

Policy Bulletin No. 16

Public Utility District Number 1 of Klickitat County

Line Extensions

I. Definition of Terms

- A. Additional Costs - Costs other than normal Construction Costs as defined in section X.
- B. Applicant - The person(s) applying for electric service.
- C. Contribution in Aid of Construction (CIAC) - A monetary payment to the general capital of the utility intended to provide for the expansion, improvement, replacement, or retirement of the electric system.
- D. Construction Costs - the cost of installation, removal, alteration, and Transformer Credit, including materials and labor plus overheads, calculated by the KPUD Construction Work Order system. Excludes additional costs as defined in section X.
- E. CT Metering Fee - A fee charged on CT metered service installations to cover a portion of the cost of metering and installation.
- F. CT Metering - Current Transformer style of metering used on underground single phase services larger than 400 amps, and three phase services larger than 200 amps as well as existing overhead single and three phase services of various amperages.
- G. Customer - The person(s) responsible for paying for construction and/or receiving electric service from KPUD.
- H. KPUD - Public Utility District No. 1 of Klickitat County.
- I. Residential Service - A single phase service installed for a Customer and used for non-commercial purposes. Services that fall under this section include homes, outbuildings, wells, temporary services for residential construction, and other non-commercial single phase installations.
- J. Service Alteration - Changes to, or upgrading of an existing service.
- K. Standard Unit Cost - The cost calculated by the Construction Work Order System based upon average costs for material, labor and overhead updated throughout the year.
- L. Total Cost to Customer - Construction Costs plus any Additional Costs.
- M. Transformer Credit - The current Standard Unit Cost of a transformer credited against the cost of installation when a transformer is replaced as part of a service installation or upgrade. This may be a quoted cost for large or special order transformers.

N. Word Construction.

- a. Use of the word "will" or "shall" implies a mandatory statement.
- b. Use of word "may" implies permissive statement.

II. Objectives

1. To detail calculation of cost and responsibilities of KPUD and its Customers in completing electrical services and electrical line extensions.
2. To aid new residential Customers requiring line extensions to the maximum extent possible, without adversely impacting the rates of existing Customers.

III. Line Design Criteria

1. All line extensions will be located and designed by KPUD to ensure orderly and efficient expansion of the electric system.
2. Wherever practical, lines will be run along roads to areas being developed to allow better access and efficient routing of lines.
3. All service extensions will be engineered and designed by KPUD to current industry standards in an effort to limit Voltage Flicker, Voltage Drop, and Voltage Sag at the Customer point of connection.

IV. Cost for Residential services

The Customer will pay a Contribution in Aid of Construction (CIAC) for all estimated Construction Costs greater than \$400. Additional costs, as defined in Section X, are in addition to CIAC. Transformers will have a 100% credit when upgraded.

V. Cost for all other Services

The Customer will pay a Contribution in Aid of Construction for all Construction Costs, or Service Alteration costs, with a minimum cost of \$200. Additional costs as detailed in section X are in addition to CIAC. Transformers will have a 100% credit when upgraded.

VI. CT Metering Fee

In addition to any other charges, a \$1.50 per AMP charge will be assessed to cover a portion of the metering and installation costs on all services with CT Metering. This will be based upon the service disconnect amperage rating.

VII. Trenching

1. KPUD will charge a minimum of \$3 per foot for trenching with a minimum trench cost of \$300.

2. KPUD will provide up to two (2) trench inspections to assure the trench is completed to KPUD's specifications at no additional cost. The Customer will be required to pay \$50.00 for each inspection in excess of two (2).
3. The Customer is responsible for insuring that the trench is completed to KPUD specifications and all materials are on site prior to requesting connection. Customer will be required to pay \$350 for each trip a KPUD field crew makes if the trench is not completed or materials are not supplied to KPUD specifications and the Customer has stated they are ready for service.

VIII. Cost Calculations

1. KPUD's Construction Work Order system will be used by the Engineer in calculating the Cost of Installation, Cost of Removal, Transformer Credit, Additional Costs, and the Total Cost to Customer.
2. The Transformer Credit will be 100% of the current Standard Unit Cost, at time of upgrade.

IX. Subdivisions and Developments

The developer will pay a Contribution in Aid of Construction for all estimated Construction Costs, and any Additional Costs as required.

1. All subdivision tracts shall have underground facilities if mandated by County and City ordinances. If the County or City determines that underground facilities are impractical because of soil conditions or other extenuating circumstances, KPUD will install overhead facilities.
2. KPUD will provide and install the underground electric distribution backbone facilities within a subdivision tract for future development of houses and commercial buildings. KPUD may allow the Customer to utilize approved contractors to install conduit, vaults and associated grounding as long as KPUD specifications are met.
3. KPUD may at its discretion require a KPUD approved onsite inspector during such installation at the developer's expense.

X. Responsibilities of KPUD and the Customer

1. KPUD will not connect any new service without electrical inspection approval by the inspection authority having jurisdiction.
2. Estimates for work must be paid in advance of the work being scheduled. Projects constructed under reimbursable agreements will be billed after construction is completed, based upon total costs assigned to the work order.
3. All charges for tree trimming, right-of-way clearing, flagging, easements and all permits required are the Customer's responsibility. They will be considered Additional Costs and will be paid by the Customer.

4. Any drilling, blasting, rock hammering, or extraordinary efforts required to furnish the trench, or meet required pole hole depth, as well as special conduit, road crossing costs or any miscellaneous costs associated with installation are the Customer's responsibility. They shall be considered Additional Costs and will be paid by the Customer.
5. Additional Costs may be billed after work is completed and must be paid within 30 days of billing. If payment is not received within that time, KPUD may at its discretion, disconnect the service until the bill has been paid in full.
6. Customers must provide a suitable disposal site for any rocks unearthed during excavation and are responsible for all hazardous waste exposed during construction.
7. If a local source of any necessary select bedding materials is not available, the Customer shall provide an onsite source or pay any additional cost to import the required backfill.
8. KPUD may provide any street or County road restoration at the Customer's expense.
9. Cost Sharing is available for installations that feed to more than one account (each meter is considered an account) to be served by the extension. The cost of the extension will be proportioned between the accounts according to the proportionate costs if each were to construct the line on their own, or as agreed upon between the line extension Customers.

XI. Late-Comers Agreement

1. KPUD will issue rebates only on Residential installations for any portion of the original CIAC payment exceeding \$6,000.
2. Rebates will be issued until December 31 of the fifth year after completion of construction.
3. Rebates will only be paid to the original Applicants, and only if the Applicants still receive Residential Service at the original account on the line extension.
4. Exclusions from this policy are:
 - a. Commercial/Non-residential line extensions
 - b. Relocation of existing facilities.
 - c. Cost of undergrounding, if underground was optional.
 - d. Cost to three-phase an existing single phase line, if "late-comer" uses only single phase.
 - e. Any lines not routed as determined by the Engineer to be in the best interest of efficient electric system expansion.
 - f. Any lines routed in which KPUD is prevented by the Customer from extending to service future Customers.
 - g. Primary backbone systems installed for subdivisions or developments.
 - h. CT metering charges, rock charges, tree trimming costs and other Additional Costs.
5. For use of lines eligible for rebate, late-comers will pay \$1.00 per foot from the start of the line extension to the point that the late-comer connects to the line. Said rebate shall be divided equally among those Customers eligible.

6. For connection to any line constructed at KPUD cost, late-comers will pay the utility the late-comer's fee in the amount of \$1.00 per foot. The late-comer's fee will be assessed to anyone who connects after the completion of the original construction and will remain in effect until December 31st of the tenth (10th) year following completion.

XII. Responsibilities

1. The Commissioners shall be responsible for any change or revisions of this policy.
2. The General Manager shall be responsible for the administration of this policy, and for making recommended changes.

Original Adoption Date: 02/29/1984

Revised: 06/11/1985, 11/29/1990, 01/08/1991, 07/14/1992, 04/12/1994, 03/14/1995, 01/09/1996, 01/23/1996, 02/11/2003, 05/13/2008, 7/12/2011, 9/24/2013

Randy L. Knowles, President

Dan G. Gunkel, Vice President

Ray A. Mosbrucker, Secretary