

Board Policy No. VII-2

### Electric Line Extensions

- I. Objective: To provide electric service in a fair and equitable manner to all members of Oregon Trail Electric Consumers Cooperative, Inc. (OTEC) consistent with sound economic and business principles.

- II. Content:

- A. This policy is applicable in areas contiguous to the electric distribution system of OTEC for electric service to permanent facilities in accordance with standard construction practices of OTEC.

1. All construction plans and estimates will be agreed to in advance and any required cash will be paid prior to construction. Any amounts advanced in excess of the actual cost will be subject to refund upon final accounting. Any amounts under collected based on actual costs may be billed at the discretion of OTEC.
2. Line extensions will be subject to prior approval of OTEC. If an excessive investment is required, approval of the National Rural Utilities Cooperative Finance Corporation may be required.
3. Line relocations, including overhead to underground conversions, requested by an applicant and line extensions to facilities determined not to be permanent by OTEC will be made at the expense of the applicant. The estimated cost to install and remove these facilities, less credit for salvageable material, will be paid for in advance by the applicant.

- B. Service to applicants:

1. OTEC will provide meters, transformers and service wire at no cost to installations up to and including 800 amps capacity. Service wire to facilities rated greater than 800 amps capacity will be provided by the applicant.
2. Advance-in-aid of construction is required for the total cost of material, labor and overhead for the new facilities and costs of changing existing facilities to accommodate new service excluding the installed cost of meters, transformers, and service wire up to and including equipment of 800 amps capacity.

- C. Facilities to subdivisions and land developments. Non-refundable advance-in-aid-of-construction: The subdivider or developer will pay actual costs excluding the installed cost of meters, transformers, and service wire incurred by OTEC for serving a subdivision prior to construction.

- D. Underground facilities: All trenching, backfill, conduit and related facilities not normally supplied by OTEC will be provided by the applicant in accordance with OTEC specifications and installed under OTEC supervision. All such facilities provided by the applicants become the property of OTEC upon acceptance by OTEC.