

Specimen Form 18
Revised 8-18-65

FILED

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ELECTRIC CONTRACT

BETWEEN
South Kentucky Rural Electric
Cooperative Corporation

PUBLIC SERVICE
COMMISSION

AND

The McCreary County Housing Commission

THIS AGREEMENT, made and entered into this 11th day of March,
1966, between The South Kentucky Rural Electric Cooperative Corporation, a
corporation organized and existing under and by virtue of the laws of the State of
Kentucky, hereinafter called the Utility, and The McCreary County
Commission
Housing ~~Authority~~, a public body organized under and by virtue of the Housing
Authorities Law of the State of Kentucky, hereinafter called the Authority.

WITNESSETH:

WHEREAS, the Utility is engaged in the business of supplying electricity to
customers within the State of Kentucky and inter alia to consumers within
County
the ~~City~~ of McCreary, and

WHEREAS, the Authority as authorized by the Housing Authorities Law is
commencing the construction and renting of low-rent dwellings to relieve the serious
lack of safe and sanitary dwelling accommodations for families of low incomes, and to
eliminate slum conditions through demolition or improvement of a similar number of
dwellings, and the dwellings constructed shall be erected in ~~that~~ ^{an} area of the ~~City~~ ^{County} of

McCreary which is ~~located~~ * on the South side of Kentucky Highway 92
at Pine Knot 4,120.15 ft. East of the intersection and U. S. Highway 27
on the east, by _____
on the west, by _____
on the south, and by _____
on the north, and in connection with such project

proposes to furnish electric service within such dwellings, and

*This phrase is not to be filled in unless the Land Acquisition Division of the USHA
approves.

WHEREAS, the Authority desires to purchase electricity for project lighting and power requirements, *refrigeration, water heating, cooking & heating _____ to supply the _____ low-rent housing project designated and known as Project Ky 81-1 _____, and

WHEREAS, the Utility desires to supply the Authority with electricity to be used by the Authority and the Authority's tenants, and

WHEREAS, all of the parties to this contract have duly authorized its execution,

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable considerations, the parties agree as follows:

1. Supply of Electrical Energy: The Utility shall, from the date of initial delivery to the expiration of this contract, supply the electrical requirements of the Authority and the Authority's tenants for project lighting and power requirements * Refrigeration, water heating, cooking & heating _____.

2. Determination of Date of Initial Delivery: The date of initial delivery hereunder shall be the date on which the Utility first furnishes electricity to the Authority at the project site.

3. Notice to Utility to Commence Delivery: The Utility shall not be required to make such delivery until the Utility shall have received notice in writing 30 days prior to the date on which the Authority desires said service to commence.

4. Term of Contract: This contract shall become effective upon the execution thereof, and shall continue in effect for 1 years; provided, however, that all obligations of the parties hereto with regard to the rendition of service and payment therefor and to the computation of payment periods hereinafter referred to shall commence from the date of initial delivery as defined in Section 2 hereof.

*Indicate additional uses of electricity, if any, i.e., refrigeration, cooking, etc.

Said contract shall continue from year to year after the term provided above unless either party shall give the other 90 days notice in writing, prior to any anniversary of the date of termination of the contract, of its intention to terminate said contract.

5. Type of Service: The electrical energy to be delivered by the Utility to the Authority shall be in form of primary energy, regulated single phase, alternating current, at approximately 60 cycles per second and approximately 120 & 240 volts. Energy will be furnished at one point of delivery and measured through one master meter at delivery voltage.

6. Utility's Service Lines: The Utility without expense to the Authority, shall provide, operate and maintain all facilities for supplying and metering electrical energy of the type of service as described in Section 5 hereof to the point of delivery as described in Section 11 hereof.

7. Rates: The Authority shall purchase and pay for electricity furnished by the Utility at the following rates:

200 KWH @ \$6.95

All over 200 KWH @ 1.2¢

Subject to 3½ Ky. sales tax

If, during the period of this agreement, the Utility makes general increases or reductions in rates or if lower or higher rates are made applicable to other customers in this general class of service, then such reductions or increases shall be applicable to the rates for the service covered by this contract as of the date of such reduction.

8. Reading of Meters: The meters and metering equipment and instruments shall be read monthly by a representative of the Utility and a representative of the Authority. The Utility and the Authority shall agree upon a date or dates upon which the meters shall be read for billing purposes. This date shall be the same for each month of the year unless said date falls on Sunday or a holiday in which case the reading shall be made on the day following the Sunday or holiday.

9. Billing and Payment: The period of time elapsing between monthly reading shall constitute the monthly billing period. On or about the tenth day following meter readings for electric service the Utility shall render a bill to the Authority. Payment of said bill shall be made on or before the tenth day following the date of rendition, due allowance being made when the tenth day falls on Sunday or a legal holiday.

10. Penalties for Non-Payment: If any bill is not paid within thirty (30) days after the tenth day following the date of rendition, it shall be considered in default, and the Utility may, at its option and without liability therefor, suspend service to the Authority 60 days after giving notice in writing of its intention to do so. But, such suspension of such supply of electricity for such cause, shall not discharge or acquit the Authority of its obligations, or any obligations, under this agreement, nor shall such suspension exclude the Utility from any remedy which it may have at law, or in equity, to enforce any of the provisions of this contract. The Utility shall have the right to cancel this agreement for non-payment of any bill when due, provided, however, said thirty days have elapsed, said written notice has been given and the time granted thereby has elapsed and said bill continues to remain unpaid. In the event of such cancellation the parties shall be released from all obligations hereunder.

11. Point of Delivery: The point of delivery of electrical energy hereunder shall be at the outgoing side of the metering equipment of the Utility located on or near the project site at a location defined as follows:

(The point of delivery should be clearly defined in the space provided herein and should tie in said point of delivery with the work performed under the construction contract.)

At the master meter

1. The utility will install own and maintain all primary and secondary lines.
2. The utility will install own and maintain meters at all units. This service does not include service entrance cable the weatherhead or meter base.
3. The Commission will pay the utility a connection charge of \$180 per unit.

12. Method of Metering: All electric energy supplied hereunder shall be measured in such a manner that the maximum demand in kilowatts may be ascertained by instruments suitable for the purpose, and the actual energy in kilowatt-hours supplied during any billing period shall be ascertained by a standard watt-hour meter. All necessary metering equipment shall be furnished, installed and maintained by the Utility.

13. Accuracy of Meters: The meters used in determining the amount of electricity supplied hereunder shall, by comparison with accurate standards, be tested and calibrated by the Utility at intervals of not to exceed twelve months. If any meter shall be found inaccurate or incorrect, it shall be restored to an accurate condition or a new meter shall be substituted by the Utility. The Authority shall have the right to request that a special meter test be made at any time. If any test made at Authority's request discloses that the meter tested is registering correctly, or within 2% of normal, Authority shall bear the expense of such test. The expense of all other tests shall be borne by the Utility. The results of all such tests and calibrations shall be open to

examination by the Authority and a report of every test shall be furnished immediately to the Authority. If the meter is tested and found to be not more than 2% above or below normal it shall be considered to be correct and accurate, insofar as correction of billing is concerned. If as a result of any such test said meter is found to register a variation in excess of 2% from normal, correction shall be made in the billing, but no such correction shall extend beyond ninety (90) days previous to the day on which inaccuracy is discovered by test. The correction should be based on the assumption that the consumption was the same as for the most nearly comparable periods of like operation (to be agreed upon by the parties hereto) during which service was correctly metered.

Utility

14. Distribution Systems: The ~~Authority~~ shall furnish, construct, own and operate the complete and entire secondary electrical distribution system from the point of delivery as is necessary and/or advisable for the proper utilization of the electrical energy purchased hereunder, and as outlined in 11.

15. Resale. No portion of the electricity supplied hereunder shall be resold, except that the Authority may sell or otherwise distribute electricity to the tenants of Authority's Housing Project Ky 81-1 as an incident of tenancy.

Nothing contained herein shall be interpreted to preclude the Authority from using individual check (watt-hour) meters, or the readings therefrom, for the purpose of checking upon the consumption of electricity used by the tenants in order to employ these data for statistical and research purposes, to prevent wasteful and extravagant use of said electricity and in order to take such steps as the Authority deems advisable, either by adjustment in the cost between the amount used by the tenant and the amount allowed as an incident of tenancy or by any other appropriated method, to prevent wasteful and extravagant use of said electricity.

16. Rights of Utility:

(a) The Authority hereby grants to the Utility at all reasonable hours by its duly authorized agents and employees the free right of ingress to and egress from

the premises of the Authority for the purpose of inspecting, repairing, replacing or removing the property of the Utility, of reading meters, or of performing any work incidental to the supplying of all service hereby contracted for.

(b) The Utility shall have the right to contract with and render electrical service to individual commercial consumers on the project, but no such contract shall be entered into without the approval of the Authority in writing.

17. Annexation of Property of Utility: Any and all equipment, apparatus and devices necessary to fulfill Utility's obligation hereunder placed or erected by the Utility on or in property of the Authority shall be and remain the property of the Utility regardless of the mode or manner of its annexation or attachment to real property of the Authority.

18. Liability: The electricity supplied under this contract is supplied upon the express condition that after it passes the meter equipment of the Utility, it becomes the property of the Authority. The Utility shall not be liable for loss or damage to any person or property whatsoever resulting directly or indirectly from the use or misuse or presence of electricity on the Authority's premises after it passes said meter equipment except where such loss or damage shall be shown to have been occasioned by negligence of the Utility, its agents, servants or employees.

19. Impossibility of Performance: The Utility shall use all reasonable diligence in providing a constant and uninterrupted supply of electric energy, but the Utility shall not be liable to the Authority hereunder, nor shall the Authority be liable to the Utility hereunder by reason of failure of the Utility to deliver or the Authority to receive electricity as the result of fire, strike, riot, explosion, flood, accident, breakdown, acts of God, or the public enemy, or other acts beyond the control of the party affected; it being the intention of each party to relieve the other of the obligation to supply electricity or to receive and pay for electricity when as a result of any of the above-mentioned causes, either party

may be unable to deliver or use in whole or in part the electricity herein contracted to be delivered and received. Both parties shall be prompt and diligent in removing and overcoming the cause of causes of said interruption, but nothing herein contained shall be construed as permitting the Utility to refuse to deliver or the Authority to refuse to receive electricity after the cause of interruption has been removed. In case of impaired or defective service, the Authority shall immediately give notice to the nearest office of the Utility by telephone or otherwise, confirming such notice in writing as soon thereafter as practicable.

20. Special Provisions:

Provisions of South Kentucky R.E.C.C. letter 3-12-65 to G. W. Hoffman and provisions indicated in item 11.

(Any other considerations which are a part of the agreement should be inserted here, such as Utility's agreement to maintain and repair appliances or the distribution system, the reading and calibration of check meters, etc.)

21. Previous Contracts Superseded: This Agreement supersedes all previous contracts or representations, either written or verbal, heretofore in effect by the Utility and the Authority with respect to matters herein contained, and constitutes the sole contract by the parties hereto concerning these matters.

22. Designees of Contracting Parties: The Authority has by resolution designated G. W. Hoffman as the duly authorized representative responsible for the operation and supervision of said low-rent housing project known and designated as McCreary County Housing Commission with whom the Utility may deal.

The Utility has designated Sam Hord as the duly authorized representative with whom the Authority may deal on any matter arising under the terms of this contract.

Either party will promptly notify the other in writing whenever there may be a change in such designee.

23. Required Notices to be in Writing: Any notice required or authorized to be given hereunder except the notice set out in Section 20 or any notice that may be specified in Section 20 shall be given in writing by either party, addressed to the authorized representative of the other and mailed in the ordinary course of business to the last known address of said other party.

24. This contract shall be binding upon the successors, or legal assigns of either of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and executed in triplicate by their duly authorized officers the day and year first above written.

McCreary County
Housing Commission

(Authority)

By

[Signature]
(Title) Vice Chairman

ATTEST:

G.W. Hoffman
Secretary

SOUTH WA. REG.

(Utility)

By

Sam Hord
(Title) Manager

ATTEST:

[Signature]
Secretary
OFFICE MANAGER

And