

RULE NO. 15

LINE EXTENSIONS

A. LINE EXTENSIONS - CONDITIONS AND DEFINITIONS

1. Contracts

Before building an Extension, the Company may require the Applicant to sign a contract. Where a tenant occupies the service location, the Company may require the property owner to sign the contract.

2. Contract Minimum Billing

The Contract Minimum Billing is the greater of: (1) the Customer's monthly bill; or (2) 80% of the Customer's monthly bill plus the Facilities Charges. Customers on a seasonal rate receive an annual Contract Minimum Billing of the greater of (1) the Customer's annual bill; or (2) 80% of the Customer's annual bill plus the Annual Facilities Charge. The Annual Facilities Charge is twelve (12) times the Facilities Charges. Contract Minimum Billings begin on the date service is first made available by the Company, unless a later date is mutually agreed upon.

3. Distribution Revenue

That portion of the total rate that supports the Company's Extension Costs. Distribution Revenue excludes such items as fuel costs, generation, transmission, Competition Transition Charge (CTC), public purpose programs, and other costs that do not support the Extension Costs.

4. Engineering Costs

The Company includes designing, engineering and estimating in its Extension Costs. The Company may require the Applicant to advance the Company's estimated engineering costs, but not less than \$200. The Company will apply this advance payment to its Extension Costs. If, after applying the Extension Allowance, it is determined that the total advance required is less than the advance already received, the excess will be refunded to the Applicant.

If the Applicant or Customer requests changes that require additional estimates, they must advance the Company's estimated Engineering Costs, but not less than \$200 for each additional estimate. The Company will not refund or credit this payment.

5. Extension or Line Extension

A branch from, a continuation of, or an increase in the capacity of an existing Company-owned transmission or distribution line. An extension may be single-phase, three-phase, or a conversion from a single-phase line to a three-phase line. An extension may also be the addition of, or increase in the capacity of other facilities.

(Continued)

Issued by

Advice Letter No.	<u>522-E</u>	<u>R. Bryce Dalley</u>	Date Filed	<u>June 2, 2015</u>
		Name		
Decision No.		<u>VP, Regulation</u>	Effective	<u>July 2, 2015</u>
		Title		
TF6 R15-1.E			Resolution No.	<u> </u>

RULE NO. 15 (Continued)
LINE EXTENSIONS

B. RESIDENTIAL EXTENSIONS (Continued)

3. Remote and Seasonal Service (Continued)

a. Contracts (Continued)

Primary residences are not Remote when the density of such residences exceeds one residence per one-half mile of line. Facilities Charges will cease when Customers are no longer remote.

The Contract Minimum Billing will not include Facilities Charges on the first one-half mile of line from the Company's existing distribution facilities. Where there are groups of remote facilities only the first one-half mile is exempt from Facilities Charges.

After the initial five year contract period, Remote Service Contract Minimum Billings may be canceled by termination of electric service to the Customer's premises and Customer payment of the removal costs of those inactive facilities originally installed to serve the Customer.

b. Additional Applicants

During the first five years after the Company completes the Extension, each of the next three Applicants must pay an allocated share of the original Customer's contribution. The Company will determine these shares taking into account: (i) how much of the original line the new Applicant shares; (ii) the load sizes of the Applicant and the existing Customers; and (iii) the advances of the existing Customers. The Applicant must pay this allocated share before the Company will provide service. The Company will refund this share to the existing Customers.

Additional Applicants also share the Facilities Charges of the existing Customers. The Facilities Charges of the refund are allocated to the Applicant paying the refund.

The Applicant also must pay the estimated cost of any facilities exceeding the Extension Allowance.

4. Three Phase Residential Service

Where three phase residential service is requested, the Applicant shall pay the difference in cost between single phase and three phase service.

5. Transformation Facilities

When an existing residential Customer adds load, or if a new residential Customer builds in a subdivision where the developer has installed secondary to the lot line, either by the means of a transformer or a secondary junction box, and the cumulative loads exceed the existing transformer's, service conductor's or other equipment's rated design capacity:

a. The facility upgrade increase will be treated as a standard line extension if the Customer's demand exceeds 25 kVA, or if the facilities serve only that Customer;

b. The facility upgrade shall be treated as a system improvement and not be charged to the Customer if the Customer's demand does not exceed 25 kVA and the facilities are shared by two or more customers.

Upgrades and modifications to correct service quality issues such as flicker are done at the expense of the Customer causing the service quality issue.

(Continued)

Issued by

Advice Letter No. 522-E R. Bryce Dalley Date Filed June 2, 2015

Name

Decision No. _____ VP, Regulation Effective July 2, 2015

Title

RULE NO. 15 (Continued)
LINE EXTENSIONS

D. EXTENSIONS TO PLANNED DEVELOPMENTS (Continued)

4. Underground Extensions

The Company will construct line extensions underground when requested by the Developer or required by local ordinances or conditions. The Developer must pay for the conversion of any existing overhead facilities to underground, under the terms of Section F of this Rule. The Developer must provide all trenching and backfilling, imported backfill material, conduits, and equipment foundations that the Company requires for the development. If the Developer requests, the Company will provide these items at the Developer's expense.

E. EXTENSION EXCEPTIONS

1. Applicant Built Line Extensions

a. General

An Applicant may contract with someone other than the Company to build a Line Extension. The following circumstances, however, are not an option for Applicant Built Line Extensions: relocations, conversions from overhead to underground, going from single-phase to three-phase, or increasing the capacity of existing facilities. The Applicant must contract with the Company before starting construction of an Applicant Built Line Extension. When the Applicant has completed construction of the Line Extension, and the Company approves it, the Company will connect it to the Company's facilities and assume ownership.

b. Liability and Insurance

The Applicant assumes all risks for the construction of an Applicant Built Line Extension. Before starting construction, the Applicant must furnish a certificate naming the Company as an additional insured for a minimum of \$1,000,000. The Applicant may cancel the policy after the Company accepts ownership of the Line Extension.

c. Advance for Design, Specifications, Material Standards and Inspections

The Applicant must advance the Company's estimated costs for design, specifications, material standards and inspections. When the Applicant has completed construction, the Company will determine its actual costs and may adjust that portion of the Applicant's advance. If the actual costs exceed the Applicant's advance, the Applicant must pay the difference before the Company will accept and energize the Line Extension. If the actual costs are less than the Applicant's advance, the Company will refund the difference.

The Company will estimate the frequency of inspections and convey this to the Applicant prior to the signing of the contract. For underground Line Extensions, the Company may require that an inspector be present whenever installation work is done.

(Continued)

Issued by

Advice Letter No.	<u>337-E</u>	<u>Andrea L. Kelly</u>	Date Filed	<u>December 21, 2006</u>
		Name		
Decision No.	<u>(D)06-12-011</u>	<u>VP, Regulation</u>	Effective	<u>January 1, 2007</u>
	<u>(D)06-12-036</u>			
		Title		

RULE NO. 15 (Continued)

LINE EXTENSIONS

E. EXTENSION EXCEPTIONS (Continued)

3. Emergency Service

The Company will grant Applicants requesting Emergency Service an Extension Allowance equal to the estimated increase in annual revenue the Applicant will pay the Company. The Applicant must advance the costs exceeding the Extension Allowance prior to the start of construction. The Applicant must also pay a Contract Minimum Billing for as long as service is taken, but in no case less than five years.

4. Intermittent Service Facilities

The Company will serve Intermittent loads provided the Customer advances the estimated cost of facilities above the cost of facilities which the Company would otherwise install. The Customer also must pay a Contract Minimum Billing for as long as service is taken, but in no case less than five years. If load fluctuations become a detriment to other Customers, the Company may modify the facilities and adjust the Contract Minimum Billing.

5. Temporary Service

For Temporary Service requests requiring only a service loop connection and where there are 120/240 volt facilities of adequate capacity available, the Applicant shall pay the Temporary Service charge specified in Schedule 300.

For all other Temporary Service requests the Applicant shall pay:

- a) the estimated installation cost, plus
- b) the estimated removal cost, plus
- c) the estimated cost for rearranging any existing facilities, less
- d) the estimated salvage value of the facilities required to provide Temporary Service.

The Applicant is also responsible for electric service supplied under the appropriate rate schedule; any advances required for sharing previous Extensions; and, depending on the customer class, Contract Minimum Billings.

If a temporary Customer takes service continuously for 60 consecutive months from the date the Company first delivered service, the Company will classify them as permanent and refund any payment the Customer made over that required of a permanent Customer. The Company will not refund the Facilities Charges.

In response to the 2020 wildfires, the Company may waive the costs of Temporary Service to facilitate service restoration at an affected property and to make Temporary Service available for displaced residential customers at a temporary location. Provided, however, Applicant requests service no later than June 30, 2021. The Applicant remains responsible for electric service supplied under the appropriate rate schedule and any advances required for sharing previous Extensions.

(Continued)

Issued by

Advice Letter No. 628-E Etta Lockey Date Filed October 12, 2020

Name

Decision No. VP, Regulation Effective September 1, 2020

Title

RULE NO. 15 (Continued)

LINE EXTENSIONS

E. EXTENSION EXCEPTIONS (Continued)

6. Applicant Design Option for New Installations

An Applicant may contract with someone other than the Company to design a Line Extension. The Applicant design option is available to Applicants for new service and is not available for replacement, reinforcement, relocation of existing systems, or where there is no Applicant for new Line Extension work. All Applicant designs shall be in accordance with the Company's design and construction standards. Under this option, the following applies:

- a. Applicant shall notify Company, in a manner acceptable to the Company.
- b. Applicant designs shall conform to all applicable federal, state and local codes and ordinances for utility installation design (such as, but not limited to the California Business and Professions Code).
- c. Company may require Applicant designers to meet the Company's prequalification requirements prior to participating in Applicant design.
- d. Applicant designers shall obtain Company design and construction standards and specifications prior to performing Applicant design. The Company may charge for any of these services.
- e. Company will perform 1 plan check on each Applicant design project at no expense to Applicant. Company will perform all subsequent plan checks at Applicant's expense.
- f. For designs performed by a non-Company designer, Company will credit Applicant with the amount of Company's design bid less any appropriate charges such as for plan checking, changes, or revisions.
- g. In the case of Applicant designed projects requiring an advance, Company will apply the design credit to the Applicant's advance.
- h. If no advance is required, Company will refund/reimburse the Applicant for the cost of design after the Distribution Line Extension is first ready to serve.
- i. Company shall perform all of its own project accounting and cost estimating.

(Continued)

Issued by

Advice Letter No.	<u>522-E</u>	<u>R. Bryce Dalley</u>	Date Filed	<u>June 2, 2015</u>
Decision No.		VP, Regulation	Effective	<u>July 2, 2015</u>
		Title		
TF6 R15-11.E			Resolution No.	<u> </u>

RULE NO. 15 (Continued)

LINE EXTENSIONS

F. RELOCATION OR REPLACEMENT OF FACILITIES

1. Relocation of Facilities

If requested by an Applicant or Customer, and adequate clearances can be maintained and adequate easements/rights-of-way can be obtained, the Company will: relocate distribution facilities; and/or, replace existing overhead distribution facilities with comparable underground (overhead to underground conversion, or conversion). If existing easements are insufficient for the new facilities, the Applicant or Customer is responsible for obtaining new easements. Substation facilities and transmission voltage facilities will be relocated at the discretion of the Company.

For overhead to underground conversions, see Rule No. 20.

In addition, the Applicant or Customer must advance the following:

- a. The estimated installed cost of the new facilities plus the estimated removal expense of the existing facilities, less
- b. The estimated salvage value of the removed facilities.

This Advance is not refundable. The Company is not responsible for allocating costs and responsibilities among multiple Applicants.

G. CONTRACT ADMINISTRATION CREDIT

Customers may waive their right to receive refunds on a Line Extension advance. Customers who waive this right will receive a Contract Administration Credit up to the amount specified in Schedule 300. The Customer's choice to receive the Contract Administration Credit must be made at the time the Extension advance is paid.

H. PAYMENT ADJUSTMENTS

Contract Compliance: If, after 6 months following the date utility is first ready to serve residential loads for which allowances were granted, 1 year for non-residential loads, Applicant fails to take service, or fails to use the service contracted for, Applicant shall pay to utility an additional contribution or advance, based on the allowances for the revenue actually generated.

(Continued)

Issued by

Advice Letter No.	<u>522-E</u>	<u>R. Bryce Dalley</u>	Date Filed	<u>June 2, 2015</u>
Decision No.	_____	VP, Regulation	Effective	<u>July 2, 2015</u>
		Title		
TF6 R15-12.E			Resolution No.	_____