

**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 or Line Extension** – A branch from, or a continuation of, a Company owned transmission or distribution line. An extension may be single-phase, three-phase, a conversion of single-phase line to a three-phase line or the provision of additional capacity in existing lines or facilities. The Company will own, operate and maintain all extensions made under Regulation 12.

**(e) 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 apply to 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.

**(f) 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.

**(g) 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 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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