
EXTENSION OF ELECTRIC SERVICE POLICY

I. AVAILABILITY

This Extension of Service Policy is available to all applicants for the provision of permanent electric service from any point on the Company's existing facilities having adequate capacity and suitable voltage for delivery of service from the Company's interconnected system.

II. COST OF EXTENSIONS OR ADDITIONS

The term "cost" when applied to the Company's property or additions thereto shall include the following.

- A.** The invoice cost, plus transportation, storage, insurance, and handling expenses, of all material, equipment and incidental supplies used in the work.
- B.** The payroll cost of all labor and direct supervision employed on the work, plus associated employee liability insurance, medical insurance, payroll taxes, subsistence, retirement benefits, and travel expenses.
- C.** The cost of services performed by a contractor, if used.
- D.** The cost of any required privileges, permits, certificates, easements, servitude, etc.
- E.** The pro-rated cost of expendable tools, safety devices, etc.
- F.** The cost, including interest, taxes, insurance, depreciation and operation and maintenance expenses, of equipment used such as air compressors, air drills, hole diggers, ditchers, wagons, trailers, tractors, etc., if owned by the Company and the rental and other charges paid therefore or in connection therewith when not so owned, calculated at a rate per day or hour.
- G.** All direct truck and transportation expense incurred which shall include insurance, license fees, interest, taxes, depreciation, and operation and maintenance expense charged for at a rate per mile or per hour.
- H.** The cost of engineering, inspecting, testing, general supervision, legal and general office auditing and accounting expense, public liability insurance, injuries and damages during construction and other general administration and overhead expenses.
- I.** The cost of interest and taxes on idle investments solely dedicated to the alteration, extension, or addition during the period to be from the beginning of the project until it is completed and placed in operation.

III. EXTENSION OF OVERHEAD FACILITIES

The Company will accept applications for service and extend overhead lines and/or add other overhead facilities when required to satisfy the Customer's service requirements without cost to the Customer under the following conditions:

- A.** the extension and/or additions do not exceed three hundred (300) feet; or
- B.** the extension and/or additions or combinations of extension and/or additions will cost no more than four (4) times the Customer's estimated minimum annual revenue, excluding adjustments, for which the Customer has furnished to the Company adequate and satisfactory contractual guarantees.

When the conditions above are not met, the Company will provide service after satisfactory payment to the Company of a contribution in aid of construction by the Customer. Such contribution shall be the amount by which the cost of such extension and/or additions exceeds four (4) times the Customer's estimated minimum annual revenue, excluding adjustments, for which the Customer has furnished to the Company adequate and satisfactory guarantees. When requirements of law or rules of governmental agencies require that such contribution in aid of construction be considered as revenue to the Company and therefore the basis of additional income taxes due, such contribution in aid of construction will be adjusted so as to provide to the Company the required funds after such income taxes have been deducted.

The Company shall be the sole judge of all questions relating to cost, revenue, terms, conditions and adequacy of any guarantee of revenue and term of contract it will require in order to safeguard its investment in extensions and additions.

IV. EXTENSION OF UNDERGROUND FACILITIES

The Company will accept applications for service and extend underground lines or other underground facilities when required to satisfy the Customer's service requirements, the requirements of appropriate regulatory or governmental authority or to preserve consistency with practices in the immediate locale after satisfactory payment to the Company of a contribution in aid of construction by the Customer. Such contribution shall be any amount required to be paid by the Customer under Section III.B above plus the differential amount between the estimated cost of the necessary underground lines and/or underground facilities and the estimated cost of the overhead lines and/or overhead facilities which would have been required to provide service. However, nothing herein shall prevent the Company, at its sole discretion, from waiving or amending the underground lines and/or facilities cost for reasons of (but not limited to) compliance with regulatory or governmental directives, consistency with past practices and procedures, contractual obligations, unusual conditions or circumstances which render overhead lines and/or facilities impractical or recognition of other reasonable benefit to be derived by the Company by said underground lines and/or facilities.

The Company shall be the sole judge of all questions relating to cost, revenue, terms, conditions and adequacy of any guarantee of revenue and term of contract it will require in order to safeguard its investment in extensions and additions.

V. UNUSUAL COSTS

When unusual costs are incurred by the Company that are not explicitly mentioned in Paragraph II above, Cost of Extensions or Additions, such costs shall be recorded at the cost to the Company and shall be added to any other charges to be paid by the Customer pursuant to this Policy.

VI. RELOCATION, MODIFICATION OR COMPLETE REMOVAL OF COMPANY FACILITIES

When a Customer requests a relocation or modification of the Company's existing facilities, the Customer shall reimburse the Company for the costs of such relocation or modification and provide right-of-way if required. Where relocation or modification of the Company's existing facilities is made for Company purposes, the cost shall be borne by the Company.

If a request is made or the Company is required to completely remove electric service facilities from a property location, the requesting party, property owner or Customer shall pay the Company the cost for removal of such facilities. If the Customer does not require the facilities for the full term of any contract for electric services and wishes to cancel the contract prior to the expiration date, the Company reserves the right to remove such facilities and may consent to the cancellation of the contract provided the Customer pays to the Company the applicable termination charges in addition to the costs associated with the removal of the facilities.

VII. CHANGES IN SERVICE REQUIREMENTS

The Company will install facilities pursuant to this Policy to accommodate the electrical load proposed by the Customer. If the Customer increases or otherwise changes load characteristics such that the Company must modify its facilities, the Customer shall be responsible for the cost of such modification unless the additional revenue, excluding adjustments, justifies the cost of such modification.

VIII. RIGHT OF WAY

The Company shall not be required to make such extensions and deliver service unless and until the Customer delivers to the Company free of all cost, satisfactory permits, servitude or easements (including minimum underground clearances) granting to the Company the right to construct, operate, maintain and remove such extensions across or over any affected private property.