

Subject	Number	Revision	Effective Date	Approved / Date:
Line Extension Policy	2.34	12	03/16/10	Board 04/16/07

Formerly Memo #: 60

1. General:

- A. Taylor Electric Cooperative will render service to all consumers within its service area who apply for membership and service from the Cooperative in accordance with the rules and regulations set forth by the Cooperative.
- B. All facilities installed by the Cooperative shall remain the property of the Cooperative, unless stated elsewhere. The extension routes, type of construction, whether overhead or underground, shall be determined by the Cooperative depending on location, terrain and soil conditions, subject to other provisions of this policy.
- C. All line extensions require the execution of a five-year line extension contract. The Cooperative will pay the cost of recording the contract in the county. The consumer will pay for removal of lien of line contract.
- C. The Cooperative reserves the right to assess, evaluate and judge each line extension on an individual basis, and, if deemed necessary, make proper adjustments whether it be single-phase, three-phase, or of questionable load conditions. This includes the right to charge additional fees for costs incurred such as but not limited to: permits, fees, owner changes that require a service to be re-staked, inspections, or additional costs during inclement or adverse weather conditions.
- D. All meter sockets shall be minimum 200-amp sockets.
- E. The new service fee required in Board Policy Memo No. 7 shall be due and payable prior to any work by Cooperative personnel for the measuring, staking, or visit to a potential construction site. The new service fee shall also be non-refundable.

2. Single Phase Service

- A. The Cooperative will extend facilities, including primary and secondary electric service for the normal monthly minimum billing in effect at the time of construction, except as indicated in part 4, and, except that any extension shall require the member to sign a 5-year minimum service contract, which shall require the full contract amount to be due and payable upon termination of service at less than the 5-year period.
- B. Upon completion of the five-year contract period of continuous service, the monthly minimum shall be the normal minimum for the applicable rate in effect.
- C. Any increased monthly facility charge will remain in effect for the five-year period regardless of property status, or change of ownership; whether sold, for sale, rented, or vacated. Any consumer who assumes ownership of the account will assume the remaining terms of the contract.

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3. Land Development

A. Land Development projects will be considered as a single unit, or an individual line extension. This will fall under the terms and conditions as set forth in this extension policy.

4. Deposits or Aid of Construction

A. For single phase service, an aid of construction shall be charged for all footage as follows:

- 1) For the first 1,000 feet of construction, the aid of construction payment shall be \$5.50 per foot,
- 2) For any construction in excess of 1,000 feet, the aid of construction payment shall be \$4.00 per foot,

B. The aid of construction payment shall be paid in advance of any construction.

C. If, in the opinion of the Cooperative, the cost of construction will be substantially more than the costs per foot listed in 4(A) the Cooperative shall establish a price based on estimated time and material. The Cooperative reserves the right to construct the extension in the most cost-effective manner, which may include such things as service to the closest part of the structure served.

D. All aid of construction payments will be non-refundable and non-interest bearing.

5. Three Phase Service

A. Adequate need will have to be shown before the Cooperative will consider extending three-phase service.

B. The Cooperative will extend three phase service to qualified consumers for the monthly minimum as established by the Board of Directors for 3-phase rates.

C. Any three-phase construction requires the customer make a payment of \$15.00 per foot. This payment in aid of construction must be paid prior to the beginning of construction.

D. All consumers classified as peak alert three-phase service shall be required to be billed under the large power or three-phase rate schedule. The contract and rate will be increased or decreased according to the rate schedule established or changed by the Board of Directors. A line extension contract or large power contract shall be executed for three-phase service and all other regulations set forth shall be adhered to prior to any construction. The term of the contract shall be ten years.

6. Rate Changes

A. In the event of a Cooperative rate change, the monthly facility charge will be increased by the amount of any line extension contract and kWh usage rate would change to the revised rate schedule established by the Board of Directors.