

## **POLICY BULLETIN NO. 700**

### **SUBJECT:**

Transmission and Distribution Line Construction

### **OBJECTIVES:**

A diligent effort shall be made to extend electric service to all unserved persons or entities within the Cooperative service area who (a) desire such service and (b) meet all requirements established by the Cooperative as a condition for service. In order to repay debt obligations, maintain facilities and operations to provide the best service possible, and not place undue burden on present members, adequate compensation or remuneration is necessary. The cooperative reserves the right to determine the type of method of construction to best serve a given area.

### **POLICY:**

- A. Line extensions are the sole and exclusive property of the Cooperative
- B. The applicant shall perform and pay for any required right-of-way work before construction is started.
- C. The applicant will, at the request of the Cooperative, procure any and all appropriate or necessary easements or other land use rights for such extension and will furnish these to the Cooperative. The Cooperative, applicant, and landowner shall jointly agree to the route of the extension.
- D. Right of Way (ROW) Payments for Overhead Transmission and Distribution Construction.
  - 1. LYREC will pay the sum of \$100 per pole to the landowner for new Distribution lines. Guy wires and Anchors are not paid for in addition to the pole payment.
  - 2. For line extensions for new services, this cost will be added to the construction costs and paid for by the applicant or member requesting service.
  - 3. For new Distribution line built for a system improvement for LYREC, and not for the purpose of a new service, this cost will be part of LYREC's construction costs. The landowner, at their discretion, has the right to waive the ROW payment.
  - 4. LYREC will pay the sum of \$35 per rod to the landowner for new Transmission lines. Guy wires and Anchors are not paid for in addition to the ROW payment. When Distribution underbuild is constructed on a new or existing Transmission line, there will be no additional ROW payment.
  - 5. All ROW payments are one-time payments. There will be no annual payment for ROW.
  - 6. ROW payments will not be paid for Underground electric line installations.
  - 7. ROW payments are not intended for replacement of existing poles, re-spanning and re-building of existing lines, or when existing lines are moved at a landowners request.
- E. A member requesting the relocation of existing overhead lines, or converting existing overhead to underground, will be responsible for 100% of the cost.

- F. LYREC will charge the applicant or member construction costs for line extension. The applicant or member must pay the construction costs in full prior to the start of any line construction.
- G. Construction costs are determined annually based on actual costs for the most recent complete year. The determination of construction costs include, but are not limited to, the facilities necessary to serve the requested service, engineering costs, and any related construction to complete the line extension.
- H. Where more than one installation will be served from a new line the construction costs may be shared among the respective services.
1. **Line Extensions:** For all line extensions, excluding Subdivision Line Extensions, and all classes of service, LYREC may, but is not required to, contribute or invest up to \$1000 toward the cost of new construction. The amount, if any, to be invested by LYREC shall be determined on an individual basis, taking into account the line extension and any upgrades required to accommodate the new line extension. If LYREC elects not to invest or contribute, the applicant or member will be responsible for and shall pay 100% of the cost of the line extension. The applicant will sign a minimum one (1) year service contract and will also be subject to the regular minimum charges.
  2. **Subdivision Line Extensions:** Line extensions to subdivisions (permanent dwellings or mobile home courts) will be constructed in accordance with the following:
    - A. The term “subdivision” as applicable to this policy is defined as a platted division of land or planned land development regardless of the number and size of the lots, without regard to legal definition of this term.
    - B. Extensions into subdivisions will be determined on an individual basis.
    - C. The developer of the subdivision will provide a plat showing utility easements which shall be subject to approval by the cooperative prior to any line construction to the subdivision.
    - D. The developer will provide utility easements along property lines for the entire subdivision.
    - E. The developer and individual member will perform any necessary right-of-way work to any and all specifications and rules, whatever the source.
    - F. Cost of this line will be borne 100% by the owner or developer. All costs are due and payable prior to the start of construction.
    - G. The applicant or member will provide Cooperative approved metering installed adjacent to the transformer. If an alternate location is requested by the applicant or member, the installation will be at the discretion of the Cooperative.

- H. Secondary service from the meter to the load will be the applicant's or member's responsibility.
- I. Once the transformer and/or metering are in place, any relocation cost will be borne 100% by the applicant or member.

**3. Service Point**

The point where LYREC's responsibility ends and the member/consumer's responsibility takes over.

- A. Direct Meter Applications (Self-contained metering)
  - a. Overhead or Underground secondary service: Service Point shall be the connections at the load side of the provided meter socket.
- B. CT Rated Metering Applications
  - a. Service Point shall be the secondary side of the power transformer.