

## **Lyon-Lincoln Electric Cooperative**

### **604 – LINE EXTENSIONS**

#### **I. OBJECTIVE**

To establish guidelines and direction for electrical service extensions in order to maintain a sound financial position and provide consistency and fairness to member-owners, with the overall goal of recovering 50% of the line extension costs.

#### **II. POLICY**

##### **A. Member-Owner Requirements for Line Extensions**

1. An application for service completed prior to service installation.
2. A proper right-of-way easement obtained prior to service installation that provides right-of-way completely accessible to the cooperative's equipment.
3. Clear, unobstructed right-of-way with trees, stumps, and other obstructions removed and finished to not more than four (4) inches above or below the finished grade.
4. A permanent residence. Permanent is defined as being used year-round, having a water system and septic system that meet current codes and regulations, and having an approved foundation or slab.
5. A road established by the state, county, or township that leads to the proposed service location.
6. Proof of building, zoning, or wiring permits may be required.
7. A non-refundable contribution to the cost of construction, and a non-refundable new service charge as defined in the Schedule of Charges section below.

##### **B. Developer/Owner Requirements for Line Extensions to New Residential Developments**

1. A platted and recorded residential subdivision, mobile home park, condominium or multiple occupancy building with more than one residential unit.

2. Approved water system and septic system designs.
3. Recorded right-of-way easements that satisfy the cooperative's requirements.
4. Clear unobstructed right-of-way with trees, stumps, and other obstructions removed and finished to not more than four (4) inches above or below the finished grade.
5. Marked lot corners and right-of-way routes that satisfy the cooperative's requirements.
6. A non-refundable contribution to the cost of construction equal to one half (50%) of the total cost to extend permanent lines to and throughout the development.
7. Payment of all costs of relocating or rearranging cooperative facilities, whether requested by the developer/owner or determined to be necessary by the cooperative.
8. Payment of all costs for damage to cooperative facilities caused by the developer/owner or their contractors.

#### C. Routing, Design and Construction

1. Line extensions will be routed, designed, and constructed in accordance with sound engineering practices and other applicable policies and guidelines of the cooperative.
2. Decisions about whether service will be delivered overhead or underground will be made by the cooperative. If underground construction is preferred after the cooperative has determined that overhead is appropriate based on cost and routing, the member/owner or developer/owner may elect underground and pay the additional costs.
3. All electric lines and facilities up to the delivery point, or meter location, will be constructed, owned, and maintained by the cooperative unless otherwise agreed to in writing.
4. Arrangements for electrical service to any specific residential unit or other service location will be made in accordance with the cooperative's rules, policies and regulations.

5. Trenches for primary and/or secondary cables may be occupied jointly with facilities owned by the cooperative and other utilities where satisfactory arrangements exist between the two organizations.
6. Line extension length will be determined based on the route preferred by the cooperative.
7. If a line extension results in a benefit to the cooperative such as improved reliability, the line extension costs may be reduced. This also applies to conversions of single to multi-phase extensions.
8. Three phase service will be required when member's service location load exceeds the capacity that can be served by a 100 kva single phase transformer.
9. If member load exceeds transformer capacity at location and a larger transformer is needed to serve the load, the cooperative will at no charge, increase the transformer size up to 100 kva for a single phase load. If the member does not contact the cooperative to inform it of increasing load requirements at member location, the member may be required to pay for the larger transformer, all labor costs to install and will be required to upgrade to three phase service in conformance with item C.8. in this policy.

#### D. Schedule of Charges

1. New service charge: \$300
2. Permanent Residential Service/Single Phase Commercial
  - a. Overhead: \$2.50/ft.
  - b. Underground: \$3.75/ft.
3. Seasonal/Non-Residential Small Use Service (e.g. cabins, well pumps, fencers, corn dryers, lift pumps)
  - a. Overhead: \$3.00/ft.
  - b. Underground: \$4.00/ft.
4. Multi-Phase Line
  - a. Overhead: \$3.75/ft.
  - b. Underground: \$8.50/ft.

5. Overhead to Underground Line Conversions: \$2.50/cable ft.
  6. Multi-Phase Overhead to Multi-Phase Underground: \$2.50/cable ft.
  7. Single Overhead to Multi-phase Overhead Line Conversions, using existing poles: \$2.50/ft.
  8. Single Overhead to Multi-phase Overhead Line Conversions, using new poles: \$3.75/ft.
  9. Single Underground to Multi-phase Underground Line Conversions: \$5.00/ft.
  10. Engineering and related costs: Actual expenses will be billed to the developer/owner or member-owner.
  11. Removal costs: Actual expenses minus the value of materials salvaged will be billed to the developer/owner or member-owner.
  12. Winter construction costs: Actual contractor expenses will be billed to the developer/owner or member-owner when frost conditions require the cooperative to hire a contractor to complete underground work during the winter construction season.
- E. All costs listed in the Schedule of Charges must be received by the cooperative prior to the beginning of construction. In cases where additional costs are incurred during construction, such as removal costs or winter construction costs, the cooperative will prepare a billing statement. Such costs are due upon receipt of the billing statement.
- F. Cost Refunds
1. The new service charge is non-refundable.
  2. Single-phase line extension costs are non-refundable, regardless of whether additional member-owners connect to the line extension in the future.
  3. Multi-phase line extension and conversion costs may be partially refunded if additional member-owners connect to the line extension or conversion within ten (10) years of construction completion. Eligibility for a refund is non-transferable when a property is sold or service is transferred, and no refund is due if the member-owner becomes deceased during the 10-year refund period.

4. The refund described in paragraph F. 3. above will be equivalent to fifty (50) percent of the original member-owner costs. The amount of the original member-owner refund will be charged to the member-owner receiving new service. For example, if a member-owner decides, after an upgrade is completed, to hook up multi-phase service at one-half ( $\frac{1}{2}$ ) mile into a one (1) mile upgrade paid for by another member-owner, the member-owner receiving new service would pay fifty (50) percent of the cost of upgrading the original one-half ( $\frac{1}{2}$ ) mile. This amount would then be refunded to the original member-owner who paid for the upgrade.
- G. All electric facilities installed by the cooperative will remain the property of the cooperative.

Approved by the Board of Directors \_\_\_\_\_  
President

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