

## **Policy No. 318 Installation of Electric Distribution Facilities (Line Extension Policy)**

### **I. Objective:**

It shall be the policy of Renville-Sibley to install, own and maintain electric distribution facilities to the member up to and including the point of demarcation. Typically demarcation is defined by the point where member owned equipment is attached to the Renville-Sibley distribution system and includes: member owned conductor at the source side of a disconnect; meter stack; or cooperative owned disconnect. A main disconnect is required. The objective of this policy is to provide a uniform and equitable method by which Renville-Sibley will calculate the required aid to construction contribution.

### **II. Policy Content:**

The extension of such facilities beyond the Renville-Sibley main distribution system shall be classified as follows:

- A. New Residential or Farm Accounts requiring capacity of 50 kW or less:
  - 1. Where the applicant desires that the electrical line extension serve his or her premises, said extensions will be installed underground; however, the cooperative retains the option to install said extensions overhead or underground, depending upon the type that yields the most practical over its economic life. Items to consider are service reliability, safety, right-of-way, initial cost, operating cost and appearance.
  - 2. Distance shall be measured from station to station or pole to pole as indicated on the staking sheet, beginning at the tap of the Cooperative's existing main distribution system and terminating at the point of demarcation.
  - 3. The member shall pay Renville-Sibley, as aid to construction, a \$400 base fee for service extension. In addition, a cost of \$2.00 per linear foot shall be reimbursed to Renville-Sibley Co-op Power.
  
- B. New Residential or Farm Accounts requiring capacity of more than 50 kW:
  - 1. Where the applicant desires that the electrical line extension serve his or her premises, said extensions will be installed underground; however, the cooperative retains the option to install said extensions overhead or underground, depending upon the type that yields the most practical over its economic life. Items to consider are service reliability, safety, right-of-way, initial cost, operating cost and appearance.

2. Distance shall be measured from station to station or pole to pole as indicated on the staking sheet, beginning at the tap of the Cooperative's existing main distribution system and terminating at the point of demarcation.
3. The member shall pay Renville-Sibley, as aid to construction, the actual cost for line extension plus the transformer differential charge. The transformer differential charge is defined as the required capacity transformer cost, less the cost of a 50 kVA rated transformer of the same type, using current year pricing.

C. Three Phase Service, Sub-Development and Loads of Questionable Return:

1. Where it is necessary to extend or reinforce existing facilities in order to provide service under this schedule the member shall be responsible for all cost associated with extension from the tap of the Cooperative's existing main distribution system and terminating at the point of demarcation.
2. Unless otherwise specified in the service contract, the delivery point shall be the point of demarcation when service is furnished at secondary voltage, or the point of attachment of the seller's primary line to the member's primary structure if service is furnished at primary line voltage. All wiring, pole lines and other equipment (except meter) of the load side of the delivery point shall be owned and maintained by the member
3. Renville-Sibley may provide the maintenance of member's facilities beyond the meter through a separate maintenance agreement.

D. Primary Service

If service is furnished at the seller's primary distribution voltage, with the consumer owning the transformer installation, a discount shall apply to the charges specified in the applicable rate schedule. The seller may meter the secondary voltage and adjust to primary metering by estimating the transformer losses to the metered kilowatt hours and kilowatts.

E. Demand and Power Factor Metering

If the rate schedule provides for measurement of demand or power factor, Renville-Sibley shall have the right to make such measurements by test at any reasonable time, or install meters permanently, or agree with the member on the estimated demand and power factor to be used for billing. Expenses associated with power factor metering equipment shall be the responsibility of the member.

- F. A finance agreement may be considered for facilities described in this policy. Such agreement shall set forth the total capital cost of line extension, and if applicable, the terms, finance rates and monthly payment for such capital cost. This agreement is subject to board approval.

### III. Responsibilities

A. The CEO and assigned Staff shall be responsible for implementing and routinely reporting to the Board as to the need to adjust policy.

#### **IV. Review**

This policy and rates covered under this policy are subject to annual review.

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Chair

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Secretary/Treasurer

Adopted: 03-27-2000  
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