

KOOTENAI ELECTRIC COOPERATIVE, INC.
Policy No. 3-4

I. SUBJECT: Line Extensions and Line Modifications

II. OBJECTIVES:

- A. To provide a fair and uniform method of extending, upgrading and modifying all electric facilities within Kootenai Electric Cooperative's (KEC's) service territory.
- B. To encourage ongoing development of KECs service territory and provide electric service to applicants as economically as possible.

III. DEFINITIONS:

Applicant: A person, entity or their designee who submits an application to KEC requesting a line extension or line modification.

Contribution to Construction: The portion of the cost of constructing the requested line extension or line modification which the applicant is expected to contribute to the cooperative.

KEC: Kootenai Electric Cooperative; the Cooperative.

KEC Standards: The design and construction guidelines adopted by KEC in compliance with the National Electrical Safety Code, industry best practices and applicable federal and state laws. This includes the information provided in the KEC Electric Service Handbook.

Line Extension: The extension or upgrade of KEC's electric facilities to the applicant's desired service location from KEC's existing facilities.

Line Modification: The alteration or removal of KEC's existing electrical facilities at the request of an applicant.

IV. POLICY:

- A. All applicants requesting a line extension or modification shall abide by the terms listed in Procedure No. 3-4, KEC's Electric Service Handbook, and all application documents.
- B. KEC will design and construct line extensions and modifications in accordance with the applicant's needs and to KEC standards.


- C. KEC will ensure that the cost of line extensions and line modifications are borne by the benefiting parties as equitably as possible. The equitable contribution applicants are expected to pay shall be determined by the cooperative. In general, those contributions shall equal the total estimated cost of construction less credit for future costs the work allows the cooperative to avoid or which generally benefits the membership as a whole. Contributions assessed will also take into consideration any capital costs recovered through rates, if any.
 - D. Applicants are required to pay the contribution to construction prior to construction commencing.
 - E. KEC reserves the right to change the contribution to construction applicants are required to pay if actual conditions differ materially from those originally assumed or if the nature of the facilities being constructed or modified are changed prior to or during construction. In these cases, KEC shall restate, refund or assess any difference to the applicant and reserves the right to delay construction or deny service until any additional amounts owed are paid in full. This does not apply to differences between the actual and estimated cost of construction when the nature of construction remains unchanged.
 - F. The General Manager is authorized to reduce the applicant's required contribution to construction by up to \$50,000 when, in his or her sole judgment, doing so will benefit the cooperative as a whole or when unusual circumstances warrant.
 - G. If a developer/member takes ownership of property on which KEC's infrastructure has already been installed but not paid for, KEC reserves the right to collect any unrecovered costs from the developer/member prior to extending or reconnecting service.
- V. OWNERSHIP: KEC retains ownership of all electrical facilities up to the point of connection to the member's service equipment, including the meter, even though the applicant may make a financial contribution toward the construction costs.
- VI. EASEMENTS AND RIGHT-OF-WAY: KEC's agents and employees shall have access to its facilities at all times. For safety purposes and for operational necessity, KEC requires all existing service points to be outside and readily accessible. The applicant, and ultimately the member who assumes responsibility for the service, shall provide for and maintain this accessibility at their expense.
- A. Easements will be required of all landowners for properties crossed by the line extension. The applicant shall bear the cost associated with obtaining easements from other landowners for property upon which any portion of the line extension encroaches or is otherwise located.

B. The applicant/member shall grant KEC an easement, without cost, to enter and exit their property and to install, inspect, maintain, repair and/or replace KEC facilities. KEC will record all easements with the county in which the property is located.

VII. RESPONSIBILITY: The General Manager shall be responsible for the administration of this policy.

Adopted: 03/27/86

Attested:


Secretary

Amended: 08/24/89

11/22/05

09/27/89

01/19/06

02/21/91

11/20/13

07/20/93

04/28/15

04/27/95

03/28/19

02/27/98

07/22/99

Replacement policy effective 01/01/14