



## MT. WHEELER POWER

1600 Great Basin Blvd.  
PO Box 151000  
Ely, Nevada 89315

November 9, 2017

(775) 289-8981  
1 (800) 97-POWER  
Fax: (775) 289-8987 / 1471

Utah Public Service Commission  
Heber M. Wells Bldg. 4<sup>th</sup> Floor  
Division of Public Utilities  
160 East 300 South/Box 146751  
Salt Lake City, UT 84114-6751

Re: Rule Changes

To Whom It May Concern,

On September 12, 2017, and October 10, 2017, Mt. Wheeler Power Inc. Board of Directors met during an open public Board meeting to discuss and make changes to the following rule and would like to submit the Board approved proposed changes for your consideration and approval;

### Rule 9 Line Extensions

Mt. Wheeler Power would like to implement the changes to the above rule beginning January 1, 2018. We have included a redline version for easier notation of the changes. Please let me know if you have any questions.

Sincerely,

Randy Ewell  
General Manager/CEO



LINE EXTENSIONS

RULE NO. 9

A. General Provisions:

1. Whenever an applicant(s) requests retail electric service at premises not connected to the Cooperative's distribution system or request an increase in service to premises already connected and where such increase necessitates additional investment, the Cooperative will design and construct such premises within its distribution system pursuant to the terms and conditions hereinafter set forth.
2. In all cases, the facilities shall be constructed in accordance with the Cooperative's specifications, applicable regulatory authorities and the National Electric Safety Code.
3. Applicant(s) shall execute the Cooperative's right-of-way agreement, granting free of charge to the Cooperative such right-of-way across the applicant's(s') premises as may be required for construction and maintenance necessary to provide electrical service including future expansions to electrical service.
4. The cost of the line extension shall be the total of all expenditures incurred for construction and related costs. The Cooperative may, at its option, construct the extension to a size, capacity or strength greater than that required for the extension. If this is done, the cost of this additional construction will not be included in the applicant's cost of the extension. The Cooperative's most current inventory costs will be applied as the cost of the construction units for the extension, in determining the total cost of construction. This unitized cost analysis shall be developed by the Cooperative's Engineering Department.
5. When more than one applicant is to be served from a proposed extension, the Cooperative will prorate the cost of those sections of the extension used in common by the applicants.

ORIGINAL EFFECTIVE DATE: 10/14/2008

REVISED EFFECTIVE DATE: ~~03/14/2017~~ 01/01/2018

ISSUED BY:

Randy Ewell, General Manager/CEO

LINE EXTENSIONS (Continued)

RULE NO. 9

6. All extension will become part of the Cooperative's distribution system once construction is completed and service is available to the applicant(s). Any additions thereto, requested by new applications, shall be considered as new and separate extensions.

B. Applicability:

Rule 9 is applicable to the Cooperative's entire service territory.

C. Preliminary Investigation and Engineering:

1. When a cost request for a line extension proposal is prepared, the Cooperative shall determine the estimated cost of engineering necessary to provide said proposal to the applicant(s). Estimates must be in written form to be valid.
2. If the estimated cost of preliminary engineering for residential services is less than \$500.00, the amount will be included in the cost of the line extension. If it is greater than \$500.00, the amount will be paid in advance.
3. The estimated cost of preliminary engineering for all parceled developments, subdivisions, apartment complexes, commercial loads, industrial loads, irrigation or temporary loads shall be paid prior to an estimate or proposal is prepared and shall be non-refundable.

ORIGINAL EFFECTIVE DATE: 10/14/2008

REVISED EFFECTIVE DATE: ~~03/14/2017~~ 01/01/2018

ISSUED BY:

Randy Ewell, General Manager/CEO



LINE EXTENSIONS (Continued)

RULE NO. 9

D. Cost Financing and Estimates for ~~All~~—Line Extensions—and  
Upgrades:

1. The Cooperative will construct extensions of its electric distribution system to a qualified applicant(s) within a reasonable period of time, and when the Cooperative is satisfied that the annual revenue to be generated under the applicable rate schedule applicable to the extension is continuous, permanent and sufficient to justify the investment therein. The applicant's construction must conform to all Nevada or Utah Revised Statutes (whichever is applicable) and all City, County and State codes. All estimates are calculated using the Cooperative's standard overhead or underground construction method per paragraph A.4. Any additional cost over the original estimated amount which is caused by the applicant's action(s) shall be the responsibility of the applicant and will be billed to the applicant by the Cooperative.
2. All contributions must be made in cash or cash equivalent, the form of which must be specifically approved by the Cooperative, to the Cooperative before construction work will be scheduled or before any special materials will be ordered. **Contributions in aid-to-construction shall not earn interest. If received contribution in aid-to-construction is equal to or greater than the final closing costs by \$150.00, a refund shall be paid.**
3. Line extensions for permanent electrical service through the Cooperative's facilities constructed by the Cooperative may be eligible for financing by the Cooperative. Loans to members may be made only in the amount between \$5,000 and \$40,000 and for a term not to exceed five (5) years. Interest on such loans shall be the Cooperative's financial institution's non-discounted published rate for such time period plus one percent (to cover administrative costs). The applicant must sign a Promissory Note and a Deed of Trust and/or other security agreement. The promissory note will be in the amount of the line extension plus any other costs associated with the extension due to the Cooperative. Where an appraisal is required, the borrower shall be responsible for the cost of such appraisal and any other costs associated with processing the loan.

ORIGINAL EFFECTIVE DATE: 10/14/2008

REVISED EFFECTIVE DATE: ~~03/14/2017~~01/01/2018

ISSUED BY:

Randy Ewell, General Manager/CEO

LINE EXTENSIONS (Continued)

RULE NO. 9

E. **Line** Extensions for Continuous Permanent Residential Service:

1. If the **final closing** cost of the primary voltage extension ~~will be is less than \$20,000.00, refer to paragraph D. of Rule 9.~~ ~~greater than the amount allowed by the Cooperative, not greater than \$20,000.00, the applicant shall make a non-refundable contribution in aid of construction equal to the difference between the actual investment cost and the amount allowed by the Cooperative.~~
2. If the cost of the primary voltage extension is greater than \$20,000.00, the applicant shall make a non-refundable (e.g., refundable from a new applicant requesting a connection to said line) contribution in aid of construction which may be refunded over a five (5) year development period based on the following conditions:
  - a. During the term of the development period, the applicant shall be allowed five equal credits (i.e., if no parcel map is in effect) for any line extensions connecting to the original line extension. One of these credits is assigned to the applicant. Any new applicant connecting to the original line extension, in addition to any line extension provisions required by the Cooperative, shall be required to pay the Cooperative one-fifth or the prorated amount of the original contribution made by the applicant. The Cooperative shall be responsible for refunding any credits to the original applicant on an annual basis.

ORIGINAL EFFECTIVE DATE: 10/14/2008

REVISED EFFECTIVE DATE: ~~03/14/2017~~ 01/01/2018

ISSUED BY:

Randy Ewell, General Manager/CEO



LINE EXTENSIONS (Continued)

RULE NO. 9

~~No allowance(s) or usable in power contracts(s) will be made for line extensions.~~

G.F. **Secondary/Service Upgrades:**

Service upgrade costs will include all ~~distribution~~ **secondary/service conductor** costs required to upgrade the facilities in order to serve the additional load with costs listed below: **Like-for-like meaning overhead to overhead and underground to underground (with underground having adequate existing conduit).** Any additional work will require an engineer's estimate including but not limited to the most current replacement costs for additional materials plus all other costs required of the work order.

1.

a. Single-phase upgrades: **Less than or equal to 320 amp. Non-Refundable Flat Rate.**

i. **\$650.00 (does not require a transformer upgrade) for a metered service less than or equal to 100 amp upgrading up to 125 amp, with conductor changeout only, within 15 mile radius of nearest warehouse locations but services exceeding 15 mile radius will be charged additional hourly rate(s) for travel time.**

j. **\$1,200.00 (includes potential required like-for-like transformer upgrade) for a metered service less than 200 amp upgrading up to 200 amp within 15 mile radius of nearest warehouse locations but services exceeding 15 mile radius will be charged additional hourly rate(s) for travel time.**

k. **\$1,500.00 - (includes potential like-for-like transformer upgrade) ~~up~~ to 320 amp metered service within 15 mile radius of nearest warehouse locations ~~or~~ but services exceeding 15 mile radius will be charged additional hourly rate(s) for travel time.**

b. **Single-phase upgrades: Greater than 320 amp.**

i. Engineering Estimates will be required for **single-phase** services greater than 320 amp ~~which include but are not limited to the most current replacement costs for additional materials plus all other costs required of the work order.~~

c. Three-phase upgrades:

Any upgrades of transformers/services will require an engineer's estimate including but not limited to the most current replacement costs for ~~a prorated share of the additional KVA of~~ the actual transformer, labor, and **all** additional materials required of the work order.

ORIGINAL EFFECTIVE DATE: 10/14/2008

REVISED EFFECTIVE DATE: ~~03/14/2017~~ 01/01/2018

ISSUED BY:

Randy Ewell, General Manager/CEO

MT. WHEELER POWER, INC.  
Ely, Nevada

Sheet No. 95  
Supersedes First Revised Sheet No. 94

LINE EXTENSIONS (Continued)

RULE NO. 9

H.G. Power Line Conversions, Relocations/Re-routings:

1. In the event a member requests a conversion, relocation or re-routing of existing electrical facilities the member will be responsible for all costs of construction, retirement, engineering and related overhead costs to complete the installation of facilities. If the existing right-of-way is not adequate to cover the change in or relocation of the facilities, a new right-of-way will be required prior to construction at no cost to the Cooperative. In addition to engineering expenses, the consumer will be

obligated to pay the conversion costs as follows;

- a) Non-depreciated portion of existing facilities to be removed.
- b) Receive a credit for salvage value of the existing facilities, if any exists.
- c) Removal costs associated with the existing system.
- d) Pay ~~the differential cost between overhead and underground~~ **all costs** necessary to accomplish the conversion plus any relocation or re-arrangement work required.

I.H. Miscellaneous:

- 1. If the applicant(s) has not requested the installation of a meter, the Cooperative will bill the applicant the applicable monthly minimum after 30 days from the completion of construction of the requested extension as set forth in the rate tariff for the applicable class of service.
- 2. Upon cancellation of the construction of a project or if the Cooperative determines that there are significant delays (e.g., 6 months of idleness) to the project caused by the applicant(s) the Cooperative may terminate the work order and refund to the applicant(s) any unspent funds held by the Cooperative for the project.

ORIGINAL EFFECTIVE DATE: 10/14/2008

REVISED EFFECTIVE DATE: ~~03/14/2017~~ 01/01/2018

ISSUED BY:

Randy Ewell, General Manager/CEO



LINE EXTENSIONS

RULE NO. 9

A. General Provisions:

1. Whenever an applicant(s) requests retail electric service at premises not connected to the Cooperative's distribution system or request an increase in service to premises already connected and where such increase necessitates additional investment, the Cooperative will design and construct such premises within its distribution system pursuant to the terms and conditions hereinafter set forth.
2. In all cases, the facilities shall be constructed in accordance with the Cooperative's specifications, applicable regulatory authorities and the National Electric Safety Code.
3. Applicant(s) shall execute the Cooperative's right-of-way agreement, granting free of charge to the Cooperative such right-of-way across the applicant's(s') premises as may be required for construction and maintenance necessary to provide electrical service including future expansions to electrical service.
4. The cost of the line extension shall be the total of all expenditures incurred for construction and related costs. The Cooperative may, at its option, construct the extension to a size, capacity or strength greater than that required for the extension. If this is done, the cost of this additional construction will not be included in the applicant's cost of the extension. The Cooperative's most current inventory costs will be applied as the cost of the construction units for the extension, in determining the total cost of construction. This unitized cost analysis shall be developed by the Cooperative's Engineering Department.
5. When more than one applicant is to be served from a proposed extension, the Cooperative will prorate the cost of those sections of the extension used in common by the applicants.

ORIGINAL EFFECTIVE DATE: 10/14/2008  
REVISED EFFECTIVE DATE: 01/01/2018

ISSUED BY:

  
Randy Ewell, General Manager/CEO

LINE EXTENSIONS (Continued)

RULE NO. 9

6. All extension will become part of the Cooperative's distribution system once construction is completed and service is available to the applicant(s). Any additions thereto, requested by new applications, shall be considered as new and separate extensions.

B. Applicability:

Rule 9 is applicable to the Cooperative's entire service territory.

C. Preliminary Investigation and Engineering:

1. When a cost request for a line extension proposal is prepared, the Cooperative shall determine the estimated cost of engineering necessary to provide said proposal to the applicant(s). Estimates must be in written form to be valid.
2. If the estimated cost of preliminary engineering for residential services is less than \$500.00, the amount will be included in the cost of the line extension. If it is greater than \$500.00, the amount will be paid in advance.
3. The estimated cost of preliminary engineering for all parceled developments, subdivisions, apartment complexes, commercial loads, industrial loads, irrigation or temporary loads shall be paid prior to an estimate or proposal is prepared and shall be non-refundable.

ORIGINAL EFFECTIVE DATE: 10/14/2008  
REVISED EFFECTIVE DATE: 01/01/2018

ISSUED BY:

  
Randy Ewell, General Manager/CEO



LINE EXTENSIONS (Continued)

RULE NO. 9

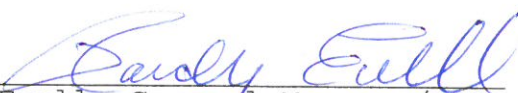
D. Cost Financing and Estimates for Line Extensions:

1. The Cooperative will construct extensions of its electric distribution system to a qualified applicant(s) within a reasonable period of time, and when the Cooperative is satisfied that the annual revenue to be generated under the applicable rate schedule applicable to the extension is continuous, permanent and sufficient to justify the investment therein. The applicant's construction must conform to all Nevada or Utah Revised Statutes (whichever is applicable) and all City, County and State codes. All estimates are calculated using the Cooperative's standard overhead or underground construction method per paragraph A.4. Any additional cost over the original estimated amount which is caused by the applicant's action(s) shall be the responsibility of the applicant and will be billed to the applicant by the Cooperative.
2. All contributions must be made in cash or cash equivalent, the form of which must be specifically approved by the Cooperative, to the Cooperative before construction work will be scheduled or before any special materials will be ordered. Contributions in aid-to-construction shall not earn interest. If received contribution in aid-to-construction is equal to or greater than the final closing costs by \$150.00, a refund shall be paid.
3. Line extensions for permanent electrical service through the Cooperative's facilities constructed by the Cooperative may be eligible for financing by the Cooperative. Loans to members may be made only in the amount between \$5,000 and \$40,000 and for a term not to exceed five (5) years. Interest on such loans shall be the Cooperative's financial institution's non-discounted published rate for such time period plus one percent (to cover administrative costs). The applicant must sign a Promissory Note and a Deed of Trust and/or other security agreement. The promissory note will be in the amount of the line extension plus any other costs associated with the extension due to the Cooperative. Where an appraisal is required, the borrower shall be responsible for the cost of such appraisal and any other costs associated with processing the loan.

ORIGINAL EFFECTIVE DATE: 10/14/2008

REVISED EFFECTIVE DATE: 01/01/2018

ISSUED BY:

  
Randy Ewell, General Manager/CEO

LINE EXTENSIONS (Continued)

RULE NO. 9

E. Line Extensions for Continuous Permanent Residential Service:

1. If the final closing cost of the primary voltage extension is less than \$20,000.00, refer to paragraph D. of Rule 9.
2. If the cost of the primary voltage extension is greater than \$20,000.00, the applicant shall make a non-refundable (e.g., refundable from a new applicant requesting a connection to said line) contribution in aid of construction which may be refunded over a five (5) year development period based on the following conditions:

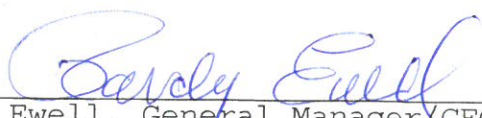
- a. During the term of the development period, the applicant shall be allowed five equal credits (i.e., if no parcel map is in effect) for any line extensions connecting to the original line extension. One of these credits is assigned to the applicant. Any new applicant connecting to the original line extension, in addition to any line extension provisions required by the Cooperative, shall be required to pay the Cooperative one-fifth or the prorated amount of the original contribution made by the applicant. The Cooperative shall be responsible for refunding any credits to the original applicant on an annual basis.

F. Secondary/Service Upgrades:

Service upgrade costs will include all secondary/service conductor costs required to upgrade the facilities in order to serve the additional load with costs listed below: Like-for-like meaning overhead to overhead and underground to underground (with underground having adequate existing conduit). Any additional work will require an engineer's estimate including but not limited to the most current replacement costs for additional materials plus all other costs required of the work order.

ORIGINAL EFFECTIVE DATE: 10/14/2008  
REVISED EFFECTIVE DATE: 01/01/2018

ISSUED BY:

  
Randy Ewell, General Manager/CEO



LINE EXTENSIONS (Continued)

RULE NO. 9

1.

a. Single-phase upgrades: Less than or equal to 320 amp. Non-Refundable Flat Rate.

i. \$650.00 (does not require a transformer upgrade) for a metered service less than or equal to 100 amp upgrading up to 125 amp, with conductor changeout only, within 15 mile radius of nearest warehouse locations but services exceeding 15 mile radius will be charged additional hourly rate(s) for travel time.

j. \$1,200.00 (includes potential required like-for-like transformer upgrade) for a metered service less than 200 amp upgrading up to 200 amp within 15 mile radius of nearest warehouse locations but services exceeding 15 mile radius will be charged additional hourly rate(s) for travel time.

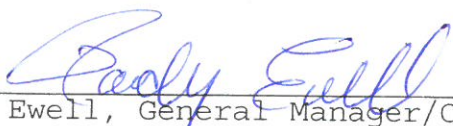
k. \$1,500.00 - (includes potential like-for-like transformer upgrade) up to 320 amp metered service within 15 mile radius of nearest warehouse locations but services exceeding 15 mile radius will be charged additional hourly rate(s) for travel time.

b. Single-phase upgrades: Greater than 320 amp.

i. Engineering Estimates will be required for single-phase services greater than 320 amp which include but are not limited to the most current replacement costs for additional materials plus all other costs required of the work order.

ORIGINAL EFFECTIVE DATE: 10/14/2008  
REVISED EFFECTIVE DATE: 01/01/2018

ISSUED BY:

  
Randy Ewell, General Manager/CEO

LINE EXTENSIONS (Continued)

RULE NO. 9

c. Three-phase upgrades:

Any upgrades of transformers/services will require an engineer's estimate including but not limited to the most current replacement costs for the actual transformer, labor, and all additional materials required of the work order.

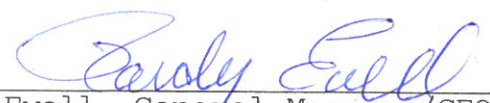
G. Power Line Conversions, Relocations/Re-routings:

1. In the event a member requests a conversion, relocation or re-routing of existing electrical facilities the member will be responsible for all costs of construction, retirement, engineering and related overhead costs to complete the installation of facilities. If the existing right-of-way is not adequate to cover the change in or relocation of the facilities, a new right-of-way will be required prior to construction at no cost to the Cooperative. In addition to engineering expenses, the consumer will be obligated to pay the conversion costs as follows;

- a) Non-depreciated portion of existing facilities to be removed.
- b) Receive a credit for salvage value of the existing facilities, if any exists.
- c) Removal costs associated with the existing system.
- d) Pay all costs necessary to accomplish the conversion plus any relocation or re-arrangement work required.

ORIGINAL EFFECTIVE DATE: 10/14/2008  
REVISED EFFECTIVE DATE: 01/01/2018

ISSUED BY:

  
Randy Ewell, General Manager/CEO



LINE EXTENSIONS (Continued)

RULE NO. 9

H. Miscellaneous:

1. If the applicant(s) has not requested the installation of a meter, the Cooperative will bill the applicant the applicable monthly minimum after 30 days from the completion of construction of the requested extension as set forth in the rate tariff for the applicable class of service.
2. Upon cancellation of the construction of a project or if the Cooperative determines that there are significant delays (e.g., 6 months of idleness) to the project caused by the applicant(s) the Cooperative may terminate the work order and refund to the applicant(s) any unspent funds held by the Cooperative for the project.

ORIGINAL EFFECTIVE DATE: 10/14/2008  
REVISED EFFECTIVE DATE: 01/01/2018

ISSUED BY:

  
Randy Ewell, General Manager/CEO