



Policy 131: Line Extensions
Board Approved: August 30, 2023

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Board President

Purpose: To set guidelines for line extensions.

Provisions:

- 1) McKenzie Electric Cooperative, Inc. (MEC) shall not begin construction on line extensions until payment in full is received for the estimated cost of the line extension.
- 2) Significant facilities should exist prior to the start of construction. Significant facilities may include, but are not limited to the following:
 - a) Foundation(s);
 - b) Established water service;
 - c) Established sewer;
 - d) Housing;
 - e) Wellhead.
- 3) A line extension credit may be paid if within a three (3) year period from final completion of a line extension should another entity attach to the line extension. No line extension credit will be paid for line extensions less than one (1) mile.
- 4) Line extensions to a new metered Residential Service (RC-1 rate class only) shall be afforded up to \$8,000 towards line extension cost per member, per every two (2) years.
 - a) A member receiving this credit is not eligible for the credit outlined in Provision 5 for the same service.
- 5) Line extensions to a new single-phase service shall be afforded up to \$4,000 towards the line extension cost.
- 6) Service upgrades for single-phase services shall be provided at no cost to the member.
 - a) Service upgrade components include a meter loop or pedestal (including standby provisions), secondary wire between transformer and meter, and transformer.
- 7) Secondary Service Interconnection (wires between disconnect/service box and members electrical panel). The member will be responsible to provide any secondary circuit breakers and/or disconnect switches needed, termination of secondary service to MEC facilities and State Electrical Wiring Certificate.
- 8) “Subdivision” means the division of a lot, tract, or parcel of land into two or more additional

lots, plats, sites, or other divisions of land for the purpose, whether immediate or future, of sale or of building development.

- a) Residential, recreational, seasonal, and commercial developers of subdivisions shall bear the full cost of the line extension for each division of property to include a transformer and meter socket.
- 9) At time of service request, a member may request approval to self-install of electric service. The member is required to pay the full estimated line extension cost based on MEC installation of all facilities. Any self-install is limited to necessary trenching and dirt work for the installation, must meet MEC standards, and MEC must be present for oversight of backfill. Any other work required for the electrical service install shall be done by McKenzie Electric or a contractor approved by McKenzie Electric.

Engineering Fees:

- 1) Any person or business requesting a line extension may, at the discretion of Management, be required to pay an up-front engineering fee considered appropriate to cover costs associated with the line extension inquiry;
- 2) The engineering fee may vary by line extension project scope as determined by MEC's Engineering Department but shall not exceed \$5,000 for any single request;
- 3) If the line extension request is canceled, any remaining balance of the fee not used to cover engineering fees to the date of cancellation shall be refunded to the requesting entity.