

POLICY NO. 431

LINE EXTENSIONS

I. OBJECTIVE

To establish a policy for extension of PCRPPD facilities to serve new loads and to provide for fair, equitable, and consistent financing of Line Extension, Conversions, and Relocations so that new customers will receive reasonable benefit from the Public Power model of business without unduly burdening existing customers with inappropriate costs or risks; and to set forth the terms and conditions under which PCRPPD will construct, extend, and upgrade its facilities to serve new loads and replace, relocate, or otherwise modify its distribution facilities.

II. GENERAL PROVISIONS

PCRPPD shall construct, own, and maintain primary and secondary overhead and underground supply facilities as part of the District electric system. Line extensions, new service installations, and service upgrades and relocations shall be made under the terms and conditions in effect at the time of construction.

Except as otherwise excluded, PCRPPD shall contribute to the costs for the construction of new permanent services, line extensions, and service upgrades and relocations up to an Allowable Investment Limit (AIL). Any costs over the AIL shall be paid by the customer as a Contribution in Aid to Construction (CIA). Customer contributions in aid of construction shall be paid prior to service initiation.

Construction cost shall include, but is not limited to, the cost of materials, equipment, transformers, meter, labor, including overheads, and right of way clearing and exclude costs solely for PCRPPD benefit. Cost estimates will be valid for 90 days.

PCRPPD reserves the right to determine the feasibility of any line extension or relocation and to review and modify the CIA to reflect specific service or construction characteristics.

The customer shall furnish, install, and maintain all poles, wires, service entrances and drops installed beyond the point of delivery, generally the metering point.

The customer shall be responsible for applying for any electrical inspection of the customer facilities required by statute and shall furnish evidence of compliance before service will be energized.

Customers who make connections under this policy are required to sign a five (5) year continuous service contract with PCRPPD. Customers are allowed to change rates during the five-year period with the approval of the General Manager. If the Customer discontinues service or requests a rate change before the end of the service contract, PCRPPD may assess a charge equal to the difference between the amount of time serviced under the rate and the remaining time on the contract.

If within two years of the connection of a service classified as a permanent service, the service has not met the qualifications of a permanent service because construction has not been completed or no longer qualifies as a permanent service or occupancy has not been year-round, PCRPPD will bill the customer for the appropriate Line Extension charges.

At the request of the customer, PCRPPD may, at its sole discretion, utilize practices that exceed PCRPPD Standard Construction Practices. All costs of the Line Extension exceeding the costs of Standard Construction Practices are the sole responsibility of the customer and are nonrefundable regardless of the service classification.

Whenever PCRPPD anticipates or determines that special or abnormal risks or conditions may be involved in providing service to a specified load or customer, PCRPPD may require special terms, contract conditions, bonds,

cash advances or deposits of such nature as it may consider reasonably necessary for protection against financial loss in connection with the special conditions and risks involved.

When PCRPPD discovers any violation of the National Electric Safety Code created by activities or construction by the property owner after the original installation of facilities, PCRPPD may alter, relocate, remove, or disconnect its facilities to remedy the violation. The property owner will be responsible for all costs of the remedy.

III. ALLOWABLE INVESTMENT LIMIT FOR PERMANENT SERVICES

PCRPPD assumes all services requested will be of a permanent nature, unless otherwise specifically requested. A permanent service is considered to have long-term use and occupancy and usage consistent with customer rate class.

Residential Service

Rural residential service AIL will be determined by the kVa size of the service that is required at the time of construction and half of all line construction along county or state right of way (ROW) or along any ROW allowing for further extension of PCRPPD facilities. All line costs on private property or unavailable for future extension will be at the cost of the customer. Urban residential AIL will be calculated on class average energy usage, but specific service characteristics may require modification.

Rural Residential – single phase	\$11.42 per annual kVa +50% of ROW line construction
Rural Residential – three phase	\$8.23 per annual kVa +50% of ROW line construction
Urban Residential	\$1,700 +50% of ROW line construction

Commercial/General Service

The AIL for commercial services will be determined by the kVa size of the service that is required at the time of construction and 50% of line construction along ROW.

Rural Small Commercial–Single Phase	\$11.42 per annual kVa +50% of ROW line construction
Rural Small Commercial–Three Phase	\$8.23 per annual kVa +50% of ROW line construction
Urban General Service Single/Three Phase	\$8.59 per annual kVa + 50% of ROW line construction
Urban General Service Demand Single/Three Phase	\$12.77 per annual kVa + 50% of ROW line construction

Services more than 1,000 kW will be calculated individually using load factors and other characteristics that may impact PCRPPD.

Seasonal Service

The AIL for seasonal services, including cabins, trailer homes not on a permanent foundation, stock pumps, fencers, and dryer services, etc., will be determined by the kVa size of the service that is required at the time of construction and half of line construction along ROW.

Seasonal – Single/Three Phase	\$55.21 per annual kVa + 50% of ROW line construction
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Irrigation Service

Line extension and upgrades for irrigation services will be governed by Policy #430

IV. LINE EXTENSION FOR TEMPORARY/INDETERMINATE SERVICES

The Applicant for a temporary/indeterminate Service shall make a contribution in aid to construction (CIA) for the entire estimated construction costs, under the applicable rate schedule, and eventual removal of line extension, less possible salvage value of materials used.

- Where the Line Extension to a temporary/indeterminate service involves only the installation of a service on an existing pole, PCRPPD may waive the CIA requirement if the service is estimated to generate enough revenue to recover the Line Extension costs.
- An Indeterminate Service may be reclassified as a Permanent Service if it meets the requirements of a Permanent Service within five years of the date the service was first connected and if the service has remained connected without interruption for the entire period. The customer is responsible for notifying PCRPPD of any circumstances that could result in reclassification.

PCRPPD shall be solely responsible for interpretation of this policy and the reclassification of an Indeterminate Service. In the event an Indeterminate Service is reclassified to a Permanent Service, the provisions of extensions for Permanent Services shall apply and the CIA may be refunded, without interest, to the customer.

V. LINE EXTENSION FOR DEVELOPMENTS OR SUBDIVISIONS

PCRPPD will not fund an AIL for the cost of construction to a subdivision or development. All cost of construction for line extensions will be the responsibility of the developer. A customer that builds on a lot is eligible for the applicable customer class AIL.

- Developments and subdivisions may be developed in phases or stages approved by PCRPPD and CIA payments will be applied to the phase or stage as if it were a separate development.
- Developments and subdivisions must have platted utility easements meeting PCRPPD requirements before any services within the development will be classified as Permanent. Easement requirements include a minimum width of fifteen (15) feet except in Developments where all utilities are buried and PCRPPD, at its sole discretion, agrees to a lesser width.
- The Developer shall trim or remove trees as specified by PCRPPD.
- Underground construction on the lot fronts shall be required by PCRPPD and the cost thereof shall be included along with all other charges required by this policy.

VI. LINE EXTENSIONS FOR STREET/AREA LIGHTING

PCRPPD will construct a single-phase line extension along a public road to new streetlight at the cost of the town or village. There shall be no CIA required from the town or village for the addition of a new streetlight when existing overhead line and pole are present. CIA for new service to highway signal lights will be calculated on an individual basis.

VII. LINE EXTENSIONS OUTSIDE OF PCRPPD ASSIGNED SERVICE TERRITORY

When a customer requests service that is outside of the PCRPPD service area the following conditions must be met:

- The land must be adjacent to PCRPPD service area boundary or adjacent to a service that has been waived previously.
- The customer must receive approval from the certified service provider, allowing PCRPPD to complete a Nebraska Power Review Board Consent and Waiver form.
- The Contribution in Aid to Construction shall be one and one half (1.5) times the CIA for services within PCRPPD certified service area.

VIII. LINE EXTENSION COSTS ASSOCIATED WITH PUBLIC AGENCIES OR RAILROADS

When a Line Extension involves the crossing of public lands or railroad properties requiring a special-use permit or other permit, the CIA may include all permit fees and an estimated administrative charge for costs of applying for the permit. The actual costs of the permit and administrative costs are non-refundable.

- The Applicant shall pay all costs of construction required by the public agency or railroad that exceed the costs of PCRPPD Standard Construction Practices.
- The Applicant for a Line Extension shall pay all costs of environmental surveys required by public agencies.

IX. LINE CONVERSIONS

For existing services that are not classified as irrigation or covered under Policy #430 where customers are requesting an upgrade of the facilities to serve additional load, different type of load, or different voltage PCRPPD will contribute the above listed AIL amounts based on the additional (new) load only.

X. LINE RELOCATIONS

Customer requests for line relocation will be at the sole discretion of PCRPPD, with public safety, operation and maintenance of the relocated facilities the primary considerations.

- When a customer requests the replacement of existing overhead primary line with secondary underground, PCRPPD will remove the overhead primary line at its expense, and the customer will be responsible for the entire cost of the replacement secondary underground, fuse boxes, and switches.
- If line relocation results in no system betterment, the customer will pay for the entire cost of relocation.
- When a customer requests to abandon the current service location and move service to new location, the customer may be responsible for the entire cost of relocation.
- AIL will be applied to any line relocation resulting in increased service load.

XI. RESPONSIBILITY

PCRPPD shall be solely responsible for the interpretation of this policy and the classification of a service. The general manager is responsible for the administration of this policy.

APPROVED BY THE BOARD OF DIRECTORS

EFFECTIVE DATE: 9/4/1981
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ATTEST: _____