



**Policy: 401**  
**Subject: New Service Extensions**  
**APPROVED BY BOARD ACTION ON:**  
**Dates Amended:**

**May 8, 1998**  
**October 13, 2000**  
**February 22, 2002**  
**May 30, 2003**  
**April 28, 2009**

**OBJECTIVE:**

- I.** The Cooperative shall be committed to the principle of area coverage and will make electric service available to all applicants within its service area without regard to race, color, religion, sex, age, national origin, or handicap. The Cooperative shall be the sole electric distribution provider within this service area unless otherwise required by law or governmental regulation.
- II.** To ensure new service applicants are served on a timely and consistent basis.
- III.** To ensure that the new service applicant shares in the responsibility for line extension costs in order to avoid excess financial impact and risk to the Cooperative and its members.

**POLICY**

**I. Pre-Engineering Requirement**

The applicant shall provide the following to the Cooperative before engineering and processing of the new service can begin:

- A.** Complete and sign Application and Agreement for Electric Service. This Agreement shall remain in effect for 12 months following date of signature, and extension policy provisions in effect at time of signature shall apply during this period.
- B.** Pay in advance a non-refundable engineering fee of \$50.00 plus all applicable state and local taxes.
- C.** Pay all past due accounts due the Cooperative, payment of minimum deposits and receive a favorable credit check.

- D. Meet with a Cooperative representative at the new service location to coordinate siting requirements. Also provide a plan of existing or anticipated structures or facilities either above ground or under ground including the location of property corners.
- E. Provide additional information that may be requested to assist in the engineering work.

## **II. Pre-Construction Requirements**

Upon completion of the initial engineering work, the following shall be completed before the project is released for construction:

- A. **Location**  
Owner of the property shall review and accept the proposed location of the electric facilities as staked by the engineer, as well as other requirements and conditions. Every occasion the member initiates a change order and/or re-engineering is required after facilities are originally staked and agreed to, a \$50 change order fee plus all applicable state and local taxes shall be paid by owner.
- B. **Permits**  
A building/zoning permit and proof of property ownership shall be provided if requested by the Cooperative.
- C. **Utility Right-of-Way Easement / Property Description**  
Owner shall complete and sign a utility right-of-way easement and provide a legal description of the property to the Cooperative.
- D. **Other Requirements**  
All other required right-of-way easements shall be completed, and proof of compliance with all other permits or standards shall be provided the Cooperative as requested.
- E. **Right-of-way Clearing**  
Applicant shall be responsible for completing all right-of-way clearing along the entire line extension route in accordance with Cooperative specifications.
- F. **Membership Agreement**  
Applicant shall complete and sign a Membership Agreement including the service initiation fee and all applicable state and local taxes.
- G. **Grade Requirements**  
Applicant shall have areas on which electric facilities are to be installed within 4 inches of final grade before underground facilities will be installed.
- H. **Paid Fees**

Applicant shall have paid all fees or charges that are required for the line extension in advance of any construction.

**I. Proof of Compliance**

Proof of compliance with other new service extension and other tariff requirements.

**J. Wiring Affidavit or inspection Certificate**

When an electrical contractor is used or if the work is done by the owner, a State of Iowa inspection certificate shall be provided before the electrical service can be connected and energized. This includes a temporary service.

**III. General Construction Requirements**

The following shall govern the construction of all new service extensions:

**A. Route / Design / Method of Construction**

The Cooperative reserves the exclusive right to determine the route, design, and method of construction as it deems appropriate and necessary. If the applicant desires an alternate method or route of construction, for whatever reason, the applicant shall pay all the additional costs associated with the alternative and only if it is accepted by the Cooperative as a feasible method of installation. If the Cooperative selects a route or method of construction in order to make other improvements to its facilities or operations, the applicant shall not be responsible for those costs. In all cases, the Cooperative shall have the final determination of how and where the distribution facilities will be constructed.

**B. Ownership of Electric Service Lines and Equipment**

The electric service lines and equipment installed by the Cooperative shall remain the property of the Cooperative. Any payments made by the applicant for the service extension shall not give ownership or control rights by the applicant over these facilities.

**C. Responsibility for Obtaining Easements**

Where suitable easements do not exist, the Cooperative will provide the necessary easement forms and attempt to solicit their execution. The applicant, as a condition of service, will be ultimately responsible for obtaining all easements and permits as required by the Cooperative. All easement costs or permit fees shall be paid by the applicant. If the Cooperative is unsuccessful in obtaining easements or permits with a reasonable effort, this responsibility shall be turned back to the applicant for completion. If easements cannot be obtained for the preferred route, the owner shall be responsible for the actual line extension route necessary to get to the site.

**D. Minimum Billing**

Minimum billing on the account will begin at the time the service transformer can

be energized regardless if the meter has been installed or the applicant does not require electricity.

**E. Damage Liability**

The Cooperative will not be liable for damage to the applicant's crops, trees, shrubs, fences, sidewalks, driveways, or other obstructions incident to the installation, maintenance or repair of the facilities if such damage was not caused by its own negligence.

**F. Relocation or Change of Costs**

Relocation costs for the Cooperative facilities made at the request of the applicant or as the result of changes made on the property that require relocation of these facilities will be paid by the applicant. If it is necessary that the facilities must be placed in public road right-of-way, the applicant may be required to pay an additional charge to reflect the potential of future relocation requirements.

**G. Estimated Construction Schedule**

At the time pre-construction requirements are met, the applicant shall indicate if the project shall proceed, and the Cooperative shall indicate an estimated construction schedule. This estimated schedule is subject to revision due to unforeseen circumstances such as inclement weather, line repairs and maintenance work to restore power, equipment breakdown, unavailability of materials, or construction obstacles that delay progress. If the project does not proceed within 12 months, the applicant will be required to reapply under the New Service Line Extension policy in effect at that time.

**IV. Construction Requirements and Charges**

The following shall govern the various categories of line extensions that will be provided by the Cooperative.

**A. Temporary Line Extensions**

1. If a new service extension is considered by the Cooperative to have a useful life of less than 5 years, the applicant shall pay 100% of the actual construction, retirement, and other costs less salvaged material, plus electric usage and other associated costs.

Temporary service extensions are those that will likely be used for a period of twelve (12) months or less. There may be however, extraordinary circumstances (for example a road move) where a temporary service may exist for a longer period of time.

2. The temporary new service extensions shall meet electric code requirements and be acceptable to the Cooperative for location and installation.

**B. Temporary Meter Installation**

1. A temporary service and meter may be connected at the request of the applicant or the contractor for construction service.
2. Applicant shall prepay \$300 for the temporary meter installation.
3. The temporary meter installation shall be located at the discretion of the Cooperative preferably immediately next to the underground transformer or on the overhead transformer pole.
4. Upon notification by the applicant, the temporary service will be removed and the permanent service installed. The trench for the underground conductor must be complete, and the grade along the underground route and meter location must be within 4 inches of the final grade. The meter socket and related connections must be located in their final permanent location. Any subsequent trips made by the Cooperative to make the connection permanent may be charged a trip fee.
5. Temporary metered services shall be terminated after twelve (12) months unless the cooperative grants an exception.

**C. Service Extension Charges (The whole section is new/replaced.)**

The Cooperative will provide primary service extensions under the following conditions:

- A. In extending service to a permanent residential customer (being the primary residence and having permanent foundations, water and sewer facilities) the cooperative shall charge a non-refundable contribution on the cost of providing service in excess of \$2,000.00. The cost of the extension shall include the estimated or actual cost of the extension including new poles and conductors, appropriate fixtures required to provide service, transformers, service drops and meters. Applicant must agree in writing to take service when the extension is completed and have his building or other permanent facility wired and ready for connection.
- B. The facilities installed under this line extension policy shall be determined solely by the cooperative and shall reflect standard facilities required to provide service. The cost of facilities requested by the customer in excess of facilities installed as a part of standard service shall be borne by the customer. The company shall not be obligated to extend its electric lines in cases where such extensions in the judgment of the Cooperative, would be infeasible, impractical, or contrary to good operating practice.

## **Residential**

1. Extensions whose total estimated or actual cost is less than \$2,000.00 will require no contribution.
2. Extensions whose total estimated or actual cost is greater than \$2,000.00 will require a contribution equal to the total cost of the extension less \$2,000.00.
3. If the service capacity exceeds 400 amps, the applicant shall provide the secondary service wire (open trench and conduit for underground) and pay a transformer capacity charge of \$5 per kVa in excess of 15 kVa overhead or \$10 per kVa in excess of 15 kVa underground.

## **Multiple Applications for Service**

When two or more applications result in the applicants receiving service from the same extension, the extension at no charge shall be the number of applicants times \$2,000.00.

## **Non-Residential**

The following shall apply to non-residential line extensions:

1. These include all single phase indeterminate loads or multi-phase overhead or underground services. If the service capacity exceeds 400 amps, the applicant shall provide the secondary service wire (open trench and conduit for underground) and pay a transformer capacity charge of \$5 per kVa in excess of 15 kVa overhead or \$10 per kVa in excess of 15 kVa underground.
2. If the estimated construction exceeds \$10,000 for a single-phase extension or \$20,000 for a three-phase extension, the cooperative may do a separate cost benefit evaluation of the line extension cost and revenue to develop an extension charge it deems appropriate.
3. Any additional construction costs such as permit fees, obstacles, unanticipated contractor surcharges, or other unusual situations involved in the construction or ongoing operations and maintenance of the line extension shall require the applicant to pay for such costs. This shall include added costs to install primary underground cable during ground freeze periods.

## **Extensions to a Development**

1. When service is requested to a development prior to actual construction or occupation of the project, the party requesting such service shall pay the entire cost of construction in advance. As the structures are occupied and the owners receive service, the Cooperative shall refund to the party which paid for the construction the adjusted per lot cost of the line extension for each new

service connection up to \$2,000.00. Such refunds shall terminate when the entire refundable construction cost is refunded or five years after the payment is made by the party requesting service, whichever occurs first. Construction charges in excess of \$2,000.00 per lot are not refundable.

2. The adjusted refundable construction cost per lot is the lesser of \$2,000.00 or the amount of money paid in advance divided by the number of lots served.
3. Any and all line extension contracts and agreements between Hawkeye REC. and any developer existing as of the effective date of this policy shall remain in effect unless cancelled by either party in accordance with the terms of the existing agreement.
4. All other provisions of this policy apply to the installation of electrical facilities. The line extension provision in the “secondary service requirements” shall apply to the point at which electric service enters the property. However, secondary wire lengths up to 300 feet will be permitted in a development, excluding right-of-way.
5. The typical method of installation for a development is underground, unless conditions of the site require or warrant overhead electrical service.
6. The developer shall provide right-of-way easements on all parcels to be served and approved by the cooperative. These right-of-ways shall also be identified on the recorded plat.

### **Secondary Service Requirements**

The following secondary service requirements shall apply:

- A. Single-phase overhead secondary wire will be installed up to 100 feet to the metering point.
  - B. All air conditioning and heat pump units shall have no more than a maximum locked rotor amp of 111 amps per unit. This will limit the voltage flicker to less than 3%, which is acceptable to RUS (REA).
1. Hawkeye REC requests a copy of the nameplate information on all new construction to show the locked rotor amps (LRA).
  2. In the case of voltage flicker on an electrical service and Hawkeye REC has not received any nameplate information (LRA), we will test and determine the cause of the voltage flicker. If it's determined that the cause is the member's air conditioning or heat pump unit, Hawkeye will bill the member the cost associated with testing and for any change to Hawkeye's electrical distribution system.

## **Pole and Underground Moves and Relocation**

- A. When a member or property owner requests the Cooperative to relocate poles they shall pay the cost of the relocation based on an engineering estimate.

### **Phase Converters**

- A. Phase converters are one option to serve large three-phase loads from single-phase distribution lines. Attachment A of this policy– Phase Converters, identifies the guidelines that shall apply for members considering installing phase converters.

### **Service Improvements / Upgrades**

- A. Improvements made to existing infrastructure for the benefit of and at the request of the customer shall be paid for by the customer, less the cost of the transformer. The cost of improvements made to existing infrastructure for the purpose of maintaining system integrity or to maintain safe operating practices shall be born by the Cooperative.

## **VII. Special Considerations**

The President/CEO or his designees may authorize exceptions to this policy for special situations that promote area development while still assuring the return of the investment of the Cooperative.

## Attachment A

### *PHASE CONVERTERS*

Phase converters are one option to serve large 3-phase motor loads from single-phase distribution lines. Motor sizes of 15 HP or less that are served from a phase converter can usually be served from the rural distribution lines without any concerns. Motors larger than 15 HP that are served from a phase converter may cause power quality problems such as voltage flicker concerns. The maximum size motor that can be served from a phase converter will depend on the size of the distribution line serving the member and the circuit distance from the location of the phase converter to the Cooperative's substation that serves the distribution line with the phase converter. The maximum size motor that can typically be served from a phase converter is a 40 HP motor. Motors larger than 40 HP in some cases may be permissible but may require modifications to the electric service. The following are guidelines that apply for members considering the installation of phase converters with motor sizes larger than 15 HP.

- Motors installed with sizes greater than 15 HP – The member must obtain permission from Tri-County before installing the equipment. A voltage and capacity study is required to be performed before allowing phase converters serving motors larger than 15 HP to be installed. The information required for the study includes the size of the motor or motors, starting characteristics, starts per hour, the time of day the motors are started, location, and data on future loads.
- Motors installed with sizes greater than 40 HP - Motor sizes larger than 40 HP served from a phase converter may cause voltage flicker that is objectionable to other members served from the distribution that served the phase converter. Motors larger than 40 HP may create an excessive secondary voltage drop causing starting problems or premature equipment failure for the motor served from the phase converter. The customer should contact the manufacturer or equipment supplier of the phase converter equipment for information such as minimum transformer size or other installation requirements and provide this data to Hawkeye REC to be used in the voltage and capacity study.
- Disconnection for Power Quality Concerns - The phase converter will be required to be disconnected from the Cooperative's line if the operation of the equipment causes power quality concerns from other members related to the operation of the phase converter. The customer may be required to disconnect the equipment even with prior approval from Hawkeye REC to operate the equipment. Hawkeye REC will not be held liable for any damages due to the operation of the equipment or any damages if the member is required to disconnect the equipment due to power quality or other operating concerns.