

Underground Service Drop: The final run of cable providing secondary voltage to a Customer's meter from a transformer or from a secondary conductor located on the Company's distribution system. If the length of the final run of cable is greater than 125 feet, then the length of the underground service drop is deemed to be 125 feet when determining the amount to be charged to the Customer for the line extension.

Distribution Facilities Provided by the Company at No Charge to the Customer

There shall be no separate charge for a pole-mounted transformer which the Company determines is needed to adequately serve a Customer's load and an Overhead or Underground Service Drop.

Additional Distribution Facilities

Any overhead or underground distribution facilities required to serve a Customer in addition to a pole-mounted transformer and/or an Overhead or Underground Service Drop as defined above, are subject to the charges specified below.

Adding Additional Phases to Existing Overhead Single-phase Facilities

The estimated cost shall be derived based on the Customer-specific job requirements and shall include all costs related to the construction of the distribution facilities, including but not limited to design and inspection and construction labor; researching and recording easements; materials; traffic control; tree trimming; blasting and overheads. The estimated cost shall not include the cost associated with any Overhead Service Drops.

Overhead Single-Phase Facilities

The estimated cost shall be derived by multiplying the length of the distribution facilities by the average cost per foot of overhead single-phase distribution facilities based on the following schedule of charges. The length of the distribution facilities shall be based on the length of single-phase primary and secondary line to be installed, excluding the length of secondary line to be installed for any Overhead Service Drops.

| <u>Effective Dates</u> | <u>Overhead, Single-Phase Average Cost per Foot</u> |
|--------------------------------|--|
| April 1, 2017 – March 31, 2018 | \$23.68 |
| April 1, 2018– Forward | See section "Average Cost per Foot Effective From April 1, 2018– Forward" |

Overhead Three-Phase Facilities

The estimated cost shall be derived based on the customer-specific job requirements and shall include all costs related to the construction of the distribution facilities, including but not limited to design and inspection and construction labor; researching and recording easements; materials; traffic control; tree trimming; blasting and overheads. The estimated cost shall not include the cost associated with any Overhead Service Drops.

Issued: March 1, 2017

Issued by: /s/ Paul E. Ramsey
Paul E. Ramsey

Effective: April 1, 2017

Title: Vice President - Operations

Underground Single-Phase Facilities

The estimated cost shall be derived by multiplying the length of the distribution facilities by the average cost per foot of underground single-phase distribution facilities based on the following schedule of charges and adding the result to the excess cost of any padmounted transformers to be installed. The length of the distribution facilities shall be based on the length of single-phase primary and secondary line to be installed, excluding the length of secondary line to be installed for each Underground Service Drop. The excess cost of a padmounted transformer is the amount by which the cost of a padmounted transformer exceeds the cost of an equivalent pole-mounted transformer. The Company will determine the excess cost on the basis of average cost formulas consistently and equitably applied to all underground installations.

Effective Dates
April 1, 2017 – March 31, 2018
April 1, 2018 – Forward

Underground, Single-Phase
Average Cost per Foot
\$14.65
See section “Average Cost per Foot Effective
From April 1, 2018 – Forward”

Underground Three-Phase Facilities

The estimated cost shall be derived based on the customer-specific job requirements and shall include all costs related to the construction of the distribution facilities, including but not limited to design and inspection and construction labor; researching and recording easements; materials; traffic control; tree trimming; blasting, overheads and the excess cost of any padmounted transformers to be installed. The estimated cost shall not include the cost of any Underground Service Drops. The excess cost of a padmounted transformer is the amount by which the cost of a padmounted transformer exceeds the cost of an equivalent pole-mounted transformer. The Company will determine the excess cost on the basis of average cost formulas consistently and equitably applied to all underground installations.

Average Cost per Foot Effective From April 1, 2018 - Forward

The Company will update the overhead single-phase and underground single-phase average cost per foot figures for effect on April 1 based upon a sampling of actual line extensions completed in the preceding three calendar years using the methodology contained in the Settlement Agreement in Docket No. DE 08-135 and as approved by the Commission in its Order No. 25,046 dated November 20, 2009. All costs related to the construction of the distribution facilities will be included in the average cost per foot figures, including but not limited to design and inspection and construction labor; researching and recording easements; materials; traffic control; tree trimming; blasting and overheads.

Issued: March 1, 2017

Issued by: /s/ Paul E. Ramsey
Paul E. Ramsey

Effective: April 1, 2017

Title: Vice President - Operations

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Additional Distribution Facilities

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Adding Additional Phases to Existing Overhead Single-phase Facilities

The estimated cost shall be derived based on the Customer-specific job requirements and shall include all costs related to the construction of the distribution facilities, including but not limited to design and inspection and construction labor; researching and recording easements; materials; traffic control; tree trimming; blasting and overheads. The estimated cost shall not include the cost associated with any Overhead Service Drops.

Overhead Single-Phase Facilities

The estimated cost shall be derived by multiplying the length of the distribution facilities by the average cost per foot of overhead single-phase distribution facilities based on the following schedule of charges. The length of the distribution facilities shall be based on the length of single-phase primary and secondary line to be installed, excluding the length of secondary line to be installed for any Overhead Service Drops.

| <u>Effective Dates</u> | <u>Overhead, Single-Phase Average Cost per Foot</u> |
|---|--|
| April 1, 2014-2017 – March 31, 2017 <u>2018</u> | \$21.54 <u>23.68</u> |
| April 1, 2017-2018 – Forward | See section "Average Cost per Foot Effective From April 1, 2017-2018 – Forward" |

Overhead Three-Phase Facilities

The estimated cost shall be derived based on the customer-specific job requirements and shall include all costs related to the construction of the distribution facilities, including but not limited to design and inspection and construction labor; researching and recording easements; materials; traffic control; tree trimming; blasting and overheads. The estimated cost shall not include the cost associated with any Overhead Service Drops.

Issued: ~~August 19, 2016~~March 1, 2017 Issued by: /s/ Paul E. Ramsey/s/
William J. Quinlan
Paul E. Ramsey
William J. Quinlan
Effective: ~~September 1, 2016~~April 1, 2017 Title: Vice President - Operations~~President and Chief Operating Officer~~

Underground Single-Phase Facilities

The estimated cost shall be derived by multiplying the length of the distribution facilities by the average cost per foot of underground single-phase distribution facilities based on the following schedule of charges and adding the result to the excess cost of any padmounted transformers to be installed. The length of the distribution facilities shall be based on the length of single-phase primary and secondary line to be installed, excluding the length of secondary line to be installed for each Underground Service Drop. The excess cost of a padmounted transformer is the amount by which the cost of a padmounted transformer exceeds the cost of an equivalent pole-mounted transformer. The Company will determine the excess cost on the basis of average cost formulas consistently and equitably applied to all underground installations.

| <u>Effective Dates</u> | <u>Underground, Single-Phase Average Cost per Foot</u> |
|---|---|
| April 1, 2014-2017 – March 31, 2017 <u>2018</u> | \$15.37 <u>14.65</u> |
| April 1, 2017-2018 – Forward | See section “Average Cost per Foot Effective From April 1, 2017-2018 – Forward” |

Underground Three-Phase Facilities

The estimated cost shall be derived based on the customer-specific job requirements and shall include all costs related to the construction of the distribution facilities, including but not limited to design and inspection and construction labor; researching and recording easements; materials; traffic control; tree trimming; blasting, overheads and the excess cost of any padmounted transformers to be installed. The estimated cost shall not include the cost of any Underground Service Drops. The excess cost of a padmounted transformer is the amount by which the cost of a padmounted transformer exceeds the cost of an equivalent pole-mounted transformer. The Company will determine the excess cost on the basis of average cost formulas consistently and equitably applied to all underground installations.

Average Cost per Foot Effective From April 1, ~~2017-2018~~ - Forward

The Company will update the overhead single-phase and underground single-phase average cost per foot figures for effect on April 1 based upon a sampling of actual line extensions completed in the preceding three calendar years using the methodology contained in the Settlement Agreement in Docket No. DE 08-135 and as approved by the Commission in its Order No. 25,046 dated November 20, 2009. All costs related to the construction of the distribution facilities will be included in the average cost per foot figures, including but not limited to design and inspection and construction labor; researching and recording easements; materials; traffic control; tree trimming; blasting and overheads.

Issued: ~~August 19, 2016~~March 1, 2017
~~William J. Quinlan~~

Issued by: /s/ Paul E. Ramsey~~/sr/~~

Paul E. Ramsey
~~William J. Quinlan~~

Effective: ~~September 1, 2016~~April 1, 2017
Operating Officer

Title: Vice President - Operations~~President and Chief~~