



ELECTRIC SERVICE TARIFF

TERMS, CONDITIONS AND RATE SCHEDULES

(This Electric Service Tariff Supersedes P.S.C. Md. No. 7 together with all supplements)

**Latest Revision:
November 7, 2008**

Easton Utilities
201 N. Washington Street
Easton, MD 21601
(410) 822-6110

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

Table of Contents

PART I – GENERAL6

A. Definition of Terms.....6

B. Filing and Posting.....7

C. Revisions8

D. Statement of Agents8

E. Rules and Regulations8

F. No Prejudice of Rights.....8

G. Gratuities to Employees8

H. Resolution of Disputes8

PART II – APPLICATION AND CONTRACT FOR SERVICE.....9

A. Application for Service9

B. Right to Reject Application.....9

C. One Point of Delivery9

D. Service at New Locations9

E. Distribution of Customer’s Metered and Billing Data9

F. Service Contracts10

G. Temporary Service10

H. Rights-of-Way/Permits10

 1. General.....10

 2. Required Property Information11

I. Hazardous Conditions.....12

PART III – CUSTOMER’S DEPOSIT.....13

A. Customer’s Deposit to Guarantee Payment of Final Bills13

PART IV – PAYMENT TERMS14

A. When Bills are Payable14

B. Estimated Bills14

C. Returned Checks.14

D. Late Payment Charge14

E. Installment Payments.....14

F. Budget Billing.....15

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

PART V – ADMINISTRATION OF SERVICE CLASSIFICATION.....	16
A. Load Inspections	16
B. Billing Changes.....	16
C. Company Assistance.....	16
D. Changing Service Classifications	16
PART VI – CUSTOMER’S INSTALLATION.....	17
A. Customer’s Wiring.....	17
B. Description of Installation.....	17
C. Electrical Inspection.....	18
D. Reverse Phase Relay	18
E. Phase Protection.....	18
F. Motors	18
PART VII – SERVICE AND TRANSFORMER INSTALLATIONS.....	20
A. General.....	20
B. Service Installation.....	20
1. Residential Service.....	20
2. Non-Residential Service	21
C. Special Service Conditions	22
D. Modification or Relocation of Existing Services.....	22
E. Transformer and Meter Installations.....	23
PART VIII – METER INSTALLATIONS.....	24
A. Meter Provided and Owned by Easton Utilities	24
B. Meter Locations	24
C. Right to Remove Company’s Equipment	24
D. Reverse Registration	24
E. Meter Tests.....	24
F. Residential Multiple Occupancy Buildings	24
G. Unscheduled Meter Reading.....	25
PART IX – ADJUSTMENT OF CHARGES	26
A. Fast Watt-Hour Meter	26
1. Known Date of Error	26
2. Unknown Date of Error	26
B. Slow or Stopped Meter	26
C. Demand Meter	26
D. Requests for Meter Tests	27
E. Adjustments for Incorrect Billing	27

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

PART X – CONTINUITY OF SERVICE BY COMPANY	29
A. Company Liability	29
B. Notice of Trouble.....	29
C. Prearranged Interruption of Service.....	30
PART XI – CUSTOMER’S USE OF SERVICE	31
A. Resale Forbidden	31
B. Multiple Occupancy Buildings	31
C. Fluctuations.....	31
D. Unbalanced Loads.....	31
E. Transient Voltages	31
F. Superimposition of Electric Signals on the Company’s Electric System	32
G. Power Factor	32
H. Use Other Than State in Contract	32
I. Characteristics of Service	32
J. Change of Installation	33
K. Limitation of Use	33
PART XII – DEFECTS IN CUSTOMER’S INSTALLATION.....	34
A. Company’s Right to Inspect.....	34
B. Defective Installations	34
C. Customer’s Responsibility	34
D. Company Liability	34
PART XIII – ACCESS TO PREMISES.....	35
A. Access to Premises.....	35
PART XIV – TAMPERING WITH COMPANY’S PROPERTY	36
A. Tampering Expressly Forbidden.....	36
B. Liability for Tampering.....	36
PART XV – COMPANY’S RIGHT TO DISCONTINUE SERVICE.....	37
A. Right to Discontinue Service	37
1. Without Prior Notice.....	37
2. With Prior Notice.....	37
3. Notice.....	38
B. Reconnection Charge.....	38
C. Collection of Payments at the Premises.....	39

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

PART XVI – DISCONTINUANCE OF SERVICE BY CUSTOMER.....	40
A. Notice to Discontinue	40
B. Completion of Term.....	40
C. Final Bill	40
PART XVII – EXTENSIONS	41
A. General.....	41
B. Extension Installation.....	42
1. Residential Extension.....	42
2. Non-Residential Extension	42
C. Extension for Subdivisions	42
D. Deposits.....	44
PART XVIII – RATES	45
“R” Residential	45
“GS-S” General Service – Small	47
“GS-L” General Service – Large	50
“GS-P” General Service – Primary.....	53
“SL” Street and Highway Lighting Service.....	56
“BSWEGS” Biomass, Solar and Wind Electric Generation Service.....	58
PART XIX – RIDERS	62
“USP” Electric Universal Service Program Recovery Rider.....	62
“ER” Energy Rate Rider	63
“RGGI Rate Credit”	64

Issued: April 30, 2009	Signed: Hugh E. Grunden
Effective: June 1, 2009	Title: President & CEO

RULES AND REGULATIONS

PART I – GENERAL

A. Definition of Terms

The words listed below shall have the following meanings when used in this tariff:

Account – An account is one metered or unmetered rate or service classification which normally has one electric delivery point of service. Each account shall have only one electricity supplier providing full electric supply requirements for that account. A premises may have more than one account.

Ancillary Services – Services that are necessary for the transmission and distribution of electricity from supply sources to loads and for maintaining reliable operation of the transmission and distribution system.

Applicant – Any person, corporation or other entity that: (i) desires to receive from the Company electric or any other service provided for in this Tariff, (ii) complies completely with all Company requirements for obtaining electric or any other service provided for in this Tariff, (iii) has filed and is awaiting Company approval of its application for service, or (iv) is not yet actually receiving from the Company any service provided for in this Tariff. An Applicant shall become a Customer for purposes of this Tariff only after the Applicant actually starts receiving the applicable service(s) from the Company under this Tariff.

Commission – Public Service Commission of Maryland

Company – Easton Utilities Commission d/b/a Easton Utilities

Customer – Any adult person, partnership, association, corporation, or other entity: (i) in whose name an account is listed, (ii) who occupies or is the ratepayer for a premises, building, structure, etc. and (iii) who is primarily responsible for payment of bills. Multiple premises or sites under the same name are considered multiple Customers.

Customer Charge – A charge designed to recover the costs the Company incurs providing such services as metering, reading the meter(s), providing dedicated delivery service and billing the Customer's account.

Demand – The rate of use of energy during a specified time interval, expressed in kilowatts.

Designee – Any adult person, partnership, association, corporation or other entity who is authorized by the Customer to receive their electric metered and billing data.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART I - GENERAL – (continued)

Distribution Facilities – Electric facilities owned by the Company that operate at voltages of 25,000 volts or below and that are used to deliver electricity to Customers, up through and including the point of physical connection with electric facilities owned by the Customer.

Extension – Portion of the Company’s electric distribution system from the Company’s existing electric system to the Customer’s lot line.

kW, kilowatt – 1,000 watts.

kWh, kilowatt-hour – 1,000 watts for one (1) hour, or 1,000 watt-hours

PJM Interconnection, LLC or (“PJM”) – The Pennsylvania-New Jersey-Maryland Independent System Operator that is responsible for the operation and control of the bulk electric power system throughout all or portions of Delaware, Pennsylvania, New Jersey, Maryland, Virginia and District of Columbia.

Premises – A premises is one contiguous property or site which normally has one delivery point of service and one or more metered or unmetered rate or service classes, each of which is an Account, that when totaled equals the entire electricity used at that one premises or site. Multiple premises or sites under the same name are considered multiple Customers.

Residence – Applicable to one family residences or one family apartments within the Company’s territory for electric service.

Service – Portion of the Company’s electric distribution system from the Customer’s lot line to their building.

Universal Service Program and Charge – A fund established under the Electric Customer Choice and Competition Act of 1999 which is used for low income fuel assistance and weatherization programs within the Company’s service territory.

B. Filing and Posting

This Electric Service Tariff is supplemental to the “Regulations Governing Service Supplied by Electrical Companies” of the Public Service Commission of Maryland and comprises the Rules and Regulations of service and the Service Classifications under which electricity shall be delivered and supplied to its Customers by the Company. The

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART I – GENERAL (continued)

Tariff is part of every contract for service. A copy of this Tariff is on file with the Public Service Commission of Maryland and open to inspection in each of the offices of the Company.

C. Revisions

This Tariff may be revised, amended, supplemented or otherwise changed from time to time, in accordance with rules and procedures of the Public Service Commission of Maryland.

D. Statement of Agents

No representative of the Company has authority to modify any rule or provision of this Tariff, or to bind the Company by any promise or statement contrary thereto, unless the same shall be incorporated in a written contract.

E. Rules and Regulations

The Rules and Regulations are a part of every contract for service and govern all classes of service unless otherwise specifically stated by a Service Classification.

F. No Prejudice of Rights

The failure by the Company to enforce or the decision not to enforce any of the provisions of this Tariff shall not be deemed a waiver of the right to do so.

G. Gratuities to Employees

The Company's employees are strictly forbidden to demand or accept any personal compensation, or gifts, for service rendered.

H. Resolution of Disputes

When an Applicant or Customer has an issue to resolve with the Company, they should first contact the Company to resolve the issue. The Company and the Applicant or Customer shall use good faith and reasonable efforts to informally resolve the issue. If the Applicant or Customer wishes to file a formal complaint to resolve a dispute involving the Company, they may do so through the use of the procedures of the Public Service Commission of Maryland.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART II – APPLICATION AND CONTRACT FOR SERVICE

A. Application for Service

A written application for service is required from each Customer. This application when executed by the Company constitutes the contract between the Company and the Customer, subject to the terms of the applicable Service Classification, and these Rules and Regulations. Charges for service shall begin at the time service is made available to the Customer.

B. Right to Reject Application

The Company may reject any application for service if the Applicant does not meet all the requirements of the Rules and Regulations of this Tariff. The Applicant shall be given the reason or reasons for rejection of the application for service, in writing if requested.

C. One Point of Delivery

The Service Classifications of this Tariff, unless otherwise stated, are based upon the service to a single metering point. The Company shall provide only one metering installation for each class of service. The use of service at two or more separate properties shall not be combined for billing purposes.

The Company reserves the right to deliver service to more than one point where the Customer's load or service requirements necessitate such delivery. This procedure is applicable to non-residential customers having extensive operations in a contiguous area. Where the Customer desires an extra delivery circuit, the Customer shall pay the estimated costs of the additional facilities, including any applicable taxes associated with Contribution in Aid Construction or otherwise.

D. Service at New Locations

Service at new locations shall be rendered only when all bills for service to the Customer at any other locations have been paid, or credit arrangements satisfactory to the Company have been made.

E. Distribution of Customer's Metered and Billing Data

Upon the Customer's request, the Company will provide one year of Customer's historical electric metered and billing data to the Customer or its designee at no charge. Requests for broader information may be provided at actual cost.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART II – APPLICATION AND CONTRACT FOR SERVICE (continued)

F. Service Contracts

Standard contracts shall be for terms as specified in the applicable Service Classification. Where large or special investment is necessary for delivery service, or where service is to be used for temporary, or unusual purposes, contracts for terms other than specified in the Service Classification, or with special guarantees of revenue, or both, may be required. The size of any required Contribution in Aid of Construction shall include all applicable taxes.

G. Temporary Service

Temporary Service is service, ordinarily not recurrent in nature, required for temporary construction power, structures or locations. Temporary Service shall be rendered only when and where the Company has the necessary facilities available to render the service applied for, without detriment to the service of other Customers.

The Customer shall pay in advance the estimated cost of installation and removal of required facilities installed for the sole purpose of the temporary service. A deposit may be required, in advance, sufficient to cover the installation and removal, materials not returnable, and the estimated cost.

Temporary Service is available only under Service Classification “GS-S”, on a short-term basis. The minimum monthly bill for this Service shall be as specified under the provisions of classification “GS-S”. The Customer is required to inform the Company in writing when Temporary Service is no longer needed.

H. Rights-of-Way/Permits

1. General

The Applicant requesting electric delivery service shall furnish, without expense to the Company, suitable rights-of-way or permits in a form approved by the Company for the installation of facilities on, over, under and across the premises of the Applicant for the purpose of providing electric delivery service to the Applicant and to the premises and other users in the vicinity.

If it is necessary to acquire such rights or permits from others, such as abutting property owners, lessors, railroads, etc., in order for the Company to serve the Applicant, then the Applicant shall be responsible for obtaining such rights or permits as the Company deems necessary.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART II – APPLICATION AND CONTRACT FOR SERVICE (continued)

Where, due to the nature of the property to be served, the Company finds that the exact boundaries are of critical importance, the Applicant shall locate and mark such boundaries by an approved method and to the reasonable satisfaction of the Company.

The Applicant shall be responsible for clearing all trees, tree stumps and other obstructions from the construction area as designated by the Company, said clearing to be completed in reasonable time to meet service requirements. The Company shall be responsible for any additional tree trimming that may be required for the clearance and safety of its facilities.

The construction area as designated by the Company shall be graded to within six (6) inches of final grade before the Company will commence construction. Grade stakes shall be provided within ten (10) feet of any planned on grade utility equipment.

If subsequent to construction start-up, the Company is required to relocate or adjust any of its installed facilities due to change in grade, adjustments of property lines or change in plans, the cost of such relocation, including any applicable taxes associated with Contributions in Aid of Construction or otherwise, shall be borne by the Applicant, its successors or assigns.

The Company shall own, operate, and maintain underground and overhead distribution lines only along public streets, roads, and highways which the Company has the legal right to occupy, and on public lands and private property across which rights-of-way and easements satisfactory to the Company may be obtained within a reasonable time and without cost or condemnation by the Company.

The Company is not responsible for damages to Customer owned facilities located in any rights-of-way.

The Company is not responsible for any underground facilities not located under the Miss Utility Law.

2. Required Property Information

The Applicant shall furnish in a format acceptable to and required by the Company, at no charge to the Company, property plats, utility plans, grading plans, roadway profiles, property line stakes, grade stakes and other items

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART II – APPLICATION AND CONTRACT FOR SERVICE (continued)

showing details of proposed construction. This information is required in reasonable time to allow the Company to design and construct its facilities in a safe and efficient manner to meet service requirements and to comply with applicable laws, company standards, codes, and rules and regulations.

I. Hazardous Conditions

The Applicant shall notify the Company of any hazardous conditions which employees may encounter on the customer's property while installing or maintaining service. Where hazardous conditions exist which may impact the welfare of Company employees, the Company reserves the right to withhold service or require the Applicant to provide a non-hazardous route for necessary service facilities. The Applicant shall be responsible for all estimated costs required of the Company to meet applicable environmental, or other hazardous condition laws required of our employees specifically for installation of the Applicant's service.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART III – CUSTOMER’S DEPOSIT

A. Customer’s Deposit to Guarantee Payment of Final Bills

The Company may require a cash deposit from an Applicant or an existing Customer for each account until satisfactory credit is established in accordance with the Code of Maryland Regulations to guarantee payment of final bills for service rendered. The Company reserves the right to hold either an aggregate deposit for all deposits for all accounts for a single Customer or multiple deposits for separate accounts for a single Customer. Where the Company holds more than one deposit for separate accounts for the same Customer, the Company shall administer each deposit individually. Such deposit shall not be more in amount than two-twelfth (2/12) of the estimated annual applicable revenue or as may be reasonably required by the Company in cases involving a service for short periods. Service may be denied or terminated for failure to pay a deposit when requested. Deposits shall not be applied against current delinquent bills.

Required deposits may be deferred at the Customer’s Request to the first month’s bill or may be paid in installments over three (3) consecutive monthly billing periods. Customers with a prior unpaid balance may be required to pay the full deposit prior to establishing new service.

Simple interest on deposits at a rate established annually by the Public Service Commission of Maryland shall be applied annually as a credit to the Customer’s account. The deposit shall cease to draw interest on the date it is returned, on the date service is terminated or on the date notice is sent to the Customer’s last known address that the deposit is no longer required.

Deposits may be refunded after one (1) year for Residential deposits and after four (4) years for Non-Residential deposits and after satisfactory credit has been established. Satisfactory credit for Residential deposits is defined as payment of the last twelve (12) consecutive monthly bills without more than two past due bills and without an outstanding unpaid previous balance. Satisfactory credit for Non-Residential deposits is defined as payment of the twenty-four (24) consecutive monthly bills.

All deposits shall be collected and administered pursuant to the requirements set forth in the Code of Maryland Regulations.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART IV - PAYMENT TERMS

A. When Bills are Payable

All bills are due and payable upon presentation.

B. Estimated Bills

When the Company's meter reader is unable at any regular reading date to read the Customer's meter, the Company may estimate the Customer's electric usage and render an estimated bill.

C. Returned Checks

Checks received in payment of any bills or charges rendered which are turned to the Company unpaid by the Customer's bank, shall result in an additional charge of twenty-five (\$25) per check per occurrence, which charge shall be levied against the Customer's account. Proper notice of the returned check and the charge shall be mailed to the Customer by first-class mail.

D. Late Payment Charge

Bills are due and payable upon presentation. If payment is not received by the Company prior to the next scheduled meter reading date, a late payment charge of one and one-half percent (1-1/2%) of the unpaid balance, less applicable taxes and environmental surcharge shall be added to the next billing unless prohibited by law. The total late payment charge for any original balance shall not exceed five percent (5%).

E. Installment Payments

Any Customer may request an installment payment agreement as an optional means for payment of Service delinquent charges and to avoid service termination resulting from those delinquent charges. An installment payment agreement between the Customer and the Company, which guarantees payment by the Customer for the amount of the agreement over the specified period. Installment payment agreements shall be made through an authorized Company representative. All requests for installment payment agreements are subject to Company approval and the Company may require these agreements to be signed by the Customer and by a Company-authorized employee. A service charge of one and one half percent (1-1/2%) per month shall be applied on the unpaid balance due under this agreement. The balance amount of the agreement is not

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART IV – PAYMENT TERMS (continued)

subject to the provisions of the late payment charge. Failure of the Customer to meet the conditions of this installment payment agreement including prompt payment of the current bill shall constitute a breach of this agreement and entitle the Company to pursue collection and termination procedures pursuant to the applicable rules and regulations of the Public Service Commission of Maryland.

F. Budget Billing

Budget billing provides a payment plan which allows Customers to levelize their monthly bills. The Budget Billing Plan is available to all Residential “R” and General Service Small “GS-S” Customers. “GS-S” Customers may be initially placed on the plan only in the billing months of April, May, October and November. Any such qualifying Customer who does not have a delinquent service balance outstanding may elect to be placed on budget billing. Under this plan, the Customer shall be billed for eleven (11) months on an estimated budget amount basis with the twelfth month as the settlement month. The billing for the settlement month shall consist of the difference between the actual amount due to date and the budget amount paid to date.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART V – ADMINISTRATION OF SERVICE CLASSIFICATION

A. Load Inspections

A Company representative shall have access to the premises at reasonable times to inspect and measure the connected load.

B. Billing Changes

When demands are reassessed or redetermined, or power factor recomputed or remeasured, as the result of an investigation made at the Customer's request or by routine inspection, the change of billing to the new demand or power factor shall first apply to the bill for the billing period during which the investigation is made.

C. Company Assistance

The Company upon request shall assist the Customer in the selection of the most appropriate Service Classification, but the duty and responsibility of making the selection shall at all times rest with the Customer.

D. Changing Service Classifications

The Company reserves the right to change Service Classification based on actual customer usage.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART VI – CUSTOMER’S INSTALLATION

A. Customer’s Wiring

All of the Customer’s wiring and appurtenances shall be furnished and installed by the Customer.

B. Description of Installation

The Customer, before connecting or purchasing any substantial electrical equipment, shall present in writing to the Company a list of devices which are to be installed giving the location of the proposed installation, so that the Company may advise the Customer of the character of the service the Company shall furnish and the point at which service shall be connected and metered.

In those cases where the Company deems it necessary, the Customer shall present in writing complete specifications of equipment, loads, location plans, vaults, cable runs, substations, and other data required, so that the Company may advise the Customer of the character of the service the Company shall furnish, the point at which it shall be connected and metered and any other requirements associated with the special conditions of the service.

For secondary underground residential and general services, the Company will own and maintain all wiring to the meter point. For overhead residential and general services the Company is responsible for the wiring up to the weather head connection point. For all general and residential services, the meter socket shall be supplied and maintained by the Customer.

For primary service customers the terminus of the Company’s service from which the customer runs all wiring is, for the various types of supply, as follows:

- a) Overhead with Customer owned Primary and Transformation: The Customers wiring shall terminate at the load side bushings in a ground level primary metering enclosure supplied by the Company. The Company shall be responsible for the primary riser and line side connections to the primary meter enclosure.
- b) Overhead with Company owned Primary and Transformation: The Customer’s wiring shall terminate at any transformer secondary. The Customer, or their electrician, shall not enter any Company overhead line approach boundary as defined in the NESC without express written prior Company approval. The overhead line shall be deenergized where practicable or performed only by individuals specifically trained in

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART VI – CUSTOMER’S INSTALLATION (continued)

overhead hot line work and authorized to enter an NESC approach boundary.

- c) Underground with Customer owned Primary Transformation: The Customer’s wiring shall terminate at the load side bushings in a ground level primary metering enclosure supplied by the Company. The Company shall be responsible for the primary line side connections to the primary meter enclosure.
- d) Underground with Company owned Primary and Transformation: The Customer’s wiring shall terminate at the transformer secondary. The Customer, or their electrician, shall not enter any Company equipment without express written prior Company approval.

Only the Company’s representatives may make connections to any Company owned equipment.

C. Electrical Inspection

All new wiring and equipment and changes in wiring and equipment, shall conform to the standards of the National Electrical Code and those of local public authorities in force at the time.

The Company shall render service only after receipt by the Company of a notice of approval issued by the duly recognized inspection agency.

D. Reverse Phase Relay

The Customer shall install at its expense a reverse phase relay of approved type on all motors or other equipment where a definite direction of rotation must be maintained.

E. Phase Protection

The Customer shall install at its expense suitable voltage or current type of devices which will protect its equipment from damage in the event of phase outages.

F. Motors

The Customer shall advise the Company of the proposed requirements of the type of motor and starting current of the Customer’s equipment, as well as the voltage and phase of the service which are desired.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART VI – CUSTOMER’S INSTALLATION (continued)

The Company reserves the right to refuse service to single phase motors rated five (5) horsepower or more and to polyphase motors rated less than five (5) horsepower and to polyphase motor installations having a total rating less than six (6) horsepower.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART VII- SERVICE AND TRANSFORMER INSTALLATIONS

A. General

Services as used in this section refers to that portion of the Company's electric distribution system necessary to furnish permanent service from the Applicant's lot line to a residential building, mobile home or other commercial, industrial or multiple occupancy building. The Company's system facility from which the service is installed may be on public or private right-of-way. Services shall be installed either overhead or underground in accordance with the policies of the Public Service Commission of Maryland, and shall be designed and constructed with sufficient capacity and suitable material which, in the Company's judgment, shall assure that the Applicant shall receive safe adequate and reasonable electric service for the foreseeable future.

The Company, where system facilities are of adequate capacity and adjacent to the applicant's premise, will provide, install, and maintain residential services, all to the point of connection with the Applicant's wiring. Such point shall generally be at or near the corner of the building nearest the point at which the electric service line enters the property to be served and must be such that the service will be clear of obstructions and adequately supported. Any modifications requested by the Applicant must be approved by the Company. Services shall not be connected until satisfactory payments or credit arrangements are made to satisfy the charges detailed in this section.

The Company may require the Customer to provide and install at the Customer's expense suitable conduit on the line side of the meter where the Customer installs paving in areas such as roadways, driveways or patios prior to the Company's installation of its cable, or where the cable route is such that future maintenance, repair or replacement would likely require other than direct buried cable installation.

B. Service Installation

1. Residential Service

The Company shall provide, own and maintain residential services. The Applicant shall pay the Company a charge for such new service equal to \$ \$7.49 per foot. There shall be a minimum seventy-five (75) foot charge for single-family dwelling units. All other residential services shall have a thirty (30) foot minimum charge. Any such payments shall not be waived or refunded.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART VII- SERVICE AND TRANSFORMER INSTALLATIONS (continued)

2. Non-Residential Services

The Company shall provide, own and maintain non-residential services. The Applicant shall pay for all estimated costs associated with the service. Any such payments shall not be waived or refunded.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART VII – SERVICE AND TRANSFORMER INSTALLATIONS (continued)

C. Special Service Conditions

Where the Applicant requests the Company, and the Company agrees, to install facilities which are more costly than those normally furnished, the Applicant will be charged the difference in cost.

The Applicant shall be responsible to provide a service path, clear of all obstacles for the installation and maintenance of facilities. The path shall be identified by a method approved by the Company. Where the Applicant, by virtue of site conditions, causes a more costly than normal installation or maintenance, the Applicant will be charged the difference in cost.

Where environmental or other hazardous conditions require special work practices to comply with applicable rules or laws, the Company reserves the right to withhold service until a clear non-hazardous access can be provided or to charge the Applicant the additional costs.

Service lines shall not be installed inside or under Applicant's residence or building. Where residential or building extensions have inadvertently covered existing services, Applicant will be charged for immediate relocation as maintenance is required.

When replacement or repair of privately owned services is necessary, the Company may, if agreed to by the Customer, make the necessary repairs or replacements. The Customer shall be charged for all costs by the Company.

D. Modification or Relocation of Existing Services

Any modifications, changes or relocations of existing Company-owned services shall be made by mutual agreement of the Company and the Customer. The Customer shall be charged for such modifications, changes or relocations.

In the event the Company shall be required by any public authority to place underground or relocate any portion of the Company's electric system, The Customer at its expense shall make the necessary changes in the location of its facilities to accommodate such changes. If any extension or modification is required to an existing service those costs shall be borne by the Customer.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART VII – SERVICE AND TRANSFORMER INSTALLATIONS (continued)

E. Transformer And Meter Installations

The Company shall make transformer or meter installations on easements and rights-of-way only as permitted by the regulations of the public authorities. The type of metering or load requirements may require the Customer to provide for the installation of transformer facilities on private property.

Non-residential transformer pads are installed by the Company and paid for by the Customer.

The Company shall be responsible for all line and load side transformer connections.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART VIII – METER INSTALLATIONS

A. Meters Provided and Owned by the Company

The Company shall normally furnish, install, maintain and own one (1) set of metering equipment for measurement of the service provided under each contract.

B. Meter Locations

The Company shall designate the location of meter(s).

For secondary or primary metered installation, the Customer shall provide on his property, without charge to the Company, suitable space and an approved support, enclosure or other facility as required for mounting of metering equipment.

Where multiple meters are required, each meter position shall be clearly and visibly marked so that each meter position is identified as to the location to which service is being supplied. Meters shall not be installed by the Company until this has been accomplished.

C. Right to Remove Company's Equipment

All meters, instrument transformers or other service equipment supplied by the Company shall remain its exclusive property. The Company shall have the right to remove all its property from the premises of the Customer at any time after the termination of service, whatever may have been the reason for such termination.

D. Reverse Registration

The Company may, by ratchet or other device, control its meters so as to prevent reverse registration.

E. Meter Tests

All meters shall be tested by the Company in accordance with its periodic test schedule and in a manner prescribed by the Public Service Commission of Maryland. Meter tests performed at the request of a Customer shall be made in accordance with Part IX.

F. Residential Multiple Occupancy Buildings

Any new residential multiple occupancy building shall be individually metered for each occupancy unit that is individually leased or owned.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART VIII – METER INSTALLATIONS (continued)

G. **Unscheduled Meter Reading**

Notwithstanding billing disputes, when a Customer requests for a meter reading of a non-demand meter on an unscheduled meter reading date, the Customer shall be charged twenty-five (\$25) per meter for that special meter reading service per occurrence. When a Customer requests for a meter reading of a demand meter on an unscheduled meter reading date, the Customer shall be charged on a time and material basis per meter, not to exceed one-hundred dollars (\$100.00) per meter, for that special meter reading service per occurrence. This special meter reading service shall be for data collection or informational purposes only. This service shall not be used to change the Customer's regular scheduled billing, unless it is agreed to by the Company, at the Company's sole discretion, and at the Customer's additional expense.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART IX – ADJUSTMENT OF CHARGES

A. Fast Watt-Hour Meter

Whenever a watt-hour meter in service is found to have a positive weighted average error, upon test made by the Company or the Public Service Commission of Maryland, that is when it over-registers or is fast, in excess of two percent (2%), the Company shall credit or refund to the Customer an amount equal to the excess paid for the kilowatt-hours incorrectly metered. The refund shall be for the period that the Customer received service through the meter, but for not more than the periods established below:

1. Known Date of Error – If the date on which the error first developed or occurred can be established, the bills for service shall be recalculated from that time.
2. Unknown Date of Error – If the time at which the error first developed or occurred cannot be established, it shall be assumed that the over-registration existed for a period of three (3) years or a period equal to one-half of the time since the meter last tested, whichever is less.

B. Slow or Stopped Meter

When a meter is found, upon test made by the Company or the Public Service Commission of Maryland, to have a weighted negative average error, that is when it under-registers or is slow, in excess of two percent (2%), or to be stopped, or in case of a polyphase meter, to be operating with an inactive element, and the error in registration or failure to operate is not attributable to the negligence of the Company, but is due to some unpredictable cause, such as lightning, tampering or unauthorized overload, the Company shall estimate the proper charge for the unregistered service by reference to the Customer's consumption during similar normal periods or by such methods as the Public Service Commission of Maryland may authorize or direct. Except in cases of tampering, theft, inaccessibility to the meter, or unauthorized overload, the Company shall bill the customer one-half of the unbilled error for a period of 3 months, unless the meter has been tested within that 3-month period, in which event the Company may bill the Customer one-half the unbilled error for the period since the meter was last tested.

C. Demand Meter

Whenever a demand meter is installed, the readings, or indications of which are utilized in computing the charges is found, upon test by the Company or the Public Service Commission of Maryland, to be in error, in excess of the limits indicated below, the charges to the Customer shall be adjusted in the same manner as prescribed under watt-hour meters above.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART IX – ADJUSTMENT OF CHARGES (continued)

<u>METER TYPE</u>	<u>LIMITS OF ACCURACY</u>
Integrated Demand Meters	± 2% of full scale reading
Lagged-Demand Meters	± 2% of final indication

D. Requests for Meter Tests

Upon request by a Customer, the Company shall test the Customer's meter provided that such tests need not be made more frequently than once in eighteen (18) months. If tests of meters at the Customer's request are performed more frequently than once in eighteen (18) months, the Company shall charge the Customer thirty dollars (\$30) for testing a non-interval meter. For testing a demand meter, the charge shall be rendered on a time and material basis per interval meter tested, not to exceed five hundred dollars (\$500) per interval meter tested. No charge shall be made for testing meters which upon test are found to exceed the allowable accuracy limits as defined in this section. The Customer, or its representative, may be present when the Customer's meter is tested. A written report of the test shall be mailed to the Customer within ten (10) business days after the completion of the test.

At the Customer's request, the Company will provide the Customer with the Company's time and material cost estimate for testing the Customer's demand meter, prior to the work being performed. If the Customer believes the estimate is unreasonable, the Customer and the Company will work together in good faith to identify a mutually-acceptable third party to perform the meter test where such alternative meter testing shall meet the Public Service Commission of Maryland's meter testing standards. To the extent that a third party performs the work, such work shall be deemed to be performed for the Customer. Each party (the "Indemnifying Party") shall indemnify the other against any claims of third parties arising out of the Indemnifying Party's acts or omissions with respect to the testing of Customer's meter and any associated telemetering equipment.

E. Adjustments for Incorrect Billings

Incorrect billings resulting from clerical error, incorrect meter installation, meter inaccuracy or reading, incorrect applications of the rate schedule or other similar reasons shall be corrected immediately upon discovery and corrected bills rendered to the Customer. However, in the case additional charges are due from the Customer under the application of this paragraph, retroactive billing may not be for more than 12 months

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART IX – ADJUSTMENT OF CHARGES (continued)

prior to the discovery of the error unless authorized by the Public Service Commission of Maryland. The Company may seek the Commission's authorization for retroactive billing for undercharges which occurred more than 12 months but not more than 3 years. If the Customer has been overcharged, the Company shall refund the amount due by credit to the Customer's account, or in the case of an unknown date of the error, for a period of 3 years or a period equal to one half of the time since the date upon which it can be established that the error did not exist, whichever is less. In the event additional charges are due the Company, installment payments shall be offered for not less than the number of months the account was billed in error.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART X – CONTINUITY OF SERVICE BY COMPANY

A. Company Liability

1. The Company does not guarantee continuous uninterrupted electric service and, except as provided herein, shall not be liable for any change in, interruption, phase loss or reversal, or resumption of service. The Company shall not be liable to Customers, their directors, officers, employees, agents, or contractors, for any loss, cost damage, expense, or any other liability (all of which shall be considered “Damages”) regardless of whether such Damages are considered direct, indirect, incidental, special, consequential, exemplary or punitive Damages or to arise in contract or in tort, or any other cause of action, except as caused by the gross negligence or willful misconduct of the Company and only to the extent caused by the Company.
2. The Company shall not be liable for any delay of performance, failure to perform or failure of equipment for any cause other than the gross negligence or willful misconduct of the Company, and shall not be liable for Damages from causes beyond its reasonable control including but not limited to: Acts of God, storm, fire, flood, lightning, explosion or other catastrophes; any law, order, regulation, direction, action or request of the United States government or of any other government, including state and local governments having or claiming jurisdiction over the Company; acts or omissions of other entities, preemption of existing service in compliance with national emergencies; insurrections; wars; riots; unavailability of rights-of-way or materials, or strikes, lockouts, work stoppages or other labor difficulties.

The Company shall not be liable for any act or omission of any entity furnishing the Company or the Company’s Customers goods, services, equipment or other products to be delivered through the Company’s facilities or to be used in conjunction with goods, services, equipment of other products furnished by the Company. The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customer-provided equipment or facilities.

B. Notice of Trouble

The Customer shall notify the Company promptly of any defect in service or of any trouble or irregularity in the electric supply or delivery service.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART X – CONTINUITY OF SERVICE BY COMPANY (continued)

C. Prearranged Interruption of Service

Whenever it is necessary to interrupt service for work on lines or equipment, such work shall be done, to the extent practical, at a time that will cause the least inconvenience to the Customer. The Customer(s) to be affected shall, if practical, be notified in advance of such interruptions.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART XI – CUSTOMER’S USE OF SERVICE

A. Resale Forbidden

The Customer shall not directly or indirectly sell, sublet, assign or otherwise dispose of the electric energy provided by the Company except in master-metered apartment houses, office buildings or shopping centers in accordance with the Code of Maryland Regulations. Purchase of energy for use by tenants located on the Customer’s property, when the cost to the tenant of such energy is included in the normal rental charge for occupancy of the premises, shall not be considered as resale.

B. Multiple Occupancy Buildings

Multiple occupancy buildings and shopping centers shall not be master metered, but shall be individually metered for each occupancy unit that is individually leased or owned, except as permitted pursuant to Maryland Law. For the purposes of this paragraph, individual meters include only meters installed and owned by the Company.

C. Fluctuations

Electric Delivery Service must not be used by the Customer in such a manner as to cause unusual fluctuations or disturbances in the Company’s delivery system. Should such fluctuations or disturbances be caused by the Customer, the Company may discontinue service or require the Customer to modify its installation and/or install and maintain approved controlling devices at the Customer’s expense.

D. Unbalanced Loads

Where non-residential service is rendered, the Customer shall at all times take and use energy in such a manner that the load will be taken equally between phases. Should this not be possible and the unbalancing exceed ten percent (10%) of the lesser phase, the company reserves the right to compute the demand for billing purposes on the assumption that the load on each phase is equal to that on the greatest phase.

E. Transient Voltages

Where equipment such as welders, x-rays and radio transmitters, requires other than standard construction of the Company’s facilities to prevent objectionable interference with the Company’s service to any of its Customers, the Customer, at his expense shall furnish, install and maintain any corrective measures necessary to obviate it, or as compensation for special construction, pays the Company the estimated installed cost of the additional main and service line facilities.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART XI – CUSTOMER’S USE OF SERVICE (continued)

Customers are cautioned that certain types of data processing equipment are sensitive to transient voltages which typically occur in commercial power systems in routine operation. The Company shall not be liable for transient voltage-related damage or loss.

F. Superimposition of Electric Signals on the Company’s Electric System

When the Customer couples to or superimposes any signal on its electric system for equipment control, load management control, carrier current transmission, signal systems, communications, broadcasting or any other purpose, the Customer shall be responsible for preventing any such signals from being imposed upon or entering the Company’s metering and electric system.

G. Power Factor

The average power factor under the operating conditions of the Customer’s load at the point where the electric delivery service is metered shall not be less than ninety percent (90%) lagging.

Where lighting, welding, motors or other electrical equipment or devices having low power factor characteristics are installed, the Customer shall furnish, install and maintain, at its own expense, corrective apparatus which shall increase the average power factor of the individual units or the entire installation to not less than ninety percent (90%) lagging.

H. Uses Other than Stated in Contract

The Company’s service shall not be used for any purpose or any place other than that stipulated in the Customer’s contract for service except by written consent of the Company.

I. Characteristics of Service

The Company’s service, shall consist of sixty (60) hertz, single-phase or three-phase alternating current at one standard primary or secondary voltage. The type of service (number of phases and voltages) available varies with location and load.

Voltage delivered to Customer’s facilities shall normally be maintained with the limits prescribed by the regulations of the Public Service Commission of Maryland, except under emergency conditions and/or conditions beyond the reasonable control of the Company.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART XI – CUSTOMER’S USE OF SERVICE (continued)

A Customer or prospective Customer must contact the Company to ascertain the type of service the Company shall provide before making plans for receiving electric service or making alternations to existing service.

Secondary Service – Single-phase or three-phase circuits carrying a nominal voltage of 480 volts or less between any two conductors.

Primary Service – Single-phase or three-phase circuits carrying a nominal voltage of 8,320 volts or 25,000 volts between any two conductors.

J. Change of Installation

The Customer shall give immediate written notice to the Company of any proposed substantial increase or decrease in, or change of purpose or location of the Customer’s installation. The service connection, transformers, meters and equipment supplied by the Company for each Customer have a definite capacity and no additions to the equipment or load connected thereto shall be permitted except by written consent of the Company. Failure to give notice of additions or changes in load or location shall render the Customer liable for any damage to the meters or their auxiliary apparatus or the transformers or wires of the Company caused by the additional or changed installation.

K. Limitation of Use

No other source of electric supply shall be introduced or permitted, directly or indirectly, for the Customer’s use without written notice to the Company and written consent of the Company which shall not be unreasonably withheld. An installation for which permission has been granted must be made so that the supply of current from the Customer’s generator can not feed into the Company’s distribution system, unless agreed to by contract between the Company and the Customer. In addition, such source of supply must meet all of the requirements of PJM Interconnection, LLC.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART XII – DEFECTS IN CUSTOMER’S INSTALLATION

A. Company’s Right to Inspect

The Company shall have the right, but shall not be obliged to inspect any installation before electricity is introduced or at any later time, and reserves the right to reject any wiring or appliances not in accordance with the Company’s standard requirements; but such inspection, or failure to inspect, or to reject, shall not render the Company liable or responsible for any loss or damage, resulting from defects in the installation, wiring or appliances, or from violation of Company Rules, or from accidents which may occur upon the premises of the Customer.

B. Defective Installations

If at any time the wiring, fixture or appliances of the Customer are found to be defective or dangerous by the Company’s representative or by the local public authorities, service may be refused or discontinued until the Customer has the condition corrected.

C. Customer’s Responsibility

The Company assumes no responsibility for any damages done by resulting from any defect in the wiring, fixtures, or appliances of the Customer. In the event any loss or damage to the property of the Company, or any accident or injury to persons or property is caused by or results from the negligence or wrongful act of the Customer, its agents, or employees, the cost of the necessary repairs or replacements shall be paid by the Customer to the Company and any liability otherwise resulting shall be assumed by the Customer.

D. Company Liability

The Company shall not be liable for any loss, cost, damage or expense resulting from the presence of electric current or the Company’s equipment on the Customer’s premises, or from the use of the service of the Company by the Customer.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART XIII – ACCESS TO PREMISES

A. Access to Premises

The authorized agents or representatives of the Company having the proper Company identification shall have access at all reasonable times to the premises of the Customer for the purpose of reading the Company's meters, connecting and disconnecting service, operating, testing, inspecting, repairing, maintaining, removing or replacing any or all of the Company's apparatus used in connection with the delivery of electricity. If the Company's meters or other equipment are located on the premises of someone other than the Customer, the Customer shall be responsible to arrange for access thereto by Company agents or representatives.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART XIV – TAMPERING WITH COMPANY’S PROPERTY

A. Tampering Expressly Forbidden

No person except a duly authorized representative of the Company shall make any connection or disconnection, either temporary or permanent between the service load of the Customer and the service wires of the Company or set, change, remove or interfere with or make any connections to the Company’s meter or other property or any wiring between the Company’s meter and the service wire of the Company.

B. Liability for Tampering

In the event of the Company’s meters or other property being tampered or interfered with, the Customer being supplied through such equipment or other responsible party shall pay the amount which the Company may estimate is due for service used but not registered on the Company’s meter and for the costs of any repairs, replacements required, investigations, inspections, costs of prosecution including legal fees, installation of any protective equipment and any other changes in the Customer’s installation as may be required by the Company. The other responsible party shall be the party who either tampered with or caused the tampering with a meter or other equipment. The Customer being supplied through such equipment or the other responsible party shall also be responsible for paying all costs associated with the tampering investigation, including, but not limited to field and office work.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART XV – COMPANY’S RIGHT TO DISCONTINUE SERVICE

A. Right to Discontinue Service

The Company reserves the right to discontinue the service for any of the following reasons.

1. Without Prior Notice

- a. Unavoidable shortage or interruptions in Company’s source of supply or other cases of emergency.
- b. Whenever a hazardous condition is found to exist on the Customer’s premises.
- c. Interference or tampering with meters or Company equipment or diversion of service.
- d. Whenever environmental or other hazardous conditions would expose Company employees to undue risk in the maintenance of Customer Service.
- e. Exceeding the limits of current supply specified on the Application for Service without the required notice.

2. With Prior Notice

- a. Failure to remedy conditions having detrimental effect on Company equipment or on the service of others.
- b. Non-payment of any bill for electric service which is greater than \$50 if the security deposit is less than the total owed.
- c. Non-payment of any bill for electric service which is less than \$50 and has been outstanding for 2 months or longer.
- d. Violation of or noncompliance with these Rules and Regulations or the effective Service Classification or Contract. The Company may refuse to provide any service until the Customer has corrected the conditions constituting such violation or noncompliance.
- e. Failure to pay a deposit as requested.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART XV – COMPANY’S RIGHT TO DISCONTINUE SERVICE (continued)

- f. Misrepresentation of or failure to disclose any material fact in an apparent attempt to defraud the Company or to avoid payment of any outstanding bill for service rendered.
- g. Refusal to grant access, during reasonable working hours, for maintenance, meter reading or removal of equipment, inspection or replacement of equipment.
- h. Failure to pay Service Installation costs.
- i. For providing a false name or social security number or for failing to disclose, upon request, that past services have been received and not paid for under a different name or social security number.
- j. Withdrawal or termination of the proper permits, certification or rights-of-way.

3. Notice

- a. The notice provided for in Part XV-A-2 shall consist of not less than fourteen (14) days’ notice sent by first class prepaid mail deposited in a United States mailbox and addressed to the Customer at his last known mailing address appearing on the records of the Company. The notice shall conform with the requirements of the Code of Maryland Regulations.

B. Reconnection Charge

Service disconnected by the Company for any reason set forth in Part XV-A shall be restored only on payment of the appropriate reconnection charge stated below in addition to the previous balance due under the Customer’s contract, except when it has been necessary to disconnect or remove overhead or underground service wires to effect discontinuance of service. In such cases, the actual costs of discontinuance and reconnection shall be applicable in addition to the previous balance due.

Any Customer whose service has been disconnected or limited may be required to post a deposit in order to have service reconnected.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART XV – COMPANY’S RIGHT TO DISCONTINUE SERVICE (continued)

<u>Time of Reconnection</u>		<u>Reconnection Charge</u>
8 a.m. to 4:00 p.m.	Mon – Fri., excluding Company Holidays	\$35.00
4:00 p.m. to 11:00 p.m.	Mon- Fri., Weekends & Company Holidays	\$45.00
11 p.m. to 8 a.m.	Any Day	No reconnections performed
<u>Disconnection</u>		
At location other than meter		\$70.00

C. Collection of Payments at the Premises

At the Company’s option, the Customer may avoid service termination for non-payment of bills by making payment of the past due balance due to a Company representative at the premises.

In addition to payment of the past due balance, there shall be a fee of \$35.00 per trip to the premises for collection of payments.

Installment payments or any other agreements shall be made through an authorized Company representative.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART XVI – DISCONTINUANCE OF SERVICE BY CUSTOMER

A. Notice to Discontinue

The Customer must give the Company at least five (5) days written notice to discontinue service unless otherwise agreed upon and shall be liable for service taken until the meter shall have been disconnected or read. Such notice prior to the expiration of a contract term shall not relieve the Customer from any minimum or guaranteed payment under any contract or Service Classification.

B. Completion of Term

If, by reason of any act, neglect or default of a Customer or its agent, the Company's service is suspended, or the Company is prevented from providing service in accordance with the terms of any contract it may have entered into, the minimum charge for the unexpired portion of the contract term shall become due and payable immediately as liquidated damages in lieu of the anticipated returns from the said contract.

C. Final Bill

The final bill for service shall be based on an actual meter reading, unless the Company cannot gain access to the premises, and is due and payable when rendered.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART XVII – EXTENSIONS

A. General

Extensions to the Company’s electric system shall be provided, owned and maintained under the terms and conditions herein enumerated.

Extensions, as used in this section, refer to overhead or underground conductors and associated materials that must be constructed along public streets, roads and highways, or on private property from the Company’s existing electric system to the Applicant’s lot line.

Extensions shall be installed either overhead or underground in accordance with the policies of the Public Service Commission of Maryland, and shall be designed with sufficient capacity and suitable materials which, in the Company’s judgment, shall assure that the Applicant, or Customer, shall receive safe, adequate and reasonable electric service for the foreseeable future. Modifications to the Company’s design, requested by the Applicant, shall be made when such modifications are acceptable to the Company in its sole judgment.

Where the Applicant requests the Company to install facilities which are more costly than those proposed to be furnished by the Company, the Applicant shall pay the Company the difference in cost between the requested installation and that deemed necessary by the Company.

1. The Company shall provide, own and maintain line extensions. The Company’s investment in line extensions shall be limited to three (3) times the related estimated annual distribution service revenue, (“Estimated Revenue”), from Customers to be initially served from the line extension. Where such Estimated Revenue does not justify the estimated investment in the extension, the Applicant shall provide a deposit in accordance with Part XVII-D.
2. For the purpose of definition those Customers to be initially served shall be considered as buildings under construction at the time the contract for the extension is signed. As additional facilities are needed to serve additional Customers, the Applicant may be required to make an additional deposit or may receive a refund accordingly.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART XVII – EXTENSIONS (continued)

3. When a line extension and service are both required to provide service to a non-residential Customer, the Estimated Revenue shall be compared to the total estimated investment of the line extension and service.
4. Where Customers are served from private facilities, the Company may, upon request, provide maintenance to such facilities with all costs borne by the Customer.

B. Extension Installation

1. Residential Extension

The Company shall provide, own and maintain residential line extensions. The Company shall construct the line extension from the Applicant's lot line to the existing underground or overhead line on either side of the street at no charge to the Applicant.

2. Non-Residential Extension

The Company shall own and maintain non-residential line extensions. The Applicant shall pay the estimated cost in advance to construct the line extension from the Applicant's lot line to the existing underground or overhead line.

C. Extension for Subdivisions

Underground electric distribution system means that portion of the Company's electric utility distribution plant necessary to furnish permanent underground service to all present and anticipated residential buildings and mobile homes in a subdivision. The system includes underground electric service lines as defined in Part VII.

1. For underground electric distribution systems installed in subdivisions, the Company shall construct a connection from the boundary line of the Applicant's subdivision to the Company's existing supply facilities, subject to the following provision:

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART XVII – EXTENSIONS (continued)

- (a) The extension from the boundary line of the subdivision, for a maximum distance of 200 feet, shall be made underground, at the Company's expense; and
 - (b) If an extension in excess of 200 feet is required, then the extension over 200 feet shall be made underground and the applicant must pay in advance the estimated installed cost.
2. When, due to the manner in which a subdivision is developed, the Company is required to construct an underground electric distribution system through a section or sections of the subdivision where service will not be connected for at least 2 years, then the Company may require the Applicant to pay a deposit for the estimated installed cost of the underground distribution system less the estimated installed cost of transformers, meters, and services.

The deposit, without interest, shall be returned to the Applicant on a proportional basis as each new customer in the subdivision completes his permanent service connection.

Any portion of the deposit remaining unrefunded 5 years from the date the Company is first ready to render service from the extension will be retained by the Company.

3. The Applicant shall furnish in a format acceptable to and as required by the Company, at no charge to the Company, property plats, utility plans, grading plans, roadway profiles, property line stakes, grade stakes and other items showing details of proposed construction. This information is required in reasonable time to allow the Company to design and construct its facilities in a safe and efficient manner to meet service requirements and to comply with applicable laws, company standards, codes, and rules and regulations.
4. Each Applicant will cooperate with the Company, in an effort to keep the cost of construction and installation of the underground electric distribution system as low as possible. Additional costs arising from failure of the Applicant to cooperate with the Company, such as his making changes in grade or failing to maintain grade, shall be borne by the Applicant.

If an underground installation is to be constructed within a subdivision designed to include large open areas which would result in an abnormal increase in the investment per customer required to construct the underground distribution

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RULES AND REGULATIONS

PART XVII – EXTENSIONS (continued)

system, then the Company may refer the matter to the Public Service Commission of Maryland for a ruling as to whether a charge should be assessed against the Applicant, and the amount of the charge, if any.

D. Deposits

Deposits required for extensions shall be the amount equal to the estimated installed cost of the extension. Such deposit shall not exceed the equivalent of \$1.00 per foot of the line extension that is not on the Applicant's property.

Should the Applicant provide a Letter of Credit or other Financial Instrument, the estimated revenue attributable to the extension shall be examined prior to the Letters' or other Instruments' expiration. The Company shall draw on the Letter of Credit or Instrument where a continued financial guarantee is still required. Such draw shall then be considered a deposit under the above section.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

SERVICE CLASSIFICATION "R"

PART XVIII - RESIDENTIAL SERVICE

A. Availability

This rate applies throughout the territory served by the Company and is available to any Customer desiring service for a one-family residence or one-family apartment.

B. Contract Term

Residential contracts are on a monthly basis until terminated.

C. Monthly Rate

The monthly charges and rates under this Service Classification are shown on Tariff Leaf No. 46.

D. Public Service Company Franchise Tax

In addition to the charges provided for in this Service Classification, the Public Service Company Franchise Tax shall apply to all sales rendered hereunder before the application of the Maryland Sales Tax, unless the Customer is exempt from such tax.

E. Rules and Regulations

The Rules and Regulations set forth in this Tariff shall govern the provision of service under this Service Classification.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

MONTHLY CHARGES AND RATES

SERVICE CLASSIFICATION - RESIDENTIAL - "R"

SUMMER
 Billing Months
June Through September

WINTER
 Billing Months
October Through May

Distribution Charges:

Customer Charge	\$5.00/Month	\$ 5.00/Month
Distribution Rate:		
First 1,000 kWh Rate	\$0.0400/kWh	\$0.04000/kWh
Excess kWh Rate	\$0.0400/kWh	\$0.02500/kWh
Universal Service Program Rate	Refer to the 'USP' Rider	Refer to the 'USP' Rider
Franchise Tax	\$0.000620/kWh	\$0.000620/kWh
Environmental Surcharge	\$0.000150/kWh	\$0.000150/kWh
RGGI Rate Credit	Refer to the 'RGGI Rate Credit' Rider	Refer to the 'RGGI Rate Credit' Rider

Energy Charge:

Energy Rate, all kWh	Refer to the "ER" Rider
----------------------	-------------------------

Issued: April 30, 2009	Signed: Hugh E. Grunden
Effective: June 1, 2009	Title: President & CEO

SERVICE CLASSIFICATION "GS-S"

GENERAL SERVICE – SMALL

A. Availability

This rate is available to any Customer having an average monthly maximum measured demand of 250 kW or less for the preceding calendar year and desiring service at secondary voltage as defined in Part XI-I of the Rules and Regulations. Any customer served under this Service Classification shall remain on this Classification for at least twelve (12) billing months, even though such customer's maximum measured demand in succeeding month's may be 250 kW or more. After such 12 billing months, at the Customer's option, the Customer may be transferred to Service Classification "GS-L" provided the Customer has had an average maximum measured demand of more than 250 kW for the preceding calendar year. This rate is available to all temporary services.

B. Contract Term

Contracts, when required, are for an initial period of one (1) year with automatic month-to-month extensions until terminated. A contract for an initial period of more than (1) year may be required if special investment by the Company is necessary. Temporary services are month-to-month extensions until terminated.

C. Monthly Rate

The Monthly Charges and Rates under this Service Classification are shown on Tariff Sheet 49.

D. Measured Demand

1. The measured demand shall be the greatest demand established by the Customer during any thirty (30) minute period of the month as measured by a demand meter, taken to the nearest whole kilowatt.
2. For demands of less than fifteen kilowatts (15 kW), the demand of a Customer may be determined, at the option of the Company, by measurement, by assessment after test, or by estimation.

E. Billing Demand

The highest kilowatt demand determined either by a thirty (30) minute integrated demand meter or a thirty (30) minute lagged thermal demand meter, occurring during the month, taken to the nearest whole kilowatt, shall be the billing demand for that month, except that the billing demand shall not be less than 75% of the highest billing demand determined during the preceding eleven (11) months.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

SERVICE CLASSIFICATION "GS-S"

GENERAL SERVICE – SMALL (continued)

F. Minimum Charge

The minimum monthly charge shall be the Customer Charge.

G. Public Service Company Franchise Tax

In addition to the charges provided for this Service Classification, The Public Service Company Franchise Tax shall apply to all sales rendered hereunder before the application of the Maryland Sales Tax. Unless the Customer is exempt from such tax.

H. Rules and Regulations

The Rules and Regulations set forth in this Tariff shall govern the provision of service under this Service Classification.

I. Metering

The Company shall normally furnish, install, maintain and own one (1) set of metering equipment for measurement under this Service Classification.

J. Power Factor

The customer agrees to maintain unity power factor as nearly as practicable. The Company reserves the right to measure the power factor. Should such measurements indicate that the average power factor is less than ninety (90) percent, demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety (90) percent and divided by the percent power factor.

K. Primary Metering Discount

A discount of 3 percent of the energy (kWh) charge will be allowed when the service is metered at primary voltage and the Company owns, installs, and maintains all transforming, switching and protective equipment.

Demand (kW) shall be discounted.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

MONTHLY CHARGES AND RATES

SERVICE CLASSIFICATION - GENERAL SERVICE-- SMALL - "GS-S"

Distribution Charges:

Customer Charge	\$9. 65/Month
Distribution Rate:	
First 10,000 kWh Rate	\$0.0430/kWh
Excess kWh Rate	\$0.0260/kwh
Demand Rate First 15 kW	No Charge
Demand Rate Greater Than 15 kW	\$4.000/kW
Universal Service Program Rate	Refer to the "USP" Rider
Franchise Tax	\$0.000620/kWh
Environmental Surcharge	\$0.000150/kWh

Energy Charges:

Energy Rate, all kWh	Refer to the "ER" Rider
----------------------	-------------------------

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

SERVICE CLASSIFICATION "GS-L"

GENERAL SERVICE – LARGE

A. Availability

The rate is available to any Customer having an average maximum measured demand of greater than 250 kW in the preceding calendar year and desiring service at secondary voltage as defined in Part XI-I of the Rules and Regulations. Any Customer served under this Service Classification shall remain on this Classification for at least twelve (12) billing months, even though such Customer's maximum measured demand in succeeding months may be 250 kW or less. Any Customer taking service under this Service Classification whose average measured demand in the preceding calendar year is 250 kW or less will be automatically transferred to Service Classification "GS-S" effective with the next succeeding billing month.

B. Contract Term

Contracts, when required, are for an initial period of one (1) year with automatic month-to-month extensions until terminated. A contract for an initial period of more than (1) year may be required if special investment by the Company is necessary or demands greater than one thousand kilowatts (1,000 kW).

C. Monthly Rate

The Monthly Charges and Rates under this Service Classification are shown on Tariff Sheet 52.

D. Measured Demand

1. The measured demand shall be the greatest demand established by the Customer during any thirty (30) minute period of the month as measured by a demand meter, taken to the nearest whole kilowatt.
2. For demands of less than fifteen kilowatts (15 kW), the demand of a Customer may be determined, at the option of the Company, by measurement, by assessment after test, or by estimation.

E. Billing Demand

The highest kilowatt demand determined either by a thirty (30) minute integrated demand meter or a thirty (30) minute lagged thermal demand meter, occurring during the month, taken to the nearest whole kilowatt, shall be the billing demand for that month, except that the billing demand shall not be less than 75% of the highest billing demand determined during the preceding eleven (11) months.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

SERVICE CLASSIFICATION "GS-L"

GENERAL SERVICE – LARGE (continued)

F. Minimum Charge

The minimum monthly charge shall be the Customer Charge.

G. Public Service Company Franchise Tax

In addition to the charges provided for this Service Classification, the Public Service Company Franchise Tax shall apply to all sales rendered hereunder before the application of the Maryland Sales Tax. Unless the Customer is exempt from such tax.

H. Rules and Regulations

The Rules and Regulations set forth in this Tariff shall govern the provision of service under this Service Classification.

I. Metering

The Company shall normally furnish, install, maintain and own one (1) set of metering equipment for measurement under this Service Classification.

J. Power Factor

The Customer agrees to maintain unity power factor as nearly as practicable. The Company reserves the right to measure the power factor. Should such measurements indicate that the average power factor is less than ninety (90) percent, demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety (90) percent and divided by the percent power factor.

H. Primary Metering Discount

A discount of 3 percent of the energy (kWh) charge will be allowed when the service is metered at primary voltage and the Company owns, installs, and maintains all transforming, switching and protective equipment.

Demand (kW) shall be discounted.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

MONTHLY CHARGES AND RATES

SERVICE CLASSIFICATION - GENERAL SERVICE - LARGE - "GS-L"

Distribution Charges:

Customer Charge	\$25.00/Month
Distribution Rate:	
First 10,000 kWh Rate	\$0.0357/kWh
Excess kWh Rate	\$0.0210/kwh
Demand Rate First 15 kW	No Charge
Demand Rate Greater Than 15 kW	\$3.75/kW
Universal Service Program Rate	Refer to the "USP" Rider
Franchise Tax	\$0.000620/kWh
Environmental Surcharge	\$0.000150/kWh

Energy Charges:

Energy Rate, all kWh	Refer to the "ER" Rider
----------------------	-------------------------

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

SERVICE CLASSIFICATION "GS-P"

GENERAL SERVICE - PRIMARY

A. Availability

Available for three phase service at standard Company voltage at or below 25,000 volts. The standard voltage available depends upon the location, character and size of Customer's load.

B. Contract Term

Contracts, when required, are for an initial period of one (1) year with automatic month-to-month extensions until terminated. A contract for an initial period of more than (1) year may be required if special investment by Easton Utilities is necessary or demands greater than one thousand kilowatts (1,000 kW).

C. Monthly Rate

The Monthly Charges and Rates under this Service Classification are shown on Tariff Sheet 55.

D. Measured Demand

The measured demand shall be the greatest demand established by the Customer during any thirty (30) minute period of the month as measured by a demand meter, taken to the nearest whole kilowatt.

E. Billing Demand

The highest kilowatt demand determined either by a thirty (30) minute integrated demand meter or a thirty (30) minute lagged thermal demand meter, occurring during the month, taken to the nearest whole kilowatt, shall be the billing demand for that month, except that the billing demand shall not be less than 75% of the highest billing demand determined during the preceding eleven (11) months.

F. Minimum Charge

The minimum monthly charge shall be the Customer Charge.

G. Public Service Company Franchise Tax

In addition to the charges provided for this Service Classification, The Public Service Company Franchise Tax shall apply to all sales rendered hereunder before the

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

SERVICE CLASSIFICATION "GS-P"

GENERAL SERVICE – PRIMARY(continued)

application of the Maryland Sales Tax. Unless the Customer is exempt from such tax.

H. Rules and Regulations

The Rules and Regulations set forth in this Tariff shall govern the provision of service under this Service Classification.

I. Metering

The Company shall normally furnish, install, maintain and own one (1) set of metering equipment for measurement under this Service Classification.

J. Power Factor

The customer agrees to maintain unity power factor as nearly as practicable. The Company reserves the right to measure the power factor. Should such measurements indicate that the average power factor is less than 90 percent, demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 90 percent and divided by the percent power factor.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

MONTHLY CHARGES AND RATES

SERVICE CLASSIFICATION - GENERAL SERVICE-PRIMARY SERVICE "GS-P"

Distribution Charges:

Customer Charge	\$75.00/Month
Distribution Rate:	
First 10,000 kWh Rate	\$0.030/kWh
Excess kWh Rate	\$0.0190/kwh
Demand Rate First 15 kW	No Charge
Demand Rate Greater Than 15 kW	\$3.50/kW
Universal Service Program Rate	Refer to the "USP" Rider
Franchise Tax	\$0.000620/kWh
Environmental Surcharge	\$0.000150/kWh

Energy Charges:

Energy Rate, all kWh	Refer to the "ER" Rider
----------------------	-------------------------

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

SERVICE CLASSIFICATION "SL"

STREET AND HIGHWAY LIGHTING SERVICE

A. Availability

Available only for the lighting of public streets, public alleys, public highways and other public outdoor areas located within the service territory, where service is supplied from the existing distribution system and where the Company owns and maintains all equipment. Service will be supplied from dusk to dawn each night.

Existing fixtures will not be replaced at the end of their useful life if replacements cannot be secured through normal supply channels. The Company will be the sole judge as to the end of the useful life.

B. Monthly Rate

The Monthly Charges and Rates under this Service Classification are shown on Tariff Sheet 57.

For the purpose of this schedule, the monthly kilowatt hour consumption will be determined by multiplying the kilowatt rating of the fixture by 350 hours.

C. General

The Company will supply service for underground installations, provided the Customer agrees to excavate, fill and resurface streets or replace curbing necessary for the installation and maintenance of the underground cable.

When metal poles are used for street lighting the Customer will supply all labor and material for the installation of the concrete base according to the Company's specifications. No work shall be done on Customer's equipment or connected to the Company's distribution system without the Company's approval.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

MONTHLY CHARGES AND RATES

SERVICE CLASSIFICATION - STREET AND HIGHWAY LIGHTING LIGHTING-"SL"

Distribution Charges:

Customer Charge	\$0.00/Month
Distribution Rate:	
All kWh	\$0.0322/kWh
Universal Service Program Rate	Refer to the "USP" Rider
Franchise Tax	\$0.000620/kWh
Environmental Surcharge	\$0.000150/kWh

Energy Charges:

Energy Rate, all kWh	Refer to the "ER" Rider
----------------------	-------------------------

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

SERVICE CLASSIFICATION "BSWEGS"

BIOMASS, SOLAR AND WIND ELECTRIC GENERATION SERVICE

A. Availability

This Service Classification is available to any eligible customer-generator, that owns and operates a biomass, solar electric generating facility or wind electric generating facility that:

- 1) has a capacity of not more than 50 kW, except as provided in number 5 below;
- 2) is located on the Customer's premises;
- 3) is interconnected and operated in parallel with the Company's transmission and distribution facilities; and
- 4) is intended primarily to offset all or part of the Customer's own electricity requirements.
- 5) an eligible Customer-generator may petition the Maryland Public Service Commission to apply this Tariff to an electric generation system with a capacity not exceeding 500 kW if the Commission finds that the project meets public safety and reliability requirements and is in the public interest.

The watt-hour energy meter measures the net energy consumed or the net energy delivered by the Customer for the total billing period. Any Customer who elects this Tariff must submit a completed interconnection application with the Company, in writing, at least 30 days prior to activating the biomass, solar or wind electrical generating facility. The biomass, solar or wind electrical generating facility shall not be connected to the Company's system unless it conforms to the National Electrical Code, the Institute of Electrical and Electronic Engineers, Underwriters Laboratories and the applicable codes of the local public authorities. The Customer must obtain, at their expense, all necessary inspections and approvals required by the local public authorities before the biomass, solar or wind electrical generating facility is connected to the Company's electric system. The biomass, solar or wind electrical generating facility shall have adequate protection as described in Part F below.

This Tariff is available to the extent that biomass, solar and wind electrical generating power in the State of Maryland does not exceed a capacity of 1,500 MW.

B. Delivery Voltage

The delivery voltage of the biomass, solar or wind electrical generating facility shall be at the same voltage level and at the same delivery point as if the Customer were purchasing all of their electricity from the Company.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

SERVICE CLASSIFICATION "BSWEGS"

BIOMASS, SOLAR AND WIND ELECTRIC GENERATION SERVICE (continued)

C. Contract Term

The contract term shall be same as that under the Customer's applicable Service Classification. A completed Interconnection Application, completed by the Customer and accepted by the Company is required for service provided under this Tariff.

D. Monthly Rates, Rate Components and Billing Unit Provisions

The monthly rates, rate components and billing unit provisions shall be those as stated under the Customer's applicable Service Classification. Under this Tariff, only the per kilowatt-hour charge components of the Customer's bill are affected. All other billing components and charges such as Customer Charge, Demand Charge and Power Factor amount are not affected by the Service Classification monthly charges shall be based on one of the following conditions:

1. When the monthly energy meter reading registers that the Customer has consumed more energy than the Customer delivered to the Company's delivery system by the end of the monthly billing period, the Customer shall be charged for the electricity consumed based on the rates and charges under the Customer's applicable Service Classification.
2. When the Customer has delivered more energy to the Company's delivery system than the Customer has consumed by the end of the monthly billing period, the Company shall take ownership of such net excess energy, and the Customer shall be charged the greater of:
 - a. The Customer Charge, and any applicable non-energy charges such as: Demand Charge, Power Factor Charge and Universal Service Charge under the Customer's applicable Service Classifications, or
 - b. The monthly minimum Charge under the Customer's applicable Service Classification.
3. The Company will carry forward a negative kilowatt-hour reading until the Customer-generator's consumption of electricity from the Company eliminates the credit, or the 12-month generation credit accrual period expires.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

SERVICE CLASSIFICATION "BSWEGS"

BIOMASS, SOLAR AND WIND ELECTRIC GENERATION SERVICE (continued)

E. Metering

The Company shall furnish, install, maintain and own all the metering equipment needed for the measurement of the service supplied. Under this Tariff, the Company shall provide, at no direct charge, a watt-hour energy meter with the capability of reverse registration in order to measure the net watt-hours consumed by the Customer or the net watt-hours delivered by the Customer to the Company for the total billing period. The Company's metering investment shall be limited to that required to serve the Customer under the Customer's applicable Service Classification without the biomass, solar or wind electrical generating facility. Where a larger capacity meter is required to serve the Customer that has a biomass, solar or wind electrical generating facility, or a larger capacity meter is requested by the Customer, the Customer shall pay the Company the difference between the large capacity meter investment and the metering investment normally provided under the Customer's Service Classification.

F. Interconnection with the Company's System

Interconnection with the Company's system required the installation of protective equipment which, provide safety for personnel; affords adequate protection against damage to the Company's system or to its customer's property; and prevents any interference with the Company's supply of service to other Customers. The Company shall not be liable for any loss, cost, damage or expense to any party resulting from the use or presence of electric generating facility, except as the Company would otherwise be liable under the Company's Maryland electric tariff. Such protective equipment shall be installed, owned and maintained by the Customer at their expense. In addition, it may be necessary for the Company to extend or modify portions of its systems to accommodate the delivery of electricity from the biomass, solar electric or wind electrical generating facility. Should such extension or modification be necessary, all work shall be performed by the Company at the Customer's expense. For new services, such expense shall be determined by the difference between total costs and the investment the Company would make to install a normal service without the Customer's biomass, solar electric or wind electrical generating facility.

The biomass, solar electric or wind electrical generating facility shall conform to the National Electrical Code and the applicable codes of the local public authorities. Special attention should be given to the National Electrical Code Sections 690 and 705.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

SERVICE CLASSIFICATION "BSWEGS"

BIOMASS, SOLAR AND WIND ELECTRIC GENERATION SERVICE (continued)

G. Cessation of Parallel Operation

The Customer's equipment must be installed and configured so that parallel operation must cease immediately and automatically during system outages or loss of the Company's primary source. The Customer must also cease parallel operation upon notification by the Company of a system emergency, abnormal condition, or in cases where such operation is determined to be unsafe, interferes with the supply of service to other Customers, or interferes with the Company's system maintenance or operation. The Company accepts no responsibility whatsoever for damage or injury to any person or property caused by failure of the Customer to operate in compliance with Company's requirements.

H. Failure to Comply

If the Customer fails to comply with any of the requirements set forth in Part F and G above, the Company will disconnect the Customer's service from the Company's electric system until the requirements are met, or the biomass, solar or wind electric generation facility is disconnected from the Customer's electric system.

I. Rules and Regulations

Except as herein modified, the Rules and Regulations set forth in this Tariff shall govern the provision of service under this Tariff and under the Customer's applicable Service Classification.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RIDER - "USP"

PART XVIX - ELECTRIC UNIVERSAL SERVICE PROGRAM RECOVERY RIDER

A. This rider is applicable to Service Classifications "R", "GS-S", "GS-L" and "GS-P".
 The surcharge is as follows:

Service Classification
 "R"

Surcharge
 \$0.37 per Month per Residential Customer

"GS-S", "GS-L", "GS-P", "SL"

The monthly USP charge per customer is stated below* and is determined based on the Customer's previous annual distribution revenue, updated in the first quarter of each new year, and in accordance with the Commission's order.

*Monthly Universal Service Program Charge for General Service Customers

Tier 1	Customer's Distribution Electric Annual Billing Amount During the previous Calendar Year.	Monthly Universal Service Program Charge
1	UNDER \$250	\$0.42
2	\$250 - \$4,999	\$3.09
3	\$5,000 - \$9,999	\$10.29
4	\$10,000 - \$24,999	\$20.59
5	\$25,000 - \$49,999	\$41.18
6	\$50,000 - \$99,999	\$61.77
7	\$100,000 - \$199,999	\$82.36
8	\$200,000 - \$299,999	\$154.42
9	\$300,000 - \$399,999	\$205.89
10	\$400,000 - \$499,999	\$308.83
11	\$500,000 - \$699,999	\$463.25
12	\$700,000 - \$899,999	\$617.67
13	\$900,000 - \$999,999	\$926.50
14	\$1,000,000 - \$1,999,999	\$1,235.33
15	\$2,000,000 - \$2,999,999	\$1,647.11
16	\$3,000,000 - \$3,999,999	\$2,058.89
17	\$4,000,000 - \$4,999,999	\$2,470.67
18	\$5,000,000 - \$5,999,999	\$2,882.45
19	\$6,000,000 - \$6,999,999	\$3,294.22
20	\$7,000,000 - \$7,999,999	\$3,603.06
21	\$8,000,000 - \$8,999,999	\$3,911.89
22	\$9,000,000 - \$9,999,999	\$4,117.78
23	\$10,000,000 - \$12,500,000	\$4,323.67
24	OVER - \$12,500,000	\$4,632.50

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RIDER - "ER"

ENERGY RATE RIDER

A. Applicability

This rider is applicable to all Service Classifications.

B. Monthly Rate

The monthly billing rate shall be computed as an amount equal to the cost of energy for the three months preceding the billing month, divided by all kilowatt hours sold during the same period. The cost of energy shall include all costs of purchasing and generating energy, reduced by the amount of revenues received from generation energy sales.

C. Actual Cost Adjustment

Any difference between the sum of the monthly rate revenues collected in a billing month and the actual cost of power in the same month is accumulated for the twelve (12) months ending November 30. The balance so determined shall be applied as a credit or debit to the monthly rate beginning with the succeeding January.

The Actual Cost Adjustment per kilowatt hour is determined by dividing the twelve (12) month balance by the estimated sales for the twelve (12) months over which the adjustment will apply.

Issued: November 7, 2008	Signed: Hugh E. Grunden
Effective: November 7, 2008	Title: President & CEO

RIDER – “RGGI Rate Credit”

Regional Greenhouse Gas Initiative Credit

A. Applicability

This rider is applicable to Residential - “R” Service Classification

B. Rate

The State of Maryland has joined a multi-state Regional Greenhouse Gas Initiative to reduce greenhouse gases produced as a result of electric power generation. As part of the program, money has been collected in the Maryland Strategic Energy Fund and a portion of those proceeds will be used to offset electricity rates of residential customers including an offset of surcharges imposed on ratepayers.

Effective with bills rendered in June 2009, customers will receive a credit as calculated and approved by the Maryland Public Service Commission.

Issued: April 30, 2009

Signed: Hugh E. Grunden

Effective: June 1, 2009

Title: President & CEO