

Subject: FACILITIES EXTENSION AND MODIFICATION		Policy No: 18
Original issue: 02/04/1988	Last Revised: 06/14/2024	Last Reviewed: 06/14/2024

**I. GENERAL**

- A. The purpose of this Facilities Extension and Modification Policy (“Policy”) is to set forth the general provisions and standards of Empire Electric Association, Inc. (“EEA”) for extending service to a new location or modifying a current service at the request of the Customer.
- B. EEA will provide Electric Service to all Applicants with premises located within its certificated area which meet the requirements of EEA.
- C. The electric plant of EEA shall be constructed, installed, maintained, and operated in accordance with standard electric utility practices to assure, as far as reasonably possible, continuity of service, uniformity in the quality of service furnished, and the safety of persons and property.
- D. EEA shall use as the minimum standard of practice the current edition of the National Electric Safety Code at the time of construction. The National Electric Safety Code in effect at the time of construction will continue to apply until the plant is altered or rebuilt, at which time the current edition will be used.
- E. This Policy shall not be construed to place a greater monetary burden on any new Applicant connected to an existing line extension than would have been placed on said Applicant had a totally new line extension been constructed for the Applicant’s use.
- F. This Policy shall not be interpreted as a prohibition against the construction of an extension having more than minimum capacity (as determined by the standards of construction) to meet the requirements of the Applicant to be then served, provided such additional capacity is constructed by EEA without obligation by Applicant.
- G. In the event that the risk to personnel or property associated with furnishing Electric Service is deemed by EEA to be unreasonable, EEA may negotiate additional agreements with the Applicant or Customer in addition to what is provided for in this Policy in order to provide Electrical Service safely.
- H. Extensions to security and streetlights will be considered under the applicable Rate Tariff and are not covered by this Policy.

**II. DEFINITIONS**

- A. Applicant – Any person or entity applying for Electric Service or service modification from EEA.
- B. Customer – Any member or non-member, or their agent, taking Electric Service from EEA.
- C. Contribution in Aid of Construction – The amount paid to EEA to establish a new service or modify an existing service. Such amount is non-refundable after construction has commenced.
- D. Electric Service – The availability of EEA to deliver electrical energy to or receive electrical energy from a Customer.
- E. Electric System – EEA’s electric equipment used for the purpose of delivering electrical energy to or receiving electrical energy from its Customers. EEA’s Electric System will be installed in accordance with the National Electric Safety Code as well as applicable local, state and federal regulations.

## **POLICY 18 – Facilities Extension and Modification**

- F. Governing Documents – EEA’s Bylaws, Articles of Incorporation, Board of Directors policies, Rate Tariffs, Rules and Regulations, and Service Agreements.
- G. High Fire Danger Areas – Areas deemed by EEA to be at higher risk of experiencing a wildfire.
- H. Point of Delivery – The point where EEA’s facilities are first connected to the electric facilities of the Customer. The location of the Point of Delivery will be determined by EEA in accordance with standard practice or as individual circumstances may dictate. EEA will maintain Point of Delivery diagrams for common installation types.
- I. Rate Tariff(s) – EEA’s tariffs that define the rates charged for Electric Service and miscellaneous fees.
- J. Service Agreements– Any contract, application, acknowledgement, authorization, invoice, purchase order, or other physical or electronic form or document executed or signed by an Applicant or Customer related to taking Electric Service from EEA.
- K. Standard Construction Allowance – EEA’s contribution toward establishing a new Electric Service.

### **III. SERVICE CLASSIFICATIONS**

- A. EEA, in its sole discretion, will determine the service classification for the Electrical Service to a Customer or Applicant. Service classifications are as follows:
  - 1. Development – 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 EEA.
  - 2. Permanent – Electric Service where the use of the service is on a permanent basis and a continuous return to EEA of sufficient revenue to support the necessary investment is reasonably assured.
  - 3. Street or Security Lighting – Electric Service to an EEA owned security or street light.
  - 4. Temporary – Electric Service where the use is of a short-term duration of twelve (12) months or less. These include, but are not limited to, circuses, bazaars, fairs, concessions, construction power, etc.

### **IV. COMMON PROVISIONS**

- A. In order to request a facilities extension or modification, an Applicant or Customer must submit an application containing complete and accurate information regarding the sizes and types of loads for the Electrical Service requested.
- B. Upon receipt of a complete Application, EEA shall prepare, without charge, one initial estimate of the costs to be paid by the Applicant. The initial estimate shall provide the Applicant with information regarding the possible cost of the extension of Electrical Service. The initial estimate is not binding on EEA and does not represent a binding quote or obligation of EEA to perform any work at the price shown in the initial estimate.
- C. Any Applicant requesting multiple initial estimates or a detailed estimate from EEA shall be charged an engineering deposit equal to the amount of average engineering and design costs. EEA may request an additional deposit if the scope of work is modified by the Applicant, requires additional work efforts beyond what is normally required to prepare an estimate, or if

## **POLICY 18 – Facilities Extension and Modification**

the Applicant wants more than one engineering design. When the Applicant authorizes EEA to proceed with the construction, this deposit shall be applied to the Applicant's Contribution in Aid of Construction. If an Applicant decides not to build the service, the deposit minus the cost incurred by EEA to prepare the estimate(s) or prepare to begin construction will be refunded to the Applicant.

- D. EEA will determine the construction costs of the new or modified service based on standard costs and estimating practices.
- E. EEA, in its sole discretion, will determine the type of construction, the location of the line extension origin, the route to be followed in the construction, and the location of any necessary equipment. Based upon various considerations, the origin point may not necessarily be the point on the existing Electric System closest to the Applicant's premises, nor the route selected be the shortest distance between the origin and the Point of Delivery.
- F. EEA shall select or approve the locations for all transformers, meters, or other electric equipment. If the location of these devices is unacceptable to EEA because of inaccessibility due to terrain, buildings, other obstructions, or other operational considerations, EEA shall refuse to make service available to the Applicant until such time that an acceptable location is attained.
- G. New construction in High Fire Danger Areas shall be underground, unless EEA determines that underground installation is commercially unreasonable, unsafe, unduly burdensome, or prohibited by any applicable rule, regulation, or law.
- H. When a Customer desires a service modification or relocation, a distributed energy resource interconnection, or a material increase in load or generation, the Customer must make a request to EEA. EEA shall evaluate the modifications to the Electric System required to accommodate the request and determine the applicable charges. Any necessary modifications shall be at the Customer's expense. Requests that require an increase in Electric System capacity which may provide benefit to other Customers will be evaluated to determine whether EEA, in its sole discretion, may elect to contribute a portion of the required costs.
- I. EEA shall determine if a charge in addition to the applicable monthly base charge is necessary for extraordinary operations and maintenance of facilities built specifically for the Applicant or by reason of the nature or location of the load being served.
- J. When more than one (1) Applicant is to be served from the same proposed extension, EEA shall prorate the estimated cost of those sections of the extension used in common to each affected Applicant. Nothing herein shall preclude any Applicant from voluntarily assuming more than the Applicant's proportionate share of an extension.
- K. In the case where the Applicant is not the owner of the premises to be served, or being served in the case of a modification of service, the owner shall be required to sign an agreement indicating that the owner concurs with the extension or modification. The owner shall mean either the fee title owner or in the case of government and tribal lands, the entity or individual authorized by the controlling agency or tribe.
- L. The Applicant shall provide permanent easements acceptable to EEA for the construction, operation, and maintenance of the Electric System. EEA may require the Applicant to obtain permanent easements across neighboring parcels if needed to extend service to the Applicant. The grant of an easement may require a survey. Permeant structures or building shall not be allowed within the easement area without EEA's expressed written permission. In the event

## **POLICY 18 – Facilities Extension and Modification**

that a change to the easement is requested or required, the Applicant or Customer requesting or requiring the change shall be responsible for the full cost of any necessary alteration or relocation of utility lines or equipment within the easement.

- M. EEA will not commence construction until all fees and Contributions in Aid of Construction have been paid by the Applicant, all necessary Service Agreements have been executed, and acceptable rights-of-way and/or easements, as determined by EEA in its sole discretion, have been obtained.
- N. The ownership of all Electric System equipment provided wholly or in part at the expense of the Applicant shall at all times be vested exclusively in EEA.
- O. EEA shall provide Electric Service in accordance with its Governing Documents. Failure by the Customer to comply with the Governing Documents may result in termination of Electric Service to the Customer and removal of Electric System equipment. Once service has been removed by EEA, service required thereafter at the same location will be installed under the then applicable Facilities Extension and Modification Policy.

### **V. DEVELOPMENT SERVICE**

- A. The Applicant shall execute the required Service Agreements and pay to EEA a Contribution in Aid of Construction advance equal to the estimated construction cost.
- B. For mobile home parks, Electric Service may be furnished to the mobile home park on a general service or large power rate; or, individual Electric Services may be installed for each mobile home in the mobile home park. For transient mobile home or recreational vehicle parks, Electric Service shall be furnished to the proprietor under a general service or large power rate.
- C. EEA will provide Electric Service to Applicants within the development in accordance with EEA's Rules and Regulations.
- D. Prior to the start of construction, the Applicant shall establish and provide an on-site location of any property corners and boundary lines as required by EEA.

### **VI. PERMANENT SERVICE**

- A. An Applicant who desires a new Permanent Electric Service or a modification to an existing Permanent Electric Service shall execute the required Service Agreements and pay to EEA the applicable Contribution in Aid of Construction as determined by EEA per the terms below.
- B. Contribution in Aid of Construction Guidelines
  - 1. An Applicant who installs a new Permanent Electric Service shall receive a Standard Construction Allowance. The Standard Construction Allowance shall be two thousand five hundred dollars (\$2,500) or the estimated cost of construction, whichever is less. To be eligible to receive the Standard Construction Allowance, the following conditions must be met:
    - a. The service must be a new service;
    - b. The service must be classified as Permanent; and
    - c. The service must be served under a residential, irrigation, or general service Rate Tariff.

**POLICY 18 – Facilities Extension and Modification**

2. If the project requires a capacity upgrade to an existing service, EEA will provide the necessary facilities to deliver 25 KVA of capacity to the Point of Delivery at no cost to the Applicant.
3. If the project requires installation of new facilities that serve only the Applicant, the Applicant shall pay full costs of such facilities.
4. If the project requires replacement of existing equipment that serves only the Applicant, then the Applicant shall pay full costs of such facilities less any applicable credit for retired equipment. Retirement credits are based on the average system age of the equipment being retired, as determined and calculated by EEA in its sole discretion. For overhead to underground conversions in High Fire Danger Areas, EEA will pay for one third (1/3) of the conversion cost to underground facilities in lieu of a retirement credit.
5. If the project requires replacement of existing facilities that serve multiple members, then the Applicant shall pay a portion of the costs to upgrade such facilities based on the ratio of Applicant's new load and the existing load served by the facilities to be upgraded, as determined and calculated by EEA.

**VII. TEMPORARY SERVICE**

- A. The Applicant shall execute the required Service Agreements and pay to EEA a Contribution in Aid of Construction advance equal to the estimated cost of construction and removal.
- B. If Electric Service is continued for more than twelve (12) months following the completion of construction, such service may be reclassified at the sole discretion of EEA.
- C. Temporary service shall not continue beyond twelve (12) months, except in special cases, such as during heavy construction, that are expressly approved by EEA. Where the period of service in these instances exceeds twelve (12) months, EEA may continue to render Temporary service under the Service Agreement(s).

	President's Signature	Date: 06/14/2024 Effective Date: 08/01/2024
---	-----------------------	--