Line Extension Policy

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Table of Contents

600 Line Extension Policy ........................................................................................................... 4
601 Provisions ............................................................................................................................ 4

602 Construction Practices ........................................................................................................ 4

603 Definitions ........................................................................................................................... 4
   A. Construction Cost .............................................................................................................. 4
   B. Revenue Credit .................................................................................................................. 5
      1. Residential Line Extensions
      2. Commercial & Industrial Line Extensions (<50 KW)
      3. Commercial & Industrial Line Extensions (50 KW – 250 KW)
      4. Commercial & Industrial Line Extensions (>250 KW)
   C. Normal Point of Delivery ................................................................................................. 5
   D. Permanent Service ......................................................................................................... 5
   E. Temporary Line Extension ............................................................................................... 6
   F. Incidental, Non-Residential Line Extension .................................................................... 6
   G. Abnormal Installations Requirements ............................................................................. 6
   H. Abnormal Design Requirements ..................................................................................... 6
   I. Member Contribution In Aid To Construction .................................................................. 7
   J. Residential Development ................................................................................................ 7
   K. Service Upgrade .............................................................................................................. 7
   L. URD Conversion .............................................................................................................. 7
   M. Bulk Feeder ................................................................................................................... 7

604 Overhead Line Extensions .................................................................................................. 8
   A. Temporary Line Extensions ............................................................................................ 8
      1. Extensions Involving Overhead Temporary Secondary Services
      2. Extensions Involving Temporary Overhead Primary Distribution Facilities
   B. Incidental, Non-Residential Line Extensions ................................................................. 8
      1. Extensions Involving Overhead Secondary Services
      2. Extensions Involving Overhead Primary Distribution Facilities
   C. Residential Line Extensions ............................................................................................ 9
      1. Extensions Involving Overhead Secondary Services
      2. Extensions Involving Overhead Primary Distribution Facilities
   D. Commercial and Industrial Extensions ........................................................................... 9
      1. Extensions Involving Only Overhead Secondary Services
      2. Extensions Involving OH Primary Distribution Facilities (<50 KVA)
      3. Extensions Involving OH Primary Distribution Facilities (Between 50 KVA and 250 KVA)
      4. Commercial and Industrial Overhead Extensions (250 KVA or greater)

605 Replacement or Up-grade of Cooperative’s Facilities ....................................................... 11
   A. Replacement ................................................................................................................... 11
   B. Upgrade .......................................................................................................................... 11
      1. Residential
      2. Non-Residential, Agricultural
      3. Commercial and Industrial
606 Relocating Existing Overhead Facilities

607 Underground Line Extensions
   A. Temporary Line Extensions
      1. Extensions Involving Underground Secondary Services
      2. Extensions Involving Primary Distribution Facilities
   B. Incidental, Non-Residential Line Extensions
      1. Extensions Involving Underground Secondary Services
      2. Extensions Involving Primary Distribution Facilities
   C. Residential Line Extensions
      1. Extensions Involving Underground Secondary Services
      2. Extensions Involving Primary Distribution Facilities
      3. Extensions Involving New Underground Developments
   D. Commercial and Industrial Extensions
   E. Large Commercial and Industrial Member 250 KVA or Greater

608 URD Conversions of Overhead to Underground
   A. Conversions Involving Secondary Services
   B. Conversions Involving Primary Distribution Facilities

609 Street Lighting for Residential Developments

610 Outdoor Lighting

Index of Appendices
600  Line Extension Policy

601  Provisions

The Cooperative shall make a diligent effort to extend electric service to all persons within the service area of the cooperative who desire such service and meet all reasonable requirements established by the Cooperative as a condition of such service.

The Cooperative may assess contributions in aid of construction (CIAC) provided such assessments are consistent with these Line Extension Procedures. All CIAC charges and other fees will be reviewed annually; any changes in fees and CIAC charges or the method of calculating the Revenue Credits will require the approval of the Board of Directors.

Commercial, industrial and incidental CIAC shall be paid in full prior to construction beginning. Payments may be made in increments not less than $100 and not to exceed a period of 6 months.

Residential CIAC may be paid in increments. An initial payment shall be paid of $250 or 10% of total CIAC; whichever is greater, prior to construction beginning. The balance of CIAC shall be paid in not more than 6 installments and not less than $100 each. Any default in payments will warrant the transfer of the entire balance to the member’s metered account.

602  Construction Practices

South River EMC will provide electric service following construction practices that require no facilities or services in excess of those normally provided by, or acceptable to, the Cooperative and using the most economical and direct route. The Cooperative will require certain installation, upgrade, or relocation charges and will impose additional fees for any line extensions beyond specified limits, as stated in this policy. Any deviation from this policy will require approval by the Head of Engineering Department.

603  Definitions

A. Construction Cost - The construction cost is the Cooperative’s estimated installed cost of constructing all necessary facilities to the normal points of delivery, including the cost of materials, labor, transportation, stores, tax, engineering, and general expenses, and exclusive of any non-standard installation cost.

When it is necessary to remove, relocate or rearrange existing Cooperative facilities, the construction cost shall also include the removal cost of existing Cooperative facilities, less the salvage value of any existing Cooperative facilities being removed. Any contribution in aid of construction shall be paid to the Cooperative before construction begins.
B. **Revenue Credit** – The revenue credit is primarily used to offset the cost of construction the Cooperative incurs when installing facilities to serve a Member. The amount of the revenue credit is based on the estimated revenue the Cooperative can expect to receive for a designated period of time that is specific to each rate class. In determining the revenue credits, the Cooperative takes into consideration the electric rates, size and type of service, and the risk factor associated with each rate class.

1. **Residential Line Extensions**
   
   The revenue credit is the amount equal to the average residential usage multiplied by the estimated revenue (blended kWh rate) less avoided costs (cost of power) for a three-year period of time.

2. **Commercial and Industrial Line Extensions (<50 KW)**
   
   The revenue credit is the amount equal to the average small commercial usage multiplied by the estimated revenue (blended kWh rate) less avoided costs (cost of power) for a three-year period of time.

3. **Commercial and Industrial Line Extensions (50 KW – 250 KW)**
   
   The revenue credit is the amount equal to $1.75 multiplied by the estimated contract kWhd for an 18 month period of time.

4. **Commercial and Industrial Line Extensions (>250 KW)**
   
   The Revenue Credit will be determined on a case-by-case basis determined by the size of the load and the type of customer. For larger customers, an economic feasibility study may be required to evaluate for expected incremental revenues, future use of the extension by other members, and any other factors deemed appropriate by the Cooperative.

C. **Normal Point of Delivery** - The normal point of delivery for electric service to the member’s facilities shall be at a location designated by the cooperative and will be on the end of the facility nearest the cooperative’s existing facilities. Charges for excess footage shall apply, as designated in Appendix LEP1. For requests to terminate the service in locations other than the normal point of delivery, additional charges shall apply. Refer to Appendix LEP6 “Normal Point of Delivery” for illustrations.

D. **Permanent Service** - A permanent service Member must have a year round electric service needs for more than a 12-month continuous period. Individual mobile homes, which are permanently attached to water and sewer facilities and which have a permanent foundation, shall be considered a permanent service.
For purposes of this policy, the following types of Members or structures shall not be considered permanent service members. Structures designed or used to provide mobility and/or non-permanent living accommodations (including, but not limited to, boats, campers, motor homes, and recreational vehicles). Other non-permanent service Members would be such services as rock crushers, carnivals, fairs, etc. Any service determined by the Cooperative not to be a permanent service will be considered an incidental service.

E. **Temporary Line Extension** - A temporary service is any service to a Member whose electric service needs are for less than a 12 month continuous period and where the Cooperative’s facilities installed to serve the member shall not be needed to serve other Members in the near future. This includes structures designed or used to provide mobility and/or non-permanent living accommodations (including, but not limited to, boats, campers, motor homes, and recreational vehicles).

F. **Incidental, Non-Residential Line Extension** - An incidental line extension will serve facilities such as cabins, barns, bins, small shops, greenhouses, wells, water pumps and irrigation systems, electric fences, electric gates, sheds, and other incidental facilities that are determined by the Cooperative not to be economically feasible to serve. Bulk barns and intensive livestock operations will be classified as non-residential agricultural and do not fall into the incidental category.

G. **Abnormal Installations Requirements** - Abnormal construction costs are incurred when physical obstacles or adverse conditions preclude use of the Cooperative’s standard construction methods, or where excessive labor is necessary to install the Cooperative’s facilities to serve the Member.

Abnormal construction includes, but is not limited to, the following conditions: the composition of the land where underground facilities are to be installed is such that Cooperative’s standard construction equipment cannot be used to complete the installation, or excess labor is required to complete the installation; special equipment and materials are needed for crossing wet areas, structures or concrete structures; explosives are required. Also, when it is necessary to install or upgrade underground facilities under existing streets, sidewalks, patios, or other areas, the Member shall contribute the additional cost in excess of standard installation. Abnormal construction includes the use of boring rigs, concrete saws, and equipment to repair asphalt, and other like equipment.

H. **Abnormal Design Requirements** - Abnormal design costs are incurred when the Member request facilities or construction methods which exceed the Cooperative’s standard engineering design practices and/or the standard design for normal service to a specific Member. The Member shall pay for the excess costs incurred by the Cooperative.
I. **Member Contribution In Aid To Construction** - This will be the amount that construction cost exceeds Revenue Credit or, in some cases, where Revenue Credit does not apply and Member is required to pay total cost of construction. The Member will be required to pay such fees or contributions in aid as calculated by the Cooperative prior to any construction of overhead or underground distribution facilities being initiated.

J. **Residential Development** - A Residential Development is a subdivision, mobile-home park, apartment complex, or other similar type development consisting of four or more contiguous lots recorded with the appropriate County Registry where permanent electric service will be provided to four or more members.

K. **Service Upgrade** - When the Member’s service entrance equipment (i.e. disconnect panel, breaker panel, main distribution panel, metering equipment) has been upgraded to a higher-level load class (i.e. 100A to 200A, or 200A to 400A) due to an increase in the Member’s load requirements. A completed Member Information Load Sheet, along with payment of applicable fees, shall be required by the Cooperative prior to construction.

L. **URD Conversion** – The removal of existing overhead electrical facilities and replacing them with underground facilities.

M. **Bulk Feeder** – Electrical feeder conductors with ampacity ratings greater than 200A and whose use is intended to either carry loads greater than 200A or to prevent excessive voltage drop issues in heavily loaded areas.
Overhead Line Extensions

A. Temporary Line Extensions

1. Extensions Involving Overhead Temporary Secondary Services

The Cooperative will construct, own, operate, and maintain the overhead service facilities necessary to provide temporary service from an overhead source to the normal point of delivery at the Member’s expense. The Member shall pay a standard temporary service fee, as identified in Appendix LEP1, for services up to 50’ in length. The Member shall pay additional charges at the Cooperative’s current rate for excess footage and shall be required to pay for any abnormal installation cost as determined by the Cooperative.

2. Extensions Involving Temporary Overhead Primary Distribution Facilities

The Cooperative will construct, own, operate, and maintain the overhead primary facilities necessary to provide temporary service from an overhead source to the normal point of delivery at the Member’s expense. The Member shall be required to contribute an amount equal to the estimated cost to construct and retire the temporary facilities. Any part of such facilities that will be utilized for the permanent service would fall under the rules for permanent service and a Revenue Credit may apply.

B. Incidental, Non-Residential Line Extensions

1. Extensions Involving Overhead Secondary Services

The Cooperative will construct, own, operate, and maintain the overhead service facilities necessary to provide an incidental service from an overhead source to the normal point of delivery at the Member’s expense. The Member shall pay the incidental service charge as defined in Appendix LEP1. The Member shall pay additional charges at the Cooperative’s current rate for excess footage and shall be required to pay for any abnormal installation cost as determined by the Cooperative.

2. Extensions Involving Overhead Primary Distribution Facilities

The Cooperative will construct, own, operate, and maintain all primary distribution facilities necessary to extend single-phase service to the normal point of delivery. The Cooperative will require a contribution in aid equal to the estimated cost of construction as calculated by the Cooperative. The construction cost for incidental services may exclude the cost of overhead primary distribution line extensions along publicly maintained paved roads where future development can be expected.
C. Residential Line Extensions

1. Extensions involving overhead secondary services

The Cooperative will construct, own, operate, and maintain the overhead service facilities necessary to provide service from an overhead source to the normal point of delivery at the Cooperative’s expense. The Member shall be required to pay for any abnormal installation cost as determined by the Cooperative.

2. Extensions involving overhead primary distribution facilities

The Cooperative will construct, own, operate, and maintain all primary distribution facilities necessary to extend single-phase electric service to the normal point of delivery. The Member shall pay the amount (if any) by which the construction cost exceeds the Revenue Credit as calculated in the Cost of Construction worksheet, Appendix LEP3. The construction cost for residential Members shall exclude the cost of overhead primary distribution line extensions along public roads outside the prescribed boundaries of residential developments.

D. Commercial and Industrial Extensions

1. Extensions involving only overhead secondary services

The Cooperative will construct, own, operate, and maintain the overhead service facilities necessary to provide service from an overhead source to the normal point of delivery at the Cooperative’s expense. The Member shall be required to pay for any abnormal installation cost as determined by the Cooperative.

2. Extensions involving overhead primary distribution facilities (<50KVA)

The Cooperative will construct, own, operate, and maintain all overhead single-phase or three-phase primary distribution facilities required to provide service to the normal point of delivery. The Member shall be required to pay the amount by which the Construction Cost exceeds the Revenue Credit as calculated in the Cost of Construction worksheet, Appendix LEP3. The construction cost for commercial members shall exclude the cost of overhead primary distribution line extensions along publicly maintained paved roads outside the prescribed boundaries of commercial developments. For points of delivery other than the normal point of delivery, which cause the Cooperative to incur costs in excess of that required to serve the normal point of delivery, the Member shall pay for such additional costs.
3. Extensions involving overhead primary distribution facilities (Between 50KVA and 250KVA)

The Cooperative will construct, own, operate, and maintain all overhead single-phase or three-phase primary distribution facilities required to provide service to the normal point of delivery. The Member shall be required to pay the amount by which the Construction Cost exceeds the Revenue Credit as calculated in the Cost of Construction worksheet, Appendix LEP3. The construction cost for commercial members shall exclude the cost of overhead primary distribution line extensions along publicly maintained paved roads outside the prescribed boundaries of commercial developments. For points of delivery other than the normal point of delivery, which cause the Cooperative to incur costs in excess of that required to serve the normal point of delivery, the Member shall pay for such additional costs.

4. Commercial and Industrial Overhead Extensions (250 kVA or greater)

The Cooperative will construct, own, operate, and maintain all overhead single-phase or three-phase distribution facilities necessary to extend service to the normal point of delivery. The Revenue Credit will be determined on a case-by-case basis determined by the size of the load and the type of customer. For larger customers, an economic feasibility study may be required to evaluate for expected incremental revenues, future use of the extension by other members, and any other factors deemed appropriate by the Cooperative.
605 Replacement or Up-Grade of Cooperative’s Facilities

A. Replacement

The Cooperative will replace damaged/failed equipment necessary to provide service to a Member’s point of delivery at the Cooperative’s expense. The Member shall be required to pay for any abnormal installation cost incurred by the Cooperative as a result of structures or other obstacles which interfere with the Cooperative’s ability to replace such equipment by standard installation procedures.

B. Upgrade

1. Residential

The Cooperative will upgrade existing facilities necessary to provide service to the Member’s upgraded point of delivery at the Member’s expense. The Member shall be required to pay an upgrade service charge, as identified in Appendix LEP1, in addition to any abnormal installation cost incurred by the Cooperative.

2. Non-Residential, Agricultural

The cooperative will upgrade existing overhead facilities necessary to provide service to the Member’s upgraded point of delivery at the Member’s expense. The Member shall be required to pay a charge determined by the length of time existing facilities have been in place and dependent upon the Cooperative’s Cost of Upgrade rate. Refer to chart below:

<table>
<thead>
<tr>
<th>Member’s % of Cost of Upgrade</th>
<th>Years in Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 %</td>
<td>&gt;9 Years</td>
</tr>
<tr>
<td>20%</td>
<td>&gt;8 but &lt;9 Years</td>
</tr>
<tr>
<td>40%</td>
<td>&gt;7 Years &lt;8 Years</td>
</tr>
<tr>
<td>60%</td>
<td>&gt;6 Years &lt;7 Years</td>
</tr>
<tr>
<td>80%</td>
<td>&gt;5 Years &lt;6 Years</td>
</tr>
<tr>
<td>100%</td>
<td>&lt;5 Years</td>
</tr>
</tbody>
</table>
3. Commercial and Industrial

The cooperative will upgrade existing facilities necessary to provide service to the Member’s upgraded point of delivery. The Member shall pay the amount (if any) that results from an economic feasibility study the Cooperative will perform in order to determine the amount feasible to spend on the necessary facilities to serve the Member’s up-graded point of delivery. This would be based on expected incremental revenues, future use of the Cooperative’s facilities, as well as other factors that are deemed important on a case-by-case basis.

606 Relocating Existing Overhead Facilities

At the Member’s request and for the Member’s convenience, rather than when the existing overhead distribution system is not adequate to supply the member’s load, the Cooperative will relocate existing overhead primary or secondary facilities at the Member’s expense. The member shall pay a non-refundable charge equal to the cost to remove the existing facilities and the estimated full cost to install the new facilities, less salvage value for the facilities removed. The Member shall grant the Cooperative the necessary Right of Way Easements to accomplish the relocations. Any exceptions to this policy must be approved by the Cooperative’s Executive Vice President and CEO.

In the event the Member constructs facilities (i.e. barn, garage, swimming pool, large play structures which compromise approach restrictions governed by NESC, etc.) underneath any Cooperative electric facilities, which pose safety hazards for the Member or the community at large, the Cooperative shall require the Member to pay relocation fees equal to the cost to remove the existing facilities and the estimated full cost to install the new facilities, less salvage value for the facilities removed. If the member does not want to incur the expenses involved to relocate said electrical facilities, the member can remove their structure that initially caused the incompliance on the NESC and the Cooperative will leave their electrical facilities as is.
607 Underground Line Extensions

A. Temporary Line Extensions

For all underground line extensions, the Member shall be responsible for locating and adequately marking any existing water, sewer lines, or any existing member-owned underground facilities prior to installation of Cooperative underground service. The Cooperative, or its designated contractor, will not be liable for damage to any privately-owned underground facilities that are not located within a tolerance zone of 30” on each side of the facility.

1. Extensions Involving Underground Secondary Services

The Cooperative will construct, own, operate, and maintain the underground service facilities necessary to provide service from the nearest existing underground pad-mounted transformer or secondary pedestal to the normal point of delivery at the Member’s expense. The Member shall pay a standard temporary service fee for services up to 5’ in length, as identified in Appendix LEP1. The Member shall pay additional charges at the Cooperative’s current rate for excess footage and shall be required to pay for any abnormal installation cost as determined by the Cooperative.

The normal point of delivery for such temporary services shall be within five feet of the existing pad mounted transformer or secondary pedestal. The temporary service pole shall not be located in front of the transformer.

2. Extensions Involving Primary Distribution Facilities

The Cooperative will construct, own, operate, and maintain the underground primary facilities necessary to provide service from the Cooperative’s nearest source to the normal point of delivery at the Member's expense. The Member shall be required to pay a CIAC equal to the estimated cost of construction plus applicable retirement costs as calculated by the Cooperative. Any facilities which will be utilized for the permanent service will not be included in the construction costs but will fall under the rules for permanent service.
B. Incidental, Non-Residential Line Extensions

1. Extensions Involving Underground Secondary Services

The Cooperative will construct, own, operate, and maintain the underground service facilities necessary to provide service from the Cooperative’s nearest source to the normal point of delivery at the Member’s expense. The Member shall be required to pay a standard underground service fee as identified in Appendix LEP1, and shall pay additional fees for excess footage at the Cooperative’s current rate for incidental services. The Member shall be required to pay for any abnormal installation costs as determined by the Cooperative.

2. Extensions Involving Underground Primary Distribution Facilities

The Cooperative will construct, own, operate, and maintain all primary underground distribution facilities necessary to extend single-phase service from the Cooperative’s nearest source to the normal point of delivery at the Member’s expense. The Cooperative will require a contribution in aid equal to the estimated cost of construction.

C. Residential Line Extensions

1. Extensions Involving Underground Secondary Services

The Cooperative will construct, own, operate, and maintain the underground service facilities necessary to provide service from the Cooperative’s nearest source to the normal point of delivery at the Member’s expense. The Member shall pay an underground service charge, as identified in Appendix LEP1, for services up to 100’ and shall pay additional fees for excess footage at the Cooperative’s current rate for underground services. The Member shall also be required to pay for abnormal installation costs as identified by the Cooperative.

2. Extensions Involving Underground Primary Distribution Facilities

The Cooperative will construct, own, operate, and maintain all underground primary distribution facilities necessary to extend single-phase electric service to the normal point of delivery at the Member’s expense. Where the estimated overhead construction cost is less than the Revenue Credit, the Member shall pay the amount by which the estimated underground construction cost exceeds the estimated overhead construction cost. In all other cases, the Member shall pay the cost difference in the estimated underground construction cost and the Revenue Credit.
3. Extensions Involving New Underground Developments

At the request of the owner or developer, the Cooperative will install, own, operate, and maintain underground distribution facilities to provide a basic distribution system, normally 120/240 volt single-phase service, for service to single family residences and multi-family housing in new developments with paved streets and where there are no existing overhead primary facilities upon the following conditions:

a. The Owner or Developer shall be required to provide the Cooperative a copy of the recorded plot for the new development. Additionally, the Owner or Developer shall provide to the cooperative an electronic copy of the development in an AutoCAD format.

b. The Owner or Developer shall be required to sign necessary contracts for underground service and all payments of charges shall be made before installation of underground facilities begins.

c. The Owner or Developer will furnish, cut and clear, without cost to the Cooperative necessary easements and rights of way.

d. The Owner or Developer will be required to have all streets, alleys, sidewalks, and driveway entrances graded to within 6 inches of final grade, and will have all lot lines established by final plat before construction of the electrical distribution system begins.

e. The Cooperative shall be responsible for designing and installing the underground facilities in accordance with and sufficient to provide adequate and reliable service to members based on the then existing load, or the load anticipated as specified by the Developer or Owner at the time the initial installation is made. If the Developer expands the Development beyond the initial submitted plans and the installed infrastructure is not adequate to serve the expansion, the Developer will be responsible for 100% of the expense related to the replacing or upgrading of the existing underground facilities to adequately serve the new phase of development.
f. **CIAC -** The Cooperative requires developers to make financial contributions to assist in the construction costs associated with providing electric service to Residential Developments according to the following; (refer to Appendix LEP6):

i. Where underground electric distribution facilities are desired, the CIAC will be calculated by SREMC on the worksheet in “Appendix LEP6c, Subdivision Worksheet”.

In order to provide the Developer with an incentive to develop in phases of 50 lots or less, “Appendix LEP6c, Subdivision Worksheet” is designed so that the Developer will be responsible for 40% of the estimated cost of serving the first 50 lots and 90% of the estimated cost of serving the remainder of the lots in the current phase of development.

Upon homes being built and occupied on at least 50% of the lots in a phase of a Development, the Cooperative will apply the above rules for the next phase of Development. If the Developer wishes to begin construction of another phase of a Development before the previous phase is 50% built out and occupied, the Developer will be responsible for 90% of the estimated cost of serving all lots in the new phase of development.

g. Shrubs, trees and grass sod requiring protection during the installation of the underground service will be the responsibility of the Developer or Owner, and the Developer or Owner will hold the Cooperative and/or its subcontractors harmless against any claims for such damage. It will be the responsibility of the Developer or Owner to reseed and or maintain the trench cover.

h. The Cooperative shall have the right to install overhead lines to locations agreed upon by the Developer or Owner on the perimeter of the development in order to provide service to the underground system.

i. In the event the Developer or Owner should re-subdivide or combine lots on the property prior to the construction of homes, but after the installation of the electric facilities, the total cost of relocation of such facilities shall be borne by the Developer or Owner.

j. The Cooperative on the basis of economics consistent with sound engineering and operating practices will determine details regarding the construction and location of facilities including poles, pad-mounted transformers, and protective/sectionalizing equipment. Any excess construction costs resulting from changes to construction specifications and/or location of facilities requested by the Developer or Owner will be paid in advance of construction.
D. Commercial and Industrial Extensions

1. Extensions Involving Only Underground Secondary Services

   The Cooperative will construct, own, operate, and maintain the underground service facilities necessary to provide service from the Cooperative’s nearest source to the normal point of delivery at the Member’s expense. The Member shall pay an underground service charge, as identified in Appendix LEP1, and shall be required to pay for abnormal installation costs as identified by the Cooperative.

2. Extensions involving primary distribution facilities

   The Cooperative will construct, own, operate, and maintain all underground single-phase or three-phase primary distribution facilities required to provide service to the normal point of delivery. The Member shall pay the amount by which the construction cost exceeds the Revenue Credit as calculated in the Cost of Construction worksheet, Appendix LEP3. For points of delivery other than the normal point of delivery, which cause the Cooperative to incur costs in excess of that required to serve the normal point of delivery, the Member shall pay for such additional cost.

E. Large Commercial and Industrial Member 250KVA or Greater

   The Cooperative will construct, own, operate, and maintain all single-phase or three-phase distribution facilities necessary to extend service to the normal point of delivery. The Revenue Credit will be determined on a case-by-case basis determined by the size of the load and the type of customer. For larger customers, an economic feasibility study may be required to evaluate for expected incremental revenues, future use of the extension by other members, and any other factors deemed appropriate by the Cooperative.
608  URD Conversions of Overhead to Underground

A. Conversions Involving Secondary Services

1. Upon request of the Member, the Cooperative will replace existing overhead service drops with underground service conductors under the following conditions:

a. When the Member requests the Cooperative to replace an existing overhead service with underground service, and such change is not the result of an increase in the Member’s electrical requirement, the Member will be required to pay the cost to retire the original service plus the cost to install the underground service. Refer to Appendix LEP1.

b. If the Member has upgraded their facilities as a result of increasing load requirements, the Cooperative will replace the existing overhead service with underground service to the normal point of delivery at the Member’s expense, as identified in Appendix LEP1. The Member shall pay additional fees for excess footage at the Cooperative’s current rate for URD conversions, and shall be required to pay for any abnormal installation costs as determined by the Cooperative.

The Member will be responsible for clearing all necessary rights of way for installation of underground facilities, and the Cooperative will not be responsible for damage done to any existing Member-owned buried facilities not properly marked by the Member.

B. Conversions involving primary distribution facilities

When the Member request the Cooperative to replace existing overhead primary distribution facilities for the Members convenience, rather than when the existing overhead distribution system is not adequate to supply the Member’s load, the Cooperative will require the Member to make a contribution in aid of construction equal to the cost to remove the existing overhead facilities and the estimated full cost to install the new underground facilities, less salvage value for the overhead facilities removed. The Member prior to construction shall pay the cost.
Street Lighting for Residential Developments

In the event the installation of street lighting is requested by the Owner/Developer to be installed simultaneously with the installation of the primary underground electric facility, the Cooperative will install street lights upon the following conditions.

1. Street lights will be placed at intervals not to exceed one light per four lots, with consideration given to intersections and cul-de-sacs. (Consideration must be given to city/county ordinances which dictate specific distances between light fixtures.)

2. The light fixtures installed and the poles upon which they are mounted shall be standard fixtures selected by the Cooperative. In the event the Owner or Developer desires fixtures or poles of a different type, they will be required to pay the excess cost of such requested facilities and any additional energy requirements that could affect the standard monthly street light charges.

3. Each member served from the underground facilities installed in the Development will be required to pay a monthly surcharge for street lights, as defined in Appendix LEP2, Street Lighting Agreement.

4. In the event the Owner or Developer request that street lights be energized prior to or during the construction of residences in the development, the Owner or Developer will be responsible for paying the monthly surcharge for all street lights until adequate residences are occupied. Street lights will be billed at a flat rate, Appendix LEP2c, per street light installed until there are three occupied residential homes per light to substantiate the energy cost and maintenance. It will be the responsibility of the developer to request the billing change and to notify the Cooperative when this level of development occurs.
Outdoor Lighting

In the event the installation of outdoor lighting is requested by the Member, the Cooperative will construct, own, operate, and maintain outdoor lighting upon the following conditions. Refer to Appendix LEP2, Outdoor Lighting Service Agreement.

1. The light fixtures installed and the poles upon which they are mounted shall be standard fixtures selected by the Cooperative.

2. If location of light requires that the Cooperative install extra poles to serve light, the Member shall pay an additional monthly charge, per pole, in addition to the standard monthly outdoor light charges.

3. In the event that a transformer has to be installed to serve only the requested outdoor light, the Member shall pay an additional monthly facility charge.

4. If Member request service to outdoor light be installed underground in an area where the Cooperative’s facilities are overhead, the Member will pay a trenching charge per foot for trenching underground service to outdoor light.

5. Member will be required to sign an Outdoor Light Contract. This Contract requires that Member agree to pay for outdoor light for a three-year period of time.

6. For relocation of a light under valid contract, the Member will be required to pay a relocation charge plus a per foot charge for underground secondary.

7. In the event the member, owner or developer desires fixtures/poles of a different type than our standard for outdoor lights, he will be required to pay the excess cost of such requested facilities.
Line Extension Policy

Index of Appendices

1. Appendix LEP1 – Schedule of Charges – Engineering ....................... 23

   a. Outdoor Lighting Service Agreement .................................. 25
   b. Underground Service Agreement ....................................... 26
   c. Street Light Agreement .................................................. 28
   d. Supplement SL-R ......................................................... 30

3. Appendix LEP3 – Consumer Cost of Construction Worksheet ............. 32

4. Appendix LEP4 – Development of Revenue Credits ........................ 34

5. Appendix LEP5 – Normal Point of Delivery ................................. 36

6. Appendix LEP6 – Subdivisions ................................................. 39-44
   a. Application for Service to New Subdivision ....................... 39
   b. Subdivision Workflow .................................................. 41
   c. Subdivision Worksheet ................................................ 43
Appendix LEP1

Schedule of Charges – Engineering

For Schedule of Charges – Administration, see Appendix of Service Rules and Regulations
Appendix LEP1
South River EMC

Schedule of Charges

Temporary Service Charges –

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<thead>
<tr>
<th>Service Type</th>
<th>Fee</th>
<th>Excess Footage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Overhead (up to 50’)</td>
<td></td>
<td>$150</td>
</tr>
<tr>
<td>a. Service only</td>
<td>$75*</td>
<td></td>
</tr>
<tr>
<td>b. 15 kva xfmr</td>
<td>$280</td>
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<td>c. Extra 35’ pole</td>
<td>$160</td>
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<tr>
<td>2. Underground (up to 5’)</td>
<td>$75*</td>
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Incidental, Non-Res Service Charges –

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Fee  (per ft)</th>
<th>Minimum Charge</th>
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</thead>
<tbody>
<tr>
<td>1. Overhead (per ft)</td>
<td>$2.50</td>
<td>$150</td>
</tr>
<tr>
<td>2. Underground (per ft)</td>
<td>$4.50</td>
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Residential Upgrade Service Charge –

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<th>Fee  (per ft)</th>
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<tbody>
<tr>
<td>1. OH to OH (per ft)</td>
<td>$3.00</td>
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</tr>
<tr>
<td>2. UG to UG (per ft)</td>
<td>$3.50</td>
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Residential UG Service Fee

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<th>Fee</th>
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<tr>
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<td>$200</td>
<td>$3.00</td>
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Commercial UG Service Fee

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<th>Fee</th>
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<tr>
<td></td>
<td>$200</td>
<td>$3.00</td>
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URD Conversion Service Charge –

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<th>Fee  (per ft)</th>
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<tbody>
<tr>
<td>1. Service Upgrade - (per ft)</td>
<td>$4.00</td>
<td>$200</td>
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<tr>
<td>2. Non-Service Upgrade</td>
<td>UG Install plus OH Retirement Costs</td>
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</table>

Note “*” – these temporary service fees will be added to the normal application fee of $25 and will be paid within the application process. The remaining temporary service fees (if any) will be considered CIAC charges and will be required at the transition from temporary to permanent service.
Appendix LEP2
Contract Agreements for Electric Service

a. Outdoor Lighting Service Agreement  
b. Underground Service Agreement  
c. Street Lighting Agreement  
d. Supplement SL-R

See Appendix in Service Rules and Regulations for the “Agreement for Electric Service”
Appendix LEP2a  
South River EMC  
Outdoor Lighting Service Agreement

Service No. ____________________  Meter No. ____________________  Substation ____________________  
Map No. ____________________  Contract (Yrs.) ____________________  Pole Number ____________________

This contract made and entered into this ______ day of ________________________ 20_____, by and between SOUTH RIVER ELECTRIC MEMBERSHIP CORPORATION of HARNETT COUNTY, NORTH CAROLINA, party of the first part, and _____________________________ of ________________________ County, party of the second part,

W I T N E S S E T H:

For and in consideration of the covenants and agreements of the party of the second part herein contained, said party of the first part herein covenants and agrees with said party of the second part as follows:

It is agreed by the party of the first part that it will install light(s) and further agrees to keep light(s) in proper working order (but not after regular working hours), and to furnish electricity to operate such light(s).

The light(s) will be billed under applicable rate schedule, rules, and regulations.

It is further agreed by the party of the second part that it will keep said light(s) for a period of three years for overhead, five years for underground installations, and ten years for non-standard, special order poles and fixtures. If light(s) are requested to be removed by member prior to the end of contract period, the member will be responsible for 40% of the remaining balance. If member requests an upgrade of existing fixtures, the existing contract may be waived.

A $200 contribution in aid of construction will be incurred if a member requests relocation of light(s) during the period of contract or anytime afterwards. Underground installations will pay an additional charge, as defined in the Table below. Any other request to change out a light (i.e. for aesthetics) will require payment of a $100 fee.

IN TESTIMONY WHEREOF, the parties hereto have executed this contract the day and year first above written.

Consumer’s Signature  Consumer’s Address

Landlord’s Signature  South River EMC Representative Signature

Revised 10-10-2013

<table>
<thead>
<tr>
<th>Fixtures</th>
<th>New</th>
<th>Existing</th>
<th>Price</th>
<th>Price Extension</th>
<th>Cutoff</th>
<th>Retired</th>
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<td>100 W HPS</td>
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<td>150 W HPS Cobra</td>
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<td>250 W HPS Flood</td>
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<tr>
<td>250 W HPS Cobra</td>
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<td>400 W MH Flood</td>
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<td>400 W ShoeBox</td>
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<td>16.80</td>
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<td>400 WSB/Decorative Pole</td>
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<td>Decorative Pole 24’</td>
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<td>Extra Pole Wood</td>
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<td>Extra Transformer</td>
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<td>6.20</td>
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<td>UG Service (per ft)</td>
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<td></td>
<td>2.00</td>
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<tr>
<td><strong>Total Charges</strong></td>
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<td></td>
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<td></td>
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<td><strong>New Total # of Lights</strong></td>
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<td></td>
<td></td>
<td></td>
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</tr>
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</table>

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South River EMC  Page 25  Line Extension Policy
Appendix LEP2b
South River EMC

Underground Service Agreement

STATE OF NORTH CAROLINA
COUNTY OF ______________________

THIS AGREEMENT, made and entered into this ____ day of _________, 20___, by and between SOUTH RIVER ELECTRIC MEMBERSHIP CORPORATION, party of the first part, hereinafter called "EMC", and ____________________________ Developer of ____________ Subdivision, party of the second part, hereinafter called "Owner" or "Developer".

WITNESSETH

Whereas Owner has requested from EMC the installation of underground facilities in an area or at a location described in an appendix attached hereto and incorporated herein by reference and marked APPENDIX A, and whereas owner has agreed to execute and deliver to EMC, simultaneously with the execution of this agreement, an exclusion easement of Right-of-Way throughout said area described in APPENDIX A for the installation of electric facilities,

AND whereas EMC has agreed to provide service according to the terms and conditions of this agreement.

NOW THEREFORE, in consideration of the execution of these premises and of the mutual obligations set forth and incorporated herein the parties hereto do hereby contract and agree as follows:

1. After the Developer has satisfied all administrative requirements of EMC, EMC shall install such facilities as soon as practicable, and in any event, should begin construction within the time parameters laid out in Appendix LEP6b of the Line Extension Policy. In the event such construction is not begun by the said date, this agreement shall become null and void, unless the parties shall mutually agree otherwise.

2. The Cooperative, or its designated contractor, will not be liable for damage to any privately-owned underground facilities that are not located within a tolerance zone of 30" on each side of the its electric facilities.

3. Owner agrees to be bound by and obligated to EMC under the terms, provisions of EMC's rules, regulations and policy applicable to such installations, as set forth in an appendix attached hereto and incorporated herein by reference and marked APPENDIX B. said rules, regulations and policy being on file in the North Carolina Utilities Commission in Docket No. EC 52.

4. Owner agrees that so long as the area herein concerned is directly used or occupied by Owner, to purchase all central station power from EMC and not to seek or accept the same from any other source.

5. Any special conditions and/or stipulations applying to the installation of the services requested hereunder and considered by the parties to be necessary to clear understanding of the parties shall be set out in an appendix attached hereto and incorporated herein by reference and marked APPENDIX C.
IN WITNESS WHEREOF, EMC has caused this agreement to be executed in its Corporate name, signed by its Manager or President, and the Corporate seal to be hereto affixed, and Owner has caused the agreement to be similarly executed if a Corporation, or if an individual or partnership, to be signed and sealed by the individual or all partners, in duplicate originals, the day and year first above written.

SOUTH RIVER ELECTRIC MEMBERSHIP CORPORATION

(seal)

By: __________________________ By: __________________________
   Secretary                  Executive Vice President & CEO

______________________________
Consumer

By: __________________________ By: __________________________
   Secretary

===================================================================== STATE OF NORTH CAROLINA - COUNTY OF _______________________

I, __________________________, a Notary Public of said State and County, do hereby certify that ____________, personally came before me this day and acknowledged that he is the Secretary of South River Electric Membership Corporation and that, by authority duly given and as the act of the Corporation the foregoing instrument was signed in its name by its ______ President, sealed with its Corporate seal, and attested by himself as its Secretary.

Witness my hand and notary seal, this the ___ day of __________________20__.

(My Commission Expires __________)
Notary Public

STATE OF NORTH CAROLINA - COUNTY OF _______________________

I, ______________, a Notary Public of said State and County, do hereby certify that ______________ is Secretary of _______________________________ and that, by authority duly given and as the act of the Corporation, the foregoing instrument was signed in its name by its ______ President, sealed with its Corporate seal, and attested by as its Secretary.

Witness my hand and notarial seal this the _____ day of 20_____.

(My Commission Expires: __________)
Notary Public
NORTH CAROLINA
HARNETT COUNTY

THIS AGREEMENT, entered into, by and between South River Electric Membership Corporation, party of the first part hereinafter called the "Cooperative", and ___________________ hereinafter called the "Developer".

W I T N E S S E T H

Whereas the Developer has requested that the Cooperative install street lighting under its Schedule SL-R in a residential subdivision described as follows:

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

And Whereas the Cooperative has agreed to install said lighting upon execution of this contract by the Developer, and according to its terms and conditions:

Now therefore, the parties do hereby agree and contract with each other as follows:

1. The Cooperative shall install said lights in the above described development under the terms and conditions of its Schedule SL-R.

2. The Developer shall pay for said lights at the applicable rate per month beginning on the day of __________, 20__.

IN WITNESS WHEREOF, the parties hereto have signed and executed this agreement this ___day of ___, 20__.

SOUTH RIVER ELECTRIC MEMBERSHIP CORPORATION

By ________________________________

Consumer
SCHEDULE SL-R (Residential Overhead and Underground Street Lighting Service)

APPLICABILITY

Applicable for service supplied in the lighting of residential streets in residential subdivisions where overhead or underground service is provided.

SERVICE

In the event the installation of street lighting is requested by the owner or developer simultaneous with installation of overhead or underground primary facility, the Cooperative will install street lights upon the following conditions:

a) Said lighting will be placed at intervals of approximately 300 feet of street front footage.

b) The light fixture installed and the poles upon which they are mounted shall be selected by the Cooperative.

c) In the event the owner or developer desires fixtures/poles of a different type, he will be required to pay the excess cost of such requested facilities.

d) The Cooperative shall maintain said lights in good condition and furnish the energy for lighting.

After installation of overhead or underground primary system, street lights may be provided only upon application of an individual consumer who should be charged for such lights, according to standard security light rates.

RATE

Each consumer's bill, as complied in accordance with the applicable residential rate schedule, shall be increased by the amount of $4.16 monthly for street lighting service.

When a developer requests street lights in a new development, the developer will be required to pay the applicable rates per month per light under a contract of not less than three years duration or until all lots are sold.
STATE OF NORTH CAROLINA
COUNTY OF _______________________

This contract made and entered into this ______ day of ________________, 20____, between SOUTH RIVER ELECTRIC MEMBERSHIP CORPORATION of HARNETT COUNTY, NORTH CAROLINA, party of the first part and ____________________________________, of ______________________ County, party of the second part.

APPLICABILITY

Applicable for service supplied in the lighting residential subdivisions where overhead or underground service is provided.

SERVICE

In the event the installation of street lighting is requested by the owner or developer simultaneous with the installation of overhead or underground primary facility, the Cooperative will install street lights under the following conditions:

a) Said lights will be placed at intervals of approximately 300 street frontage
b) The light fixture installed and the poles upon which they are mounted shall be selected by the Cooperative;
c) The Cooperative shall maintain said lights in good condition and furnish the energy for lighting.

RATE

Each Consumer's bill, as complied in accordance with the applicable residential rate schedule, shall be increased by the amount of street lighting service.

WHOLESALE POWER ADJUSTMENT

The above charges per kWh will be increased or decreased per kWh or major fraction thereof, adjusted for line loss, by which the Cooperative's cost of purchased power is increased or decreased per kWh as a result of the Wholesale Power Adjustment.

SOUTH RIVER ELECTRIC MEMBERSHIP CORPORATION

By: ____________________________

By: ____________________________

Consumer Address
Appendix LEP3

Consumer Cost of Construction
<table>
<thead>
<tr>
<th>BWO #</th>
<th>JOB #</th>
<th>CONSTRUCTION TYPE</th>
<th>UNIT</th>
<th>UNIT PRICE</th>
<th>SUB TOTAL</th>
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<td></td>
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<tr>
<td></td>
<td></td>
<td>1 Phase URD *</td>
<td>$4.00</td>
<td>$4.00</td>
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<td>Relocate</td>
<td>$</td>
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*** - refer to Appendix LEP1 for unit pricing

**TOTAL CONSUMER CONTRIBUTION TO CONSTRUCTION**

Member: ___________________________ Date: _____________

SREMC Employee: ___________________________ Date: _____________

---

South River Electric Membership Corporation
P.O. Box 931, Dunn, NC 28335      Office 910-892-8071

Line Extension Policy
"Appendix LEP3"

Consumer Cost of Construction
Appendix LEP4

Development of Revenue Credit
Appendix LEP4
South River EMC

Development of Revenue Credit

1. Residential Line Extensions - $2,500
   - Ave Monthly Residential Usage x (Res kWh Charge – Avoided Cost) x 36 months
     - (1,430 kWh * (.12061 - .07208)) * 36 months = $2,498
     - Rounded to $2,500

2. Commercial & Incidental Line Extensions (<50 kW) - $2,500
   - Ave Monthly Comm Usage x (Comm kWh Charge – Avoided Cost) x 36 months
     - (1,116 kWh * (.13331 - .07208)) * 36 months = $2,460
     - Rounded to $2,500

3. Commercial and Industrial Line Extensions (50 KW – 250 KW)
   - Estimated (contract) kWd x $1.75 x 18 months
   - Examples:
     - 50 kWd * 1.75 * 18 months = $1,580
     - 75 kWd * 1.75 * 18 months = $2,363
     - 120 kWd * 1.75 * 18 months = $3,780
     - 150 kWd * 1.75 * 18 months = $4,725
     - 225 kWd * 1.75 * 18 months = $7,088

4. Commercial and Industrial Line Extensions (>250 KW)
   
   The Revenue Credit will be determined on a case-by-case basis determined by the size of the load and the type of customer. For larger customers, an economic feasibility study may be required to evaluate for expected incremental revenues, future use of the extension by other members, and any other factors deemed appropriate by the Cooperative.

Note: The average monthly usage and the kWh charge were obtained from the most recent Cost of Service Study. The avoided cost was obtained from the budgeted cost of power for the same time period.

Updated: October 28, 2013
Appendix LEP5

Standard Installation Practices
1. **Normal Point of Delivery** - The normal point of delivery (POD) for electric service to the member’s facilities shall be at a location designated by the cooperative and will be on the end of the facility nearest the cooperative’s existing facilities, as illustrated in Figure 1. This serves to minimize costs to the Cooperative, and equally it’s Member’s. Note that Figure 1 indicates an underground service; however, the same will apply for overhead services.

![Diagram](image)

*Figure 1. Normal Point of Delivery*

As a courtesy the Cooperative shall permit the POD to extend 5’ around the back-side of the home at no additional cost for underground services as long as the total length does not exceed the 100’ limit.
Occasionally, the Member will request the point of deliver be moved to an abnormal location. In these cases, additional charges shall apply as illustrated in Figures 2 and 3.

Figure 2. Abnormal Point of Delivery

Figure 3. Abnormal Point of Delivery
Appendix LEP6

Subdivisions

a. Application for Service to New Subdivision
b. Subdivision Workflow
c. Subdivision Worksheet
Date: ____________________________

Developer (as it will appear on subdivision contract): ____________________________________

Current mailing address of person/corporation: __________________________________________

Contact name: _________________________ Phone: __________________ E-mail: ________________

Civil engineer: _________________________ Phone: __________________ E-mail: ________________

Subdivision name: _________________________ Phase: ___ Number of Lots: ________

How many acres of land in this phase? __________ Future plans/phases: ______________________

County of subdivision:  CUMBERLAND  HARNETT  JOHNSTON  SAMPSON  BLADEN

Is property located within city limits:  YES  NO  If yes, which city: ______________________

Fire district for property: ______________ Primary electrical conductor:  OVERHEAD  UNDERGROUND

General size of homes in subdivision (sq. ft.): _______ Are homes all electric?  YES  NO

Will SREMC provide street lighting?  YES  NO  (standard acorn fixture pictured on next page)

Is there a need for electricity in areas other than home sites?  YES  NO

(Examples: pool, common area, entrance sign)

ADDITIONAL FACILITIES / FEATURES  (Please circle all that apply)

Water supply:  COUNTY/CITY WATER  WELL

Road:  PAVED  NON-PAVED  CURB & GUTTER  ROLLED ASPHALT

Sewage:  COUNTY/CITY SEWER  SEPTIC TANK

Is natural gas available?  YES  NO

Name: __________________________________________ Title: __________________________

Signature: ______________________________________ Date: __________________________
NOTES:

1. Each additional phase will require an application.
2. Please make a copy of this application and retain for your records.
3. Please attach AUTOCAD drawings in DWG format and email to sremc@sremc.com
4. Any change request to the layout of the development or any request to relocate electric facilities after SREMC has submitted the layout design in map form shall require a $300 fee.

**Standard acorn fixture**

<table>
<thead>
<tr>
<th>For South River EMC use only:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application approval date: ____________________  By: ________________________________</td>
</tr>
<tr>
<td>Maps and contracts ready date: ___________  Signed contracted approved date: ____________</td>
</tr>
<tr>
<td>By: _______________________________________________</td>
</tr>
<tr>
<td>Preconstruction meeting date: ___________  Date added to ready for construction list: ____________</td>
</tr>
<tr>
<td>Construction starts date: ________________  Construction completion date: ____________________</td>
</tr>
</tbody>
</table>

Revised 11/01/13
Appendix LEP6b

Subdivision Workflow

1. Application & AutoCAD Submittal: 3 to 5 Days
   a. Application and AutoCAD in DWG format is submitted to the Energy Services Advisor
   b. Once application is deemed “complete”, the AutoCAD and the service agreement check list is forwarded to Engineering & Operations (E&O); developer is notified and application is updated.

2. E&O Design: 2 Weeks
   a. Distribution system is designed, maps are printed, contribution-in-aid-of construction (CIAC) amount is determined, contracts and easements are typed.
   b. The developer is notified when this is complete and application is updated.

3. Contract/Design Review: 1 to 2 Weeks (Largely dependent upon developer)
   a. Contracts, maps, CIAC breakdown, and easement are mailed or delivered to the developer for review and signature.
   b. The E&O Secretary, as well as the Energy Services Advisor, will review all contract materials upon their return and contact the developer to let them know if all information is in order. Application will be updated.

4. Preconstruction Meeting: Within 1 week from date signed contracts are accepted
   a. Once signed maps, contracts, easement, and CIAC amount are accepted, the Energy Services Advisor will contact the developer to schedule a preconstruction meeting at the site. Representatives from the developer will be joined by SREMC representatives from E&O as well as the Energy Services Advisor handling the contract.
   b. Primary objectives of the meeting will be to determine the readiness of the site for installation of facilities and to answer any questions the developer may have. The Energy Services Advisor will also present the developer with their copy of the contract.

5. Construction: Completed within 3 to 6 weeks from the “Ready for Construction” date
   a. Developer will be added to the “Ready for Construction” list when land is 6 inches to grade, property corners and water lines are marked, CIAC amount is received, and signed contracts, maps, and easements are accepted. It will be the developer’s responsibility to notify the Energy Services Advisor when all on-site qualifications
are met so that the District Operations Supervisor handling the project can be notified. The District Operations Supervisor will notify the Energy Services advisor when construction begins and when it is complete so that the developer can be notified and the application can be updated.

6. **Filing**

   a. Once complete, the application will be added to the SREMC copy of the contract which will be filed. Any changes made to the contract or design will be filed with the contract as amendments.
Appendix LEP6c
South River EMC

Subdivision Worksheet

Developer Name: ____________________________  BWO #: ______

Developer Company: _________________________  BWO #: ______

Subdivision: _______________________________  Job #: ______

Number of Lots: ______  County: ______

Lot Cut-off: ______  50

Developer's % for Lots Below Cut-off: ______  40.00%

Developer's % for Lots Above Cut-off: ______  90.00%

Underground Construction Estimate

<table>
<thead>
<tr>
<th>Construction</th>
<th>Unit</th>
<th>Cost</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Phase URD Pri.</td>
<td>ft</td>
<td>$4.00</td>
<td>$</td>
</tr>
<tr>
<td>2 Phase URD Pri.</td>
<td>ft</td>
<td>$6.50</td>
<td>$</td>
</tr>
<tr>
<td>3 Phase URD Pri.</td>
<td>ft</td>
<td>$9.25</td>
<td>$</td>
</tr>
<tr>
<td>25 kVA Padmt.</td>
<td>ea</td>
<td>$1,900.00</td>
<td>$</td>
</tr>
<tr>
<td>50 kVA Padmt.</td>
<td>ea</td>
<td>$2,289.00</td>
<td>$</td>
</tr>
<tr>
<td>75 kVA Padmt.</td>
<td>ea</td>
<td>$2,695.00</td>
<td>$</td>
</tr>
<tr>
<td>100 kVA Padmt.</td>
<td>ea</td>
<td>$3,210.00</td>
<td>$</td>
</tr>
<tr>
<td>1 Ph. Junct. Can</td>
<td>ea</td>
<td>$1,000.00</td>
<td>$</td>
</tr>
<tr>
<td>3 Ph. Junct. Can</td>
<td>ea</td>
<td>$2,000.00</td>
<td>$</td>
</tr>
<tr>
<td>Secondary &amp; Can</td>
<td>ea</td>
<td>$870.00</td>
<td>$</td>
</tr>
</tbody>
</table>

Estimated Cost to Serve Development $
**Estimated Cost per Lot to Serve Development**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Lots Under Current Cut-off</td>
<td>$</td>
</tr>
<tr>
<td>Number of Lots Over Current Cut-off</td>
<td>$</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$</td>
</tr>
<tr>
<td>3% Sales Tax</td>
<td>$</td>
</tr>
<tr>
<td>Developer Contribution Required</td>
<td>$</td>
</tr>
</tbody>
</table>

Developer ___________________________   Date ________________

Signature

SREMC Employee ___________________________   Date ________________

Signature

---

Line Extension Policy
“Appendix LEP6c”, Subdivision Worksheet
Page 2