

GRAHAM COUNTY ELECTRIC COOPERATIVE, INC.

LINE EXTENSION TARIFF

Effective Date: May 1, 2008

A. General Provisions:

1. Upon request by an applicant for a line extension, the utility shall prepare, without charge, a preliminary sketch and rough estimate of the cost of installation to be paid by said applicant.
2. Any applicant for a line extension requesting the utility to prepare detailed plans, specifications, or cost estimates may be required to deposit with the utility an amount equal to the estimated cost of preparation. The utility shall, upon request, make available within 90 days after receipt of the deposit referred to above, such plans, specifications, or cost estimates of the proposed line extension. Where the applicant authorizes the utility to proceed with construction of the extension, the deposit shall be credited to the cost of construction; otherwise the deposit shall be nonrefundable. If the extension is to include over sizing of facilities to be done at the utility's expense, appropriate details shall be set forth in the plans, specifications and cost estimates. Subdivisions providing the utility with approved plats shall be provided with plans, specifications, or cost estimates within 45 days after receipt of the deposit referred to above.
3. Where the utility requires an applicant to advance funds for a line extension, the utility shall furnish the applicant with a copy of the line extension tariff of the appropriate utility prior to the applicant's acceptance of the utility's extension agreement.
4. All line extension agreements shall be in writing and signed by each party.
5. The provisions of this rule apply only to those applicants who in the utility's judgment will be permanent customers of the utility. Applications for temporary service shall be governed by the Commission's rules concerning temporary service applications.

B. Minimum written agreement requirements:

1. Each line extension agreement shall, at a minimum, include the following information:
 - a. Name and address of applicant or applicants;
 - b. Proposed service address or location;
 - c. Description of requested service;
 - d. Description and sketch of the requested line extension;
 - e. A cost estimate to include materials, labor, and other costs as necessary;

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f. Payment terms;

1. Each applicant shall pay 120% of the estimated cost of material, which includes handling and restocking expense at the time the agreement is signed.
2. In addition, the applicant shall make three equal payments for the remainder of the cost estimate spread out over three months.
3. If the total balance is not paid by the due date, interest may be charged at Prime Rate plus 2% per month on the remaining balance retroactive to the original date.

g. A concise explanation of any refunding provisions, if applicable. The refunding provisions shall be as follows;

1. Where the number of potential services has been determined by final plats.
 - a. Each subsequent hookup on the line extension after the first customer shall pay a percentage equal to the total cost estimate divided by the number of lots. This amount shall then be refunded to the first customer provided it has not been five years since the time of payment as outlined in rule C-5.
2. Where the number of potential services is not readily available and must be estimated by the Cooperative.
 - a. Each subsequent hookup on the line extension after the first customer shall pay a percentage equal to the total cost estimate divided by the current number of hookups on the line including the new hookup. This amount shall then be refunded equally between the prior customers provided it has not been five years since the time of payment as outlined in rule C-5.

h. The utility's estimated start date and completion date for construction of the line extension;

2. Each applicant shall be provided with a copy of the written line extension agreement.

C. Line extension requirements. Each line extension agreement shall include the following provisions:

1. There will be no footage or equipment allowance provided by the utility at no charge.
2. The timing and methodology by which the utility will refund any advances in aid of construction as additional customers are served off the line extension. The customer may request an annual survey to determine if additional customers have been connected to and

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are using service from the extension. In no case shall the amount of the refund exceed the amount originally advanced.

3. All advances in aid of construction shall be non-interest bearing.

4. If after five years from the utility's receipt of the advance, the advance has not been totally refunded, the advance shall be considered a contribution in aid of construction and shall no longer be refundable.

D. No refunds shall be given to residential subdivision developments and permanent mobile home parks.

E. Single phase underground extensions in subdivision developments:

1. Extensions of single phase electric lines necessary to furnish permanent electric service to new residential buildings or mobile homes within a subdivision, in which facilities for electric service have not been constructed, for which applications are made by a developer shall be installed underground in accordance with the provisions set forth in this rule except where it is not feasible from an engineering, operational, or economic standpoint.

2. Rights-of-way easements

a. The utility shall construct or cause to be constructed and shall own, operate, and maintain all underground electric distribution and service lines along public streets, roads, and highways, and on public lands and private property which the utility has the legal right to occupy.

b. Rights-of-way and easements suitable to the utility must be furnished by the developer at no cost to the utility and in reasonable time to meet service requirements. No underground electric facilities shall be installed by a utility until the final grades have been established and furnished to the utility. In addition, the easement strips, alleys and streets must be graded to within six inches of final grade by the developer before the utility will commence construction. Such clearance and grading must be maintained by the developer during construction by the utility.

c. If, subsequent to construction, the clearance or grade is changed in such a way as to require relocation of the underground facilities or results in damage to such facilities, the cost of such relocation or resulting repairs shall be borne by the developer.

3. Installation of single phase underground electric lines within a subdivision

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- a. The developer shall provide the trenching, backfill (including any imported backfill required), compaction, repaving, and any earthwork for pull boxes and transformer pad sites required to install the underground electric system all in accordance with the specifications and schedules of the utility.
- b. Each utility shall inspect the trenching provided by the developer within 24 hours after a mutually agreed upon trench opening date, and allow for phased inspection of trenching as mutually agreed upon by the developer and utility. In all cases, the utility shall make every effort to expedite the inspection of developer provided trenching. The utility shall assume responsibility for the trench within three working days after the utility has inspected and approved the trenching.
- c. The utility shall install or cause to be installed underground electric lines and related equipment in accordance with the applicable provisions of the 1997 edition (and no future editions) of ANSI C2 (National Electrical Safety Code) with sufficient capacity and suitable materials which shall assure adequate and reasonable electric service in the foreseeable future. ANSI C2 is incorporated by reference, and on file with the Office of the Secretary of State. Copies are available from the Institute of Electrical and Electronic Engineers, Inc., 345 East 47th Street, New York, New York 10017.
- d. Underground service lines from underground residential distribution systems shall be owned, operated and maintained by the utility, and shall be installed pursuant to its effective underground line extension and service connection tariffs on file with the Commission.

4. Special conditions

- a. When the application of any of the provisions of R14-2-207(E) appears to either party not to be feasible from an engineering, operational, or economic standpoint; the utility or the developer may refer the matter to the Commission for a determination as to whether an exception to the underground policy expressed within the provisions of this rule is warranted. Interested third parties may present their views to the Commission in conjunction with such referrals.
- b. Notwithstanding any provision of this regulation to the contrary, no utility shall construct overhead single phase electric lines in any new subdivision to which this rule is applicable and which is contiguous to another subdivision in which electric service is furnished underground without the approval of the Commission.
- c. Underground service lines installed pursuant to this rule (R14-2-207(E)) and accepted by the utility shall not be replaced with an overhead distribution pole line except upon a verified application of the utility, as stated in R14-2-207(E)(4)(a).

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5. Nonapplicability

- a. Any underground electric distribution system requiring more than single phase service is not covered by this regulation and shall be constructed pursuant to the effective line extension rules and regulations or policies of the affected utility on file with the Commission.
- b. If there are one or more existing distribution pole lines or lines on or across a recorded subdivision at the time of the application for electrical service for the subdivision and the line will be utilized in the subdivision. (This would not apply if the pole line was serving a building or groups of buildings or any other type of service that would be removed before construction is finished.)
- c. A distribution pole line that parallels a boundary of a subdivision and this line can serve lots within the subdivision.
- d. Subdivisions recorded prior to the effective date of this rule shall be governed by the terms and conditions of R14-2-207(E).
- e. Ownership of facilities. Any facilities installed hereunder shall be the sole property of the utility.