

**STEAM SERVICE TARIFF
RATES, TERMS AND CONDITIONS
FOR STEAM SERVICE WITHIN
MARION COUNTY, INDIANA**

Issued By The

**City of Indianapolis, By and Through
its Board of Directors for Utilities
of its Department of Public Utilities
Doing Business As
Citizens Thermal Energy
2020 North Meridian Street
Indianapolis, Indiana 46202**

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**STEAM TERMS AND CONDITIONS
I.U.R.C. CAUSE NO. 43201**

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**TERMS AND CONDITIONS
FOR
STEAM SERVICE**

The rules set forth in these terms and conditions for steam service have been filed with and approved by the Indiana Utility Regulatory Commission, to provide a uniform and equitable basis upon which the transactions between the Utility and its Customers are conducted.

DEFINITIONS

BTU -	British thermal unit.
BILLING DEMAND -	That Demand, stated in Therms/hour, upon which the demand charge in the bill is determined in any given Month.
BUDGET PLAN -	The policy and practice referenced in rule No.17 of these terms and conditions for steam service.
CUSTOMER -	Any person corporation, municipality or other government agency which has agreed, orally or otherwise, to pay for steam service from the Utility.
DELINQUENT BILL -	A bill that has remained unpaid for the period set forth in rule No. 16 of these terms and conditions for steam service.
DEMAND -	The rate at which energy is taken by the Customer from the Utility's system in any given interval of time. It is usually in Therms/hour.
EDR -	Equivalent Direct Radiation – The total of all equipment connected to a Customer's steam system expressed as its equivalent in square feet of direct radiation.
ENTHALPY -	BTU's per pound of steam.
M POUND -	One thousand pounds
MAXIMUM DEMAND -	As applied in the Utility's rate, it is the greatest amount of energy taken by the Customer from the Utility's system in any given interval of time. (Usually stated as the Maximum Demand in any thirty (30) minute interval in a given Month, or in the year).

- MONTH -** One-twelfth (1/12) of a year, or the period between two (2) consecutive readings of the Utility's meters, as nearly every thirty (30) days as practicable.
- SERVICE CLASSIFICATION -** Refers to energy characteristics; (pressure, temperature, enthalpy, and the like.)
- THERMS -** 100,000 BTU's.
- UTILITY -** Citizens Thermal Energy, 2020 North Meridian Street, Indianapolis, Indiana 46202.
- YEAR -** The calendar year from January 1 through December 31 of any year, unless some other period is specified.

1. RATES AND UNIFORM CONDITIONS OF SERVICE

- 1.1 A copy of all rates and these terms and conditions under which steam service will be supplied, is on file with the Indiana Utility Regulatory Commission and may be inspected by the public in the principal office of the Utility, at 2020 North Meridian Street, Indianapolis, Indiana 46202.
- 1.2 All of the steam service furnished by the Utility shall be subject to said rates and these terms and conditions for steam service, which are by reference made a part of all standard contracts for service, (except when modified by special contract approved by the Indiana Utility Regulatory Commission), and are at all times subject to revision, change, modification or cancellation by the Indiana Utility Regulatory Commission of Indiana.
- 1.3 Where applicable, the Customer, upon written application, may change from one rate to another once during the first contract year, effective retroactively to the date of connection, and once at the end of each twelve (12) Month period thereafter, but not effective retroactively.

2. WRITTEN CONTRACT REQUIRED

- 2.1 A written contract properly executed may be required before the Utility is obligated to supply service. The Utility may reject any application where service is not available within the provisions of the "availability" clause of the applicable rate, or on account of unpaid bills or for any other valid reason.
- 2.2 A special contract will be required in any case of unusual generating plant or distribution mains requirement, high investment compared with the anticipated revenue, or other abnormal condition. The term of the contract shall be for such term as the parties may agree upon, being appropriate to the circumstances, but in no case less than three years. The contract shall be subject to the approval of the Indiana Utility Regulatory Commission of Indiana.

3. MODIFICATION AND ASSIGNMENT OF CONTRACT

3.1 No promise, agreement or representation of any agent of the Utility, made either before or after the signing of the contract, shall be binding upon the Utility, unless the same shall have been incorporated in the contract in writing, before the contract is signed and accepted by an authorized officer of the Utility.

4. ASSIGNMENT OF CONTRACT

4.1 In the event of the sale of the premises served or of any assignment of the lease of the same, the Customer may, with the written consent of the Utility, assign the service agreement to the purchaser or assignee.

5. GUARANTEE OF PAYMENT, DEPOSIT

5.1 The Utility may require Customers or applicants for steam services to make a cash deposit at any time to assure payment of bills, and as a condition of receiving or continuing to receive steam service. Such deposit shall not be less than forty dollars (\$40.00), nor more than the amount of the bill for any three (3) consecutive months known or estimated to have the highest steam consumption. The Utility shall determine the appropriate deposit.

5.2 Interest on any deposit held by the Utility on February 2, 2006 earned an interest rate of six percent (6%) per annum from the date of receipt by the Utility through February 2, 2006. Effective February 3, 2006, any deposit held for more than thirty (30) days will earn interest calculated monthly at the authorized rate of interest for the current month from the date the deposit is paid in full to the Utility. The rate of interest for each calendar year will be established by the Indiana Utility Regulatory Commission in a General Administrative Order.

5.3 Deposits from Customers will be refunded after the Customer has established an acceptable payment record. The deposit of any Customer who fails to establish an acceptable payment record may be retained by the Utility until steam services are discontinued.

5.4 Upon discontinuance of steam service, the deposit and earned interest, if any, will be applied to the payment of any outstanding bills. The unapplied portion, if any, of the deposit and earned interest will be refunded to the Customer. The Customer will be billed for any balance due the Utility. The balance of any deposit and interest, after being applied to any outstanding bills which cannot be returned to the Customer after termination of service, shall be reported and disposed of as required by the Uniform Disposition of Unclaimed Property Act (Indiana Code 32-9-1-1, et seq).

6. SERVICE APPLICATION, CHANGE OF OCCUPANCY, DISCONTINUANCE, ETC.

6.1 Upon termination of service, the Customer shall give at least three days written notice prior to the date disconnection is desired (unless some longer time is stated in the contract), to allow the Utility time to read its meter, the Customer being responsible for payment for steam used until the date of disconnection.

6.2 When reconnection of a service line is requested by a Customer within one (1) year following disconnection of steam service at the request of that Customer, a charge for restoration of steam service may be assessed. Such charge shall be the combination of:

- a: \$44, and
- b: The sum of the customer charges or demand charges, as set forth in the applicable rate schedule, for each Month the Customer's steam service was disconnected.

7. CONTRACT TERM

7.1 Unless some other term has been agreed upon by special contract, all contracts shall be made for the term provided for in the applicable rate.

- 7.2 Should the business served under a service contract be suspended or discontinued completely, due to causes beyond the control of the Customer, such as fire or accident (but not including strikes), the service contract, upon written request by the Customer and agreement by the Utility, shall be suspended and inoperative until the business is resumed, at which time all of the conditions of the service contract shall again become operative for the remainder of its term. However, if the Customer does not resume the Customer's use of the service within a reasonable time after such emergency suspension of the service contract (giving consideration to the investment in facilities made idle by such service suspension) the Utility may remove its meter and other facilities and shall not be obligated to reestablish the said facilities except under the condition of a new service contract.

8. LIMITATIONS OF THE USE OF STEAM SERVICE

- 8.1 Steam purchased from the Utility is for the exclusive use of the Customer, is to be used by the Customer for the purposes and at the premises described in the contract, and is not available for standby or auxiliary service.
- 8.2 Steam shall not be submetered by the Customer for resale.
- 8.3 The Utility may install flow restricting devices to limit the flow of steam to the amount provided for in the contract. In the case of heating Customers, where the contract provides for equivalent direct radiation, the maximum flow will be calculated based on one-third pound of steam per hour for each square foot of equivalent direct radiation.

9. FACILITIES FURNISHED BY THE UTILITY, SERVICE CONNECTIONS

- 9.1 The Utility will provide and maintain, at its expense, the service pipe from its main to a single point of supply just inside the wall of the building to be supplied, if such building abuts on the property line parallel to the main; otherwise to a point just inside the property line. In case the building does not abut on the property line parallel to the main, the Utility will extend the service pipe beyond the property line and into the building at the expense of the Owner or Customer, the location of such service pipe being the shortest convenient line from the Utility's main to the point of supply. The Utility will advise the Customer or his agent as to the location of such service pipe. The Utility will furnish and maintain a service valve, located at the point of supply. The Customer shall not use the Utility's service valve as a variable control device to regulate the flow within his system.
- 9.2 The Utility shall have the right to supply other premises through such service pipe, should it be deemed advisable, carrying the required piping therefore through the basement and walls of the Customer's building; all damage to walls, etc., being repaired without expense to the Customer. The right to extend such service pipe through the Customer's basement and walls shall be deemed a condition precedent to the Utility's obligation to serve such Customer.
- 9.3 In case of a building being supplied steam service by an extension of service pipe from an adjoining building, the expense of extending such service pipe shall be borne by the owner or occupant of the building for whose benefit such extension is made.
- 9.4 Any facilities required by the Customer in excess of the capacity and/or equipment considered by the Utility to be adequate, or any facilities to enable a duplicate supply, will be furnished entirely at the expense of the Customer.
- 9.5 The Utility shall be under no obligation to supply steam service where no public right-of-way and easement are available.
- 9.6 The Customer will be held responsible for payment of damage caused by himself, his agents or employees to any of the Utility's property located within his premises.

10. PROVISION FOR UTILITY'S METER, ETC.

- 10.1 All steam service shall be sold on a metered basis. Meters may register in Therms or be supplied with appropriate constants to convert the reading to Therms based on the Customer's Service Classification at normal operating conditions.
- 10.2 The Customer shall provide, free of expense to the Utility, an adequate location for the installation of the meter and accessory equipment, including facilities for disposing of any condensate, and shall provide the necessary connections and fittings for the meter, subject to the approval of the Utility, which, upon request, will furnish the Customer or his agent drawings of approved connections. The metering room or space and passage to it shall be kept accessible at all times; shall not be used for storage purposes and must be kept free of foreign material of any nature; it must be adequately ventilated to prevent excess heat buildup and protected from freezing during the winter.
- 10.3 No one who is not an agent or employee of the Utility, or otherwise lawfully entitled to do so, shall be permitted by the Customer to inspect, remove or tamper with meters, valves or appliances registering or controlling the steam supplied.

11. FACILITIES FURNISHED BY CUSTOMER

- 11.1 The original installation of the Customer's piping or apparatus and its operation, and subsequent changes therein, shall be subject to the Utility's approval, with respect to the metering of the steam supplied, the steam capacity required to serve the Customer and safety from injury to either the Utility's personnel or its property. The piping, of whatever nature, shall be so arranged and maintained that all of the steam delivered may be measured accurately or accounted for.
- 11.2 The Utility's agents or employees shall have free access to the premises of the Customer at all reasonable hours, to inspect the use of the steam with respect to the conditions of the contract; and to inspect and repair the service pipes, valves, meters, etc., which are the property of the Utility.

- 11.3 Steam Trap: Where a condensate meter is used, the Customer shall provide, install, and maintain in good repair a standard steam trap or traps, approved by the Utility and of sufficient capacity to drain the water of condensation from the Customer's piping without loss of steam. In the event these traps are not maintained in good repair by the Customer and the Utility discovers loss of steam, the estimated amount of the steam lost may be added to the Customer's bill in addition to metered consumption.
- 11.4 Condensate Receiver: Where a condensate meter is used, the Customer shall provide and install a receiver of sufficient capacity and radiating surface to cool the water of condensation and it shall be located so that the condensate may be measured accurately.
- 11.5 Vents: Where a condensate meter is installed in a gravity system, the Customer shall provide and install vents to indicate any escape of steam from the traps or stoppage of the meter, to consist of suitable lengths of pipe connected to the water seal or condensate receiver.
- 11.6 Open Jets: Where a condensate meter is used, open jets, or any other use of steam where the condensate is not collected, will only be permitted in extreme cases that are recognized by the Utility to be unavoidable. They will not be permitted in such case without prior written approval by the Utility. In such a case, the Utility's estimate of the quantity of steam used shall be accepted as correct and shall be included in the Monthly bill.

12. METERING

- 12.1 The Utility will install one metering installation of suitable design and capacity to enable the measurement and billing of each separate supply of steam according to the Service Classification applicable. Where the steam is supplied through more than one supply source, each supply shall be measured and billed separately, unless the Utility determines that conditions require the separate supplies, in which case the quantities will be added for conjunctive billing. Under no other circumstances may there be conjunctive billing.

- 12.2 The Customer shall be free to install meters at his expense for his own purposes, which shall not include resale or re-metering to others, but such meters shall in no way interfere with the accuracy of the Utility's billing meter or meters.
- 12.3 All meters installed by the Utility for billing are tested at regular intervals. Upon written request by the Customer, an additional test will be made of any such meter, but not more often than once each year, provided that if the registration shown by such test is within three percent of accuracy the Customer shall pay the entire cost of making the test. The Customer shall have the right to have a representative present at any special meter test it has requested.
- 12.4 Incorrect registration: When any meter test shows an average error of registration in excess of three percent, the billing quantities will be adjusted in accordance with the result of the test, for a period equal to one-half of the time since the last previous test, but not to exceed six Months.
- 12.5 Non-registration: In the event the meter fails to register, or if steam is used unmeasured during any period, or if the meter seal is broken, the Utility may estimate the quantity used during the period, basing the estimate upon consumption in similar preceding or subsequent periods or in corresponding periods in previous years, giving consideration to temperature or any other factor that would make the estimate more accurate.

13. CONTINUITY OF SUPPLY

- 13.1 The Utility will use reasonable diligence in providing a regular and uninterrupted supply of steam, but if the supply should be interrupted or fail by reason of accidents, strikes, legal process or procedure, Federal, State or Municipal action or interference, extraordinary repair or for any cause not within the control of the Utility, the Utility shall not be held liable for damage and such interruption or failure shall not invalidate any of the covenants of the contract.

14. UTILITY LIABILITY

14.1 It is expressly stipulated by the Utility and agreed to by the Customer that the Utility shall not be liable for any interruption of the supply of steam caused by defective piping owned by the Customer on his premises; or for damage or damages to the Customer or to third persons as a result of the use of the steam on the Customer's premises, unless due to willful default or neglect on the part of the Utility.

15. RIGHT TO DISCONTINUE SUPPLY

15.1 The Utility shall have the right to discontinue steam service without notice and remove any of its property from the Customer's premises without legal process, for any of the following reasons:

1. To facilitate repair.
2. For want of a supply of steam.
3. Where the Customer is found to have been taking steam unlawfully or fraudulently or where the Utility's regulating or measuring equipment or other facilities have been tampered with.
4. Where a dangerous condition is found to exist on the Customer's premises.
5. By order of any court, the Indiana Utility Regulatory Commission or other duly authorized public authority.

15.2 The Utility may discontinue its service upon five days written notice, for any of the following reasons:

1. For nonpayment of a Delinquent Bill.
2. For violation of any of these terms and conditions for steam service.

3. For breach of the service contract.
 4. Misrepresentation of facts upon which the Utility was induced to render services.
- 15.3 When the Utility's agents are unable to have safe and reasonable access during the Utility's normal business hours to any meter, for a continuous period of three (3) Months, the Utility may disconnect after five (5) days written notice, until suitable arrangements can be made for the regular Monthly reading of such meter.
- 15.4 Discontinuance of service, provided for in clauses 15.1, 15.2 and 15.3 above shall not, however, invalidate any of the covenants of the contract or these terms and conditions for steam service; and the Utility shall have the right to enforce any contract notwithstanding such discontinuance. In the event steam service has been cut off for other than necessary repairs, the Customer shall reimburse the Utility for the entire expense of reconnecting the service.

16. BILLS, PAYMENT OF BILLS

- 16.1 Steam service bills, including budget bills, are issued each Month that a payment is due as net bills. The net amount, as indicated on the bill, is due and payable upon receipt. If payment of the net amount is not received by the Utility or a bank duly authorized as a collection agent within seventeen (17) days after the bill is mailed to the Customer, the bill is delinquent. The Utility may add a late payment charge to a Customer's delinquent bills. Such charge will be ten percent (10%) of the first three dollars (\$3.00) and three percent (3%) of the amount in excess of three dollars (\$3.00). The net amount plus the late payment charge then becomes due. If the bill remains unpaid at the next billing date, a bill with a disconnect notice will be mailed to the Customer, requiring payment of the delinquent amount within five (5) days of the mailing date. If such payment is not received by the expiration of such five (5) day period, service is thereafter subject to disconnection. Partial payments and payments on bills with disconnect notices will not be accepted by banks authorized as collection agents. When the due date falls on Saturday, Sunday or any legal holiday, the first business day thereafter shall be the due date. Failure to receive a bill shall not entitle the Customer to the net bill if he fails to make payment within the said seventeen (17) day prompt payment period, nor shall it affect the right of the Utility to discontinue service as provided above.

- 16.2 All billing adjustments or errors, including metering errors and incorrect tariff applications, may be adjusted to the known date of the error or for a period of one year, whichever period is shorter.
- 16.3 If the Utility is justified in discontinuing service to a Customer at one location, the Utility shall have the right to transfer unpaid charges to the same Customer at any other location at which the Utility is rendering service to such Customer, notwithstanding separate service contracts may be in effect for each location. Furthermore, the Utility, upon five (5) days advance written notice, shall have the right to discontinue its service to a Customer at any location to which the charges have been transferred because of such Customer's failure to pay such charges within the time prescribed in subsection 16.1 above.
- 16.4 All bill payments must be received in the office of the Utility or by a bank duly authorized as a collection agent on or before the stated due dates to avoid late payment charges and interruption of service.
- 16.5 When a trip to the Customer's premises is necessary to collect an unpaid bill or to disconnect service, a charge of fourteen dollars (\$14.00) per meter will be assessed to the Customer.
- 16.6 When service is disconnected for nonpayment of a bill, or whenever, for any reason beyond the control of the Utility, except acts of God, a reconnection of service is required by any Customer, a minimum charge of ten dollars (\$10.00) will be made by the Utility to cover a part of the cost of disconnection and reconnection of the service; except that the charge for any service reconnection at the request of a Customer after regular business hours or on Saturdays, Sundays or holidays, shall be charged at the actual cost incurred by the Utility. This charge together with any arrears due the Utility and any service deposit required by the Utility must be paid before the service is reconnected.

- 16.7 When a Customer issues a check to the Utility which is not honored by the bank, a charge of fourteen dollars (\$14.00) will be billed to the Customer for each such dishonored check.
- 16.8 When the Utility detects fraudulent or unauthorized use of steam, or the Utility's regulation, measuring equipment or other service facilities have been tampered with, the Utility may reasonably assume that the Customer or other user has benefited by such fraudulent or unauthorized use or such tampering and, therefore, is responsible for payment of: (1) the actual cost of the service used during the period such fraudulent or unauthorized use of tampering occurred or is reasonably assumed to have occurred, and (2) for the cost of field calls and the cost of effecting repairs necessitated by such use and/or tampering; or two hundred dollars (\$200.00), whichever is more. Under such circumstances, the Utility may disconnect service without notice and the Utility is not required to reconnect the service until a deposit and the above enumerated charges are paid in full.

17. BUDGET PLAN

- 17.1 A payment plan (Budget Plan) is available to steam Customers. The Monthly Budget Plan payment is based on estimated annual charges divided into even monthly payments. The amount of the Monthly payment will be reviewed periodically and an adjustment made in the amount of the Monthly payment if the Utility determines that such adjustment is necessary. An adjustment in the Monthly payment also may be made at such time as there is an approved change in the Utility's service rates. To be placed on the Budget Plan, the Customer must make application to the Utility, either in writing or by telephone, and must execute, with the Utility, a Budget Plan Agreement. An account will not be placed on the Budget Plan if there is an outstanding balance due on that account. The Budget Plan Agreement will remain in effect so long as the Customer pays the Monthly budget payments on or before the due date or until the Customer requests to be removed from the Plan. Budget Plan Customers are subject to the same payment requirements as other Customers. A late charge will be added to any delinquent budget account. If a disconnect notice is issued to a Budget Plan Customer, the Customer will be removed from the Budget Plan and the full balance owing on the account will become due.

18. EXCLUSIVE SUPPLY OF INSTALLATION CONNECTED

18.1 No other source of steam shall be used by the Customer on the same installation in conjunction with the Utility's supply. Exceptions to the above may be made and covered under special contract provided adequate need exists and provisions are made to compensate the Utility for the capacity provided.

19. CONDENSATE RETURN

19.1 Any Customer located close to an existing Utility steam generating plant provided steam utility service may contract to return condensate to the Utility, at the Customer's expense and subject to facilities being available to receive and utilize Customer's condensate. The condensate shall be returned to the location on the Utility's premises specified by the Utility.

19.2 Any condensate returned must be of a quality acceptable to the Utility, as specified in the special contract, but in no case having a temperature of less than 140° F and a conductance of more than 25 micromhos. No contaminants such as volatile additives or amines may be present in the condensate returned.

19.3 In the event the Utility's equipment, in which the returned condensate is utilized, is retired from service no further condensate may be returned by the Customer.

19.4 Return of condensate is subject to a special contract which includes details providing the conditions under which the condensate may be returned.

19.5 Credit for condensate shall be specified in the Customer's contract and will not exceed five percent (5%) of the unit mass steam cost during each billing cycle for all condensate returned during such billing cycle which meets the quality standards specified in the special contracts.

19.6 The availability of this return condensate provision is restricted to Customers who can return condensate to the Utility hereunder at not less than an average of 30 gallons per minute (GPM).