SHORTAGE OF SUPPLY AND INTERRUPTION OF UTILITY SERVICES

RULE AND REGULATION 13

A. GENERAL

CPAU will make reasonable efforts to deliver continuous and sufficient Utility Service to its Customers, but CPAU does not guarantee the continuity or sufficiency of supply. CPAU will not be liable for Service interruption, shortage or insufficiency of Utility supply, or any loss or damage occasioned thereby.

B. INTERRUPTION OF UTILITY SERVICE

- 1. When interruptions occur, CPAU will endeavor to reestablish Service with the shortest possible delay consistent with the safety of its Customers, staff and the general public.
- 2. CPAU has the right to suspend Service temporarily for the purpose of making repairs, replacements, or improvements to the system. When CPAU finds it necessary to schedule a Service interruption, CPAU will, where feasible, notify all Customers to be affected of the approximate time and the anticipated duration of the interruption. CPAU will endeavor to schedule interruptions during CPAU's regular working hours in a manner that is minimally inconvenient to Customers, and consistent with safe and reliable Utility operations.
- 3. CPAU may, in its sole discretion, perform work requested by Customers at times outside CPAU's regular working hours, where circumstances permit scheduling flexibility. The Customer must pay in advance, prior to CPAU's performance of the work, the total estimated cost to be incurred by CPAU as a result of performing the work outside of CPAU's regular working hours, as well as any applicable Charges.

C. SHORTAGE OF ELECTRICITY SUPPLY

During times of threatened or actual shortage of supply, CPAU will apportion the available supply among its Customers based on operating conditions, public health, and safety. The Director of Utilities is authorized to adjust Emergency Load shedding plans to reflect changes in personnel, Distribution Systems, Utility Services, or other factors, when, in the opinion of the Director of Utilities such adjustments will lead to better protection of the public health and general welfare.



SHORTAGE OF SUPPLY AND INTERRUPTION OF UTILITY SERVICES

RULE AND REGULATION 13

D. OVERSUPPLY OR POWER SURGES ON THE ELECTRIC DISTRIBUTION SYSTEM

Power surges may occur due to conditions beyond the control of CPAU or its Customers. CPAU will make reasonable efforts to minimize power surges occurring on the CPAU Distribution System, but CPAU does not guarantee that power surges will not occur. CPAU recommends that Customers protect their connected Loads and equipment from power surges. CPAU shall not be liable for any loss or damage occasioned by power surges.

E. FIBER OPTIC SERVICE INTERRUPTION

CPAU will make reasonable efforts to deliver continuous Fiber Optic Service to its Customers, but it does not guarantee uninterrupted Service. CPAU will not be liable for interruption of Service or any loss or damage occasioned thereby. For interruptions over 72 hours, CPAU will pro-rate the monthly license fee based on a pro-ration of the time down.

F. SHORTAGE OF GAS SUPPLY

During times of threatened or actual shortage of supply or capacity, CPAU may reduce, interrupt, or allocate Gas supply Services based on operating conditions, public health, and safety.

CPAU will exercise good faith efforts to furnish and deliver continuous Service and a sufficient quantity of Gas to Customers, but CPAU does not guarantee continuity of Service or sufficiency of quantity. CPAU shall not be liable for any interruption, shortage, or insufficient supply, or any loss or damage occasioned thereby. CPAU shall be the sole judge of whether it is operationally able to receive and/or deliver Gas on its Distribution System.

CPAU may, in the exercise of reasonable judgment, reduce receipts or deliveries of Gas in order to test, alter, modify, enlarge, or repair any part of the Distribution System or any facility or property related to the operation of the Distribution System. In all such cases, CPAU shall give Customers reasonable notice as circumstances will permit, and CPAU shall complete such repairs or improvements as soon as practicable and with minimal inconvenience to Customers. In the event of localized constraints, Customers in unconstrained areas may continue to receive Service; provided, however that CPAU may take whatever steps it determines are operationally necessary in the event a constraint on the Distribution System threatens Service to Customers.

G. GAS CURTAILMENT PRIORITIES

CITY OF PALO ALTO UTILITIES RULES AND REGULATIONS Issued by the City Council



SHORTAGE OF SUPPLY AND INTERRUPTION OF UTILITY SERVICES

RULE AND REGULATION 13

In the event of a projected or actual supply Curtailment, Customers will be curtailed in the following order of precedence:

- 1. Large Commercial Accounts
- 2. Small Commercial Accounts
- 3. Residential Accounts

H. SHORTAGE OF WATER SUPPLY

During times of threatened or actual shortage of supply, CPAU will activate the Water Shortage Contingency Plan, incorporated into the City of Palo Alto's Emergency Response Plan. These plans are consistent with both county and state Emergency planning procedures.

During a short-term Water shortage Emergency, the City Water shortage response team is activated. Members include water, fire, planning, health, Emergency Services, public affairs, parks and recreations, and the City Manager's Office. This team has identified specific water-critical Customers such as hospitals, nursing facilities, and schools. An organizational structure is in place to deliver potable Water to distribution sites, activate Water purification equipment, employ standby generators and auxiliary pumps and use Emergency Water conveyance and supply storage facilities.

During long-term water shortages due to drought, the Utilities Department will implement a fourstage reduction strategy. Reduction targets will be set for all Customer classes depending on the severity and duration of the shortage. Reduction targets will be established by Council to provide a minimum of 50% of normal supply during a severe or extended Water shortage.

(END)

