

**DIXIE ELECTRIC POWER ASSOCIATION**  
**LINE EXTENSION POLICY**

208.1 General Policy

The Association extends its distribution facilities to Members in accordance with the following line extension provisions. Each provision classifies the predominant type of electric service/use anticipated on Member's premises and specifies conditions under which a line extension may be made. For each location where electric service is desired, Member's classification involves an evaluation of the type of installation and its use. Member's classification shall be determined by the Association. In the event that the classification assigned by the Association is incorrect based upon Member's subsequent actual use of the installation then the Association may alter Member's classification and apply the correct line extension classification, making appropriate adjustment to the Member's account or billing.

Unless specifically described below, the Member shall be responsible for the full cost of line extension, including right-of-way acquisition and clearing, engineering and construction of all primary, secondary, metering and transformation facilities less the construction allowance. Right-of-way clearing shall include, but not be limited to, removal of debris and stabilization for newly acquired right-of-way (e.g. stump and tree removal, erosion prevention, etc.). In special cases, the Association may require a non-refundable advance before staking and right-of-way acquisition begins to cover those costs in the event the line extension is not built.

In addition, the Member shall provide the Association with all necessary recordable rights-of-way and easements for construction and location of the electrical service at no cost to the Association.

The Association shall exercise prudent judgment in determining the conditions under which a specific line extension will be made and shall view each case individually, considering the following:

- 1) Cost to provide the service,
- 2) Longevity of the load,
- 3) Annual load factor,
- 4) Possibility of other loads developing nearby or along the proposed line extension,
- 5) Anticipated annual revenue,
- 6) Compatibility with planned system improvements, and
- 7) Special circumstances with developer.

When appropriate, the Association shall make a simplified rate-of-return study. Upon such study, the Association can determine whether special contractual arrangements need to be made with

the Member/Applicant. These special arrangements may be a contribution in aid of construction, an advance for construction, or special monthly or annual minimums expressed in demand and kWh or dollars of revenue, or a combination of these. In some cases, credits may be allowed toward advances for construction made by the Member, if the Member should meet or exceed the requirements of the Association's policies controlling such credits as approved by the Association's Board of Directors.

## 208.2 Permanent Single Family Residence

The Association will construct a new extension of its overhead distribution system to serve a permanent single family residence under the following provisions:

### A. Application.

To qualify as an extension to a permanent single family residence the location where Member is requesting service shall:

- (1) be a permanent installation;
- (2) be a minimum of 1,000 square feet;
- (3) have a substantial permanent foundation;
- (4) be a single family dwelling unit that is the applicant's primary residence and that is not combined with or attached to other residential units; and
- (5) if located within a subdivision, the developer must have complied with the subdivision line extension policy of the Association and paid all aid to construction required therein.

### B. Point of Delivery.

The Association extends its electric facilities only to the point of delivery, which shall be determined at the sole discretion of the Association. Member shall install and be solely responsible for wiring of the installation and all service entrance wiring from the point of delivery through the Member's main disconnect switch or service center. The Association will own, operate, and maintain all specified metering equipment, wherever located.

### C. Facilities Charge.

The Member shall be required to pay in advance as aid to construction the full estimated cost of construction less the Permanent Single Family Residential Allowance Agreement of \$6,000. See provisions under General Policy.

All amounts paid to the Association for construction shall be non-refundable.

D. Contract Term.

In addition to the Facilities Charge, the Association may require Member to sign an Agreement for Electric Service for a term of up to 5 years.

208.3 Manufactured or Mobile Home Residence

The Association will construct a new extension of its overhead distribution system to serve a permanent single family manufactured or mobile home residence load under the following provisions:

A. Application.

To qualify as an extension to a mobile home residence the location where Member is requesting service shall:

- (1) be any manufactured or prefabricated structure designed to be used as a dwelling, with or without a permanent foundation;
- (2) be a single family dwelling unit that is the applicant's primary residence and that is not combined with or attached to other residential units; and
- (3) be a dwelling unit not qualifying for the residential allowance and connected to water and sewer facilities;
- (4) if located within a subdivision, the developer must have complied with the subdivision line extension policy of the Association and paid all aid to construction required therein.

B. Point of Delivery.

The Association extends its electric facilities only to the point of delivery. Member shall install and be solely responsible for wiring of the installation and all service entrance wiring from the point of delivery through the Member's main disconnect switch or service center.

C. Facilities Charge.

The Member shall be required to pay in advance as aid to construction the full estimated cost of construction less the Mobile Home Residential Allowance Agreement of \$2,000. See provisions under General Policy.

All amounts paid to the Association for construction shall be non-refundable.

D. Contract Term.

The Association may require Member to sign an Agreement for Electric Service for a term of up to 5 years.

208.4 Other Single-Phase General Use Facilities

The Association will construct a new extension of its overhead distribution system to serve a single-phase facility less than 50 kW and not qualifying as a Permanent Single-Family Residence under the following provisions:

A. Application.

To qualify as an extension to a general use facility the location where Member is requesting service shall be:

- (1) a permanent residence or a dwelling unit such as a camp, seasonal cottage or vacation home not qualifying as a Permanent Single-Family Residence;
- (2) a non-permanent unit such as a camper or recreational vehicle;
- (3) a barn, shop, storage building, water well, recreational facility, electric gate or fence, greenhouse or other general use facility not qualifying as a Permanent Single-Family Residence;
- (4) less than 50 kW

B. Point of Delivery.

The Association extends its electric facilities only to the point of delivery. Member shall install and be solely responsible for wiring of the installation and all service entrance wiring from the point of delivery through the Member's main disconnect switch or service center.

C. Facilities Charge.

The Member shall be required to pay in advance as aid to construction the full estimated cost of construction less the Non-Residential Single Phase under 50 kW Allowance Agreement of:

- (1) \$2,000 for facilities less than 50 kW,
- (2) See provisions under General Policy.

All amounts paid to the Association for construction shall be non-refundable.

D. Contract Term.

The Association may require Member to sign an Agreement for Electric Service for a term of up to 5 years.

208.5 Commercial and Industrial and Single-Phase Non-Residential Greater than 50 kW

The Association will construct a new extension of its overhead distribution system to serve commercial and industrial installations and single-phase non-residential installations greater than 50 kW.

A. Application.

To qualify as an extension to commercial and industrial installations the location where Member is requesting service shall:

- (1) be a permanent installation; and
- (2) be used predominantly for commercial or industrial purposes including but not limited to restaurants, retail, offices, convenience stores and churches.
- (3) be used as a multi-family dwellings including but not limited to apartments, motels, condominiums, and duplexes shall be included; or
- (4) be used as a public building

B. Point of Delivery.

The Association extends its electric facilities only to the point of delivery. Member shall install and be solely responsible for wiring of the installation and all service entrance wiring from the point of delivery through the Member's main disconnect switch or service center.

C. Facilities Charge.

The Association will make an extension of standard single-phase or three-phase electric service without charge to a permanent commercial/industrial installation in an amount not to exceed \$2,000 or that allowed by a simplified rate of return study, whichever is greater, and/or the provisions of the Association's line extension policy as approved by its Board of Directors. See provisions under General Policy.

All amounts paid to the Association for construction shall be non-refundable.

D. Contract Term.

The Association may require Member to sign an Agreement for Electric Service for a term of up to 10 years.

## 208.6 Residential Subdivision Developments

The Cooperative will construct a new extension of its overhead or underground distribution system to provide service within residential developments under the following provisions:

### A. Application.

To qualify as an extension the location where the Developer is requesting service shall:

- (1) The development is a platted residential subdivision to be primarily used or developed for permanent single or multi-family residential dwelling units
- (2) include at least five (5) contiguous lots scheduled for immediate development
- (3) provide at no cost to the cooperative the necessary easements, plans (including electronic files in AutoCad format with proper coordinate system).
- (4) provide Survey points for grades, lot corners, street ROW, and other locations reasonably necessary for installation of the electric system.
- (5) sign a written agreement that sets forth the terms and conditions that will apply to the installation of the extension for the development.

### B. Facilities Charge.

The Developer shall be required to pay in advance the full estimated cost of construction for facilities.

- (1) For residential subdivisions, there is no construction allowance to the developer unless the total cost of the extension includes service to individual homes. If service is included, Developer would receive \$6,000 per lot for each lot where permanent service has been provided within 5 years. Developer will be responsible for requesting refunds. Requests for refunds must be made within a period of one year after the 5 year period has expired. In subdivisions where home builder or home owner is responsible for services to individual homes, the developer would receive a \$1200 development allowance and the home builder or home owner would receive the construction allowance of \$6,000 subject to the same terms as previously stated.
- (2) For condominium or apartment complexes, the Developer will receive a construction allowance of \$2,000 for each residential unit once development is completed.

For mobile home developments or rental locations, including manufactured or prefabricated structures, the Member or Developer is responsible for the full cost of extension as described in the General Policy. There is no construction allowance. The Association, at its sole discretion,

will determine if the service should be treated as a development, part of a development, or a rental location.

Any situation involving special circumstances, including but not limited to the development of a subdivision, not specifically covered in this line extension policy will require the special consideration and approval of the Association.

### 208.7 Commercial Developments

The Cooperative will construct a new extension of its overhead or underground distribution system to provide service within commercial developments where developer requests electric infrastructure to be installed in advance of development of a site or lot by a Member, under the following provisions:

#### A. Application.

To qualify as an extension the location where the Member is requesting service shall:

- (1) The development is a platted commercial development with sites or lots for multiple Members to be primarily used or developed for permanent commercial, industrial, retail, and/or office Members;
- (2) provide at no cost to the cooperative the necessary easements, plans (including electronic files in AutoCad format with proper coordinate system).
- (3) provide Survey points for grades, lot corners, street ROW, and other locations reasonably necessary for installation of the electric system.

#### B. Facilities Charge.

- (1) The developer shall be required to pay in advance the full estimated cost of construction for facilities.
- (2) Construction allowances will be made to Members requesting permanent service. Allowances will be \$2,000 or that allowed by a simplified rate of return study, whichever is greater.
- (3) All amounts paid to the Association for construction shall be non-refundable.

### 208.8 Underground Service

Where feasible, the Association will provide primary or secondary underground facilities to serve any type of installation. Member shall pay the actual cost of construction less the appropriate allowance for the type of facility for which service is being provided.

#### 208.9 Temporary Service

In any circumstance where the need for electric service that is considered by the Association, in its sole discretion, to be temporary in nature, the Association shall charge and Member shall pay 100% of the cost of construction plus the cost of removal less salvage value.

#### 208.10 Area Lighting/Security Lighting

The Association will construct an extension of its distribution system for area or security lighting installations. The Member shall be required to pay prior to the commencement of construction as a nonrefundable aid to construction the cost of all construction. No part of the cost of the line extension shall be borne by the Association. The Association will install area or security lighting on existing poles that have been approved by the Association.

#### 208.11 Relocation or Modification of Facilities

The Association will relocate its facilities on Member's premises at Member's request provided Member has (1) provided a satisfactory easement for the new facilities; (2) paid in advance an estimate of all costs for the removal of the old facilities, less salvage value, and all costs for the construction of new facilities. If the Association determines it is necessary to move its facilities because Member fails or refuses to allow the Association access to Association's facilities at any time then Member may be billed the cost of relocation. If Member requests or Association determines a modification of facilities is reasonably necessary, the Member may be required to pay an amount not to exceed the cost of all construction. Where additions are made, the construction allowance will be prorated based on the size and type of addition. The determination of any allowances will be made at the sole discretion of the Association.

#### 208.12 Ownership of Distribution Facilities

The Association shall retain the ownership of all material and facilities installed by the Association for the distribution of electric energy whether or not any amounts may have been paid as a contribution in aid of construction by the Member or the subdivision developer. All lines and facilities constructed or installed by the Association are the property of the Association.

#### 208.13 No Refund of Aid to Construction

Payments necessary for construction of facilities which will be used by the Member are contributions in aid of construction and are not refundable.

Effective: March 1, 2010

Revised: February 17, 2011