

Implementation: 1/10/06

Revised: 7/8/08; 10/14/08; 4/14/09; 1/12/10; 2/12/13; 5/14/13; 1/13/15; 6/11/19

Reviewed:

Policy: #3141 – Electric Line Extension Policy

SCOPE OF POLICY: Customers

RESPONSIBILITY: Management

I. Policy

To provide a method by which Elkhorn Rural Public Power District will extend electric lines and facilities to serve Customers that have made a written application for electric service within the ERPPD retail service area.

II. Procedure

- A. In the event that upgrading, construction, or extension of facilities is required to provide service to the Customer, ERPPD will furnish the facilities required but at a cost not to exceed the allowable investment limit for the applicable service classification. Work will begin once the Customer makes an aid-to-construction contribution in an amount determined by ERPPD.
- B. For Commercial and/or Industrial Customers, at ERPPD's sole discretion, ERPPD may require up to the full allowable investment limit to be paid upfront by Customer and the allowable investment limit may be credited back up to a maximum of three years based on the Customer's actual usage. The credit will not exceed the total allowable investment limit paid by Customer.
- C. The estimated construction investment will include only the non-betterment costs to the ERPPD system to provide service to the Customer. The estimated construction investment shall include the costs of materials, equipment, engineering and labor, including administration overheads, fringe benefits, transformers, and metering equipment needed to complete the applied for service upgrade, constructions, or extension of facilities and excludes the costs of replacement or addition of facilities solely for the benefit and at the election of ERPPD.
- D. Where the estimated construction investment exceeds the allowable investment limit, ERPPD will receive from the Customer an "Aid-To-Construction" contribution. The Aid-To-Construction contribution will be determined as the monetary difference of the non-betterment portion of the estimated construction investment less the allowable investment limit established by this policy.
- E. ERPPD will construct facilities up to the metering point of the Customer. Construction of facilities beyond the metering point is the responsibility of the Customer.

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- F. Customers who make connections under this policy are required to sign a three (3) year continuous service contract with ERPPD. Customers are allowed to change rates during the three-year period with approval of management. If the Customer discontinues service or requests a rate change before the end of the service contract, ERPPD may assess a charge equal to the difference between the amount of time serviced under the rate and the remaining time on the contract.

For Example: If the initial cost of connection was \$1,500 and a Customer disconnected after two years, the following charge may be assessed: 1/3 times \$1,500= \$500 charge to the Customer.

- G. The commercial and industrial connection policy does not apply to loads in excess of 1,000 KW. A case-by-case analysis will be completed to determine the anticipated contribution margins from Customers in excess of 1,000 KW. The analysis will be adjusted to reflect load factors and other characteristics that may affect the overall margins of Elkhorn Rural Public Power District. The contribution made by ERPPD will not exceed the full cost of the line extension.
- H. The allowable investment limits established by this policy are:
 - i. For new services, the allowable investment limit will be calculated using the applicable service classification amounts listed below. Costs in excess of the allowable investment limits are subject to an Aid-to-Construction contribution by the Customer.

Service Classification	ERPPD Contribution	Basis
Rural Residential/Commercial, Single Phase (1,3)	\$1,474.00	Service/Customer
Rural Residential/Commercial, Single Phase All Electric (2,3)	\$3,429.00	Service/Customer
Rural Residential/Commercial, Three Phase (5,4)	\$4,750.00	Service/Customer
Rural Residential/Commercial, Three Phase All Electric (6,4)	\$6,379.00	Service/Customer
Residential, Single Phase (21,23)	\$1,351.00	Service/Customer
Residential, Single Phase All Electric (22,23)	\$2,210.00	Service/Customer
Irrigation (31,32,33,34,35,36,37,38,39)	\$116.00	Horsepower (NPH)
Commercial, Single/Three Phase (69,12,79,17,56,57,19,20)	\$0.0994	Projected Annual kWh
Commercial/LP, Demand (61,62,58,59,24,25,29,30,55,44)	\$29.95	Projected Annual KW
Pasture Pumps/Stock Wells (80)	\$235.00	Service/Customer
Cabins	\$670.00	Service/Customer
Grain Bins	See Appendix A	Horsepower (NPH)

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- ii. If a Customer’s load is anticipated to vary substantially from the applicable service classification, the projected average annual usage may be calculated using the following allowable investment limits at the discretion of ERPPD. Costs in excess of the allowable investment limits are subject to an Aid-To-Construction contribution by the Customer.

Service Classification	ERPPD Contribution	Basis
Rural Residential/Commercial, Single Phase (1,3)	\$0.1649	Projected Annual kWh
Rural Residential/Commercial, Single Phase All Electric (2,3)	\$0.1336	Projected Annual kWh
Rural Residential/Commercial, Three Phase (5,4)	\$0.1461	Projected Annual kWh
Rural Residential/Commercial, Three Phase All Electric (6,4)	\$0.1336	Projected Annual kWh
Residential, Single Phase (21,23)	\$0.1511	Projected Annual kWh
Residential, Single Phase All Electric (22,23)	\$0.1511	Projected Annual kWh
Irrigation (31,32,33,34,35,36,37,38,39)	\$116.00	Horsepower (NPH)
Commercial, Single/Three Phase (69,12,79,17,56,57,19,20)	\$0.0994	Projected Annual kWh
Commercial/LP, Demand (61,62,58,59,24,25,29,30,55,44)	\$29.95	Projected Annual KW
Pasture Pumps/Stock Wells (80)	\$0.3356	Projected Annual kWh
Cabins	\$0.1340	Projected Annual kWh
Grain Bins	See Appendix A	Horsepower (NPH)

- iii. For Customers with an existing service and who are requesting an upgrade of the facilities to serve additional load, the allowable investment limit will be calculated using the applicable service classification amounts listed below. Costs in excess of the allowable investment limits are subject to an Aid-To-Construction contribution by the Customer.

Service Classification	ERPPD Contribution	Basis
Rural Residential/Commercial, Single Phase (1,3)	\$0.1649	Projected Annual kWh
Rural Residential/Commercial, Single Phase All Electric (2,3)	\$0.1336	Projected Annual kWh
Rural Residential/Commercial, Three Phase (5,4)	\$0.1461	Projected Annual kWh
Rural Residential/Commercial, Three Phase All Electric (6,4)	\$0.1336	Projected Annual kWh
Residential, Single Phase (21,23)	\$0.1511	Projected Annual kWh
Residential, Single Phase All Electric (22,23)	\$0.1511	Projected Annual kWh
Irrigation (31,32,33,34,35,36,37,38,39)	\$116.00	Horsepower (NPH)
Commercial, Single/Three Phase (69,12,79,17,56,57,19,20)	\$0.0994	Projected Annual kWh
Commercial/LP, Demand (61,62,58,59,24,25,29,30,55,44)	\$29.95	Projected Annual KW
Pasture Pumps/Stock Wells (80)	\$0.3356	Projected Annual kWh
Cabins	\$0.1340	Projected Annual kWh
Grain Bins	See Appendix A	Horsepower (NPH)

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SCOPE OF POLICY: Customers

RESPONSIBILITY: Management

- I. Allowable investment limits that exceed \$120,000 will be reviewed and approved by the board.

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**APPENDIX A
 Allowable Investment Limit-Grain Bins**

Single Phase Motors

Motor size	Motor amps		kWh	kWh/day	kWh/month	Cost/Day	Cost/mo.	Allowable Investment
	115 V	230 V						
1/4	5.8	2.9	0.667	16	480	\$1.98	\$59.42	\$45.00
1/3	7.2	3.6	0.828	20	600	\$2.48	\$74.28	\$56.00
1/2	9.8	4.9	1.127	27	810	\$3.34	\$100.28	\$75.00
3/4	13.8	6.9	1.587	38	1,140	\$4.70	\$141.13	\$106.00
1	16	8	1.840	44	1,320	\$5.45	\$163.42	\$123.00
1 1/2	20	10	2.300	55	1,650	\$6.81	\$204.27	\$153.00
2	24	12	2.760	66	1,980	\$8.17	\$245.12	\$184.00
3	34	17	3.910	94	2,820	\$11.64	\$349.12	\$262.00
5	56	28	6.440	155	4,650	\$19.19	\$575.67	\$432.00
7 1/2	80	40	9.200	221	6,630	\$27.36	\$820.79	\$616.00
10		50	11.500	276	8,280	\$34.17	\$1,025.06	\$769.00
15		75	17.250	414	12,420	\$51.25	\$1,537.60	\$1,153.00

Three Phase Motors

Motor size	Motor amps		kWh	kWh/day	kWh/month	Cost/Day	Cost/mo.	Allowable Investment
	230 V	460 V						
1/2	2	1	0.800	19	570	\$2.35	\$70.57	\$53.00
3/4	2.8	1.4	1.120	27	810	\$3.34	\$100.28	\$75.00
1	3.6	1.8	1.430	34	1,020	\$4.21	\$126.28	\$95.00
1 1/2	5.2	2.6	2.070	50	1,500	\$6.19	\$185.70	\$139.00
2	6.8	3.4	2.710	65	1,950	\$8.05	\$241.41	\$181.00
3	9.6	4.8	3.820	92	2,760	\$11.39	\$341.69	\$256.00
5	15.2	7.6	6.060	145	4,350	\$17.95	\$538.53	\$404.00
7 1/2	22	11	8.760	210	6,300	\$26.00	\$779.94	\$585.00
10	28	14	11.500	268	8,040	\$33.18	\$995.35	\$747.00
15	42	21	16.730	402	12,060	\$49.77	\$1,493.03	\$1,120.00
20	54	27	21.510	516	15,480	\$63.88	\$1,916.42	\$1,437.00
25	68	34	27.090	650	19,500	\$80.47	\$2,414.10	\$1,811.00
30	80	40	31.870	765	22,950	\$94.71	\$2,841.21	\$2,131.00
40	104	52	41.430	994	29,820	\$123.06	\$3,691.72	\$2,769.00
50	130	65	51.790	1243	37,290	\$153.88	\$4,616.50	\$3,462.00
60	154	77	61.350	1472	44,160	\$182.23	\$5,467.01	\$4,100.00
75	192	96	76.490	1836	55,080	\$227.30	\$6,818.90	\$5,114.00
100	248	124	98.790	2371	71,130	\$293.53	\$8,805.89	\$6,604.00
125	312	156	124.290	2983	89,490	\$369.30	\$11,078.86	\$8,309.00
150	360	180	143.410	3442	103,260	\$426.12	\$12,783.59	\$9,588.00
200	480	240	191.210	4589	137,670	\$568.12	\$17,043.55	\$12,783.00

Note: The above calculations do not take motor efficiency into the kWh formula.
 All kWh is calculated at \$0.1238 as per AIL study done May 2019
 Allowable investment limits are calculated at a 75% monthly run time factor.
 Motor kWh Use Estimate (based on volts x amps x phase)