

PROPOSED LPEA Line Extension Policy

The following rules and regulations will apply to all territory served by La Plata Electric Association, Inc., hereinafter referred to as the "Association".

I. DEFINITIONS

A. GENERAL

ADVANCE PAYMENT

The payment for the Cost of Construction that may be required in advance of the Work Order being released for construction.

APPLICANT

Any person, business entity or political body applying to the Association for new Electric Service or modification of existing electrical facilities.

APPLICANT INSTALLED INFRASTRUCTURE

Electric service for which the Applicant has installed the infrastructure as provided for in Section II. C.

APPLICATION

A formal request submitted to the Association for new Electric Service or modification of existing electrical facilities.

CONTRACT

Agreement between the Applicant and the Association which identifies the costs and outlines the terms and conditions upon which Electric Service will be supplied to the agreed upon location(s).

COST OF CONSTRUCTION

The cost to design, construct and perform final inspection of the requested Line Extension; cost includes, but is not limited to, labor, transmission equipment, primary and secondary distribution equipment, acquisition of right-of-way and right-of-way clearing. The Cost of Construction does not include the Applicant's costs for trenching, backfilling and/or boring as described in Section II. G.

ELECTRIC SERVICE

Delivery of electricity to a meter by Service Line or Primary Extension.

ENGINEERING FEE

The fee that will be assessed to help defray the cost of engineering services associated with the Line Extension.

LINE EXTENSION

Any installation or modification of electrical facilities owned and maintained by the Association.

PRIMARY EXTENSION

Any extension of the electrical system from an existing primary source to the transformer that is energized at a primary distribution voltage level (e.g., 4.16 kV to 25 kV).

REDESIGN

Substantial change from initial Application as determined solely by the Association.

SERVICE LINE

Any extension of the electrical system from a transformer to the point of metering that is energized at a secondary distribution voltage level (e.g., 120/240, 120/208, 277/480 or 240/480 volts).

WORK ORDER

The term used by the Association to track the status of an Applicant's request.

B. LINE EXTENSION CLASSIFICATIONS

DEVELOPMENT SERVICE

Electric service to apartment complexes, mobile home parks, single family residential lots, townhomes or condominiums of a project that is defined as a subdivision or development by the local authority under whose jurisdiction land use classifications are determined.

DISTRIBUTIVE GENERATION SYSTEM INTERCONNECTION

Interconnection from electric power production system that is operating in parallel with, and capable of, delivering energy to a utility electric supply system, as defined in the most current edition of the National Electric Safety Code. Examples of "Distributive Generation" systems include, but are not limited to solar gardens, wind farms and bio-mass facilities.

COMMERCIAL SERVICE

Electric service to all industrial and commercial facilities.

Examples of "Commercial Service" include, but are not limited to: mines, quarries, oil/gas wells, industrial and commercial enterprises and irrigation systems.

RESIDENTIAL SERVICE

Electric service to all residential facilities.

Examples of "Residential Service" include, but are not limited to: primary dwellings, recreational vehicles, barns, garages, workshops, guesthouses, water wells, and electric gates.

RELOCATION AND CONVERSION OF FACILITIES

Modification of existing facilities and/or Electric Service(s).

REMOVAL OF FACILITIES

Removal of existing facilities and/or Electric Service(s)

RENTAL LIGHTS

Area light(s) where the electricity to operate the light will not pass through an Association meter. The Association will be responsible for maintenance of the light except in the case of vandalism or damage caused by a vehicle or other event beyond the reasonable control of the Association.

SERVICE UPGRADE

Modification of existing facilities and/or Electric Service(s) due to increased demand from additional load that may be made at Applicant's request.

SUBSTATION SERVICE

The portion of the electrical system that converts transmission voltage (e.g. 46 kV to 345 kV) to primary distribution voltage (e.g. 4.16 kV to 25 kV).

TEMPORARY SERVICE

Electric service to projects or enterprises for which, by their nature, the use of electricity may be of a short duration.

Examples of "Temporary Service" include, but are not limited to: construction projects, fairs and circuses.

TRANSMISSION SERVICE

The portion of the electrical system that is energized at higher voltage levels (in excess of 25 kV).

II. GENERAL PROVISIONS

- A. When an Application is received for Electric Service at a location within the Association's service area, but not currently served by the Association, the Association will classify the Electric Service according to the preceding definitions. A Work Order will be assigned to the service request.
- B. If an Application is cancelled subsequent to design and engineering, but prior to construction and connection of Electric Service, the Applicant shall be held liable for all costs incurred by the Association in the performance of such activities.
- C. The Association will allow the Applicant to install certain underground infrastructure upon the following terms and conditions:
 - a. The Applicant may enter into two written contracts with the Association. The first contract will be the "Applicant Installed Infrastructure Agreement" and the second shall be for Electric Service at the appropriately determined Line Extension Classification.
 - b. Extension to Substation and/or Transmission Services are not eligible for installation by the Applicant.
 - c. The Applicant will install infrastructure in accordance to the current National Electrical Safety Code, OSHA, Association requirements and other regulatory agencies, being local, state or federal.
 - d. Payment for materials supplied by the Association for the line extension, as outlined within the "Applicant Installed Infrastructure Agreement", and other required fees must be made prior to materials being made available by the Association to the Applicant.
 - e. The Association will energize the line when all requirements have been met by the Applicant.
- D. A Contract will be required for all Line Extension Classifications.
- E. Engineering Fees
 - a. A minimum fee as described in "Exhibit A- Engineering Fee Schedule" will be collected at the time an Application is submitted; additional fees, as warranted, may be collected until the Work Order has been released for construction.
 - b. The Engineering Fee(s) may not be credited toward the Cost of Construction.
 - c. If the Applicant requests substantial change to a design, additional fees will be collected to perform the Redesign.
 - d. If the Work Order is closed due to inactivity (typically after a year), or abandoned, the fee will not be refunded.
 - e. "Applicant Installed Infrastructure" fees are non-refundable and will be collected at the time the "Applicant Installed Infrastructure Agreement" is executed.
- F. The location of the Line Extension's point of origin and the route to be followed will be determined solely by the Association.
- G. Boring, trenching, bedding, and backfill for underground systems will be provided by the Applicant per the Association's specifications.
- H. Electric Service will be provided to an Association-owned meter. Installation, ownership, and maintenance of the service wire from the meter to the load location are the responsibility of the Applicant.
- I. The National Electrical Safety Code specifies certain requirements for the general safety of the public. Should any person or party cause the facilities of the Association to be in violation of these requirements, the Association will cause all activity to cease in relation to these violations until remedial action can be taken.\
- J. Single phase primary extensions will be installed underground in those areas where, at the sole discretion of the Association, an overhead line will be subject to increased maintenance costs due to environmental events, tree trimming, raptor protection and other types of maintenance over the years. No overhead single phase primary extension will be installed in an area served by an established underground system unless:
 - a. Mandated by local codes, ordinances, and/or covenants.
 - b. At the sole discretion of the Association, prudent engineering and underground design standards cannot be maintained to ensure public safety.

- K. Three phase primary extensions may be installed either underground or overhead as mandated by local codes, ordinances and/or covenants.
- L. If the Association must purchase or condemn right-of-way, it will do so at the expense of the Applicant. Actual expenses associated with the purchase or condemnation of right-of-way, such as, surveying, special archeological or environmental studies and permitting, as well as the estimated expenses for the construction of roads and reclamation of land will be advanced prior to releasing the Work Order for construction; all such costs will be nonrefundable.
- M. The Association will release the Work Order for construction after receipt of the following:
 - a. Payments required from the Applicant in accordance with the classification of the Line Extension.
 - b. An executed written contract for the service, as may be required, and in accordance with the classification of the Line Extension.
 - c. All other necessary permits, easements and required documents pertinent to the Line Extension.
- N. The Association will order material for the Line Extension only after funds required for the Line Extension Classification have been paid by the Applicant, or after a deposit for the estimated cost of materials is made.
 - a. In the event a deposit for materials has been collected from the Applicant and the Line Extension request is terminated by the Applicant prior to installation of the materials, and provided the materials can be returned, the Association will refund the deposit less any costs incurred by the Association as a result of the requisition, including but not limited to, any restocking fees.

III. EXTENSION TO DEVELOPMENT SERVICES

The Association will extend Development Service to platted subdivisions and/or developments upon the following terms and conditions:

- A. The Applicant will enter into a written Agreement with the Association for Electric Service to all lots or units of the development. If the local planning authority allows for platting of the development and infrastructure improvement to be accomplished in "phases", the Association may, at its sole discretion, allow for installation of the electrical infrastructure in "phases".
- B. The Association will require 100% of the estimated cost of construction as Advance Payment prior to releasing the Work Order for construction.
- C. If, as long as no accounts have been connected to the Line Extension (thus, allowing for removal of the Line Extension) and the request for Electric Service is withdrawn by the Applicant before 10 years from Contract execution, the Advance Payment will be retained to defray the cost of removal of the Line Extension and severance charges may be assessed by the Association to cover additional remediation costs. Value of salvageable material may be allowed as credit to the cost of removal.

IV. DISTRIBUTIVE GENERATION SYSTEM INTERCONNECTION

The Association will extend infrastructure for connection from a "Distributive Generation System" upon the following terms and conditions:

- A. The Applicant will receive a written estimate of the Cost of Construction for the Line Extension.
- B. The Association will require 100% of the estimated Cost of Construction as non-refundable Advance Payment prior to releasing the Work Order for construction.

V. EXTENSION TO COMMERCIAL SERVICES (OF LESS THAN 10 MEGAWATTS IN CAPACITY)

The Association will extend Commercial Service to the Applicant where the required Electric Service is of less than ten (10) megawatts in capacity upon the following terms and conditions:

- A. The Applicant will enter into a written Agreement with the Association for Electric Service at the

applicable rate schedule.

- B. The Association will require 100% of the estimated cost of construction as Advance Payment prior to releasing the Work Order for construction.

VI. EXTENSION TO COMMERCIAL SERVICES (OF 10 MEGAWATTS OR GREATER CAPACITY)

The Association will extend Commercial Service to the Applicant where the required Electric Service is of ten (10) megawatts or greater capacity upon the following terms and conditions:

- A. The Applicant will enter into a written contract with the Association for Electric Service at the applicable rate schedule.
- B. The Association will require an Advance Payment from the Applicant. The amount and schedule of Advance Payment will be determined through "project-specific" negotiation between the Applicant and the Association.
- C. The Association, at its sole discretion, may provide for refund of the Advance Payment. If it is determined by the Association that a refund will be made, the amount and terms for such refund will be defined in a separate contract to be executed between the Applicant and the Association.
- D. When the Work Order is closed, a final reconciliation of all costs of construction will be performed. In the event that the Advance Payment exceeds the final cost accounting, the Association will refund the difference. In the event that the costs of construction exceed the amount of the Advance Payment, the Association will invoice the Applicant for the difference.
- E. If, at the Applicant's request, the Electric Service is terminated before expiration of the negotiated contract, severance charges may be assessed by the Association, and any un-refunded portion of the Advance Payment will be retained to defray the cost of removal of the Line Extension. Value of salvageable material may be allowed as a credit to the cost of removal.

VII. EXTENSION TO RESIDENTIAL SERVICES

The Association will extend Permanent Residential Service to the Applicant upon the following terms and conditions. The Applicant will receive a written estimate of the Cost of Construction for the Line Extension which, upon signing by the Applicant, will serve as agreement for Electric Service at the applicable rate schedule.

- A. The Association will require 100% of the estimated Cost of Construction as Advance Payment prior to releasing the Work Order for construction.

VIII. RELOCATION AND CONVERSION OF FACILITIES

The Association will review any need for relocation of existing facilities, voltage/phase changes and/or the conversion of any existing facilities from overhead to underground or vice-versa upon the following terms and conditions:

- A. If modification is at the Applicant's request or is required as a result of activities of the Applicant, as outlined in Section II.- I., the Applicant will receive a written estimate of the Cost of Construction.
- B. The Association will require 100% of the estimated Cost of Construction as non-refundable Advance Payment prior to releasing the Work Order for construction.

IX. REMOVAL OF FACILITIES

The Association will review any request for removal of existing facilities.

- A. The Association will require 100% of the estimated cost of removal as non-refundable Advance Payment prior to releasing the Work Order for removal.

X. RENTAL LIGHTS

The Association will extend service to the Applicant for a rental light(s) or lighting circuit intended to light areas such as public roadways, pedestrian walkways and other applications upon the following terms and conditions:

- A. The Applicant will enter into a written Rental Light Agreement with the Association for rental light(s) at the applicable rate schedule.
- B. The Applicant will submit a lighting plan that meets local regulatory requirements to the Association.
- C. The Association will require 100% of the estimated Cost of Construction (including the cost of material and labor for the pole, light arm and light fixture) as non-refundable Advance Payment.

XI. SERVICE UPGRADE

The Association will upgrade an existing Residential or Commercial Electric Service upon the following terms and conditions:

- A. Upgrade to the Electric Service is limited to a transformer, secondary conductor and metering.
- B. Modification of primary voltage lines serving the transformer will not be included and will be considered "Relocation and Conversion of Facilities" as described in Section VIII.
- C. Requests for voltage/phase changes are not considered service upgrade and will be considered "Relocation and Conversion of Facilities" as described in Section VIII.
- D. The Association will require 100% of the estimated cost of upgrade as Advance Payment prior to releasing the Work Order for construction.

XII. EXTENSION TO SUBSTATION AND/OR TRANSMISSION SERVICES

The Association will extend Substation and/or Transmission Service where, due to location and/or electrical demand, as determined by the Association, it is warranted.

- A. The Applicant will enter into a written Substation Transmission Service Agreement with the Association.
- B. The Association will require an Advance Payment. The amount and schedule of Advance Payment will be determined through "project-specific" negotiation between the Applicant and the Association.
- C. The Association, at its sole discretion, may provide for refund of the Advance Payment. If it is determined by the Association that a refund will be made, the amount and terms for such refund will be defined in a separate contract to be executed between the Applicant and the Association.
- D. When the Work Order is closed, a final reconciliation of all costs of construction will be performed. In the event that the Advance Payment exceeds the final cost accounting, the Association will refund the difference. In the event that the costs of construction exceed the amount of the Advance Payment, the Association will invoice the Applicant for the difference.
- E. If, at the Applicant's request, the Electric Service is terminated before expiration of the Substation/Transmission Service Agreement, severance charges may be assessed by the Association, and any unrefunded portion of the Advance Payment will be retained to defray the cost of removal of the Line Extension. Value of salvageable material, as determined by the Association may be allowed as a credit to the cost of removal.

XIII. EXTENSION TO TEMPORARY SERVICES

The Association will extend Temporary Service to the Applicant upon the following terms and conditions:

- A. The Applicant will receive a written estimate of the Cost of Construction for the Line Extension which, upon signing by the Applicant, will serve as agreement for Electric Service at the applicable rate schedule.

Exhibit A-Engineering Fee Schedule

Residential	
Residential Service	\$400 per Application* and \$400 per Redesign
Rental Light (Private Owner)	
Modification of Existing Facilities	
Service Upgrade	
Commercial	
Commercial Service < 10 Megawatts	\$700 per Application* and \$500 per Redesign
Rental Lights (Commercial Applications)	
Temporary Service	
Modification of Existing Facilities	
Service Upgrade	
Mineral Extraction or Transportation	
\$2500 per Application* and \$2500 per Redesign	
Development Service	
\$500 per lot up to \$5000* and \$1000 per Redesign	
Modification of Existing Facilities	
Relocation	\$700 per Application* and \$700 per Redesign
Conversion	
Indeterminate Commercial Service > 10 Megawatts	
Minimum of \$5000 per Application*	
Substation and/or Transmission Service	
Minimum of \$5000 per Application*	
Applicant Installed Infrastructure	
Inspection Fee	Minimum of \$500 per Application*
Re-inspection Fee	Minimum of \$500 per re-inspection*