

CULLMAN ELECTRIC COOPERATIVE

OPERATIONS POLICIES

Subject: **Line Extension for Non-Owner Occupied Structures**
 Policy No: 403-C

Responsibility: Chief Executive Officer

Page: 1 of 3

The Purpose of this policy is to define the obligations of members seeking a new non-residential service that requires the extension of the Cooperatives distribution lines. Members may be subject to a non-refundable aid to construction charge based upon the length and the type of service requested.

(A) Definitions

1. **Residential Structure:** A Residential Structure is defined as a structure whose primary purpose is to provide shelter for one or more people. In order to be considered a residential structure, such structure must include the following living facilities: A bathroom which is connected to a Health Department approved septic system or sewage system and a water source; a kitchen and a functioning hot water heater which is connected to a water source; and a functioning stove and refrigerator.
2. **Residential Mobile Home:** A factory-assembled structure or structures equipped with the necessary connections designed to be used as a dwelling unit(s) without a permanent foundation. A Residential Mobile Home shall be considered a Residential Structure if it is located on property owned by the member requesting service and is intended for occupancy by that member. Mobile homes intended for rental to third parties are not Residential Mobile Homes.
3. **Ancillary Service:** Electrical service to non-residential structures which are not intended for commercial use. Barns, workshops, fence chargers, well pumps, and sheds are examples of Ancillary Services.
4. **Commercial Service:** Electrical service to structures or facilities which are intended for commercial use.

5. **Temporary Service:** Electrical service that is not provided to a permanent structure and is used to accomplish a specific task. Fireworks stands, Fruit Stands, and Fairs are examples of Temporary Services.

(B) Mobile Home or Camper Developments

1. Members requesting service to a Mobile Home or Camper Development, shall present a plat drawn to scale that includes the size of the lots and location of each mobile home or camper site as well as the location of all septic tanks and field lines. The plat shall also include all other structures requiring electrical service.
2. The member making such request shall pay the estimated cost of the line extension prior to commencement of construction.

(C) Multi-Unit Residential Structures

Members requesting service to a Multi-Unit Residential Structure shall pay the estimated cost of the line extension prior to commencement of construction. .. The Cooperative may perform a system impact study to determine the impact of the structure on the other Cooperative facilities used to provide power to the structure. If the system impact study finds that other cooperative facilities will be adversely impacted by the structure an additional cost to remedy such impacts may be incurred.

(D) Ancillary Services

Members requesting service to an ancillary structure shall receive a credit equal to 100 feet of overhead single phase line at no charge. For an underground service, the member will be given a credit equal to the cost of 100 feet of overhead single phase line. Costs for overhead construction shall be \$13 per linear foot and underground shall be \$20 per linear foot.

(E) Commercial Services

Commercial Services may enter into a Minimum Bill Contract with CEC or they may pay the Aid to Construction costs in full. A minimum bill contract provides for the recovery of the Aid to Construction costs over a period of time (not to exceed five years). Minimum Bill

Contract payment amounts are calculated by CEC using the estimated monthly usage for the service and deriving a rate of return.

Some Commercial Services may not have a sufficient minimum bill to guarantee the return of Aid to Construction, in such cases the member shall pay the Aid to Construction in advance.

Method of Payment

All aid-to construction charges are to be paid in advance of any construction or relocation of facilities unless other arrangements are made to insure payment.

(F) Rights-of-Way and Easements

1. The applying member will be responsible for securing all written easements from other property owners to provide service and shall also be responsible for clearing the right of way.

Unless specified otherwise in a written agreement between the cooperative and the owner, the operation and maintenance of all facilities beyond the cooperative's metering point is the total responsibility of the owner.

Board Approval: 
Robert Tidwell, Chairperson

Approval Date: January 15, 2019

Amended Date: June 15, 2023
January 20, 2026