

## TERMS AND CONDITIONS

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### XXII. ELECTRIC LINE EXTENSIONS AND INSTALLATIONS

A. The following definitions apply to terms used in this Section XXII:

1. Adequate – Facilities that have the capacity to serve the Customer's load at the existing service characteristics (i.e. voltage, single-phase or three-phase, wye or delta). Facilities are considered inadequate when their capacity is not sufficient to serve the load at the existing service characteristics.
2. Adjacent – Contiguous to Public Right-of-Way. The Company reserves the right to have final determination on the placement of the facilities.
3. Approach Lines - Facilities installed from an existing source to the property of the customer or developer requesting Electric Delivery Service.
4. Branch Feeder - Facilities installed on the property of the Customer or developer (only includes property within the recorded development) requesting Electric Delivery Service.
5. Bulk Feeder - A three-phase main feeder circuit with an ampacity greater than 200 Amperes that is required to serve a general area, or large load(s).
6. Company's Preferred Route – The route required by the Company to meet the Company's obligation of providing reliable Electric Service at a reasonable cost. The route selected will factor in accessibility, location of equipment, and the economics of the installation while using the Company's standard engineering practices.
7. Conversion - The replacement of overhead facilities with underground facilities in essentially the same area.
8. Nonresidential Development - For nonresidential Customers, a recorded development of multiple contiguous properties comprised of at least four building sites.
9. Permanent Residence - A single unit, providing complete and independent living facilities for one or more persons, including permanent provisions for sleeping, cooking, and sanitation.
10. Public Right-of-Way – Publicly owned and/or maintained streets, roads and highways.
11. Residential Development - For detached single-family homes, a recorded development of multiple contiguous properties comprised of at least four new residences. For garden-type homes, apartments, condominiums, and town homes a recorded development comprised of at least four new residences and an average density of not less than four new residences per acre.

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### XXII. ELECTRIC LINE EXTENSIONS AND INSTALLATIONS (Continued)

12. Transitional Cost - The amount by which the estimated cost of providing underground facilities exceeds the estimated cost of providing comparable overhead facilities along the Company's Preferred Route (switches, pads, terminals, etc. required for this installation will be included in the comparison). This cost difference in no event will be less than zero.

#### B. New Residential - Single-Phase Not Within a Residential Development Contracted to be Served Underground

The Company will provide single-phase Electric Service to a Permanent Residence not previously provided with Electric Service, and not located within an area designated by the Company as an Underground Distribution Area, in accordance with the provisions stated herein.

1. Primary Approach Lines located on or Adjacent to Public Rights-of-Way normally will be installed overhead at no cost to the Customer.
  - a. Should the Customer request or be required to install primary Approach Line facilities located on or Adjacent to Public Rights-of-Way underground, a payment equal to the Transitional Cost will be required.
  - b. Secondary Approach Lines (600 Volts or less) located on or Adjacent to Public Rights-of-Way will be installed underground at no charge to the Customer if the Company deems the composition of the land where facilities are to be installed is such that the Company's standard underground trenching equipment can be used to complete the installation.
  - c. Single-phase Approach Lines not located on or Adjacent to Public Rights-of-Way normally will be installed underground at no charge to the Customer, if the Company deems the composition of the land where facilities are to be installed is such that the Company's standard underground trenching equipment can be used to complete the installation. The Company reserves the right to determine the operational feasibility and effectiveness of this installation.
  - d. Should a road/street crossing be necessary immediately preceding a Branch Feeder, the Company will install a single-phase primary and secondary Approach Line across such road/street underground at no charge to the customer when the crossing is 75' or less. If the crossing is greater than 75', and the customer requests, or is required, to install underground, the Customer will pay the Company the amount by which the estimated cost of providing the entire crossing of underground facilities exceeds the estimated cost of providing 75' of underground facilities.

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### XXII. ELECTRIC LINE EXTENSIONS AND INSTALLATIONS (Continued)

2. Branch Feeder facilities will be installed in accordance with the following:
  - a. Branch Feeder facilities not located on or Adjacent to Public Rights-of-Way normally will be installed underground at no charge to the Customer, if the Company deems the composition of the land where facilities are to be installed is such that the Company's standard underground trenching equipment can be used to complete the installation. The Company reserves the right to determine the operational feasibility and effectiveness of this installation.
  - b. Branch Feeders installed on or Adjacent to Public Rights-of-Way that can or will be utilized to serve future customers will be installed overhead at no charge to the Customer. Should the Customer request or be required to install these facilities underground, a payment equal to the Transitional Cost will be required.
  - c. Branch Feeders installed on or Adjacent to Public Rights-of-Way that cannot, or will not, be utilized to serve future customers will be installed underground at no charge to the Customer, if the Company deems the composition of the land where facilities are to be installed is such that the Company's standard underground trenching can be used to complete the installation.
3. If the Customer requests or is required to install Branch Feeder facilities not utilizing the Company's Preferred Route, a payment equal to the difference in the estimated installed cost of the Company's Preferred Route and the agreed upon route will be required. This cost difference in no event will be less than zero.
4. In reference to installations in 1. and 2., above, should the Customer request underground facilities when the composition of the land is such that normal trenching cannot be used, then the Customer will pay the Company the amount by which the estimated cost of providing underground facilities exceeds the estimated cost of providing normal trenching, or receive overhead installation at no charge.

#### C. New Residential Development

The Company will provide Electric Service to individually metered Permanent Residences and or residential units within a Residential Development not previously provided with Electric Service, and not located within an area designated by the Company as an Underground Distribution Area, in accordance with the provisions stated herein.

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### XXII. ELECTRIC LINE EXTENSIONS AND INSTALLATIONS (Continued)

1. Approach Lines normally will be installed overhead at no cost to the Customer/Developer.
  - a. Should the Customer/Developer request or be required to install Approach Line facilities located on or Adjacent to Public Rights-of-Way underground, a payment equal to the Transitional Cost will be required.
  - b. Single-phase Approach Lines not located on or Adjacent to Public Rights-of-Way normally will be installed underground at no charge to the Customer/Developer if the Company deems the composition of the land where facilities are to be installed is such that the Company's standard underground trenching equipment can be used to complete the installation. The Company reserves the right to determine the operational feasibility and effectiveness of this installation.
  - c. Should a road/street crossing be necessary immediately preceding a Branch Feeder, the Company will install a single-phase primary and secondary Approach Line across such road/street underground at no charge to the customer when the crossing is 75' or less. If the crossing is greater than 75', and the customer requests, or is required, to install underground, the Customer will pay the Company the amount by which the estimated cost of providing the entire crossing of underground facilities exceeds the estimated cost of providing 75' of underground facilities.
2. Branch Feeder facilities installed on or Adjacent to Public Rights-of-Way (not located within the Residential Development) that can or will be utilized to serve future customers located outside the Residential Development will be installed overhead. Should the Customer/Developer request or be required to install these Branch Feeder facilities underground, and the Company deems it to be operationally feasible, a payment equal to the Transitional Cost will be required.
3. Branch Feeder facilities not defined in Paragraph C.2., above, will be installed underground within the Residential Development (including Bulk Feeder) along the Company's Preferred Route at no charge to the Customer/Developer when all the criteria below are met.
  - a. The Customer/Developer, at the Customer/Developer's own expense, installs Company provided conduit, at locations specified by the Company, within the new Residential Development. This is to include road crossings, driveways, obstructions, etc. (If a Duct Bank/Conduit System installation is required or requested, it will be installed in accordance with Paragraph V., below).
  - b. There is no residence and or residential unit with electric motors rated at 15 horsepower or more.
  - c. The Customer/Developer executes an Underground Agreement and/or all required easements before any lots or units in the development are sold.

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### XXII. ELECTRIC LINE EXTENSIONS AND INSTALLATIONS (Continued)

- d. The Customer/Developer cuts and clears the Right-of-Way to Company specifications.
- e. The delivery characteristics requested at each residential unit is single-phase 120/240 Volt.
4. If the Customer/Developer requests or is required to install Branch Feeder facilities not utilizing the Company's Preferred Route, a payment equal to the difference in the estimated installed cost of the Company's Preferred Route and the agreed upon route will be required. This cost difference in no event will be less than zero.
5. In reference to installations in this Paragraph C., above, when the composition of the land is such that normal trenching equipment cannot be used, then the Customer/Developer will pay the Company the amount by which the estimated cost of providing underground facilities exceeds the estimated cost of providing normal trenching.
6. If the Customer/Developer does not meet all the criteria in this Paragraph C.3., above, overhead facilities will be provided at no charge utilizing the Company's Preferred Route.

### D. New Non-residential and New Residential Three-Phase Service

The Company will provide Electric Service, to individually metered permanent non-residential units (including garages, tool sheds, swimming pool pumps, well pumps, etc.), or individually metered three-phase detached single-family residential homes not previously provided with Electric Service, and not located within an area designated by the Company as an Underground Distribution Area, in accordance with the provisions stated herein.

1. The Customer will pay the Company the amount, if any, by which the cost contained in Paragraphs D.2., D.3., D.5., D.7.a., D.7.b., D.7.c., D.7.d., and D.7.e. exceeds four times the continuing estimated annual revenue - less fuel charge revenue - that can reasonably be expected.
2. Primary Approach Lines located on or Adjacent to Public Rights-of-Way and all multi-phase Approach Lines normally will be installed overhead along the Company's Preferred Route.

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### XXII. ELECTRIC LINE EXTENSIONS AND INSTALLATIONS (Continued)

3. Secondary Approach Lines (600 Volts or less) located on or Adjacent to Public Rights-of-Way will be installed underground if the Company deems the composition of the land where facilities are to be installed is such that the Company's standard underground trenching equipment can be used to complete the installation.
4. Should the Customer request or be required to install underground Approach Line facilities defined in Paragraph D.2., above, a payment equal to the Transitional Cost will be required for facilities located on or Adjacent to Public Rights-of-Way, or any multi-phase extension.
5. Single-phase Approach Lines not located on or Adjacent to Public Rights-of-Way normally will be installed underground if the Company deems the composition of the land where facilities are to be installed is such that the Company's standard underground trenching equipment can be used to complete the installation; otherwise, overhead facilities will be installed. The Company reserves the right to determine the operational feasibility and effectiveness of these installations.
6. Should a road/street crossing be necessary immediately preceding a Branch Feeder, the Company will install a single-phase primary and secondary Approach Line across such road/street underground at no charge to the customer when the crossing is 75' or less. If the crossing is greater than 75', and the customer requests, or is required, to install underground, the Customer will pay the Company the amount by which the estimated cost of providing the entire crossing of underground facilities exceeds the estimated cost of providing 75' of underground facilities.
7. Branch Feeder facilities will be installed in accordance with the following:
  - a. Branch Feeder facilities with a rated voltage greater than 50 kV will be installed overhead.
  - b. Branch Feeder facilities located on or Adjacent to Public Rights-of-Way installed to serve individually metered nonresidential Customers not located within a Nonresidential Development, or individually metered residential three-phase Customers will be installed overhead.
  - c. Branch Feeder facilities within a Nonresidential Development located on or Adjacent to Public Rights-of-Way, and that can or will be utilized to serve future customers located outside the development, will be installed overhead.
  - d. Branch Feeder facilities where Bulk Feeder is not required and not defined in Paragraphs D.7.a., D.7.b., and D.7.c., above, normally will be installed underground if the Company deems the composition of the land where facilities are to be installed is such that the Company's standard underground trenching equipment can be used to complete the installation. Otherwise, overhead facilities will be installed. The Company reserves the right to determine the operational feasibility and effectiveness of this installation.

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### XXII. ELECTRIC LINE EXTENSIONS AND INSTALLATIONS (Continued)

- e. Branch Feeder facilities wherein Bulk Feeder is required will normally be installed overhead.
- f. Should the Customer request or be required to install underground Branch Feeder facilities defined in Paragraphs D.7.a., D.7.b., and D.7.c., above, a payment equal to the Transitional Cost will be required.
- g. Should the Customer request or be required to install Bulk Feeder underground, a payment equal to the Transitional Cost will be required.
8. When the Company deems the composition of the land is such that normal trenching cannot be used, then the Customer will pay the Company the amount by which the estimated cost of providing underground facilities exceeds the estimated cost of providing such underground facilities with normal trenching.
9. If the Customer requests or is required to install Branch Feeder facilities not utilizing the Company's Preferred Route, a payment equal to the difference in the estimated installed cost of the Company's Preferred Route and the agreed upon route will be required. This cost difference in no event will be less than zero.

#### E. New Residential Development Three Phase Service

The Company will provide three-phase electric facilities to serve individually metered residential units (garden-type homes, apartments, condominiums, and town homes) within a Residential Development not previously provided with Electric Service, and not located within an area designated by the Company as an Underground Distribution Area, in accordance with the provisions stated herein.

1. The Customer will receive a credit of four times the anticipated annual revenue, excluding fuel charge revenue, per metered unit, which will be applied to the applicable charges, if any, contained in Paragraphs E.2., E.4., and E.6.
2. Approach Lines will normally be installed overhead along the Company's Preferred Route.
3. Should the Customer request or be required to install Approach Line facilities underground, a payment equal to the Transitional Cost will be required.

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### XXII. ELECTRIC LINE EXTENSIONS AND INSTALLATIONS (Continued)

4. Branch Feeder facilities installed on or Adjacent to Public Rights-of-Way that can or will be utilized to serve future customers located outside the Residential Development will be installed overhead.
5. Should the Customer request or be required to install these Branch Feeder facilities underground, as defined in Paragraph E.4., above, a payment equal to the Transitional Cost will be required.
6. Branch Feeder facilities not defined in Paragraph E.4., above, will be installed underground within the development along the Company's Preferred Route upon execution of an Underground Agreement and provided all required easements are executed before any lots or units in the Residential Development are sold.
7. If the Company deems the composition of the land is such that normal trenching cannot be used to install Branch Feeder facilities, the Customer will pay the Company the amount by which the cost of providing estimated underground facilities exceeds the estimated cost of providing normal trenching, or the facilities will be installed overhead.
8. If the Customer requests or is required to install Branch Feeder facilities not utilizing the Company's Preferred Route, a payment equal to the estimated difference in the cost of the facilities utilizing the Company's Preferred Route versus the cost of the facilities utilizing the agreed upon route will be required. This cost difference in no event will be less than zero. The Company reserves the right to have final determination of location of facilities.
9. Customers who do not qualify for service in accordance with the provisions of this paragraph will be served in accordance with Paragraph D.

#### F. Service Upgrades

1. Residential (not located within an area designated by the Company as an Underground Distribution Area)
  - a. The Company will provide Electric Service to previously served individually metered Permanent Residences in accordance with the provisions stated herein.
  - b. The Company will replace inadequate overhead facilities with adequate overhead facilities at no cost to the Customer.

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### XXII. ELECTRIC LINE EXTENSIONS AND INSTALLATIONS (Continued)

- c. The Company will replace inadequate underground facilities with adequate underground facilities at no cost to the Customer, except as otherwise provided in this subparagraph. When the Company deems the composition of the land is such that normal trenching cannot be used, then the Customer will pay the Company the amount by which the estimated cost of providing underground facilities exceeds the estimated cost of providing normal trenching. If the Customer requests or is required to install Branch Feeder facilities not utilizing the Company's Preferred Route, a payment equal to the difference in the estimated initial installed cost of facilities in the Company's Preferred Route versus the estimated installation cost of facilities in the agreed upon route will be required. This cost difference will in no event be less than zero.
2. Non-residential (not located within an area designated by the Company as an Underground Distribution Area)
  - a. The Company will provide new facilities required to provide Electric Service to previously served individually metered non-residential Customers in accordance with Paragraph D.
  - b. The estimated annual revenue credit in D.1 will only include the incremental continuing estimated annual revenue, less fuel charge revenue, that can reasonably be expected. Incremental estimated revenue is defined as the revenue associated with the additional usage that will be added after the Company's facilities are upgraded.
  - c. The incremental revenue credit can also be applied to the estimated cost of the removal of existing facilities that are being replaced with new facilities as part of the upgrade. The total incremental revenue credit applied to a nonresidential upgrade will not exceed four years.
  - d. When the Company deems the composition of the land is such that normal trenching equipment cannot be used then the Customer will pay the Company the amount by which the estimated cost of providing underground facilities exceeds the estimated cost of providing normal trenching.

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### XXII. ELECTRIC LINE EXTENSIONS AND INSTALLATIONS (Continued)

- e. If the Customer requests or is required to install Branch Feeder facilities not utilizing the Company's Preferred Route, a payment equal to the difference in the estimated initial installed cost of the Company's Preferred Route and the agreed upon route will be required. This cost difference in no event will be less than zero, and revenue, if any, will not be applied to this charge.

#### G. Conversions

1. When a Customer requests the Company to convert existing adequate overhead secondary facilities to underground, such service will be furnished, provided the Customer pays to the Company an amount equal to the estimated cost of removing the adequate secondary overhead facilities, plus the charges, if any, specified in the applicable paragraph for new service, above.
2. When a Customer requests the Company to convert existing inadequate overhead secondary facilities to underground, such service will be furnished, in accordance with the applicable paragraphs for new service above. There will be no charge for the removal of the inadequate overhead secondary facilities.
3. When a Customer requests the Company to convert existing overhead primary facilities (greater than 600 Volts) to underground, the Customer will pay The Company the estimated removal cost of the overhead primary facilities, less salvage, plus the estimated installation cost of the underground facilities.

#### H. Three-Phase Service Qualification:

The Company will provide three-phase service in accordance with the provisions of the applicable paragraphs, above, to Customers having one three-phase motor larger than five horsepower, or to a single metered Customer having multiple three-phase motors which total at least 15 horsepower, provided the motors are properly sized for their expected use, or to a single metered Customer having 50 kilowatts or more of lighting load. Customers that request three-phase service but do not meet the foregoing minimums may receive three-phase service upon payment of the amount, if any, by which the estimated cost of constructing a three-phase extension exceeds the estimated cost of constructing a single-phase extension with capacity to serve the same kilovolt-ampere load. This charge shall be in addition to any other charges normally applicable for a single-phase extension.

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### XXII. ELECTRIC LINE EXTENSIONS AND INSTALLATIONS (Continued)

#### I. Underground Distribution Area

Within any major metropolitan, high-load, high density center which the Company has designated as an "Underground Distribution Area," the Customer requesting service will pay the Company the amount, if any, by which the cost of the Approach Line exceeds four times the continuing estimated annual revenue--less fuel charge revenue-- that can reasonably be expected, except that the Company shall not be obligated to construct or own any electric underground facilities beyond the property line of the Customer.

J. The Company will make electric delivery installations other than those specified in Paragraphs B., C., D., E., F., and G., above, under conditions specified in the Company's electric Line Extension agreements on file with the Commission.

K. If a proposed electric Line Extension is of such great length or high cost, or if, in the Company's opinion, the anticipated Electric Delivery Service revenue from such Line Extension is insufficient or temporary, or if the Customer or Customers to be supplied are unable to establish a credit standing satisfactory to the Company, the Company reserves the right to determine the advisability of making such Line Extension.

L. The Company shall not be required to make any electric Line Extension until the Customer or Customers to be supplied from such Line Extension have signed all applicable applications or agreements, and fulfilled such other conditions for the connection to the Company's facilities and for receiving the Electric Service as may be required by the Company, and until all premises to be supplied have been wired and made ready for service.

M. The Company shall not be required to make any electric delivery installations on private property until the property owner shall have granted to the Company an easement of Right-of-Way for the construction, operation and maintenance of such electric delivery installation.

N. The Customer may be required to secure Rights-of-Way on private property without cost to the Company, or to assist the Company in obtaining Rights-of-Way.

O. Whenever it is determined that an electric delivery installation on private property to serve one Customer will be built by the Customer, such installation (1) shall start within 100 feet of the Company's line, (2) shall be constructed in compliance with the Company's standards and be approved by the Company, (3) shall be maintained by the Customer at all times in a manner satisfactory to the Company, and (4) the Customer shall assume the liability for the maintenance and operation of the line. If the line owned by the Customer is not operated and maintained in a manner satisfactory to the Company, or, in the Company's opinion, may interfere with or be detrimental to the Company's facilities or to the provision of Electric Service by the Company to any other Customer, then the Company may discontinue Electric Service as provided in Section XVI--Discontinuance of Electric Service. After such discontinuance the supply will not be restored until conditions are made satisfactory to the Company as provided in Section III – Inspection and in Section and/or XVII–Reconnection of Electric Service.

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## TERMS AND CONDITIONS

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### XXII. ELECTRIC LINE EXTENSIONS AND INSTALLATIONS (Continued)

P. When any governmental authority requires that electric lines and related facilities be located or relocated underground, to the extent such installation or underground facilities is not covered by this Section XXII the cost incurred by the Company properly attributable to such installation will be charged, in a manner approved by the Commission, pro rata to the Customers receiving Electric Service within the jurisdiction imposing the requirement.

Q. The Company may require definite written guarantees of revenue to justify the provision of Electric Service when, in the Company's opinion, the continuing revenue is speculative or non-permanent in nature, or when the Company's net investment in distribution assets to provide new service exceeds \$350,000. The net investment of the Company is defined as the estimated non-betterment cost to provide electrical facilities at the customer's service location based on information provided by the Customer, less any non-refundable Contribution in Aid of Construction (CIAC) paid upfront by the Customer. This guarantee shall include a monthly contract dollar minimum which shall be based on 50% of the customer's lowest anticipated monthly bill, less fuel, taxes, and facilities charge. The term length of the guarantee shall be based on the Company's net investment in distribution assets divided by the monthly dollar minimum. The Customer has the option to make contributions outside of revenues from bills payments should they want to accelerate the termination of the contract dollar minimum. This contribution will be subject to TERF. The contract dollar minimum will be removed from the Customer's account when the term expires, or when the total revenues collected (less taxes, fuel, and facilities charges) exceed the Company's net investment in distribution assets, whichever is earliest. The Company may require, at its discretion, additional written guarantees of revenue in the form of a sufficient security to support the guarantee. Forms of security shall be limited to a cash deposit, a bond with surety, or an irrevocable letter of credit, where the terms of such security instruments are acceptable to the Company, or other mutually agreeable form of security.

R. These general rules and regulations shall not be construed as prohibiting the Company from making electric delivery installations of greater length or higher cost, provided there is no discrimination between Customers receiving Electric Service under the same classification.

S. Where applicable, the Company will install, own and maintain electric line facilities as provided in this Section XXII. The Company reserves the right to have final determination of the location of the Company's facilities.

T. Cost Estimates will be in accordance with the Company's current design practices.

U. The Company reserves the right to determine the operational feasibility and effectiveness of any installation.

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## **TERMS AND CONDITIONS**

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### **XXII. ELECTRIC LINE EXTENSIONS AND INSTALLATIONS (Continued)**

V. Should the Customer request a Duct Bank/ Conduit System installation, or the Company determines the need for such is dictated by site conditions, obstructions or space limitations restricting the installation, maintenance, or operation of the Company's normal underground facilities, the Customer will pay the Company the amount by which the estimated cost of providing such underground facilities exceeds the estimated cost of providing facilities normally required per the appropriate paragraph in Section XXII. The Company should be contacted if the Customer desires to install the Duct Bank/Conduit System, as a plan and profile submission may be required.