

West Kentucky Rural Electric Cooperative Corporation

Engineering & Operations Policy No. 320

Subject: General Power Line Extensions

Dated: April 10, 2008

Replaces: Board Policy No. 407 dated May 10, 1997

Revised: February 11, 2010, November 8, 2012, June 13, 2013

Revised: April 2, 2015

I. OBJECTIVE

To establish and state the Cooperative's policy for providing electric service to any potential General Power customer in the service area of West Kentucky Rural Electric Cooperative Corporation.

II. POLICY

1. General Power under 50kW - Permanent.

- A. General power customers who have a permanent service with a peak loading of under 50kW shall contract with the Cooperative for three (3) years to pay the greater of the normal monthly bill per current applicable rates or a minimum monthly bill based upon 1/36th of the cost of the first 800 feet, including right-of-way costs, of the required line extension.
- B. All costs associated with primary and secondary line extensions beyond the first 800 feet shall be borne by the Customer and shall be paid in advance of construction.
- C. The point of measurement for the required line extension will be taken from the nearest phase appropriate existing power line. Phase appropriate means that the existing line has the same number of circuits and/or phases as the required or requested primary line.
- D. Right-of-way clearing costs associated with any primary and secondary line extensions beyond the first 800 feet shall be borne by the Customer and shall be paid in advance of construction.

2. General Power over 50kW – Permanent

- A. General power customers who have a permanent service with a peak loading in excess of 1000kW shall sign a power supply contract with the Cooperative which is based upon the terms of said contract and applicable Cooperative or TVA rate schedules.
- B. The Cooperative shall bear all costs, including right-of-way costs, associated with the first 800 feet of the required line extension.
- C. All costs associated with primary and secondary line extensions beyond the first 800 feet shall be borne by the Customer and shall be paid in advance of construction.
- D. The point of measurement for the required line extension will be taken from the nearest phase appropriate existing power line. Phase appropriate means that the existing line has the same number of circuits and/or phases as the required or requested primary line.
- E. Right-of-way clearing costs associated with the primary and secondary line extensions beyond the first 800 feet shall be borne by the Customer and shall be paid in advance of construction.
- F. The Cooperative shall return a \$100/kW credit to the Customer after twelve (12) months for each kW that the Customers load exceeded 50kW during the Customers peak loading month. For example, a Customer with a peak loading month of 75kW during the first twelve months of service would be eligible for a credit for 25kW of their load, which is calculated by subtracting 50kW from 75kW. Therefore, the Customer in this example would receive \$2,500 in the form of a check or as a credit on their account. In no case shall the check or credit to the account exceed the Customer's original advance payment.

3. General Power – seasonal agricultural (grain bins, irrigation wells, etc.)

- A. Seasonal agricultural power customers shall pay the Cooperative for primary and/or secondary line extensions, including any right-of-way clearing costs in one of the following ways:
 - I. In advance, the total cost associated with both the primary and/or secondary line extension and right-of-way clearing prior to construction
 - II. In advance, a minimum of twenty-five percent (25%) of the total cost associated with both the primary and/or secondary line extension and right-of-way clearing with the remaining balance paid as set forth in the Cooperative's Line Extension Payment Program.
- B. The point of measurement for the required line extension will be taken from the nearest phase appropriate existing power line. Phase appropriate means that the existing line has the same number of circuits and/or phases as the required or requested primary line extension.

4. General Power – seasonal recreational (vacation campers, hunting cabins, etc.)

- A. Seasonal recreational power customers shall pay in advance to the Cooperative prior to construction the total cost associated with both primary and secondary line extensions, including any right-of-way clearing costs.
- B. The point of measurement for the required line extension will be taken from the nearest phase appropriate existing power line. Phase appropriate means that the existing line has the same number of circuits and/or phases as the required or requested primary line extension.

5. Cost of overhead primary line extensions in 1, 2, 3 and 4 above are as follows:

Single-phase line extension	\$4.50 per foot
Two-phase line extension	\$6.50 per foot
Three-phase line extension	\$8.00 per foot
Convert single-phase to two-phase	\$2.00 per foot
Convert single-phase to three-phase	\$3.50 per foot
Convert two-phase to three-phase	\$2.00 per foot

6. Distribution underground line extensions to general power customers.

General power customers requesting underground primary and secondary line extensions shall pay in advance of construction all costs as set forth in 1, 2, 3 and/or 4. above plus the following costs:

Single-Phase trenching and piping - \$3.00 per foot or \$350, whichever is higher

Single-phase wire installation - \$3.00 per foot

Three – Phase trenching and piping - \$5.75 per foot or \$350, whichever is higher

Three-phase wire installation - \$9.00 per foot

7. Additional services connected to line extensions paid for by a Customer

- A. The Cooperative shall reimburse to any Customer who is charged a fee based on 1, 2, 3 and/or 4. above, part or all of said fee for a period of up to five (5) years from the date the service is connected for any new customers receiving service from the portion of line for which said fee was charged.
- B. For new residential or permanent general power over 50kW service connections made directly to the line extension (i.e. transformer and service wire) or for new extensions (i.e. new primary tap) made from the line extension the Customer paid to have installed, the amount reimbursed shall be determined as follows:
 - I. In the event the permanent connection is made directly to the portion of line for which the fee was charged, then the Customer who paid the fee shall receive up to \$3,600 in reimbursement.
 - II. In the event a new extension which is less than 800 feet is made from any portion of the line for which the Customer paid the fee, then the Customer shall be reimbursed \$4.50 per foot for the difference between the actual length and 800 feet.
- C. The Customer who paid the fee is responsible for notifying the Cooperative of any new connections made directly to the line extension or extending from the line extension he/she paid to have installed.
- D. In no event shall the reimbursement exceed the amount of the fee. No reimbursement shall be made for additional customers connected after the five year period mentioned in A. above.
- E. It is understood that no reimbursement shall be made to any customer who did not pay the fee originally.

III. RESPONSIBILITY

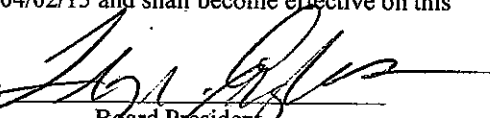
It shall be the responsibility of the President & CEO to assure compliance with this policy.

IV. BOARD APPROVAL

This policy is revised by the Board of Directors as of 04/02/15 and shall become effective on this date.

Date Approved: April 2, 2015

Attested:


Board President