

Policy Bulletin No. 16

Public Utility District Number 1 of Klickitat County

Line Extensions

I. Definition of Terms

- A. Additional Costs - Costs other than normal Construction Costs as defined in section XII.
- B. Applicant - The person(s) applying for electric service and responsible for paying for construction and/or receiving electric service from KPUD.
- C. Engineering Design Fee – A fee charged to the person/entity for a cost estimate or quote for the provision of power to a designated site.
- D. Contribution in Aid of Construction (CIAC) - A monetary payment to the general capital of the utility intended to provide for the expansion, improvement, replacement, or retirement of the electric system.
- E. Construction Costs - the cost of installation, removal, alteration, and Transformer Credit, including materials and labor plus overheads, calculated by the KPUD Construction Work Order system. Excludes additional costs as defined in section XII.
- F. CT Metering Fee - A fee charged on CT metered service installations to cover a portion of the cost of metering and installation.
- G. CT Metering - Current Transformer style of metering used on underground single phase services larger than 400 amps, and three phase services larger than 200 amps as well as existing overhead single and three phase services of various amperages.
- H. KPUD - Public Utility District No. 1 of Klickitat County.
- I. Residential Service - A single phase service installed for an Applicant and used for non-commercial purposes. Services that fall under this section include homes, outbuildings, wells, temporary services for residential construction, and other non-commercial single phase installations.
- J. Service Alteration - Changes to, or upgrading of an existing service.
- K. Standard Unit Cost - The cost calculated by the Construction Work Order System based upon average costs for material, labor and overhead updated throughout the year.
- L. Total Cost to Applicant - Construction Costs plus any Additional Costs.
- M. Transformer Credit - The current Standard Unit Cost (not including overheads) of a transformer credited against the cost of installation when a transformer is replaced as part of a service installation or upgrade. This may be a quoted cost for large or special order transformers.
- N. Word Construction.
 - a. Use of the word "will" or "shall" implies a mandatory statement.
 - b. Use of word "may" implies permissive statement.

II. Objectives

1. To detail calculation of cost and responsibilities of KPUD and its Customers in completing electrical services and electrical line extensions.
2. To aid new applicants requiring line extensions to the maximum extent possible, without adversely impacting the rates of existing Customers.

III. Line Design Criteria

1. All line extensions will be located and designed by KPUD to ensure orderly and efficient expansion of the electric system.
2. All line extensions will be installed underground on designated circuits, in an effort to increase reliability and safety, while minimizing risk and future liabilities. The designated circuits will be delineated on KPUD's geographical information system.
 - a. To request a limited exemption to the underground requirement written communication must be submitted to the Engineering Manager or Operations Manager. The request for exemption must explain, in detail, the extenuating circumstances the applicant believes support the installation of a limited amount of overhead power line.
 - b. Review and resolution of the request will be performed by the Engineering Manager. The determination regarding the exemption request will be based on practicality of installation, minimizing risk and future liabilities.
3. Wherever practical, lines will be run along roads to areas being developed to allow better access and efficient routing of lines.
4. All service extensions will be engineered and designed by KPUD to current industry standards in an effort to limit Voltage Flicker, Voltage Drop, and Voltage Sag at the Applicant's point of connection.

IV. Engineering Design Fees

1. Design for electrical distribution facilities shall be provided by KPUD based on information provided by the applicant.
2. For each applicant the first engineering quote will be provided at no cost to the applicant for single phase services. The quote will include no more than 2 options.
3. A non-refundable Engineering Design Fee of a minimum of one-hundred fifty dollars (\$150) will be required for preparing each additional cost quote or option for single phase services on the original requested parcel or additional parcels. Fees will be calculated based on the engineering estimate.
4. A non-refundable Engineering Design Fee of a minimum of five-hundred dollars (\$500) will be required for all three phase services, subdivisions or short plats. Each additional quote/option will be charged an additional minimum fee of \$500. KPUD reserves the right to charge additional fees for what it deems excessive consultations and project site visits. These fees will be calculated based on the estimated engineering time for such tasks.
5. The Engineering Design Fee will be paid prior to the quote being provided to the requestor.
6. It is recommended that the applicant confirm electric service requirements with KPUD prior to ordering or installing electrical equipment.
7. All installations shall comply with the National Electric Code, National Electrical Safety Code, City or County Codes and KPUD specifications."
8. Joint Use Design Fees will be charged as specified in Policy Bulletin 46 – Joint Use Facilities.
9. Requests for electrical capacity for loads that meet the criteria set forth in Policy Bulletin 21; Section III – Parts 5 & 6 or if the requested electrical load increase would expedite the load growth forecasted within KPUD's long range plan, KPUD reserves the right to

collect a non-refundable deposit to cover costs associated with non-routine analysis and design. The deposit may include estimated costs for but not limited to KPUD staff engineering labor, consulting engineering labor as required to perform system analysis and/or facilities design.

V. Cost for Residential services

The Applicant will pay a Contribution in Aid of Construction (CIAC) for all Quoted Construction Costs. Additional costs, as defined in Section XI, are in addition to CIAC. Transformers will have a 100% credit (not including overheads) if the transformer being replaced was originally installed in 2013 or later.

VI. Cost for all other Services

The Applicant will pay a Contribution in Aid of Construction for all Construction Costs, or Service Alteration costs, with a minimum cost of \$500. Additional costs as detailed in section XII are in addition to CIAC. Transformers will have a 100% credit (not including overheads) when upgraded if the transformer being replaced was originally installed in 2013 or later. Transformer credit only applies to distribution transformers that meet KPUD specifications and are of voltage classes and sizes that are part of KPUD's standard physical inventory.

VII. CT Metering Fee

In addition to any other charges, a minimum charge of \$1,200 will be assessed to cover the metering equipment and installation costs on all services with CT Metering. Fees will be calculated based on the engineering estimate.

VIII. Trenching

1. KPUD will charge a minimum of \$3 per foot for trenching, based on engineering estimate with a minimum trench cost of \$500.
2. KPUD will provide up to two (2) trench inspections to assure the trench is completed to KPUD's specifications at no additional cost. The Applicant will be required to pay a minimum of \$100, based on the engineering estimate, for each inspection in excess of two (2).
3. The Applicant is responsible for ensuring that the trench is completed to KPUD specifications and all materials are on site prior to requesting connection. Applicant will be required to pay a minimum of \$500, based on the engineering estimate, for each trip a KPUD field crew makes if the trench is not completed or materials are not supplied to KPUD specifications and the Applicant has stated they are ready for service.

IX. Temporary (construction) Service to Permanent Service

The Applicant is responsible for ensuring that the temporary service is ready to be removed from service at the time of permanent service connection. Applicant will be required to pay a minimum of \$500, based on the engineering estimate, for each trip a KPUD field crew makes if the temporary (construction) service is not ready to be removed from service.

X. Cost Calculations

1. KPUD's Construction Work Order system will be used by the Engineer in calculating the Cost of Installation, Cost of Removal, Transformer Credit, Additional Costs, and the Total Cost to Applicant for construction.
2. The Transformer Credit will be 100% of the current Standard Unit Cost (not including overheads), if the transformer being replaced was originally installed in 2013 or later.

XI. Subdivisions and Developments

The developer will pay a Contribution in Aid of Construction for all Quoted Construction Costs, and any Additional Costs as required.

1. All subdivision tracts shall have underground facilities installed if they are located on designated circuits. The designated circuits will be delineated on KPUD's geographical information system. Subdivision tracts shall also have underground facilities if mandated by County and City ordinances.
2. KPUD will provide and install the underground electric distribution backbone facilities within a subdivision tract for future development of houses and commercial buildings. KPUD may allow the Applicant to utilize approved contractors to install conduit, vaults and associated grounding as long as KPUD specifications are met, and the work is inspected by KPUD prior to backfill.
3. KPUD may at its discretion require a KPUD approved onsite inspector during such installation at the developer's expense.
4. Requests for electric capacity for loads that are subject to Section IV – Part 9 of this policy, and for which upgrades to distribution, transmission and/or substations are required, the requesting Applicant will pay the required CIAC to support the requested electrical capacity as well as preserving capacity forecasted for load growth within KPUD's long range plan.

XII. Responsibilities of KPUD and the Applicant

1. KPUD will not connect any new service without electrical inspection approval by the inspection authority having jurisdiction.
2. Quotes for work must be paid in advance of the work being scheduled. Projects constructed under reimbursable agreements will be billed after construction is completed, based upon total costs assigned to the work order.
3. Payment will be accepted only after all other installation criteria have been fulfilled. Payments for work will be refunded or costs will be re-quoted after 60 days of original payment if the project installation has not begun due to a delay by the applicant.
4. All charges for tree trimming, right-of-way clearing, flagging, easements and all permits required are the Applicant's responsibility. They will be considered Additional Costs and will be paid by the Applicant.
5. Any drilling, blasting, rock hammering, or extraordinary efforts required to furnish the trench, or meet required pole hole depth, as well as special conduit, road crossing costs or any miscellaneous costs associated with installation are the Applicant's responsibility. They shall be considered Additional Costs and will be paid by the Applicant.

6. Additional Costs may be billed after work is completed and must be paid within 30 days of billing. If payment is not received within that time, KPUD may at its discretion, disconnect the service until the bill has been paid in full.
7. Applicants must provide a suitable disposal site for any rocks unearthed during excavation and are responsible for all hazardous waste exposed during construction.
8. If a local source of any necessary select bedding materials is not available, the Applicant shall provide an onsite source or pay any additional cost to import the required backfill.
9. KPUD may provide any street or county road restoration at the Applicant's expense.
10. Cost Sharing is available for installations that feed to more than one account (each meter is considered an account) to be served by the extension. The cost of the extension will be proportioned between the accounts according to the proportionate costs if each were to construct the line on their own, or as agreed upon between the line extension Applicants.

XIII. Late-Comers Agreement

1. KPUD will issue rebates only on Residential installations for any portion of the original CIAC payment exceeding \$6,000.
2. Rebates will be issued until December 31 of the fifth year after completion of construction.
3. Rebates will only be paid to the original Applicants, and only if the Applicants still receive Residential Service at the original account on the line extension.
4. Exclusions from this policy are:
 - a. Commercial/Non-residential or Developer paid line extensions
 - b. Relocation of existing facilities.
 - c. Cost of undergrounding, if underground was optional.
 - d. Cost to three-phase an existing single phase line, if "late-comer" uses only single phase.
 - e. Any lines not routed as determined by the Engineer to be in the best interest of efficient electric system expansion.
 - f. Any lines routed in which KPUD is prevented by the Applicant from extending to service future Customers.
 - g. Primary backbone systems installed for subdivisions or developments.
 - h. CT metering charges, rock charges, tree trimming costs and other Additional Costs.
5. For use of lines eligible for rebate, late-comers will pay \$3.00 per foot from the start of the line extension to the point that the late-comer connects to the line. Said rebate shall be divided equally among those Customers eligible.
6. For connection to any line constructed at KPUD cost, late-comers will pay the utility the late-comer's fee in the amount of \$3.00 per foot. The late-comer's fee will be assessed to anyone who connects after the completion of the original construction and will remain in effect until December 31st of the tenth (10th) year following completion.

XIV. Responsibilities

1. The Commissioners shall be responsible for any change or revisions of this policy.

2. The General Manager shall be responsible for the administration of this policy, and for making recommended changes.

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