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March 8, 2019

VIA – Commission Web-Portal

Mark L. Johnson
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S. W.
P.O. Box 47250
Olympia, Washington 98504-7250

Dear Mr. Johnson,

Attached for filing with the Commission is an electronic copy of the proposed revisions to Avista's Line Extension, Conversion and Relocation Schedule 51 of Tariff WN U-28:

3rd Revision Sheet 51	Canceling	Sub. 2nd Revision Sheet 51
5th Revision Sheet 51A	Canceling	4th Revision Sheet 51A
3rd Revision Sheet 51B	Canceling	Sub. 2nd Revision Sheet 51B
6th Revision Sheet 51C	Canceling	5th Revision Sheet 51C
6th Revision Sheet 51D	Canceling	5th Revision Sheet 51D
6th Revision Sheet 51E	Canceling	5th Revision Sheet 51E
4th Revision Sheet 51F	Canceling	3rd Revision Sheet 51F
3rd Revision Sheet 51G	Canceling	Sub. 2nd Revision Sheet 51G
6th Revision Sheet 51H	Canceling	5th Revision Sheet 51H
6th Revision Sheet 51I	Canceling	5th Revision Sheet 51I

The revisions to the tariff sheets listed above update the Company's Electric Line Extension Schedule 51 and are proposed to become effective May 1, 2019.

Background

The Company's present tariff incorporates the principle of average costing for electrical facilities commonly used in extending service. The tariff sets forth "Basic Costs", which are costs based on recent average actual costs for facilities such as transformers and conduit which are used consistently for electric line extensions. The Basic Costs have a fixed and variable component, with the variable component stated on a cost-per-foot basis.

The average costing principle incorporated in the Company's tariff has worked well and the Company is not proposing to change the conceptual structure of the tariff. In an on-going effort to make Schedule 51 easy to understand from both a Company and customer perspective, the Company is proposing to make administrative changes to the tariff as described below in the section labeled "Administrative Changes". These proposed changes will provide greater clarity, which in turn will provide greater consistency when administering line extensions.

Detailed below are the Company's proposed changes to Schedule 51 and included with this filing are workpapers which provide support for the proposed changes.

Allowances – In this filing, the Company has updated the allowances applicable to new residential, commercial and industrial customer's services. For purposes of calculating the revised allowances, the Company is continuing to utilize an embedded cost methodology approach that is designed to ensure that investment in distribution/terminal facilities for each new customer will be similar to the embedded costs of the same facilities reflected in base rates. Any costs in excess of the allowance would be paid by the new customer as a Contribution in Aid of Construction. The Company utilized its Cost of Service study from its most recently concluded general rate case filing (Docket No. UE-170485), updated for the approved Commission ordered revenue requirement, to spread the distribution costs. The allowances were last updated in 2016 based on the Cost of Service study from the Company's 2015 general rate case filing (Docket No. UE-150204). Below is a summary of the proposed allowance changes:

Service Schedule	Existing	Proposed
Schedule 1 Individual Customer	$ 1,695	$ 1,860
Schedule 1 Duplex	$ 1,355	$ 1,485
Schedule 1 Multiplex	$ 1,015	$ 1,115
Schedule 11/12 (per kWh)	$ 0.12831	$ 0.15007
Schedule 21/22 (per kWh)	$ 0.10433	$ 0.12628
Schedule 31/32 (per kWh)	$ 0.12446	$ 0.15951

The Company has provided workpapers that provide the inputs and calculation of the allowances.

Costs – The Distribution Engineering Department at Avista is primarily tasked with the development and maintenance of the Company's Construction & Material Standards. Periodically, Distribution Engineering will update the Construction & Material Standards in order to comply with the National Electric Safety Code ("NESC"). These Construction & Material Standards were last updated in 2015 to reflect the NESC's code revisions. The standard designs in this filing have not changed and are consistent with those reflected in the Company's 2018 Schedule 51 filing.

As detailed on proposed tariff sheets 51H and 51I, the Company is proposing to update the primary, secondary, service and transformer average costs which have remained relatively consistent between years. Below is a summary of the cost changes:

	Present	Proposed
Overhead Primary Circuit:		
Fixed Cost	$ 4,323	$ 4,253
Variable Cost	$ 8.43	$ 8.38
Underground Primary Circuit		
Fixed Costs	$ 1,889	$ 1,854
Variable Costs	$ 11.24	$ 11.23
Underground Secondary Circuit		
Fixed Costs	$ 430	$ 418
Variable Costs	$ 9.93	$ 10.42
Overhead Secondary Circuit		
Fixed Costs	$ 1,785	$ 1,774
Overhead Service Circuit	$ 3.98	$ 3.91
Underground Service Circuit	$ 9.39	$ 9.41
Overhead Transformer	$ 2,381	$ 2,310
Padmount Transformer	$ 3,516	$ 3,507

Residential development costs, updated for the most current Construction & Material Standards and average 2018 construction costs are detailed below.

Residential Developments

	Present	**Proposed**
Total Cost per Lot	$ 1,867	$ 1,907
Less: Service Cost	$ 471	$ 471
Developer Responsibility	**$ 1,396**	**$ 1,436**
Developer Refundable Payment	$ 1,396	$ 1,436
Builder Non-Refundable Payment	$ 172	$ 47
Allowance	$ 1,695	$ 1,860

Administrative Changes – Overtime the Company has come to realize that when discussing line extensions, conversions, or relocations of existing service with new and/or existing customers, they often times face difficulty in understanding the provisions outlined in the Company's tariff Schedule 51. In an effort to make Schedule 51 easier for customers to understand and for our construction employees to apply, the Company proposes to make modifications to the Schedule.

A summary of the changes are as follows:

1. As currently written (see Sheets 51 and 51H), the provisions relating to when a Design Fee is charged are not entirely clear. The Company proposes to make the language regarding Design Fees more flexible, such that rather than state it "is required" in certain circumstances, that it "may be required". This aligns better with the Company's operations practices, such that a Design Fee is only charged when absolutely necessary. The Company's primary effort is to provide customers with a positive experience and accommodate changes that come up relating to obtaining and receiving electric service from the Company. Lastly, the Company proposes removing reference to the Design Fee being credited against the cost of the construction. With the modified language, if the Company does require a Design Fee, it will not be refundable.

2. Schedule 51 provides a definition for the multiple components that make up the Extension Cost a customer must pay to receive electric service, including both the Basic Cost and Exceptional Cost portions of a line extension. As shown in the formula on Sheet 51A for calculating the Extension Cost, Basic Costs and Exceptional Costs are added together prior to the customer's Allowance being applied. For customers, Basic Costs and Exceptional Costs are one in the same, meaning that they are simply the costs for receiving a line extension. The Company proposes to remove all references to Exceptional Costs and broaden the definition of Basic Cost, such that Basic Cost now covers all costs necessary to construct the line extension. In practice, this change will have no impact on the costs paid by customers for line extensions. It will simply make the costs of line extensions easier to understand for customers.

3. The Company proposes making two modifications to its definition of Customer-Requested Costs. First, the Company proposes removing reference to its minimum design for determining what constitutes Customer-Requested Costs (see Sheet 51B). The Company instead proposes that Customer-Requested Costs apply to the cost of unusual labor and/or materials requested by the customer that are not necessary to construct a line extension based on the Company construction design standards and operating practices. In some cases the Company's minimum design is not the best option or adequate for customers.

   Second, the Company proposes to remove the example of "underground facilities in overhead areas." Removing this example provides customers with the ability to apply their line extension Allowance to underground service. A scenario where this would apply is a new residential home in an existing development that requests an underground service line. Currently, the customer is required to pay the cost difference between receiving service overhead compared to underground, even though their allotted Allowance would cover the full cost of the underground service. Customers choose to receive underground service for a multitude of reasons including, aesthetics, reliability, or no need to maintain vegetation around service wires.

   With these two changes combined, customers will have a greater ability to apply their line extension Allowance towards the overall cost of their line extension. This is easier to understand and a positive benefit to new customers, while not burdening other customers

as the expected revenue from the new customer justifies the full line extension Allowance they may receive.

4. For commercial and industrial customers, the Company proposes to clarify when an Allowance will not be provided immediately, and in such cases, when a customer will receive a refund of their Allowance after service installation (see Sheet 51F). The proposed changes to this section do not impact the Company's current practices for line extensions to new commercial and industrial customers, but rather make the exception to when the Company will not grant an immediate Allowance more clear. The Company has also added clarifying language when referring to "metered energy usage" to include a parenthetical stating "delivered by Avista". The purpose of the clarifying language is to make clear for any distributed generation customers that allowances are based on the net retail energy usage sold by Avista.

5. For conversions and relocations, the Company has proposed a clarification to the definition of Salvage Value to state that not all materials removed will have salvage value and that the Company will determine Salvage Value in its sole discretion (see Sheet 51G). This proposed change will have no material impact on customers.

Enclosed is a copy of the workpapers supporting the line extension cost revisions contained in the proposed tariff sheets. In addition, during the week of April 1, 2019, the Company will send a letter to those developers and builders that may be affected by the proposed changes to inform them of the Company's request.

Please direct any questions on this matter to Joe Miller at (509) 495-4546.

Sincerely,

Joe Miller
Manager of Pricing and Tariffs
Enclosures

WASHINGTON

Avista 2019 Schedule 51 Filing

Tariff Sheets

AVISTA CORPORATION
dba Avista Utilities

SCHEDULE 51
LINE EXTENSION, CONVERSION AND RELOCATION SCHEDULE
WASHINGTON

1. APPLICABILITY

The rules for Line Extensions in this Schedule apply to all existing and prospective Customers requesting a new line extension. The rules for Conversions and Relocations in this Schedule apply to all Customers requesting changes to existing facilities.

2. GENERAL RULES:

a. Every Customer who wants the Company to design a line extension must first submit a written application. A Design Fee of $150 may be required for any line extension, Conversion of Primary Circuit, or Relocation of Primary Circuit that is unusually large, complex, or of a questionable nature, and for each additional design requested. (T) (D)

b. The Company shall have the right to enter and exit the Customer's property to construct, reconstruct, operate and maintain the line extension. The Company's agents and employees shall have access at all reasonable times for reading, inspecting, constructing, reconstructing, repairing and removing the Company's meters, metering equipment and electric facilities.

c. All necessary right-of-way assignments, easements and permits across other properties will be secured at no cost to the Company before the Company constructs the line extension.

d. The length, depth, Point of Delivery, location, route, phases, voltage, capacity and cost of the Line Extension shall be determined by the Company. The line extension shall be compatible with existing neighboring electric facilities.

e. Premises where the Company's electric facilities have been removed or otherwise disconnected for longer than twelve months, and where a customer wants service re-established, will be treated as a new customer and granted and allowance.

3. RULES FOR INDIVIDUAL RESIDENTIAL CUSTOMERS

a. Both the General Rules and the following rules apply to line extensions to serve individual Residential Customers.

b. Before the start of construction, the Customer must submit a written application for service and pay an extension cost to the Company which is computed as follows:

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SCHEDULE 51 - continued

	Basic Cost	
-	Allowance	
+	Customer-Requested Costs	(D)
-	Cost Reductions	
-	(one) Design Fee of $150 (if paid)	
+	Share of Previous Extension	
=	Extension cost	(T)

1) "Basic Cost" is the cost of the Service Circuit, Secondary Circuit, Transformer and Primary Circuit computed from the rates listed in this Schedule, along with the cost of labor and/or materials which are necessary to construct the Line Extension. The meters and metering facilities used by the Company for billing purposes are provided at no cost to the Customer. (N) (N) (N)

2) "Cost Reduction" is a decrease allowed when the Company uses lower-cost construction methods or allows the Customer to do some of the work. All facilities provided by the Customer must meet or exceed the Company's specifications. The Cost Reduction may only reduce the Customer's total cost of construction to $0.00; no payment shall be given to the customer.

3) "Allowance" is a credit to each Customer who has at least 4800 kWh per year of new load. The Allowance will be applied first to the Basic Cost of the Service Circuit, second to the Basic Cost of the Secondary Circuit, third to the Basic Cost of the Transformer and fourth to the Basic Cost of the Primary Circuit.

When two or more Customers apply concurrently for service from the same Line Extension, each will receive an Allowance up to their proportion of the Basic Cost of the line extension. Allowances shall be granted only against the Basic Cost of the current project and not against any part of an earlier or future extension. (D) (D)

The Allowance will be equal to the Basic Cost, or the applicable amount listed below, whichever is less: (N)(D) (D)

MAXIMUM ALLOWANCE

Schedule 1 individual Customer	$1860 each	(I)
Schedule 1 duplex	$1485 per unit	(I)
Schedule 1 multiplex	$1115 per unit	(I)

EXCEPTION: The Company will not grant an immediate Allowance if the Company, in its sole judgment, determines that the load:

a) is less than 4800 kWh per year, or
b) will be in service less than five years.

Issued March 8, 2019 Effective May 1, 2019

Issued by Avista Corporation
By Patrick D. Ehrbar
Patrick Ehrbar, Director of Regulatory Affairs

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SCHEDULE 51 - continued

A mobile home will not qualify for an Allowance until it has permanent connections to both water service and either a sewer or septic system. If such connections are made within five years after the completion of the line extension, the Company will, at that time, refund the Basic Cost or the amount of the Allowance in effect at the time of the construction, whichever is less. The Customer must apply for the refund before the line extension becomes six years old. (D)

If an immediate Allowance is not granted because the Customer is not prepared for a permanent service connection upon completion of the line extension, but the Customer does request a permanent connection within the next five years, and will have consumption of at least 4800 kWh per year, the Company will at that time refund to the Customer the Basic Cost or the amount of the Allowance in affect at the time of the line construction, whichever is less. (D)

(D)

4) "Customer-Requested Cost" is the cost of unusual labor and/or materials which is requested by the Customer but which is not necessary to construct the Line Extension based on the Company's construction design standards, and operating practices. All Customer-Requested Costs must be paid in full by the Customer. Customer-Requested Costs may include, but are not limited to, the following: (T) (D)(N)

a) facilities to provide three-phase service where single-phase service is adequate
b) construction which is not for electric service
c) facilities longer, deeper, or larger than deemed appropriate by the Company (D)
d) soil compaction on private property (T)

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SCHEDULE 51 - continued

6) "Share of Previous Extension" applies only to Primary Circuits less than five years old. If part of a previous line extension is used to serve a new Customer, the new Customer must pay a share of the previous Primary Circuit cost and Transformer cost, if shared, to the Company before the start of construction. The amount paid by the new Customer will be refunded to existing Customers in relation to their share of the Primary Circuit and Transformer, if shared. The Company will refund appropriate shares to the bearers of Extension Certificates when the Certificates are presented for payment and the connection of the subsequent Customer has been verified. The Company will make a reasonable attempt to inform the bearer of the Certificate when a refund is due. Bearers of Extension Certificates must apply for refunds before the original line extension becomes six years old. Unclaimed refunds will be returned to the contributor.

EXAMPLE:

1. First Customer pays $11,230 for 1,000 feet of primary underground circuit ($11.23 per foot). (R)
2. Second Customer takes service within five years using 600 feet of the original extension.
3. Both Customers share the first 600 feet equally: 600 ft x $11.23/ft x ½ = $3,369.
4. The Second Customer's payment of $3,369 will be refunded to the First Customer to reduce his investment in the 600 feet to $3,369. The First Customer's investment in the remaining 400 feet remains at $4,492 ($11,230-$3,369-$3,369 = $4,492). (R)

EXCEPTION: If the refund to the existing Customer is less than $100 each, the new Customer will not be required to pay that share and the existing Customer will not receive a refund.

4. RULES AND CHARGES FOR UNDEVELOPED RESIDENTIAL LOTS

a. A development is a group of neighboring undeveloped lots separated by no more than streets and under the ownership or legal control of a single party as determined by the Company. Both the General Rules and the following rules apply to line extensions within residential developments.

b. Before Company facilities will be installed, the developer must submit a written application for service and a copy of the plat as approved by the governing agency depicting dedicated utility easements approved by the serving utilities and must pay an extension cost to the Company which is computed as follows:

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SCHEDULE 51 - continued

	Basic Cost	
+	Customer-Requested Costs	(D)
-	Cost Reductions	
-	(one) Design Fee of $150 (if paid)	(D)
=	extension cost within development	
+	cost of extension to development	
+	Share of Previous Extension	
=	Extension cost	(T)

1) "Basic Cost" will be computed from the following rate per lot when the Development serves single phase loads, has at least six lots and the average frontage is no more than 175 feet per lot. The Basic Cost includes the cost of the primary circuit, the transformer and the secondary circuit in the utility easement or public right-of-way, but does not include the service circuit from the point of connection with the secondary circuit to the Point of Delivery.

Developments: $1,436 per Lot (I)

The Basic Cost for all other Developments will be computed from the rates listed in this Schedule for Service Circuits, Secondary Circuits, Transformers and Primary Circuits.

2) "Cost Reductions," "Customer-Requested Costs, and "Share of Previous Extension" are described under Rules for Individual Customers. (D)

3) "Extension to development" is the line extension between the Company's existing energized electric facilities and the boundary of the development. The Rules for Individual Customers apply to the extension to the development.

c. In lieu of a cash payment of the Basic Cost in a Development, the Company will accept a letter of credit, a contractor's performance bond, or another credit instrument agreeable to the Company for $1,436 per lot upon execution of a written agreement with the Developer. The agreement shall prescribe the requirements for such a credit instrument and shall permit the face amount of the instrument to be reduced annually as new customers are connected within the Development. The developer will provide ditching within the Development. (I)

d. Prior to the installation of the Service Circuit to each single-family residence in a development, the home builder will be required to make a non-refundable cash payment to the Company of $47 per residence. There will be no charge to the builder for the installation of the Service Circuit to serve a duplex or multiplex dwelling. (R)

SCHEDULE 51 – continued

e. A Developer who pays the extension cost described in 4.b.1) may apply for a refund annually for each permanent Customer connected within the Development during the first five years after the extension is completed. The Company will make a reasonable attempt to inform the bearer of the certificate when a refund is due. The Company will pay the refund to the bearer of the Extension Certificate when it is presented to the Company for payment and the connection of the permanent Customer has been verified.

For Developers who have made a cash payment to the Company for the Basic Cost in the development, the sum of all refunds shall not exceed the total Basic Cost paid by the Developer or $1,436 per lot multiplied by the number lots, whichever is less. The developer must apply for the refunds before the line extension becomes six years old. (I)

f. In a Development where primary taps may be required into some lots to provide adequate service or where the loads are not clearly defined, the Company may elect to install only an initial Primary Circuit through the Development (no Transformers or Secondary Circuits). The Rules for Individual Customers will be used to establish the extension cost of the Primary Circuit and that cost must be paid in advance by the Developer.

The permanent Customer on each lot must meet the Rules for Individual Customers for the extension into the lot, except they will not pay a share of the cost of the Primary Circuit through the Development or a share of previous extensions outside the Development. The applicable Allowance will be credited first to the Basic Cost to serve the permanent Customer. The Developer will be refunded only the portion of the Allowance not granted or applied to the permanent Customer.

5. RULES FOR COMMERCIAL AND INDUSTRIAL CUSTOMERS

a. Both the General Rules and the following rules apply to Line Extensions to serve individual Commercial and Industrial customers.

b. Single-Phase Extensions: For Customers who may be served at single phase, as determined by the Company, before the start of construction, the Customer must submit a written application for service and pay an extension cost to the Company which is computed as follows:

	Basic Cost	
-	Allowance	(D)
+	Customer-Requested Costs	
-	Cost Reductions	
-	(one) Design Fee of $150 (if paid)	
+	Share of Previous Extension	
=	Extension cost	(T)

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SCHEDULE 51 - continued

1) All terms are described in Section 3.b. and the Basic Costs are set forth in Section 7. The amount of the Allowance will be determined individually for each Customer based on the Company's estimate of the Customer's annual metered energy usage (delivered by Avista) and an allowance per kWh based on the applicable service schedule. (N) (N)

c. When two or more Customers apply concurrently for service from the same Line Extension, each will receive an Allowance up to their proportion of the Total Estimated Extension Cost. Allowances shall be granted only against the costs of the current project and not against any part of an earlier or future extension.

The Allowance will be the Total Estimated Extension Cost, or the applicable Allowance by Schedule multiplied by the Customer's estimated metered energy usage (delivered by Avista), whichever is less: (N) (N)

ALLOWANCE BY SERVICE SCHEDULE

Schedule 11 or 12:	$0.15007 per kWh	(I)
Schedule 21 or 22:	$0.12628 per kWh	(I)
Schedule 31 or 32:	$0.15951 per kWh	(I)

Exception: The Company will not grant an immediate Allowance if the Company, in its sole judgement, determines that the load is unknown, or will be in service less than five years. If an Allowance is not provided at the time service is installed, the Customer is eligible to receive a refund of their Allowance when annual metered energy usage (delivered by Avista) is known and measured. Any refund of Customer Allowance must be requested by the Customer within five years of service installation. (N) (N)

Undeveloped Commercial and Industrial Lots: A development is a group of neighboring undeveloped lots separated by no more than streets and under the ownership or legal control of a single party as determined by the Company. The General Rules, the Rules for Commercial and Industrial Customers and the following apply to line extensions within commercial or industrial developments. Before Company facilities will be installed, the developer must submit a written application for service and a copy of the plat as approved by the governing agency depicting dedicated utility easements approved by the serving utilities.

d. A developer requesting a Line Extension to one or more undeveloped commercial or industrial lots, where the future occupant and estimated metered energy usage (delivered by Avista) are unknown, will be required to pay to the Company in advance all costs associated with such Line Extension. Such Line Extension will be referred to as the Developer portion of the Line Extension and may include only a Primary Circuit. The subsequent Customer requesting completion of the Line Extension to the facility will be granted an Allowance based upon the estimated metered energy usage (delivered by Avista) of the facility. The Allowance will be applied first to the Customer portion of the Line Extension and any remaining Allowance may be applied to the Developer portion of the Line Extension. (N) (N) (N)

SCHEDULE 51 - continued

If the Allowance exceeds the Customer portion of the Line Extension, the developer will be entitled to a refund of such excess amount, not to exceed the total advance which was paid to the Company. The developer may apply for a refund for each permanent Customer connected within the development during the first five years following completion of the Developer portion of the Line Extension. The Company will make a reasonable attempt to inform the developer when a refund is due.

6. RULES FOR CONVERSIONS AND RELOCATIONS

Both the General Rules and the following rules apply to all requests to convert overhead facilities to underground or to change the location of overhead or underground facilities. Construction to replace electric facilities which were disconnected or removed at the customer's request within the last 12 months will be treated as a Conversion or a Relocation and will not be granted an Allowance.

a. All requests to convert or relocate electric facilities will be considered only when the Company, in its sole judgment, determines that they are feasible and compatible with existing neighboring electric facilities and when the requesting party has paid any Design Fees required.

b. Before construction starts, the party requesting a Conversion or Relocation must pay a conversion or relocation cost to the Company which is computed as follows:

	Basic Cost	
+	Customer Requested Costs	(D)
-	Cost Reductions	
=	new line cost	
+	Removal Costs	
-	Salvage Value	
-	(one) Design Fee of $150 (if paid)	
=	conversion or relocation cost	

EXCEPTION: If the Customer is adding load and the load increase would require the Company to add or modify facilities at its expense, the conversion or relocation cost will be reduced by the estimated cost of such modification.

1) "New Line Cost" is the cost of the new line extension in accordance with the Rules for Individual Customers, except no Allowance will be credited to the cost.
2) "Removal Cost" is the cost of the labor, overheads and use of equipment required to remove the existing facilities.
3) "Salvage Value" is the value to the Company of the materials removed from the existing facilities. Materials removed may not have Salvage Value. (N)
Salvage Value will be determined in the Company's sole discretion (N)

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SCHEDULE 51 - continued

7. DEFINITIONS AND CHARGES (listed alphabetically)

a. "Customer" is any individual, partnership, corporation, association, governmental agency, political subdivision, municipality or other entity.

b. "Dedicated Utility Easements" are designated strips or locations within the platted development which have been approved by the serving utility companies and the local government planning department and are dedicated to the serving utility companies for the purpose of construction, reconstruction, maintenance and operation of utilities, including the inspection of those utilities at reasonable times and the trimming or removal of brush and trees that may interfere with the construction, maintenance or operation of those utilities.

c. "Design Fee" is a $150.00 payment to the Company by the Customer requesting a Line Extension, Conversion, or Relocation, in advance of the Company preparing the design. A Design Fee may be collected for any Line Extension, Conversion of Primary Circuit, or Relocation of Primary Circuit that is unusually large, complex, or of a questionable nature. Design Fees may be collected for additional designs if the Customer requests more than one design. (C) (C)

d. "Extension Certificate" is a transferable certificate which entitles the bearer to receive certain refunds. Certificates will be issued to all Customers paying for a Primary Circuit, including Developers. The conditions under which refunds will be paid are described in this Schedule and on the Certificate.

e. "Point of Delivery" is the location on the Customer's premises where the Company's Service conductors and the Customer's service entrance conductors are connected at a common point to permit a single meter installation. The Point of Delivery will be designated by the Company.

f. "Primary Circuit" is the electrical facility between the Company's existing energized primary facilities and the proposed Transformer. The Primary Circuit is single phase operated at 2,400 to 20,000 volts to ground and may include conductors, connectors, supporting structures, conduit and trench. The Basic Cost of the Primary Circuit shall be computed using the following rates.

Single-Phase
Overhead Primary Circuit:

Fixed Costs:	$4,253 per Customer	(R)
Variable Costs:	$8.38 per foot	(R)

Underground Primary Circuit:

Fixed Costs:	$1,854 per Customer	(R)
Variable Costs:	$11.23 per foot	(R)

SCHEDULE 51 - continued

g. "Secondary Circuit" is the electrical facility from the Company's Transformer to a handhole or connectors from which one or more Service Circuits originate. The Secondary Circuit is single phase, is operated at less than 600 volts to ground and may include conductors, connectors, conduit, handholes and ditch. The Basic Cost of the Secondary Circuit shall be computed using the following rates.

Single-Phase Underground Secondary Circuit:

Fixed Costs:	$418 per customer	(R)
Variable Costs:	$10.42 per foot	(I)

Single-Phase Overhead Secondary Circuit:

Fixed Costs:	$1,774 per customer	(R)

h. "Service Circuit" is the electrical facility between the Company's Transformer, connectors, or handhole and the Point of Delivery for a single Customer or building. The Service Circuit is single phase, is operated at less than 600 volts to ground and may include conductors, connectors, conduit, and ditch. The Basic Cost of the Service Circuit shall be computed using the following rates. These rates do not include meters and metering facilities which are used by the Company for billing purposes.

Single Phase Overhead Service Circuit:

Variable Costs:	$3.91 per foot	(R)

Single Phase Underground Service Circuit:

Variable Costs:	$9.41 per foot	(I)

i. "Transformer" Basic Cost shall be computed using the following rates for single phase transformers.

Single Phase Overhead Transformer Costs:	$2,310 per Customer	(R)
Single Phase Padmount Transformer Costs:	$3,507 per Customer	(R)

j. "Underground Facilities" may include primary cable, secondary and service cable, secondary and service connections, surface-type (pad-mount) Transformers, concrete pads, enclosures, switch gear, terminations, equipment protective barriers and conduit or duct where necessary. These facilities will be owned, operated and maintained by the Company unless otherwise provided for by agreement.