

December 12, 2018

# VIA ELECTRONIC FILING

Public Service Commission of Utah Heber M. Wells Building, 4<sup>th</sup> Floor 160 East 300 South Salt Lake City, UT 84114

Attention: Gary Widerburg Commission Secretary

## Re: Docket No. 18-035-T04

Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Regulation Nos. 4 (Supply and Use of Service), 5 (Customer's Installation), 7 (Metering), 9 (Deposits), 10 (Termination of Service and Deferred Payment Agreement), 12 (Line Extensions), and Electric Service Schedule No. 300 (Regulation Charges) *Reply Comments* 

On September 17, 2018, PacifiCorp d.b.a Rocky Mountain Power ("Company") filed proposed revised tariff pages associated with Electric Service Regulation Nos. 4 (Supply and Use of Service), 5 (Customer's Installation), 7 (Metering), 9 (Deposits), 10 (Termination of Service and Deferred Payment Agreement), 12 (Line Extensions), and Electric Service Schedule No. 300 (Regulation Charges) ("Original Filing"). The Public Service Commission of Utah ("Commission") issued a Scheduling Order and Order Suspending Tariff on September 25, 2018 ("Scheduling Order") that set a deadline for comments from interested parties by November 20, 2018, and reply comments on December 12, 2018. On November 20, 2018 the Division of Public Utilities ("Division") and Utah Association of Energy Users ("UAE") filed comments on the Company's proposed revised tariff pages. Consistent with the Scheduling Order, the Company submits these reply comments.

As presented in these reply comments, the Company has adopted certain modifications proposed by the Division and UAE. The Company's September 17, 2018 filing included proposed revised pages associated with Tariff P.S.C.U Nos. 4, 5, 7, 9, 10, 12, and 300, applicable to electric service in the State of Utah. The changes proposed by the Division and UAE that the Company has adopted relate to tariff sheets 9R.3, 12R.8 and 12R.12, which have been revised and included with this filing. Pursuant to the requirement of Rule R746-405-2(D), PacifiCorp ("Company") states that the proposed tariff sheets do not constitute a violation of state law or Commission rule.

First Revision of Sheet No. D		Tariff Index
First Revision of Sheet No. 9R.3	Electric Service	Deposits
	Regulation No. 9	-
First Revision of Sheet No. 12R.8	Electric Service	Line Extensions
	Regulation No. 12	
First Revision of Sheet No. 12R.9	Electric Service	Line Extensions
	Regulation No. 12	
First Revision of Sheet No. 12R.10	Electric Service	Line Extensions
	Regulation No. 12	
Second Revision of Sheet No. 12R.11	Electric Service	Line Extensions
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First Revision of Sheet No. 12R.12	Electric Service	Line Extensions
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First Revision of Sheet No. 12R.13	Electric Service	Line Extensions
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Second Revision of Sheet No. 12R.14	Electric Service	Line Extensions
	Regulation No. 12	
First Revision of Sheet No. 12R.15	Electric Service	Line Extensions
	Regulation No. 12	
Original Sheet No. 12R.16	Electric Service	Line Extensions
	Regulation No. 12	
Original Sheet No. 12R.17	Electric Service	Line Extensions
	Regulation No. 12	

Included with this letter are redline and clean versions of the proposed tariff sheets. The changes in red indicate changes that were included in the Company's Original Filing. The changes in blue are changes that have been made based on the comments received by the Division and UAE.

# **Response to Changes Proposed by the Division**

The Division stated it has no concerns or recommendations to the changes being proposed by the Company in the Original Filing related to the following:

- Regulation No. 4, Supply and Use of Service
- Regulation No. 5, Customer's Installation
- Regulation No. 10, Termination of Service and Deferred Payment Agreement
- Sheet No. 300, Regulation Charges

The Division provided comments on the following aspects of the Company's proposal:

- Regulation No. 7, Metering
- Regulation No. 9, Deposits
- Regulation No. 12, Line Extensions

## **Regulation No. 7, Metering**

#### <u>4(b). BILL ADJUSTMENTS FOR METER ERROR AND FAILURE TO REGISTER,</u> <u>Failure to Register</u>

The Company's Original Filing proposed changes to this section in order to clarify the difference between a meter registering some but not all the usage, and a meter that does not register any usage. While the Division does not express any concerns regarding the Company's proposed change to this section, it raises the question whether it is equitable to bill the customer whose meter failed to register the full use because of a subset of specific reasons for twenty-four months of prior estimated use while only billing for three or six months in the event of other metering failures. The Company recommends the Commission adopt the Company's proposed changes, but initiate a review of the issue raised by the Division.

#### **Regulation No. 9, Deposits**

#### 1(b)(3). DEPOSITS, Residential Customers, Waiver of Security Deposit

The Company recommended several changes to Regulation No. 9 in the Original Filing. Of those, the only change that the Division was concerned with was section 1(b)(3), in which the Company proposed a change to update the reference to the Utah Workforce Services Code, which was renumbered and amended by the Utah legislature in 2012. The Division noted that the reference needs further revision to exclude the reference to Title 54. The Company agrees that "Title 54 Public Utilities Statutes and Public Service Commission Rules, and" should be deleted from section 1(b)(3). This change has been reflected in the tariff sheet 9R.3 that is included with this filing.

#### **Regulation No. 12, Line Extensions**

The Division noted two concerns with the Company's proposed changes to Regulation No. 12, Line Extensions. The first concern involves Regulation No. 12, Section 1(k), Refunds and the allocation of costs to succeeding customers after the initial customer pays for network upgrades. The second concern relates to Regulation No. 12, Section 2(e) and the threshold at which a customer pays for network upgrades to connect to the Company's system.

#### 1(k). CONDITIONS AND DEFINITIONS, Refunds

Under Regulation No. 12, Section 1(k), an initial customer pays for a line extension, which may or may not be a network upgrade, to connect to the Company's system. For ten years after, any successive customer, up to four customers, that connect to the line pays twenty percent of the initial cost to the Company, who reimburses the initial customer. The Division notes that a customer could theoretically wait until the eleventh year to connect to avoid paying the twenty percent fee. The Division does not recommend any changes because it states the scenario does not seem likely.

The Company concurs with the Division that it is unlikely a subsequent customer will abuse the loophole for two main reasons. First, the subsequent customer is not informed of when the line they are attaching to was built or when the refund period expires. Second, even if

they were aware of the end of the refund period, the customer's electric needs would have to be flexible and non-urgent enough that they could postpone their connection to the Company's system until the end of the ten year refund period. Both of these scenarios make it unlikely that abuse could occur.

The Division also notes it was initially concerned with Section 1(k), Refunds, related to the Sustainable Transportation and Energy Plan ("STEP") line extension pilot program and the possibility of a double refund. Again the Division does not propose a change, recognizing that the STEP funds portion of the line extension is not subject to refunds with subsequent customer connections. The Company agrees and provides additional support for this by pointing out that Regulation No. 13 expressly limits the STEP funds to backbone "within the development" On the other hand Regulation No. 12, section 4(c) Refunds states, "The Company will make no refunds for facilities installed within a development." In addition, a customer is only eligible for refunds on an advance they paid. STEP funds offset 20 percent of the eligible portion of a developer's advance, thus are not advanced by the developer, therefore the developer is not eligible for refunds on the STEP-provided contribution.

# 2(e). RESIDENTIAL EXTENSIONS, Transformation Facilities

The Division expressed that they were initially concerned that the 22kVA threshold might limit a single-family residential home to services below 200 amps and 240 volts. After the Company provided further explanation, the Division did not have any additional concerns and supports the Company's proposed threshold as acceptable and in the public interest.

# **Response to Changes Proposed by UAE**

UAE recommended changes with regards to the following:

- Regulation No. 4, Supply and Use of Service
- Regulation No. 12, Line Extensions, specifically sections 12(3)(d), 12(3)(e) and 12(5)(b)

# **Regulation No. 4, Supply and Use of Service**

The Company's Original Filing did not propose changes to Regulation No. 4, Supply and Use of Service. In their comments, UAE proposes changes to Regulation No. 4(3) to allow sub-metering and billing by a landlord. UAE's issue with the current rule is that it only permits the landlord to estimate the cost of the electricity to the tenant. The Company objects to UAE's proposed changes to Regulation No. 4 because their issue only occurs within the context of master-metering and under the constraint of: *"Electric power purchased by Customers shall be used solely by the Customer and its tenants involved in the same business enterprise and associated activities on the same premise"* (first sentence of the second paragraph of Regulation No. 4(3)).

Electric Service Regulation No. 7(5) – Master metering explains:

A master meter is any meter that serves more than one Customer. Master metering is only allowed as provided for in Exemptions to Master Metering. Other than as

provided in Exemptions to Master Metering, individual metering [by the utility] is required for a new building if:
(1) There is more than one unit in such building, and
(2) The occupant of each unit uses electricity in the unit.

The application of Regulation No. 4(3) is for the exemptions to Master Metering as contained in Regulation No. 7(5), otherwise individual metering is required. Further, Regulation 7(5)(c) prohibits sub-metering:

Sub-metering is the metering of the various customers that are served from a master metered account. With the exception of grandfathered accounts sub-metering is not allowed.

This tariff regulation aligns with R746-210-5. Submetering as an Alternative to Individual Metering.

There are no circumstances, other than exemptions, where submetering is an acceptable alternative to individual metering under the constraints to PURPA. Submetering, while giving consumers control over their energy consumption, still retains a primary objection to master metering; namely, that since customers of a master metered utility customer are not customers of a regulated public utility, the Commission is without authority to provide redress where appropriate, such as in cases of service or billing problems.

The proposal to modify Electric Service Regulation No. 4(3) for the right to meter, is actually a proposal for the right to sub-meter, which would be in conflict with other provisions of the tariff and administrative rule R746-210-5. While UAE's comments that the goals of PURPA include encouraging conservation, which does not occur with master metering, are correct, their proposal with respect to Regulation No. 4(3) would place the landlord in the position of a public utility, and is prohibited by the other provisions reference above. The Company recommends that the Commission reject UAE's proposal.

#### **Regulation No. 12, Line Extensions**

# 3(d). NON-RESIDENTIAL EXTENSIONS, Change in Line Voltage

In the Company's Original Filing, the following paragraph was proposed to be added to Regulation No. 12, Section 3(d)

#### (d) Change in Line Voltage

When the Company changes the voltage of a distribution or transmission line, Customers taking service at the line voltage are responsible for the cost of taking service at the new distribution or transmission line voltage.

UAE opposes this change, based on the claims that this language allows the Company to make unilateral decisions that could cause substantial costs and timing delays to customers. UAE contends that the Company should be required to justify the modification to the line

voltage to the satisfaction of the customer or seek Commission approval by demonstrating that the expense is necessary and no feasible alternative is available. UAE proposes the following alternative language:

If the Company reasonably determines that it must increase the voltage of facilities in an area in order to increase system capacity to meet anticipated demand, the Company must provide at least twelve months advance written notice to customers taking service at the existing voltage who may be impacted, and obtain the written agreement of the affected customers to modify customer owned or controlled facilities as necessary in order to take service at the increased voltage. Absent such written agreement, the Company may seek Commission approval to require affected customers to bear all or a reasonable portion of the expenses of such modifications to customer owned or controlled facilities. The Commission may require affected customers to bear all or a reasonable portion of the expenses of such required customer modifications if the Company demonstrates that the modifications and proposed customer expenses are just, reasonable and necessary, and that no other reasonable alternatives are available. This Electric Service Regulation No. 12(3)(d) does not modify or supersede any existing contractual provisions specifically addressing notice provisions or customer protections relating to such voltage changes.

Upgrading transmission line voltage is very costly and has a long lead time. The Company does not make decisions to upgrade a transmission line voltage lightly. Prior to deciding to make a change in transmission line voltage, the costs and alternatives of providing adequate reliable service in the Company's service territory are extensively studied. Alternate means of routing power using existing facilities, upgrading existing transmission, building new transmission, and combinations of all three are all thoroughly reviewed. Obtaining rights-of-way is increasingly difficult and time consuming. The permitting process that the Company is required to go through already provides a thorough vetting of the reasons and justifications of the voltage change. Although the Company does not agree that it is reasonable to require the process proposed by UAE, the Company appreciates the feedback from UAE and agrees that changes should be made to add parameters to help further define the new language, clarify how it is applied, and who bears the cost. The Company proposes to add the following language:

#### (d) Change in Line Voltage

When the Company changes the voltage of a distribution line, a Customer taking service at the distribution line voltage (Primary Delivery Customer) is responsible for the cost of taking service at the new distribution line voltage in order to continue to receive their primary voltage discount.

When the Company has scheduled to increase the voltage of a transmission line the Company shall give Customers taking transmission delivery service from that transmission line (Transmission Delivery Customers) at least twelve months advance written notice of the change.

> Transmission Delivery Customers whose substations began taking service after January 16, 2019, or, who request an increase in capacity that requires a change in the transmission voltage, or, when the substation was initially connected to the transmission system the service contract so provided will, at their own expense, make the necessary changes to their equipment to receive service at the increased voltage.

> For all other Transmission Delivery Customers, the Company will select and retain an independent engineering firm, acceptable to the Customer, to determine the cost of upgrading the Customer's substation equipment, less salvage. The Company will pay to the Customer fifty (50) percent of the estimated costs to upgrade the substation equipment for the voltage change. The Transmission Delivery Customer will make the necessary changes to their equipment to receive service at the increased voltage.

This additional language will differentiate between primary delivery and transmission delivery customers as there are very significant differences between the two.

The first paragraph is for primary delivery customers, who are customers that take service directly from the Company's distribution voltage lines. These customers receive a voltage discount on their rate schedule, typically general service schedules 6 and 8. If they do not upgrade their transformers, they lose their primary voltage discount.

The next three paragraphs relate to transmission delivery customers. The first paragraph addresses UAE's concern about providing adequate notice to the affected customer. The Company notes that even without specific notice, the customer is aware of the impending voltage change long before it happens due to the public process required for the Company to obtain or modify rights-of-way as necessary, address any new pole locations with landowners, address other public concerns, scenic impact if taller poles are used, and other property and line related issues. However, to ensure clarity and completeness of information, the Company agrees to provide 12 months advance written notice to the customer.

The second paragraph addresses three classes of transmission customers for which the Company argues should pay for the full cost of upgrading their equipment when the transmission voltage increases.

- 1. <u>Customers that connect after the effective date of the tariff change.</u> The Company provides notice to new transmission voltage (Schedule 9) customers in their contracts that the transmission line voltage may increase in the future. Since this takes place before the customer installs their transformer, it allows them the opportunity to install a dual voltage transformer.
- 2. <u>Transmission customers whose load increase is the specific driver of the need for</u> <u>the transmission line voltage upgrade.</u> Customer load increases of adequate magnitude to drive transmission voltage changes are generally associated with customer substation capacity increases as well.

3. <u>Existing customers that already have signed contracts.</u> These customer's contracts already include a term requiring the customer to upgrade their equipment at their own expense if a line is upgraded to receive service at the increased voltage.

The third paragraph provides a consideration for existing customers that received no notice of the possibility that a future line upgrade could cause the need to upgrade their equipment. In past practice, the Company has provided assistance to those customers for the conversion to the higher voltage. The proposed language specifies the level of assistance to be 50 percent of the estimated cost to upgrade their equipment to be compatible with the increased voltage. The Company believes this strikes a reasonable balance.

# 3(e). NON-RESIDENTIAL EXTENSIONS, Reduction in Contract Capacity or Demand

The Company's Original Filing requests to modify Regulation No. 12, section 3(e) to remove the Company's obligation to reserve capacity for a customer's contract demand that has not been used after 36 months to prevent unused reserved capacity from causing the building of unnecessary infrastructure. UAE generally supports the Company's intent, but states the Company's proposed language is not adequate and may negatively impact a customer's plans to expand its load over time. UAE claims that a customer may not reach the contract demand for an extended period of time, by design, citing Schedules 31, 32 and 34 as examples of instances where that could occur. UAE offers alternative proposed language that expands the Company's proposed language to:

- 1. Provide a 48-month review period, opposed to the Company's 36-month proposed period;
- 2. Require the Company to provide the customer a 30 day notice;
- 3. Provide an opportunity for the customer to demonstrate that its demand is expected to increase within the foreseeable future; and
- 4. Identify the dispute resolution process if the Company and customer are not able to agree.

The Company provides a response to each of these proposed additions below.

1. Review Period

UAE's position is that a simple review of peak usage over the past 36-months may be inadequate to determine future usage in all circumstances. However, the Company's proposal aligns with the contracts, which specify a 36-month period for contract demand, which is the reason the Company believes a 36-month period in the Regulation is appropriate. UAE contends that a customer might plan to ramp up to a stated contract demand by design. The Company concurs that some customers intentionally contract for a level of demand that they plan to use at some point many years in the future. Providing for gradual increases in capacity needs is a common practice the Company has employed when entering into contracts. In these cases, this is addressed and provided for in the contract. The Company's proposed language acknowledges this by deferring to the contract in the clause, "unless a contract provides otherwise." The Company supports a 36-month review period as it aligns with the contracts, and represents a reasonable balance between the customer's

capacities needs and the need protect other customers by optimizing utilization of the Company's assets when there is additional growth in an area.

UAE also expresses a concern that customers under Schedules 31, 32 and 34, may have demand in excess of the billed demand. However, with these schedules, the customer is billed in some manner for both the supplementary demand, and any other demand such as backup or renewable power. Under Schedule 31, the customer must contract for backup contract power for the capacity they may need to replace or backup their generation. In fact, because the customer is billed a facilities charge on the backup contract power, they actually reserve capacity equal to the supplementary power used plus the backup contract power, even if they are not generating and using that capacity. For the case of schedule 32, the customer is billed the measured power either as the delivery facilities charges, or as the supplementary power. Schedule 34 does not have defined terms as in the other two schedules and will be addressed on a contract by contract basis. For all three schedules, the maximum customer demand billed will be the maximum customer demand billed, then this other demand would definitely be capacity provided otherwise on a contractual basis.

## 2. 30-day Notice

The Company is not opposed to providing a 30-day notice period. In recent years, the Company's line extension contracts for large loads have had a reduction in contract capacity provision that provides a 30 day notice. The Company has revised its proposed language to include a 30-day notification process.

3. Customer Demonstration of Future Demand

Once the 30-day notice is provided to the customer, the Company is not opposed to specifying a timeframe by which the customer could dispute the contract minimum demand change, where the customer can provide evidence to show that it will need the capacity within the foreseeable future. This is also reflected in the Company's revised proposed language.

#### 4. Dispute Resolution Process

The Company agrees that, absent a resolution between the customer and the Company, the customer has the option of utilizing the informal and/or formal complaint processes to bring the matter forward to the Commission. However, the Company does not feel it is necessary to include UAE's proposed language to specify the informal and formal dispute resolution process. Any customer at any time has the ability to use the informal and formal dispute resolution process to address any concerns with the service they receive from the Company. The Company does not believe this language should be included in the regulation, because it is not included in the Company's other regulations and tariffs. Therefore, it may appear to a customer that these rights that are specified in this regulation are somehow different from the customer's general right to an informal/formal complaint process.

#### (e) Reduction in Contract Capacity or Demand

The Company is not obligated to reserve capacity in Company substations or on Company lines or maintain service facilities in place, in excess of the maximum Customer demand billed in the most recent 36 months, unless a

contract provides otherwise. When reducing Contract Demand the Company may reduce it to a level that the Company reasonable determines, but not less than the peak demand actually measured over the past thirty-six (36) months.

Prior to reduction of Contract Demand, the Company will provide the customer with thirty (30) days written notice (Notice Period) of any reductions in Contract Demand level. Absent a customer response, the change in Contract Demand is effective at the end of the Notice Period. The Customer may respond within the Notice Period demonstrating that its demand is reasonably expected to increase within the foreseeable future or otherwise provide a reasonable basis for a greater demand than the revised Contract Demand. After consideration of the Customer's response, the Company will provide a final notice containing the Company's decision. Any reduction in Contract Demand that is provided in the final notice will become effective immediately unless the Notice Period has not terminated, in which case, it will be effective on the last day of the Notice Period.

This Section 3(e) does not modify or supersede any existing contractual provisions specifically addressing notice requirements or customer protections relating to such a change in demand.

#### 5(b). EXTENSIONS EXCEPTIONS, Deduct Service

UAE states that, since the proposed language is for new deduct arrangements and not applicable to current deduct arrangements, an effective date should be added for clarification. The Company agrees that the language should be clarified to exclude existing deduct service arrangements. Rather than use the UAE proposed language the Company believes the following changes sufficiently address the issue:

<u>Beginning January 16, 2019, new</u> Deduct Service <u>installations are is</u> only allowed where the Facilities Owner provides service to the Deduct Customer at or below 34.5 kV, and only:

#### <u>Summary</u>

The Company appreciates the efforts of the parties to review the changes proposed by the Company in the Original Filing and values the feedback provided. In summary, the Company respectfully requests that the Commission issue an order as follow:

1. Approve the Company's request to make the proposed changes to the following list of tariff sheets that were presented in the Original Filing and not opposed by any party:

First Revision of Sheet No. 4R.1	Electric Service Regulation No. 4	Supply and Use of Service
First Revision of Sheet No. 4R.2	Electric Service Regulation No. 4	Supply and Use of Service
First Revision of Sheet No. 5R.2	Electric Service Regulation No. 5	Customer's Installation
First Revision of Sheet No. 7R.4	Electric Service Regulation No. 7	Metering
First Revision of Sheet No. 9R.1	Electric Service Regulation No. 9	Deposits
First Revision of Sheet No. 9R.4	Electric Service Regulation No. 9	Deposits
First Revision of Sheet No. 10R.9	Electric Service Regulation No. 10	Termination of Service and Deferred Payment Agreement
First Revision of Sheet No. 12R.1	Electric Service Regulation No. 12	Line Extensions
First Revision of Sheet No. 12R.2	Electric Service Regulation No. 12	Line Extensions
First Revision of Sheet No. 12R.3	Electric Service Regulation No. 12	Line Extensions
First Revision of Sheet No. 12R.4	Electric Service Regulation No. 12	Line Extensions
First Revision of Sheet No. 12R.5	Electric Service Regulation No. 12	Line Extensions
First Revision of Sheet No. 12R.6	Electric Service Regulation No. 12	Line Extensions
First Revision of Sheet No. 12R.7	Electric Service Regulation No. 12	Line Extensions
First Revision of Sheet No. 12R.9	Electric Service Regulation No. 12	Line Extensions
Second Revision of Sheet No. 12R.10	Electric Service Regulation No. 12	Line Extensions
Second Revision of Sheet No. 12R.11	Electric Service Regulation No. 12	Line Extensions
First Revision of Sheet No. 12R.13	Electric Service Regulation No. 12	Line Extensions
Second Revision of Sheet No. 12R.14	Electric Service Regulation No. 12	Line Extensions
First Revision of Sheet No. 12R.15	Electric Service Regulation No. 12	Line Extensions
Original Sheet No. 12R.16	Electric Service Regulation No. 12	Line Extensions
Fifth Revision of Sheet No. 300.2	Electric Service Schedule No. 300	Regulation Charges
First Revision of Sheet No. 300.3	Electric Service Schedule No. 300	Regulation Charges

- 2. Take the following actions based on the Division's recommendations:
  - a. Initiate a review of the Regulation No. 7, Metering and Regulation No. 8, Billings, to investigate the backbilling issue raised by the Division.
  - b. Approve the Company's proposed modifications to Regulation No. 9, which have been modified from the Original Filing to address the Division's comments.
- 3. Take the following actions based on UAE's recommendations:
  - a. Deny UAE's recommended changes to Regulation No. 4, Section 3, Service to Tenants, on the basis that it is not allowed by tariff or OAR R746-210-5.
  - b. Approve the Company's proposed modifications to Regulation No. 12, Section 3(d), Change in Line Voltage, and Section 3(e), Reduction in Contract Capacity of Demand, which have been further modified from the Original Filing to partially adopt UAE's proposed modifications.
  - c. Approve the Company's proposed modifications to Regulation No. 12, Section 5(b), Deduct Service, which have been further modified from the Original Filing to adopt UAE's proposed modifications in concept, but with the Company's language that is more concise.

Once the Commission issues its decision on these issues, the Company will make a final compliance filing that contains all of the tariff sheets that have been revised to reflect the approved changes.

Sincerely,

Joelle Steward

Vice President, Regulation

Enclosures

Proposed Tariff Sheets – Clean



# **INDEX OF**

# **ELECTRIC SERVICE REGULATIONS**

# STATE OF UTAH

# Regulation

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4	Supply and Use of Service	Sheets 4R.1 - 4R.4
5	Customer's Installation	Sheets 5R.1 - 5R.4
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10	Termination of Service and Deferred Payment Agreement	Sheets 10R.1 - 10R.11
11	Taxes	Sheet 11R.1
12	Line Extensions	Sheets 12R.1 - 12R.17
25	Customer Guarantees	Sheets 25R.1 - 25R.5



## **ELECTRIC SERVICE REGULATION NO 9 - Continued**

#### 1. **DEPOSITS (continued)**

# (b) Residential Customers (continued)

# (2) Current Residential Customers

In addition to deposits which may be required pursuant to Paragraph 3. (Non-Payment of Bills) below, a deposit may be required from any Residential Customer who has been connected less than one year and is subject to termination and a ten (10) day written notice of disconnection has been issued. A current Residential Customer will be allowed to pay the security deposit in at least three equal monthly installments. Prior to termination, the Company will not require a deposit from a Customer who is in compliance with his obligations under a deferred payment agreement (which includes remaining current on his bill), or if the bill is brought current.

## (3) Waiver of Security Deposit

The security deposit requirement shall be waived for those Residential Customers granted relief from termination pursuant to Utah Code Title 35A Utah Workforce Services Code Section 35A-8-1501. Any new security deposit required from a residential Customer shall also be waived if that Customer makes application and qualifies for the HEAT program, as determined by the Department of Community and Culture. (HEAT is a program which makes Federal funds available through the Department of Community and Culture to low-income households to assist with home energy bills.) The Company will waive any new security deposit requirement once in a twelve month period for those customers who have qualified for the HEAT program. The Company may challenge a Customer's right to such waivers in specific cases where circumstances indicate that the Customer has obtained service by means of theft or engaged in other similar conduct. All such cases must be decided by the Commission.

(continued)



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

#### 3. NON-RESIDENTIAL EXTENSIONS (continued)

#### (c) Additional Customers, Advances and Refunds – All Voltages

## (1) Initial Customer - 1,000 kVA or less

A Customer who paid a refundable advance on an Extension, acquired right-ofway, and/or provided work and material on an underground Extension, may receive refunds if additional Applicants connect to the Extension. The Customer is eligible for refunds during the first ten years following construction of an Extension for up to four additional Applicants as given in Section 1(k) Refunds. Each of these Applicants utilizing a portion of the initial Extension, for which a refund was not waived, must pay the Company, prior to connection, 20% of the refund amount of the shared facilities. The Company will refund such payments to the initial Customer.

#### (2) Initial Customer - over 1,000 kVA

A Customer who paid a refundable advance on an Extension, acquired right-ofway, and/or provided work and material on an underground Extension, may receive refunds if additional Applicants connect to the Extension. The Customer is eligible for refunds during the first ten years following construction of an Extension for up to four additional Applicants as given in Section 1(k) Refunds. Each of these Applicants utilizing a portion of the initial Extension, for which a refund was not waived, must pay the Company, prior to connection, a proportionate share of the refund amount of the shared facilities. The Company will refund such payments to the initial Customer.

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

Where:

- A = [Shared footage of line] x [Average cost per foot of the line]
- B = Cost of the other shared distribution equipment, if applicable
- C = [New additional connected load]/[Total connected load]

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

The Facilities Charges of Customers that receive a refund are reduced by the Facilities Charge amount associated with the refund.

#### (d) Change in Line Voltage

When the Company changes the voltage of a distribution line, a Customers taking service at the distribution line voltage (Primary Delivery Customer) is responsible for the cost of taking service at the new distribution line voltage in order to continue to receive their primary voltage discount.

(continued)



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

#### **3.** NON-RESIDENTIAL EXTENSIONS (continued)

## (d) Change in Line Voltage (continued)

When the Company has scheduled to increase the voltage of a transmission line the Company shall give Customers taking transmission delivery service from that transmission line (Transmission delivery Customers) at least twelve months advance written notice of the change.

Transmission Delivery Customers whose substations began taking service after January 16, 2019, or, who request an increase in capacity that requires a change in the transmission voltage, or, when the substation was initially connected to the transmission system the service contract so provided will, at their own expense, make the necessary changes to their equipment to receive service at the increased voltage.

For all other Transmission Delivery Customers, the Company will select and retain an independent engineering firm, acceptable to Customer, to determine the cost of upgrading the substation equipment, less salvage. Company will pay to the Customer fifty (50) percent of the estimated costs to upgrade the substation for the voltage changes. The Transmission Delivery Customer will make the necessary changes to their equipment to receive service at the increased voltage.

#### (e) Reduction in Contract Capacity or Demand

The Company is not obligated to reserve capacity in Company substations or on Company lines or maintain service facilities in place, in excess of the maximum Customer demand billed in the most recent 36 months, unless a contract provides otherwise. When reducing Contract Demand the Company may reduce it to a level that the Company reasonable determines, but not less than the peak demand actually measured over the past thirty-six (36) months.

Prior to reduction of Contract Demand, the Company will provide the customer with thirty (30) days written notice (Notice Period) of any reductions in Contract Demand level. Absent a customer response, the change in Contract Demand is effective at the end of the Notice Period. The Customer may respond within the Notice Period demonstrating that its demand is reasonably expected to increase within the foreseeable future or otherwise provide a reasonable basis for a greater demand than the revised Contract Demand in the written notice, but not greater than the existing Contract Demand. After consideration of the Customer's response, the Company will provide a final notice containing the Company's decision. Any reduction in Contract Demand that is provided in the final notice will become effective immediately unless the Notice Period has not terminated, in which case, it will be effective on the last day of the Notice Period.

(continued)

Issued by authority of Report and Order of the Public Service Commission of Utah in Advice No. 18-04



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

#### 3. NON-RESIDENTIAL EXTENSIONS (continued)

## (e) Reduction in Contract Capacity or Demand (continued)

This Section 3(e) does not modify or supersede any existing contractual provisions specifically addressing notice requirements or customer protections relating to such a change in demand.

## (f) 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, at their expense, all trenching and backfilling, imported backfill material, conduits, and equipment foundations that the Company requires for the Extension. When the Extension is to property that is not part of an improved development, the Company may require the Applicant to pay for facilities on Applicant's property to provide for additional service reliability or for future development.

## (g) Wheeling Charges

When, in lieu of building a transmission line extension at Customer's expense, Company contracts with another transmission provider to wheel (transmit) power across transmission provider's lines necessary to serve the Customer, Customer will pay transmission provider's wheeling charges in addition to their electric bill and any other applicable charges.

#### (h) Street Lighting

The Extension Allowance to streetlights taking service under Rate Schedules 11 or 12 is equal to five times the annual revenue from the lights to be added. The Applicant must provide a non-refundable advance for costs exceeding the Extension Allowance prior to the lights being added. Facilities charges and Contract Minimum Billings do not apply to energized streetlights.

# 4. EXTENSIONS TO PLANNED DEVELOPMENTS

#### (a) General

Planned developments, including subdivisions, mobile home parks, commercial parks and industrial parks, are areas where groups of dwellings or buildings are planned to be constructed at or about the same time. The Company will install facilities in planned developments, for which a recorded plat has been provided, before there are actual Applicants for service under the terms of a written contract. The Company shall not be required to make Extensions to areas where there is not reasonable assurance of actual Applicants for service within five years.

(continued)

Issued by authority of Report and Order of the Public Service Commission of Utah in Advice No. 18-04



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

#### 4. EXTENSIONS TO PLANNED DEVELOPMENTS (continued)

#### (b) Extension Allowances and Advances

For residential developments the Company will provide the Developer an Extension Allowance of \$750 for each lot to which secondary voltage service is made available at the lot line. If, due to lot size or other constraints, the Company determines the voltage drop on future service runs is likely to exceed that allowed, transformers and secondary will not be installed, and no allowance granted to the developer for those lots or residences. The Developer must pay an advance for all costs in excess of the allowance. Service to the residential dwellings will be provide under the provisions of Section 2. Residential Extensions. The Developer may be required to pay a refundable advance equal to the Extension Allowance.

For non-residential developments the Developer must pay an advance of the Company's estimated installed costs to provide primary voltage connection points to each lot. Service to the buildings will be provided from the primary voltage connection points under the provisions of Section 3. Non-residential Extensions

For both residential and non-residential developments the Company may require the Developer to pay for facilities to and within the development to provide additional service reliability or for future development.

#### (c) Refunds

The Company will make no refunds on Developer advances, Developer acquired rightof-way, and/or Developer provided work and material for facilities installed within a development for the exclusive purpose of serving the development. A Developer who paid a refundable advance on an Extension, acquired right-of-way, and/or has provided work and material on an underground Extension, may receive refunds when an Applicant outside the development receives power from the Extension by connecting to a primary voltage line installed to, alongside or through the development. The Developer is eligible for these refunds during the first ten years following construction of the Extension for up to four additional Applicants as given in Section 1(k) Refunds. Each of these Applicants, for which a refund was not waived, must pay the Company, prior to connection, 20% of the refund amount of the shared facilities. The Company will refund such payments to the Developer.

(continued)



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

# 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 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 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 Extension and the Company approves it, the Company will connect it to the Company's facilities and assume ownership.

## (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.

(continued)



# **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.(l). 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.



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

#### 5. **EXTENSION EXCEPTIONS (continued)**

#### (b) Deduct Service

The Company may, in lieu of a Line Extension, provide service to a new customer (Deduct Customer) through utilization of the electrical facilities owned, operated and maintained by an existing customer (Facilities Owner) provided that the Deduct Customer, the Facilities Owner and the Company each agree with the service arrangement and enter into a written agreement, referred to as a deduct agreement, that specifies the terms of the service delivery and is consistent with the terms of this Subsection b.

Beginning January 16, 2019, new Deduct Service installations are only allowed where the Facilities Owner provides service to the Deduct Customer at or below 34.5 kV, and only:

- 1. As a temporary expediency to provide service for five years or less; or
- 2. In Remote Service locations where the length of a line extension from the Company to the Deduct Customer will exceed one mile and the cost will exceed seven times the Deduct Customer's estimated annual revenue.

The Deduct Customer shall bear the risk that it may be unable to obtain service in the event the deduct agreement is terminated, service to the Facilities Owner is terminated, or the Facilities Owner is unable to provide service through use of its electrical facilities for any reason. In the event the Deduct Customer is no longer able to obtain deduct service, and/or at the expiration of the five-year temporary period, the Deduct Customer may reinstate service in accordance with the provisions of a line extension as provided in this Regulation 12.

The Deduct Customer will be billed by a separate meter on a retail rate schedule applicable to the service the Deduct Customer is receiving. The Deduct Customer shall construct, own, operate and maintain: all equipment necessary to receive service from the electrical facilities owned by the Facilities Owner; a Company approved metering point; and communication for remote meter reading. The deduct-meter will be Company owned using an approved revenue metering package.

With the addition of the Deduct Customer, the Facilities Owner's meter measures the usage of both of them, thus is a master meter. The Facilities Owner's usage shall be calculated by subtracting the Deduct Customer's usage from the Facilities Owner's usage as metered by the master meter. Under no circumstances is the Facilities Owner to sub-meter or otherwise charge the Deduct Customer for the electrical energy delivered through the Facilities Owner's energy use. However the Facilities Owner may enter into a maintenance agreement with the Deduct Customer for its reasonable costs incurred to maintain the electrical facilities used to deliver service to the Deduct Customer.

(continued)

Issued by authority of Report and Order of the Public Service Commission of Utah in Advice No. 18-04



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

## 5. EXTENSION EXCEPTIONS (continued)

#### (c) 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 less than five years.

## (d) 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.

## (e) 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 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.

#### (f) Non-residential Remote Loads in Isolated Locations

The Company will furnish facilities for Remote Service, as defined in Regulation 2 of this tariff, for non-residential loads under the terms of this Regulation 12. However if the cost to provide service to the point of delivery is more than seven times the estimated annual revenue from the remote customer, the facilities charge will continue for as long as service continues unless and until the load is no longer distant nor isolated.

#### (g) 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.

(continued)



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

#### 5. EXTENSION EXCEPTIONS (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. **RELOCATIONS AND CONVERSIONS OF FACILITIES**

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

Advances for relocations and conversions are not refundable. The Company is not responsible for allocating costs and responsibilities among multiple Applicants.

#### (a) **Relocations**

For relocations 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.

(continued)



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

#### 6. **RELOCATIONS AND CONVERSIONS OF FACILITIES (continued)**

#### (b) **Overhead to Underground Conversions**

For overhead to underground conversions, 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 relocation; 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.

#### (c) Overhead to Underground Conversions for 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 (b) 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
- (3) Authorizes the Company to discontinue overhead service when it has completed construction of the underground facilities.

# 7. CONTRACT ADMINISTRATION CREDIT

When a Line Extension includes a refundable advance, a Customer may waive all refunds and receive the Contract Administration Credit 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.

Issued by authority of Report and Order of the Public Service Commission of Utah in Advice No. 18-04

Proposed Tariff Sheets – Redline



# INDEX OF

## **ELECTRIC SERVICE REGULATIONS**

# **STATE OF UTAH**

# Regulation

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4	Supply and Use of Service	Sheets 4R.1 - 4R.4
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#### **ELECTRIC SERVICE REGULATION NO 9 - Continued**

## 1. **DEPOSITS (continued)**

#### (b) Residential Customers (continued)

# (2) Current Residential Customers

In addition to deposits which may be required pursuant to Paragraph 3. (Non-Payment of Bills) below, a deposit may be required from any Residential Customer who has been connected less than one year and is subject to termination and a ten (10) day written notice of disconnection has been issued. A current Residential Customer will be allowed to pay the security deposit in at least three equal monthly installments. Prior to termination, the Company will not require a deposit from a Customer who is in compliance with his obligations under a deferred payment agreement (which includes remaining current on his bill), or if the bill is brought current.

## (3) Waiver of Security Deposit

The security deposit requirement shall be waived for those Residential Customers granted relief from termination pursuant to Utah Code Title 54 Public Utilities Statutes and Public Service Commission Rules, and Title 35A Utah Workforce Services Code Section 35A-8-1501Title 9 Community and Culture Development 9-12-201. Any new security deposit required from a residential Customer shall also be waived if that Customer makes application and qualifies for the HEAT program, as determined by the Department of Community and Culture. (HEAT is a program which makes Federal funds available through the Department of Community and Culture to low-income households to assist with home energy bills.) The Company will waive any new security deposit requirement once in a twelve month period for those customers who have qualified for the HEAT program. The Company may challenge a Customer's right to such waivers in specific cases where circumstances indicate that the Customer has obtained service by means of theft or engaged in other similar conduct. All such cases must be decided by the Commission.

(continued)



**<u>First Revision of Sheet No. 12R.8</u>** <u>**Canceling**</u> Original Sheet No. 12R.8

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

# 3. NON-RESIDENTIAL EXTENSIONS (continued)

(c) Additional Customers, Advances and Refunds – All Voltages

# (1) Initial Customer - 1,000 kVA or less

A Customer who paid a refundable advance on an Extension, acquired right-ofway, and/or provided work and material on an underground Extension, may receive refunds if additional Applicants connect to the Extension. The Customer is eligible for refunds during the first ten years following construction of an Extension for up to four additional Applicants as given in Section 1(k) Refunds. Each of these Applicants utilizing a portion of the initial Extension, for which a refund was not waived, must pay the Company, prior to connection, 20% of the refund amount of the shared facilities. The Company will refund such payments to the initial Customer.

## (2) Initial Customer - over 1,000 kVA

A Customer who paid a refundable advance on an Extension, acquired right-ofway, and/or provided work and material on an underground Extension, may receive refunds if additional Applicants connect to the Extension. The Customer is eligible for refunds during the first ten years following construction of an Extension for up to four additional Applicants as given in Section 1(k) Refunds. Each of these Applicants utilizing a portion of the initial Extension, for which a refund was not waived, must pay the Company, prior to connection, a proportionate share of the refund amount of the shared facilities. The Company will refund such payments to the initial Customer.

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

Where:

- A =[Shared footage of line] x [Average cost per foot of the line]B =Cost of the other shared distribution equipment, if applicable

  - C = [New additional connected load]/[Total connected load]

# (c) Additional Customers, Advances and Refunds – All Voltages (continued)

(3) Adjustment of Contract Minimum Billing

(continued)

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

Additional Customers also must share t<u>T</u>he Facilities Charges of the existing Customers that receive a refund are reduced by the Facilities Charge amount associated with the refund.

#### (d) Change in Line Voltage

When the Company changes the voltage of a distribution or transmission line, a Customers taking service at the distribution line voltage (Primary Delivery Customer) areis responsible for the cost of taking service at the new distribution or transmission line voltage in order to continue to receive their primary voltage discount. The Company will allocate the Facilities Charges in the same manner used for allocating the original advance.

#### (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. When the Extension is to property that is not part of an improved development, the Company may require the Applicant to pay for facilities on Applicant's property to provide for additional service reliability or for future development.

#### Wheeling Charges

When, in lieu of building a transmission line extension at Customer's expense, Company contracts with another transmission provider to wheel (transmit) power across transmission provider's lines necessary to serve the Customer, Customer will pay transmission provider's wheeling charges in addition to their electric bill and any other applicable charges.

#### **Street Lighting**

The Extension Allowance to streetlights taking service under Rate Schedules 11 or 12 is equal to five times the annual revenue from the lights to be added. The Applicant must provide a non-refundable advance for costs exceeding the Extension Allowance prior to the lights being added. Facilities charges and Contract Minimum Billings do not apply to energized streetlights.

4. EXTENSIONS TO PLANNED DEVELOPMENTS

(continued)

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**<u>First Revision of Sheet No. 12R.8</u>** <u>**Canceling**</u>Original Sheet No. 12R.8

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

<del>(a) General</del>

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.

(continued)

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First Revision of Sheet No. 12R.9 Canceling Original Sheet No. 12R.9

# P.S.C.U. No. 50

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

## 3. NON-RESIDENTIAL EXTENSIONS (continued)

# (d) Change in Line Voltage (continued)

When the Company has scheduled to increase the voltage of a transmission line the Company shall give Customers taking transmission delivery service from that transmission line (Transmission delivery Customers) at least twelve months advance written notice of the change.

Transmission Delivery Customers whose substations began taking service after January 16, 2019, or, who request an increase in capacity that requires a change in the transmission voltage, or, when the substation was initially connected to the transmission system the service contract so provided will, at their own expense, make the necessary changes to their equipment to receive service at the increased voltage.

For all other Transmission Delivery Customers, the Company will select and retain an independent engineering firm, acceptable to Customer, to determine the cost of upgrading the substation equipment, less salvage. Company will pay to the Customer fifty (50) percent of the estimated costs to upgrade the substation for the voltage changes. The Transmission Delivery Customer will make the necessary changes to their equipment to receive service at the increased voltage.

#### (e) Reduction in Contract Capacity or Demand

The Company is not obligated to reserve capacity in Company substations or on Company lines or maintain service facilities in place, in excess of the maximum Customer demand billed in the most recent 36 months, unless a contract provides otherwise. When reducing Contract Demand the Company may reduce it to a level that the Company reasonable determines, but not less than the peak demand actually measured over the past thirty-six (36) months.

Prior to reduction of Contract Demand, the Company will provide the customer with thirty (30) days written notice (Notice Period) of any reductions in Contract Demand level. Absent a customer response, the change in Contract Demand is effective at the end of the Notice Period. The Customer may respond within the Notice Period demonstrating that its demand is reasonably expected to increase within the foreseeable future or otherwise provide a reasonable basis for a greater demand than the revised Contract Demand in the written notice, but not greater than the existing Contract Demand. After consideration of the Customer's response, the Company will provide a final notice containing the Company's decision. Any reduction in Contract Demand that is provided in the final notice will become effective immediately unless

(continued)

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First Revision of Sheet No. 12R.9 Canceling Original Sheet No. 12R.9

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

the Notice Period has not terminated, in which case, it will be effective on the last day of the Notice Period.

#### **EXTENSIONS TO PLANNED DEVELOPMENTS (continued)**

#### (b) Allowances and Advances (continued)

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 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 both nonresidential and residential developments the Company may require the Developer to pay for facilities to provide additional service reliability or for future development.

#### (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, or backboned through, the development, if additional Applicants connect to that Extension outside the development. The Developer is eligible for these refunds during the first ten years following construction of the Extension for up to four additional Applicants as given in section 1(j) Refunds. Each of these Applicants, for which a refund was not waived, must pay the Company, prior to connection, 20% 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,

(continued)



First Revision of Sheet No. 12R.9 Canceling Original Sheet No. 12R.9

# P.S.C.U. No. 50

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

conduits, and equipment foundations that the Company requires. If the Developer requests, the Company will provide these items at the Developer's expense.

(continued)

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

#### 3. NON-RESIDENTIAL EXTENSIONS (continued)

#### (e) Reduction in Contract Capacity or Demand (continued)

This Section 3(e) does not modify or supersede any existing contractual provisions specifically addressing notice requirements or customer protections relating to such a change in demand.

## (df) 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, at their expense, all trenching and backfilling, imported backfill material, conduits, and equipment foundations that the Company requires for the Extension. If the Application requests, the Company will provide these items at the Applicant's expense. When the Extension is to property that is not part of an improved development, the Company may require the Applicant to pay for facilities on Applicant's property to provide for additional service reliability or for future development.

#### (eg) Wheeling Charges

When, in lieu of building a transmission line extension at Customer's expense, Company contracts with another transmission provider to wheel (transmit) power across transmission provider's lines necessary to serve the Customer, Customer will pay transmission provider's wheeling charges in addition to their electric bill and any other applicable charges.

# (fh) Street Lighting

The Extension Allowance to streetlights taking service under Rate Schedules 11 or 12 is equal to five times the annual revenue from the lights to be added. The Applicant must provide a non-refundable advance for costs exceeding the Extension Allowance prior to the lights being added. Facilities charges and Contract Minimum Billings do not apply to energized streetlights.

#### 4. EXTENSIONS TO PLANNED DEVELOPMENTS

#### (a) General

Planned developments, including subdivisions, and-mobile home parks, commercial parks and industrial parks, are areas where groups of <u>dwellings or</u> buildings or <u>dwellings</u> are planned to may be constructed at or about the same time. The Company will install facilities in planned developments, for which a recorded plat has been provided, before there are actual Applicants for service under the terms of a written contract. The Company shall not be required to make Extensions to areas where there is not reasonable assurance of actual Applicants for service within five years.

#### (continued)

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

#### (b) Allowances and Advances (continued)

For residential developments, the Company will provide the Developer an Extension Allowance of \$750 for each lot to which secondary voltage service is made available at the lot line. If, due to lot size or other constraints, the Company determines the voltage drop on future service runs is likely to exceed that allowed, transformers and secondary will not be installed, and no allowance granted to the developer for those lots or residences. The Developer must pay an advance for all costs in excess of the allowance. Service to the residential dwellings will be provided under the provisions of Section 2. Residential Extensions. The Developer may be required to pay a refundable advance equal to the Extension Allowance.

For non-residential developments, the Developer must pay an advance of the Company's estimated installed costs to provide primary voltage connection points to each lot. Service to the buildings will be provided from the primary voltage connection points under the provisions of Section 3. Non-residential Extensions.

For both residential and non-residential developments, the Company may require the Developer to pay for facilities to and within the development to provide additional service reliability or for future development.

#### (c) Refunds

The Company will make no refunds on Developer advances, Developer acquired rightof-way, and/or Developer provided work and material for facilities installed within a development for the exclusive purpose of serving the development. A Developer who paid a refundable advance on an Extension, acquired right-of-way, and/or has provided work and material on an underground Extension, may receive refunds when an Applicant outside the development receives power from the Extension by connecting to a primary voltage line installed to, alongside or through the development. The Developer is eligible for these refunds during the first ten years following construction of the Extension for up to four additional Applicants as given in Section 1(k) Refunds. Each of these Applicants, for which a refund was not waived, must pay the Company, prior to connection, 20% of the refund amount 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. Relocations and Conversions of Facilities. The Developer must provide, at their expense, all trenching and backfilling, imported backfill material, conduits, and equipment foundations that the Company requires.5. EXTENSION EXCEPTIONS

#### (a) Applicant Built Line Extensions

(continued)

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

### (1) General

An Applicant may contract with someone other than the Company to build an 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 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 Extension and the Company approves it, the Company will connect it to the Company's facilities and assume ownership.

### (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 specification

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.

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.

(continued)



### **First Second** Revision of Sheet No. 12R.11 Canceling Original First Revision of Sheet No. 12R.11

# P.S.C.U. No. 50

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

### 4. EXTENSIONS TO PLANNED DEVELOPMENTS (continued)

#### (b) <u>Extension</u> Allowances and Advances (continued)

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 an maximum Extension Allowance of \$750 for each lot to which secondary voltage service is made available at the lot line. If, due to lot size or other constraints, the Company determines the voltage drop on future service runs is likely to exceed that allowed, transformers and secondary will not be installed, and no allowance granted to the developer for those lots or residences. The Developer must pay an non-refundable-advance for all other costs in excess of the allowance. to make secondary voltage service available to each lot. Service to the residential dwellings will be provide under the provisions of Section 2. Residential Extensions. The Developer may be required to pay a refundable advance equal to the Extension Allowance.

For non-residential developments the Developer must pay an non-refundable advance of the Company's estimated installed costs to provide primary voltage connection points to each lotequal to the Company's estimated installed costs to make primary service available to each lot. Service to the buildings will be provided from the primary voltage connection points under the provisions of Section 3. Non-residential Extensions

For both <u>residential and non-residential and residential</u> developments the Company may require the Developer to pay for facilities <u>to and within the development</u> to provide additional service reliability or for future development.

### (c) Refunds

The Company will make no refunds on Developer advances, Developer acquired rightof-way, and/or Developer provided work and material for facilities installed within a development for the exclusive purpose of serving the development. A Developer who paid a refundable advance on an Extension, acquired right-of-way, and/or has provided work and material on an underground Extension, may receive refunds when an Applicant outside the development receives power from the Extension by connecting to a primary voltage line installed to, alongside or through the developmentHowever, a Developer may receive refunds on an advance paid for a new Extension to, or backboned through, the development, if additional Applicants connect to that Extension outside the development. The Developer is eligible for these refunds during the first ten years following construction of the Extension for up to four additional Applicants as given in sSection 1(jk) Refunds. Each of these Applicants, for (continued)



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

which a refund was not waived, must pay the Company, prior to connection, 20% of the cost-refund amount of the shared facilities. The Company will refund such payments to the Developer.

5. EXTENSION EXCEPTIONS (continued)

**Applicant Built Line Extensions (continued)** <del>(a)</del> <del>(5)</del> **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. **Rights-of-Way** <del>(6)</del> The Applicant must provide to the Company all required rights-of-way, easements and permits in accordance with paragraph 1.(1). 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. **Deficiencies in Construction** <del>(8)</del> 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. <del>(9)</del> **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.** 

(continued)



First Revision of Sheet No. 12R.12 Canceling Original Sheet No. 12R.12

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

# 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 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 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 Extension and the Company approves it, the Company will connect it to the Company's facilities and assume ownership.

#### (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.

(continued)

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

# 5. EXTENSION EXCEPTIONS (continued)

\_\_\_\_\_(a) Applicant Built Line Extensions (continued)

<u>(5)</u> 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.

<u>(6) Rights-of-Way</u> <u>The Applicant must provide to the Company all required rights-</u> <u>of way, easements and permits in accordance with paragraph 1.(1). in this</u> <u>Regulation.</u>

(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.

5. EXTENSION EXCEPTIONS (continued)

(continued)

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# First Revision of Sheet No. 12R.12 Canceling Original Sheet No. 12R.12

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

(continued)



# **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.(l). 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.

#### (b) Deduct Service

The Company may, in lieu of a Line Extension, provide service to a new customer (Deduct Customer) through utilization of the electrical facilities owned, operated and maintained by an existing customer (Facilities Owner) provided that the Deduct Customer, the Facilities Owner and the Company each agree with the service

(continued)

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# ELECTRIC SERVICE REGULATION NO. 12 - Continued

arrangement and enter into a written agreement, referred to as a deduct agreement, that specifies the terms of the service delivery and is consistent with the terms of this Subsection b.

<u>Deduct Service is only allowed where the Facilities Owner provides service to the</u> <u>Deduct Customer at or below 34.5 kV, and only:</u>

- As a temporary expediency to provide service for five years or less; or
- <u>In Remote Service locations where the length of a line extension from the Company</u> to the Deduct Customer will exceed one mile and the cost will exceed seven times the Deduct Customer's estimated annual revenue.

The Deduct Customer shall bear the risk that it may be unable to obtain service in the event the deduct agreement is terminated, service to the Facilities Owner is terminated, or the Facilities Owner is unable to provide service through use of its electrical facilities for any reason. In the event the Deduct Customer is no longer able to obtain deduct service, and/or at the expiration of the five-year temporary period, the Deduct Customer may reinstate service in accordance with the provisions of a line extension as provided in this Regulation 12.

The Deduct Customer will be billed by a separate meter on a retail rate schedule applicable to the service the Deduct Customer is receiving. The Deduct Customer shall construct, own, operate and maintain: all equipment necessary to receive service from the electrical facilities owned by the Facilities Owner; a Company approved metering point; and communication for remote meter reading. The deduct-meter will be Company owned using an approved revenue metering package.

With the addition of the Deduct Customer, the Facilities Owner's meter measures the usage of both of them, thus is a master meter. The Facilities Owner's usage shall be calculated by subtracting the Deduct Customer's usage from the Facilities Owner's usage as metered by the master meter. Under no circumstances is the Facilities Owner to sub-meter or otherwise charge the Deduct Customer for the electrical energy delivered through the Facilities Owner's energy use. However the Facilities Owner may enter into a maintenance agreement with the Deduct Customer for its reasonable costs incurred to maintain the electrical facilities used to deliver service to the Deduct Customer.5. EXTENSION EXCEPTIONS (continued)

(e) Temporary Service (continued)

(2) For all other Temporary Service requests the Customer shall pay

(continued)



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

**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. RELOCATIONS AND CONVERSIONS OF FACILITIES

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

Advances for relocations and conversions are not refundable. The Company is not responsible for allocating costs and responsibilities among multiple Applicants.

(continued)



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

# 5. EXTENSION EXCEPTIONS (continued)

### (b) Deduct Service

The Company may, in lieu of a Line Extension, provide service to a new customer (Deduct Customer) through utilization of the electrical facilities owned, operated and maintained by an existing customer (Facilities Owner) provided that the Deduct Customer, the Facilities Owner and the Company each agree with the service arrangement and enter into a written agreement, referred to as a deduct agreement, that specifies the terms of the service delivery and is consistent with the terms of this Subsection b.

Beginning January 16, 2019, new Deduct Service installations are is only allowed where the Facilities Owner provides service to the Deduct Customer at or below 34.5 kV, and only:

1. As a temporary expediency to provide service for five years or less; or

2. In Remote Service locations where the length of a line extension from the Company to the Deduct Customer will exceed one mile and the cost will exceed seven times the Deduct Customer's estimated annual revenue.

The Deduct Customer shall bear the risk that it may be unable to obtain service in the event the deduct agreement is terminated, service to the Facilities Owner is terminated, or the Facilities Owner is unable to provide service through use of its electrical facilities for any reason. In the event the Deduct Customer is no longer able to obtain deduct service, and/or at the expiration of the five-year temporary period, the Deduct Customer may reinstate service in accordance with the provisions of a line extension as provided in this Regulation 12.

The Deduct Customer will be billed by a separate meter on a retail rate schedule applicable to the service the Deduct Customer is receiving. The Deduct Customer shall construct, own, operate and maintain: all equipment necessary to receive service from the electrical facilities owned by the Facilities Owner; a Company approved metering point; and communication for remote meter reading. The deduct-meter will be Company owned using an approved revenue metering package.

With the addition of the Deduct Customer, the Facilities Owner's meter measures the usage of both of them, thus is a master meter. The Facilities Owner's usage shall be calculated by subtracting the Deduct Customer's usage from the Facilities Owner's usage as metered by the master meter. Under no circumstances is the Facilities Owner to sub-meter or otherwise charge the Deduct Customer for the electrical energy delivered through the Facilities Owner's energy use. However the Facilities Owner may enter into a maintenance agreement with the Deduct Customer for its reasonable (continued)



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

costs incurred to maintain the electrical facilities used to deliver service to the Deduct Customer.

### (b) Deduct Service (continued)

Service to a Customer and its tenants involved in the same business enterprise and associated activities on the same premise not in lieu of a line extension is subject to Regulation 4, Section 3. Service to Tenants.

#### <u>(c) Duplicate Service Facilities</u>

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 less than five years.

### <u>(d) Emergency Service</u>

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.

#### (c) 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 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 <u>Minimum Billing</u>.

### (f) Non-residential Remote Loads in Isolated Locations

The Company will furnish facilities for Remote Service, as defined in Regulation 2 of this tariff, for non-residential loads under the terms of this Regulation 12. However if the cost to provide service to the point of delivery is more than seven times the estimated annual revenue from the remote customer, the facilities charge will continue for as long as service continues unless and until the load is no longer distant nor isolated.

### (g) 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

#### (continued)

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

disconnect charge specified in Schedule 300.6.**RELOCATIONSAND**CONVERSIONS OF FACILITIES (continued)

(a) Relocations

For relocations 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.

#### (b) Overhead to Underground Conversions

For overhead to underground conversions, 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 relocation; 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.

### (c) Overhead to Underground Conversions for 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 (b) 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

(continued)

#### (continued)

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

# 5. EXTENSION EXCEPTIONS (continued)

#### (**bc**) 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.

### (ed) 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.

### (de) 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.

### (f) Non-residential Remote Loads in Isolated Locations

The Company will furnish facilities for Remote Service, as defined in Regulation 2 of this tariff, for non-residential loads under the terms of this Regulation 12. However if the cost to provide service to the point of delivery is more than seven times the estimated annual revenue from the remote customer, the facilities charge will continue for as long as service continues unless and until the load is no longer distant nor isolated.

### (eg) 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

(continued)

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First Revision of Sheet No. 12R.15 Canceling Original Sheet No. 12R.15

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

300.
<del>(e) Temporary Service</del>
(2) For all other Temporary Service requests the Customer shall pay
a. the estimated installation cost, plus
<b>b.</b> the estimated removal cost, plus
c. the estimated cost for rearranging any existing facilities, less
<b>d.</b> the estimated salvage value of the facilities required to provide <u>Temporary Service.</u>
(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. RELOCATIONS AND CONVERSIONS OF FACILITIES
If requested by an Applicant or Customer, and performance of the request is feasible, the Company will: relocate distribution voltage facilities on to, or adjacent to, the Customer's premises; and/or, replace existing overhead distribution facilities with comparable underground (overhead to underground 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.
Advances for relocations and conversions are not refundable. The Company is not responsible for allocating costs and responsibilities among multiple Applicants.
(a) Relocations For relocations 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.
(continued)

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

# 6. **RELOCATIONS AND CONVERSIONS OF FACILITIES (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.

(continued)

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

#### 5. EXTENSION EXCEPTIONS (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. **RELOCATIONS AND CONVERSIONS OF FACILITIES**

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

Advances for relocations and conversions are not refundable. The Company is not responsible for allocating costs and responsibilities among multiple Applicants.

### (a) **Relocations**

For relocations 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

#### (continued)

Issued by authority of Report and Order of the Public Service Commission of Utah in Advice No. <u>18-04</u>

FILED: <u>September 17, 2018</u>December 12, 2018 EFFECTIVE: <u>November 17, 2018</u>January 16, 2019



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

(2) The estimated salvage value of the removed facilities. 6. RELOCATIONS AND CONVERSIONS OF FACILITIES (continued)
(b) Overhead to Underground Conversions
For overhead to underground conversions, 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 relocation; 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
(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.
(c) Overhead to Underground Conversions for 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 (b) 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
(3) Authorizes the Company to discontinue overhead service when it has completed
construction of the underground facilities.
7. CONTRACT ADMINISTRATION CREDIT
receive the Contract Administration Credit specified in Schedule 300. The Customer's choice to
receive the Contract Administration Credit must be made at the time the Extension advance is
<del>paid.</del>

#### (continued)

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

#### 6. **RELOCATIONS AND CONVERSIONS OF FACILITIES (continued)**

#### (b) **Overhead to Underground Conversions**

For overhead to underground conversions, 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 relocation; 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.

#### (c) Overhead to Underground Conversions for 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 (b) 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
- (3) Authorizes the Company to discontinue overhead service when it has completed construction of the underground facilities.

# 7. CONTRACT ADMINISTRATION CREDIT

When a Line Extension includes a refundable advance, a Customer may waive all refunds and receive the Contract Administration Credit 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.

### **CERTIFICATE OF SERVICE**

### Advice No. 18-04 Docket No. 18-035-T04

I hereby certify that on December 12, 2018, a true and correct copy of the foregoing was served by electronic mail to the following:

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