

## Line Extensions

In areas in which Delivery Service by the Company is authorized, the Company will extend its single-phase or three-phase distribution facilities or upgrade its single-phase distribution facilities to three-phase distribution facilities to a maximum of 5,280 feet in length to serve Customers under Residential Delivery Service Rate R and Rate R-OTOD and General Delivery Service Rate G and Rate G-OTOD, at their request, as follows:

### 1. Location of Distribution Facilities

The order of preference for the location of line extensions are (i) along public ways; (ii) along private roads maintained year-round; (iii) along private roads maintained on a seasonal basis; (iv) over rights of way accessible by standard Company equipment; and (v) over rights of way not accessible by standard Company equipment. The Company may choose a higher preference location even if a lower preference location may result in a shorter line extension. The final placement of all line extensions must be preapproved by the Company.

### 2. Calculation of Line Extension Construction Costs

#### Definitions

Overhead Service Drop: The final span of cable providing secondary voltage to a Customer's meter or point of attachment location, whichever is applicable, from a utility pole. The maximum length of an overhead service drop is determined by the characteristics of the Customer's load and the terrain over which the overhead service drop passes.

Underground Service Drop: The final run of cable providing secondary voltage to a Customer's meter from a transformer or from a secondary conductor located on the Company's distribution system. If the length of the final run of cable is greater than 125 feet, then the length of the underground service drop is deemed to be 125 feet when determining the amount to be charged to the Customer for the line extension.

#### Distribution Facilities Provided by the Company at No Charge to the Customer

There shall be no separate charge for a pole-mounted transformer which the Company determines is needed to adequately serve a Customer's load and an Overhead Service Drop.

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Additional Distribution Facilities

Any overhead or underground distribution facilities required to serve a Customer in addition to a pole-mounted transformer and/or an Overhead or Underground Service Drop as defined above, are subject to the charges specified below.

Adding Additional Phases to Existing Overhead Single-phase Facilities

The estimated cost shall be derived based on the Customer-specific job requirements and shall include all costs related to the construction of the distribution facilities, including but not limited to design and inspection and construction labor; researching and recording easements; materials; traffic control; tree trimming; blasting and overheads. The estimated cost shall not include the cost associated with any Overhead Service Drops.

Overhead Single-Phase Facilities

The estimated cost shall be derived by multiplying the length of the distribution facilities by the average cost per foot of overhead single-phase distribution facilities based on the following schedule of charges. The length of the distribution facilities shall be based on the length of single-phase primary and secondary line to be installed, excluding the length of secondary line to be installed for any Overhead Service Drops.

<u>Effective Dates</u>	<u>Overhead, Single-Phase Average Cost per Foot</u>
January 1, 2010 – March 31, 2011	\$8.40
April 1, 2011 – March 31, 2012	\$9.90
April 1, 2012 – March 31, 2013	\$11.40
April 1, 2013 – Forward	See section “Average Cost per Foot Effective From April 1, 2013 – Forward”

Overhead Three-Phase Facilities

The estimated cost shall be derived based on the customer-specific job requirements and shall include all costs related to the construction of the distribution facilities, including but not limited to design and inspection and construction labor; researching and recording easements; materials; traffic control; tree trimming; blasting and overheads. The estimated cost shall not include the cost associated with any Overhead Service Drops.

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Underground Single-Phase Facilities

The estimated cost shall be derived by multiplying the length of the distribution facilities by the average cost per foot of underground single-phase distribution facilities based on the following schedule of charges and adding the result to the excess cost of any padmounted transformers to be installed. The length of the distribution facilities shall be based on the length of single-phase primary and secondary line to be installed, excluding the length of secondary line to be installed for each Underground Service Drop. The excess cost of a padmounted transformer is the amount by which the cost of a padmounted transformer exceeds the cost of an equivalent pole-mounted transformer. The Company will determine the excess cost on the basis of average cost formulas consistently and equitably applied to all underground installations.

<u>Effective Dates</u>	<u>Underground, Single-Phase Average Cost per Foot</u>
January 1, 2010 – March 31, 2011	\$11.46
April 1, 2011 – March 31, 2012	\$13.08
April 1, 2012 – March 31, 2013	\$14.71
April 1, 2013 – Forward	See section “Average Cost per Foot Effective From April 1, 2013 – Forward”

Underground Three-Phase Facilities

The estimated cost shall be derived based on the customer-specific job requirements and shall include all costs related to the construction of the distribution facilities, including but not limited to design and inspection and construction labor; researching and recording easements; materials; traffic control; tree trimming; blasting, overheads and the excess cost of any padmounted transformers to be installed. The estimated cost shall not include the cost of any Underground Service Drops. The excess cost of a padmounted transformer is the amount by which the cost of a padmounted transformer exceeds the cost of an equivalent pole-mounted transformer. The Company will determine the excess cost on the basis of average cost formulas consistently and equitably applied to all underground installations.

Average Cost per Foot Effective From April 1, 2013 - Forward

Effective April 1, 2013, the Company will update the overhead single-phase and underground single-phase average cost per foot figures for effect on April 1 of each year based upon a sampling of actual line extensions completed in the preceding three calendar years using the methodology contained in the Settlement Agreement in Docket No. DE 08-135 and as approved by the Commission in its Order No. . All costs related to the construction of the distribution facilities will be included in the average cost per foot figures, including but not limited to design and inspection and construction labor; researching and recording easements; materials; traffic control; tree trimming; blasting and overheads.

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3. Requests for Service at Locations Which are the Subject of a Previous Line Extension Agreement

Line extension agreements in effect prior to January 1, 2010 will remain in effect through the end of the line extension agreement term. Whenever a Customer applies for service at a location which is the subject of a previous line extension agreement, payments under which have not been completed, such Customer shall be required to pay their proportional share of the previous line extension construction costs in accordance with the line extension agreement.

4. Customer Responsibilities

- i) **Payments:** The Customer is responsible to pay to the Company any line extension construction costs as defined in section 2 above, their proportional share of any line extension construction costs in accordance with any line extension agreements in effect when service is requested by the Customer as defined in section 3 above and any special costs as defined in section ix below prior to the start of the Company's construction.
- ii) **Easements:** The Customer is responsible to provide, without expense or cost to the Company, the necessary permits, consents or easements for a right-of-way satisfactory to the Company on the Customer's property for the construction, maintenance and operation of the Company's distribution facilities, including the right to cut and trim trees and bushes.
- iii) **Environmental Permits:** The Customer is responsible to provide, without expense or cost to the Company, the necessary environmental permits for the construction, maintenance and operation of the Company's distribution facilities on the Customer's property.
- iv) **Plans:** The Customer is responsible to provide the Company with details of the intended installation, including property lines, building locations, service entrance specifications and major electrical load information.
- v) **Other Documents:** If the Customer intends to use an existing easement area to cross the property of others with the Company's distribution facilities, the Customer is responsible to provide evidence that the easement permits the installation of such facilities by the Company.
- vi) **Code Compliance:** The Customer is responsible to obtain the necessary approvals from the local inspection authorities before the Customer's service entrance equipment is connected to the Company's distribution system.

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- vii) Site Plans: Developers must provide to the Company a site plan or other documentation identifying the maximum number of lots or self-contained living units. The developer shall also provide the Company additional notice should the number of lots or living units increase or decrease from the initial documentation. The developer is responsible to pay any additional costs, including design costs, resulting from changes to the number of lots or units developed subsequent to the original documentation. Upon request, all other Customers requesting service shall provide a site plan for the Company to design the distribution facilities.
- viii) Underground Distribution Facilities: The Customer shall furnish to the Company's specifications all trench excavation, back-fill, conduit, duct bank, manholes, vaults, pedestals and transformer foundations necessary for the installation of underground electric distribution facilities. Underground distribution facilities shall be provided in accordance with the Company's Requirements for Electric Service Connections.
- ix) Special Costs: The Customer shall pay for all costs incurred by the Company for extensions that require construction which would result in special costs, such as railroad or National Forest crossings, crossing rivers and ponds, crossing wetlands, extending to an island, use of submarine cable or any additional costs incurred to protect the environment and comply with the Company's environmental policy and procedures.
- x) The Customer shall be responsible for any other requirements as specified in the Company's Requirements for Electric Service Connections.

## 5. Company Responsibilities

The Company shall be responsible for:

- i) Constructing and maintaining the electric distribution facilities to serve the Customer's premises.
- ii) Trimming trees and bushes to the Company's standards along the route of the overhead distribution facilities, including the Overhead Service Drop serving the Customer's premises.

All distribution facilities constructed under the provisions of this line extension section shall be and shall remain the property of the Company. The Company shall not be required to install distribution lines, transformers, Service Drops or meters under the above terms in locations where access is difficult by standard Company distribution construction and maintenance vehicles, where the service does not comply with the Company's environmental policy and procedures, where it is necessary to cross a body of water or to serve airport lighting, beacon lighting, street lighting or where the business to be secured will not be of reasonable duration or will tend in any way to constitute discrimination against other Customers of the Company.

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