Service to Premises and Use of Energy Rule and Regulation 18

I. **General Statement of Rule**

SMUD's rates are based upon supplying service in the manner described below. In order to render electric service to all customers at standard rates and under equitable and nondiscriminatory service conditions SMUD will:

- Meter directly all premises that have separate street or mall entrances and/or exits.
- 2. Not permit customers to resell electricity that SMUD supplies.
- 3. Require ready access to all meters and service equipment.

II. **Definitions**

Premises means all structures, apparatus, or portions thereof occupied or operated by an individual, a family, or a business enterprise, and situated on an integral parcel of land undivided by a public highway, street, or railway.

Resell electricity is the resale of electricity for profit.

Central system is defined as, but not limited to, air conditioning, heating, domestic hot water, compressed air, fire or security alarms, or an energy management system.

III. **Exceptions to Requirement That SMUD Serve All Premises Directly**

- 1. A customer may obtain nonresidential service at a single point of delivery for two or more premises operating as a single enterprise, adjacent to each other but separated only by streets, railways, or highways if the customer provides and maintains the necessary electrical facilities between SMUD's point of delivery and the electrical apparatus in accordance with the applicable statutes, ordinances, or regulations of the governmental agencies having jurisdiction thereof, and in such a manner that the convenience of SMUD and the safety of its personnel are not adversely affected.
- 2. Customers for which master metering was authorized prior to August 1, 1978, may continue to obtain service at a single point of delivery through a single metering installation for two or more single-family dwelling units in the same building or for two or more multifamily dwelling buildings, provided such buildings are adjacent to each other on an integral parcel of land undivided by a public highway, street, or railway. After August 1, 1978, all multifamily residential premises will be metered individually.
- 3. A building, a portion of a building, a group of buildings, or an automobile trailer camp containing more than one premises will receive service through a single point of delivery if SMUD determines that it is not reasonable or feasible to serve each premises directly.
- 4. A separate single meter may be used for a building's central system that serves more than one premises. When exceptions as described above are granted, the cost of electric service may be included in the rent.
- Submetering for nonbilling purposes will be allowed for use in production measurement or budget allocation, with the prior approval of SMUD.

IV. **Exceptions to Prohibition on Resale of Electricity**

- Mobile home parks for which submetering was permitted prior to August 1, 1971, and for which electric service is included in the facilities furnished to their tenants, may employ submetering equipment as a means of reselling SMUD electricity by retroactively adjusting rental charges for energy consumption, provided that the portion of such charges allocable to electricity will be charged the RSMM rate. Specifically, the mobile home park master-meter customer may resell electricity to their submetered tenants provided the following conditions are met:
 - The tenants shall be charged the RSMM rate.
 - The mobile home park shall bill each tenant for electricity use based on the tenant's submeter. The tenant's bill shall be generally in accordance with the form and content of SMUD bills, and include the amount of usage metered for the billing period, include the beginning and ending meter readings, and the amount of the
 - Discounts for low income and medical equipment shall be passed through to the qualifying tenant; net metering discounts under Rate Schedule NEM shall be passed through to tenants.

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- d. The mobile home park shall post SMUD's applicable rate schedule(s) in a conspicuous place on the mobile home park's premises.
- 2. Electric utilities and governmental agencies may submeter and resell electricity supplied to them by SMUD.

V. Enforcement

SMUD reserves the right to verify any submetering program, associated records and submetering bills for the purposes of determining compliance with SMUD's Rates, Rules and Regulations.

Customers who are receiving service in conflict with this rule and who fail to bring themselves into conformity within a reasonable time after receiving written notice from SMUD shall have their service discontinued.

(End)

Sheet No. **18-2**

Effective: September 22, 2023