR SERVICE

- A. For Existing Services:
 1. Requests regarding existing services should be directed to the Customer Service Department at 1232 Haco Drive, Lansing, Michigan 48912 or by calling (517) 702-6006 during normal business hours.
- B. For New Services:
 1. Requests regarding new services should be directed to the Utility Services Section of the Customer Service Department at 1232 Haco Drive, Lansing, Michigan 48912 or by calling (517) 702-6700 during normal business hours.
- C. For Commercial Service Applications:
 1. To establish a commercial service account, the BWL requires the following business information:
 - a. Legal Business Name and Tax ID Number (registered in Michigan)
 - b. Type of Business
 - c. Tax Status (Taxable, Tax Exempt or partial Tax Exempt, documentation will be required)
 - d. Telephone Number
 - e. Email Address
 - f. Contact Name
 - g. Owner or Business Agent Name
 - h. Mailing Address if different from Service Address

10.3 CHILLED WATER SERVICE

A. General

1. The Customer must provide the chilled water demand and a site plan showing the proposed building size and location of proposed service entrance to the BWL's Customer Projects Department.
2. Customer Chilled Water Services will be installed from the Chilled Water Main to the Customer's property line in the most direct manner. The pipe comprising the connection may only cross the legally described property upon which the building to be serviced is located.
3. It is the intent of the BWL that all underground chilled water pipes be installed and maintained by the BWL. However, where unusual or special circumstances exist, the Customer may request approval to install underground chilled water pipes. Applicants must submit plans and specifications to the BWL's Customer Projects Department for approval prior to installation.
4. No person other than an authorized employee of the BWL may operate any valve, blowoff, or any other device connected anywhere on the Customer Chilled Water Distribution System, including, but not limited to, any Customer Chilled Water Service or metering. No Person except an authorized representative of the BWL may tap, modify or connect to a Chilled Water Main or any of the pipes comprising the Customer Chilled Water Service. Alternations to the BWL's Facilities (including pipes, valves, and metering) are prohibited without approval of the BWL.
5. The Customer must flush the Customer Piping prior to connection to the Customer Chilled Water Service. The flushing must remove all debris and foreign matter from the Customer Piping. The BWL must be notified of the date of flushing and given the opportunity to witness same. The Customer must not use the Customer Chilled Water Service for cleaning or flushing of the Customer Piping.

B. Customer Connections to BWL Facilities

1. It is the Customer's responsibility to connect Customer Piping to the Customer Chilled Water Service. All work must be in full compliance with all BWL standards and applicable codes.
2. The Customer must not connect to the Customer Chilled Water Service except at the outlet side of the BWL Service Valves.

C. Customer Chilled Water Piping

1. The Customer must make sufficient provisions to support the Customer Piping so the BWL's Customer Chilled Water Service is not adversely affected.
2. The Customer must inform the BWL of the date of connection to the chilled water system. The BWL will be afforded the opportunity to witness the connection.

D. Installation and Maintenance of Chilled Water Services

1. Installation of a chilled water service will not begin until:
 - a. The Customer has submitted and the BWL has approved a final site plan.
 - b. The Customer has entered into a written agreement with the BWL for the construction of the chilled water service.
 - c. The Customer has paid any deposits as required by Rule 7.4 and Rule 11 for the chilled water service.

- d. The Customer must have monuments or markers in place, lot lines staked, sewers installed, streets at finished grade (before gravel and curb and gutter installation), sidewalk grading completed, and the ground in workable condition.
2. Construction during the winter season will only occur at the BWL's discretion.
3. Where, in the BWL's judgment, practical difficulties exist such as unexpected governmental requirements, frost or wet conditions, contaminated soil, rock within the excavation, or where it is otherwise necessary to deviate from the BWL's approved construction standards or established distribution system design, the BWL may require the Customer to pay for the additional costs resulting from the deviation.
4. The Customer will be responsible for additional repair costs resulting from those practical difficulties impacting Customer Chilled Water services or for damage as a result of acts or failure to act by the Customer, owner, or tenants.

10.4 CHILLED WATER FACILITY RELOCATIONS AND REMOVALS

- A. The BWL will relocate or remove its chilled water Facilities in accordance with Rule 9.14.

RULE 11. SYSTEM EXTENSION & SERVICE DEPOSIT

11.1 GENERAL

- A. When application is made for chilled water service which requires the extension of the BWL's existing Chilled Water Distribution System, the BWL will make such extensions when the estimated Annual Revenue, probable stability of the load, and prospective load growth reasonably warrant the capital expenditure required. The BWL will have the final determination of estimating loads, consumption, and revenue of distribution extension and services.

11.2 DISTRIBUTION SYSTEM EXTENSION AND CUSTOMER CHILLED WATER SERVICE

- A. The Customer may be required to pay all or a portion of the cost of an extension of the BWL's existing Chilled Water Distribution System and installation of a Customer Chilled Water Service, based on an evaluation of the BWL's recovery of capital cost along with other business related matters.

11.3 CUSTOMER CHILLED WATER SERVICE ONLY

- A. The Customer may be required to pay all or a portion of the cost of the installation of a Customer Chilled Water Service based on an evaluation of the BWL's recovery of capital cost along with other business related matters.

RULE 12. SCHEDULE OF FEES & CHARGES

Charge Description	When Applied	Charge
Security Deposits –Commercial & Industrial	For all new customers unless waived by conditions stated in Rule 7.	2 times average monthly bill
Connect Fee	Standard Service: By the end of the next business day of the order being taken. Service orders taken before 3:00 p.m. weekdays are normally completed by the end of the same business day.	No charge
	Same-Day Service: By the end of the same calendar day of the ordering being taken. Service orders taken after 3:00 p.m. weekdays will be completed by the end of the day.	\$150
Reconnection Fee Non-Pay or other	Standard Service: Within 24 Hours of the order being taken. Service orders taken before 3:00 p.m. weekdays are normally completed by the end of the same business day.	\$60
	Same-Day Service: By the end of the same calendar day of the ordering being taken. Service orders taken after 3:00 p.m. weekdays or during the weekend will be completed by the end of the day.	\$150
Meter Set Charge	Installation of new, or Resizing of existing Meters	At Cost
Meter Tampering	Each occurrence	\$265
Interference Fee	Each occurrence	\$265
Damaged Meter Charge	Each occurrence	At Cost
Customer Requested Service Investigation or Meter Read	Each Occurrence	\$60
	Valid Service or Metering Issue	No Charge
Missed Appointment, No Show, No Access Fee	After second occurrence, per occurrence	\$60
Failed Payment Fee /Non-Sufficient Funds Fee	For Non-Sufficient funds on checks and failed electronic payments	\$30
Charges other than those published	Relocations, damages, etc.	At cost