



**ELECTRIC SERVICE REGULATION NO. 12**

**UTAH POWER & LIGHT COMPANY**

**ELECTRIC SERVICE REGULATION NO. 12**

**STATE OF UTAH**

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**Line Extensions**

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**1. CONDITIONS AND DEFINITIONS**

- (a) **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.
- (b) **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. The Applicant or subsequent Customer(s) shall pay the contract minimum billing as specified by this rule.
- (c) **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 the Extension Allowance exceeds the Extension Costs, the Company will refund the excess up to the amount of the Applicant's or Customer's advance.

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**ELECTRIC SERVICE REGULATION NO. 12 - Continued****1. CONDITIONS AND DEFINITIONS (continued)****(c) Engineering Costs (continued)**

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

**(d) Extension Allowance** -- The Extension Allowance is the portion of the Extension that the Company may provide, or allow, without cost to the Applicant. The portion will vary with the class of service that the Applicant requests and shall not exceed the Extension Cost. The Extension Allowance does not include additional costs resulting from: additional voltages; duplicate facilities; additional points of delivery; or any other Applicant requested facilities that add to, or substitute for, the Company's standard construction methods or preferred route. The Extension Allowance is not available to Customers receiving electric service under special pricing contracts.

**(e) Extension Costs** -- Extension Costs are the Company's total costs for constructing an Extension using the Company's standard construction methods, including services, transformers and meters, labor, materials and overhead charges.

**(f) Extension Limits** -- The provisions of this Regulation apply to Extensions that require standard construction and will produce sufficient revenues to cover the ongoing costs associated with them. The Company will construct Extensions with special requirements or limited revenues under the terms of special contracts.

Examples of special requirements include, but are not limited to, unusual costs incurred for obtaining rights-of-way, overtime wages, use of special equipment and facilities, accelerated work schedules to meet the Applicant's request, or non-standard construction requirements.

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**ELECTRIC SERVICE REGULATION NO. 12 - Continued****1. CONDITIONS AND DEFINITIONS (continued)**

- (g) **Facilities Charges** -- The Facilities Charges are those costs associated with the ownership, operation and maintenance of facilities built to provide service and are in addition to rate schedule billings. Schedule 300 specifies the Facilities Charges.
- (h) **Recreational Residential Service** -- Geographical areas where, in the Company's judgment, the majority of the dwellings are or will be recreational dwellings shall be designated Recreational Residential Service areas. Recreational dwellings are single unit residential dwellings which are or will be used primarily for recreational or vacation purposes, are not the primary residence of the occupants, and are not generally occupied on a continuous basis.
- (i) **Restrictions** -- An Extension of the Company's facilities is subject to these regulations and other rules and restrictions. These may include but are not limited to: laws of the United States; State law; executive and administrative proclamations; Commission orders or regulations; or, any lawful requirement of a governmental body.
- (j) **Routes, Easements and Rights-of-Way** -- The Company will select the route of an Extension in cooperation with the Applicant. The Applicant must pay all costs of complete unencumbered rights-of-way, easements, or licenses to use land, and for any preparation or clearing the Company may require. The Applicant may acquire and prepare these in a form acceptable to the Company, or if requested by the Applicant, the Company will do so at the Applicant's expense.
- (k) **Regulations Previously in Effect** -- Regulation changes do not modify existing Extension contracts. If a Customer advanced funds for an Extension under a regulation or a contract previously in effect, the Company will make refunds for additional Customers as specified in the previous regulation or contract.
- (l) **Service Conductors** -- The secondary-voltage conductors extending from the pole line, the underground secondary-voltage main, a secondary-voltage transformer, or a secondary-voltage switch cabinet to the Point of Delivery.

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**EFFECTIVE:**

**ELECTRIC SERVICE REGULATION NO. 12 - Continued****2. RESIDENTIAL EXTENSIONS****(a) Extension Allowances**

The Extension Allowance for permanent single residential applications is \$1100. The Extension Allowance for a residential application in a planned development is \$350. The Applicant must advance the costs exceeding the Extension Allowance prior to the start of construction.

**(b) Additional Customers, Advances and Refunds**

A Customer that pays for a portion of the construction of an Extension may receive refunds if additional Customers connect to the Extension. The Customer is eligible for refunds during the first five years following construction of an Extension for up to three additional Customers. Each of the next three Customers utilizing any portion of the initial Extension must pay the Company, prior to connection, 25% of the cost of the shared facilities. The Company will refund such payments to the initial Customer.

**(c) Contracts**

The Company will make Extensions for Remote, Seasonal and Recreational Residential Service according to a written contract. The Applicant shall pay a Contract Minimum Billing for as long as service is taken, but in no case more than 15 years nor less than five years.

Additional Applicants must also contract to pay a Contract Minimum Billing for as long as service is taken, but not to exceed 15 years, and share the Facilities Charges of the existing Customers.

**(d) 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.

**(e) Underground Extensions**

The Company will construct Extensions underground when requested by the Applicant or if required by local ordinance or conditions. The Applicant shall provide all trenching and backfilling, imported backfill material, conduits, and equipment foundations that the Company requires for the Extension.

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**ELECTRIC SERVICE REGULATION NO. 12 - Continued****2. RESIDENTIAL EXTENSIONS (continued)****(e) Underground Extensions (continued)**

If the Applicant requests, the Company will provide and install these items at the Applicant's expense. The Applicant must also pay for the conversion of any existing overhead facilities to underground, under the terms of Section 6 of this Regulation.

**3. NONRESIDENTIAL EXTENSIONS****(a) Extension Allowances - Delivery at 46,000 Volts and above**

The Company will grant Customers taking service at 46,000 Volts or above an Extension Allowance of the metering necessary to measure the Customer's usage.

**(b) Extension Allowances - Delivery at less than 46,000 Volts****(1) 1,000 kW or less**

The Company will grant Nonresidential Applicants requiring 1,000 kW or less an Extension Allowance of up to two times the estimated 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 Company may require the Customer to pay a Contract Minimum Billing for five years.

**(2) Over 1,000 kW**

The Company will grant Nonresidential Applicants requiring more than 1,000 kW an Extension Allowance of up to two times the estimated annual revenue the Applicant will pay the Company. The Applicant must advance the costs exceeding the Extension Allowance. Fifty percent of the advance is due when the contract is executed with the remaining balance due upon completion of the Extension.

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**ELECTRIC SERVICE REGULATION NO. 12 - Continued****3. NONRESIDENTIAL EXTENSIONS (continued)****(2) Over 1,000 kW (continued)**

The Customer must pay a Contract Minimum Billing for as long as service is taken, but in no case more than 15 years nor less than five years.

If service is terminated within the first 10 years, the Customer must pay a termination charge equal to the Extension Allowance less 1/10th of the allowance for each year service was taken.

**(3) Remote Service**

The Company will grant Applicants for Remote Nonresidential Service an Extension Allowance equal to the estimated 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 more than 15 years nor less than five years.

**(c) Additional Customers, Advances and Refunds****(1) Initial Customer - 1,000 kW or less**

A Customer that pays for a portion of the construction of an Extension may receive refunds if additional Customers connect to the Extension. The Customer is eligible for refunds during the first five years following construction of an Extension for up to three additional Customers. Each of the next three Customers utilizing any portion of the initial Extension must pay the Company, prior to connection, 25% of the cost of the shared facilities. The Company will refund such payments to the initial Customer.

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**ELECTRIC SERVICE REGULATION NO. 12 - Continued****3. NONRESIDENTIAL EXTENSIONS (continued)****(c) Additional Customers, Advances and Refunds (continued)****(2) Initial Customer - over 1,000 kW**

A Customer that pays for a portion of the construction of an Extension may receive refunds if additional Customers connect to the Extension. The Customer is eligible for refunds during the first five years following construction of an Extension for up to three additional Customers. Each of the next three Customers utilizing any portion of the initial Extension must pay the Company, prior to connection, a proportionate share of the cost of the shared facilities. The Company will refund such payments to the initial Customer.

$$\text{Proportionate Share} = (A + B) \times C$$

Where:

$$A = [\text{Shared footage of line}] \times [\text{Average cost per foot of the line}]$$

$$B = \text{Cost of the other shared distribution equipment, if applicable}$$

$$C = [\text{New additional connected load}] / [\text{Total connected load}]$$

**(3) Adjustment of Contract Minimum Billing**

Additional Customers also must share the Facilities Charges of the existing Customers. The Company will allocate the Facilities Charges in the same manner used for allocating the original advance.

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**ELECTRIC SERVICE REGULATION NO. 12 - Continued****3. NONRESIDENTIAL EXTENSIONS (continued)****(d) Underground Extensions**

The Company will construct Extensions underground when requested by the Applicant or if required by local ordinance or conditions. The Applicant must pay for the conversion of any existing overhead facilities to underground, under the terms of Section 6 of this Regulation. The Applicant must provide all trenching and backfilling, imported backfill material, conduits, and equipment foundations that the Company requires for the Extension. If the Applicant requests, the Company will provide these items at the Applicant's expense.

**4. EXTENSIONS TO PLANNED DEVELOPMENTS****(a) General**

Planned developments, including subdivisions and mobile home parks, are areas where groups of buildings or dwellings may be constructed at or about the same time. The Company will install facilities in developments before there are actual Applicants for service under the terms of a written contract.

**(b) Allowances and Advances**

For nonresidential developments the Developer must pay a non-refundable advance equal to the Company's estimated installed costs to make primary service available to each lot. For residential developments the Company will provide the Developer a maximum Extension Allowance of \$750 for each lot. The Developer must pay a non-refundable advance for all other costs to make secondary voltage service available to each lot. The Developer may be required to pay a refundable advance equal to the Extension Allowance. For both nonresidential and residential developments the Company may require the Developer to pay for facilities to provide additional service reliability or for future development.

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**ELECTRIC SERVICE REGULATION NO. 12 - Continued****4. EXTENSIONS TO PLANNED DEVELOPMENTS (continued)****(c) Refunds**

The Company will make no refunds for facilities installed within a development. However, a developer may receive refunds on an advance paid for a new Extension to the development, if additional Customers connect to that Extension outside the development. The Developer is eligible for these refunds during the first five years following construction of the Extension for up to three additional Customers. Each of these Customers must pay the Company, prior to connection, 25% of the cost of the shared facilities. The Company will refund such payments to the Developer.

**(d) Underground Extensions**

The Company will construct 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 6 of this Regulation. The Developer must provide all trenching and backfilling, imported backfill material, conduits, and equipment foundations that the Company requires. If the Developer requests, the Company will provide these items at the Developer's expense.

**5. EXTENSION EXCEPTIONS****(a) Applicant Built Line Extensions****(1) General**

An Applicant may contract with someone other than the Company to build an Extension. The Applicant must contract with the Company before starting construction of an Extension. When the Applicant has completed construction of the Extension and the Company approves it, the Company will connect it to the Company's facilities and assume ownership.

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**ELECTRIC SERVICE REGULATION NO. 12 - Continued****5. EXTENSION EXCEPTIONS (continued)****(a) Applicant Built Line Extensions (continued)****(2) 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 Extension.

**(3) 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 the actual costs for inspections 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 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 Extensions, the Company may require that an inspector be present whenever installation work is done.

**(4) Construction Standards**

The Applicant must construct the Extension in accordance with the Company's design, specifications, and material standards and along the Company's selected route. Otherwise, the Company will not accept or energize the Extension.

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**ELECTRIC SERVICE REGULATION NO. 12 - Continued****5. EXTENSION EXCEPTIONS (continued)****(a) Applicant Built Line Extensions (continued)****(5) Transfer of Ownership**

Upon approval of the construction, the Company will assume ownership of the Extension. The Applicant must provide the Company unencumbered title to the Extension.

**(6) Rights-of-Way**

The Applicant must provide to the Company all required rights-of-way, easements and permits in accordance with paragraph 1.(j). in this Regulation.

**(7) Contract Minimum Billing**

The Company may require the Applicant to pay a Contract Minimum Billing as defined in paragraph 1.(b) in this Regulation.

**(8) Deficiencies in Construction**

If, within 24 months of the time the Company energized the Extension, it determines that the Applicant provided deficient material or workmanship, the Applicant must pay the cost to correct the deficiency.

**(9) Line Extension Value**

The Company will calculate the value of an Extension using its standard estimating methods. The Company will use the Extension Value to calculate Contract Minimum Billings, reimbursements, and refunds.

**(10) Line Extension Allowance**

After assuming ownership, the Company will calculate the appropriate Extension Allowance. The Company will then reimburse the Applicant for the construction costs covered by the Extension Allowance, less the cost of any Company provided equipment or services, but in no case more than the Line Extension Value.

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**ELECTRIC SERVICE REGULATION NO. 12 - Continued****5. EXTENSION EXCEPTIONS (continued)****(b) Duplicate Service Facilities**

The Company will furnish Duplicate Service Facilities if the Customer advances the estimated costs for facilities in excess of those which the Company would otherwise provide. The Customer also must pay Facilities Charges for the Duplicate Facilities for as long as service is taken, but in no case more than 15 years nor less than five years.

**(c) 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 more than 15 years nor less than five years.

**(d) Highly Fluctuating Loads**

The Company will furnish facilities for Highly Fluctuating Loads as defined in Regulation 2 of this Tariff, provided that the Applicant agrees to advance to the Company the estimated installed cost of such facilities over the cost of facilities which the Company, in its sole discretion, would otherwise provide. The Applicant shall also pay a Contract Minimum Billing as long as service is taken but in no case more that 15 years nor less than five years. If load fluctuations become a detriment to other Customers, the Company may modify the facilities and adjust the advance and the Contract Minimum Billing.

**(e) Temporary Service**

- (1)** For Temporary Service requests requiring only a service loop connection and where there are 120/240 volt facilities of adequate capacity available, the Customer shall pay the connect and disconnect charge specified in Schedule 300.

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**5. EXTENSION EXCEPTIONS (continued)**

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**ELECTRIC SERVICE REGULATION NO. 12 - Continued**

**(e) Temporary Service (continued)**

- (2)** For all other Temporary Service requests the Customer 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.
- (3)** The Customer 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.
- (4)** If a Customer takes Temporary Service continuously for 60 consecutive months, the Company will classify the Extension as permanent and refund any payment the Customer made over that required of a permanent Customer. The Company will not refund the Facilities Charges.

**6. RELOCATION OR REPLACEMENT OF FACILITIES**

**(a) Relocation of Facilities**

If requested by an Applicant or Customer the Company will: relocate distribution facilities on to, or adjacent to, the Customer's premises; and/or, replace existing overhead distribution facilities with comparable underground.

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**6. RELOCATION OR REPLACEMENT OF FACILITIES (continued)**

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Filed Under P.S.C.U. Docket No. 01-035-01, Advice No. 01-04.

**ELECTRIC SERVICE REGULATION NO. 12 - Continued****(a) Relocation of Facilities (continued)**

For overhead to underground relocations, the new underground system must not impair the use of the remaining overhead system. The Applicant or Customer must elect either: to provide all trenching and backfilling, imported backfill material, conduits, and equipment foundations that the Company requires for the Extension; or, to pay the Company to provide these items.

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

- (1) The estimated installed cost of the new facilities plus the estimated removal expense of the existing facilities, less
- (2) The estimated salvage value of the removed facilities and depreciation on the original facilities.

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

**(b) Local Governments**

When required by a governmental entity and when such conversion is practical, the Company will replace existing overhead with underground distribution facilities provided the entity pays the Company in accordance with paragraph (a) above, and provided the entity will adopt an ordinance creating an underground district requiring:

- (1) All existing overhead communication and electric distribution facilities in said district be removed: and,
- (2) Each property owner to make the changes necessary to receive service from the underground facilities as soon as the Company makes them available; and

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**6. RELOCATION OR REPLACEMENT OF FACILITIES**

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**ELECTRIC SERVICE REGULATION NO. 12 - Continued**

**(b) Local Governments (continued)**

- (3)** Authorizes the Company to discontinue overhead service when it has completed construction of the underground facilities.

**7. CONTRACT ADMINISTRATION CREDIT**

Customers may waive their right to receive refunds on a refundable Extension advance in excess of the Extension Allowance. Customers who waive this right will receive a Contract Administration Credit of up to \$250 not to exceed their refundable Extension advance. The Customer's choice to receive the Contract Administration Credit must be made at the time the Extension advance is paid.