

Northern Lights, Inc.
Member Service Policy # 105

SUBJECT: Line Extensions

Date Amended: December 19, 2011

Date Effective: January 1, 2012

OBJECTIVE:

- A. To provide guidelines for providing line extensions requested for new electrical services and service changes.

POLICY:

- A. Northern Lights, Inc. (NLI) shall determine the feasibility of installing electric facilities based on criteria such as terrain, soil conditions, safety, engineering practices, accessibility, and future maintenance. NLI shall cooperate with applicants to determine locations and routes for electric facilities. The applicant shall agree to pay the cost of professional engineering or consulting services to develop a work plan for installation of electric facilities if NLI determines that such services are necessary. NLI reserves the right to deny an applicant's request for installation of electric facilities if acceptable locations and routes for the facilities cannot be established and agreed upon by NLI and the applicant.
- B. Upon submission of an application, a \$750.00 Application & Engineering Fee is required before the Cooperative will perform fieldwork related to a line extension. This fee is considered part of the total contribution in-aid-of construction (See D below). If the job is canceled, any fees paid prior to cancellation, less any costs incurred by NLI, may be refunded, except that amounts less than \$25.00 shall not be refunded.
- C. Projects that have not been completed within twelve (12) months of the date of application are subject to cancellation at the discretion of NLI. If requested, NLI may grant a time extension, and the applicant shall pay the line extension rates in effect at the time of construction. If a time extension is not granted, a new application together with a new Application & Engineering Fee will be required to continue the project.
- D. Prior to construction of a project, applicants are required to pay a contribution in-aid-of construction as described in Exhibit A.
- E. Easements and permits acceptable to NLI shall be obtained prior to commencement of construction. Any permit fees for encroachments shall be paid to NLI by the applicant before NLI submits the request to the permitting agency.
- F. Upon completion of a project by NLI, the applicant shall pay the monthly electric rates pursuant to the policies and rate schedules of NLI, whether or not the meter entrance has been energized.

- G For purposes of this policy, a developer is any person, association, subdivider, corporation, or entity that submits an application to extend power to three or more contiguous parcels, a planned unit development, three or more multi family or condominium units, or industrial loads greater than 100 kva.
- H. Developers requesting line extensions to serve a subdivided area or an area of planned development shall pay the total actual costs of installing the primary voltage system.

For all line extensions, the electrical system shall be designed and installed in a manner that most efficiently utilizes NLI facilities, taking into consideration future maintenance and the addition of new services on the extension. Within developments the electrical system should be designed to enable each lot adjacent to the proposed line to have access to a pole, junction box or transformer.

- I. For temporary extensions of less than twelve (12) months duration, applicants shall pay the total cost of installation and the estimated cost of removal with credit allowed for salvage values. All charges shall be paid prior to installation.
- J. For line extensions that exceed 1500 feet in length, the Cooperative may require a minimum revenue agreement in addition to the contribution in-aid-of construction.
- K. All tree clearing and right-of-way preparation for line extensions shall be performed to the specifications of the Cooperative by, or at the expense of, the applicant.
- L. All multi-phase line extensions shall be considered on a case-by-case basis with the contributions in-aid-of construction based on actual costs of construction.
- M. Contributions in-aid-of construction shall not be deemed to vest either interest or individual ownership in any portion of the new facilities on behalf of the applicant. All facilities installed pursuant to this policy shall be, and shall remain, the property of the Cooperative.

RESPONSIBILITY:

- A. Board of Directors
 - 1. To review this policy for revisions.
- B. General Manager
 - 1. To develop procedures to implement this policy.

EXHIBIT A
Line Extension Fee Schedule

Single Phase Single-Family Dwellings and Single-Phase Industrial Loads Less Than 100kva:

\$ 750.00 Application & Engineering Fee
PLUS: \$ 750.00 Mobilization Fee
PLUS: \$ 1,855.00 Hookup-Impact Fee
PLUS: \$ 9.00 per foot - for all footage unless reduced as outlined below
PLUS: defined additional charges (see below)

Adjustments: If soil and terrain conditions warrant, the Cooperative may adjust the footage charge for the portion of underground extensions that exceeds 1,000 feet in length.

The member shall provide trenching and conduit for underground secondaries 10 feet or greater in length.

Additional charges may be assessed for items such as, but not limited to:

- ❖ Change of existing NLI facilities to accommodate extension
- ❖ Dig-ins on existing cable, or inserts within existing overhead lines
- ❖ Poles, junction huts, or additional transformers or meters
- ❖ Conversion from overhead to underground or vice versa
- ❖ Road bores or pushes
- ❖ Temporary services
- ❖ Extraordinary construction costs owing to conditions such as, but not limited to: terrain, rock, railroad, highways, roads, rivers, creeks
- ❖ Any permit fees for encroachments (e.g. railroads, county roads, highways, State, or Federal land)
- ❖ Transformers greater than 25 KVA
- ❖ Meters other than 200 amp or 400 amp (non-CT)
- ❖ Engineering time over eight (8) total man-hours
- ❖ Installations between November 1st and March 31st
- ❖ Additional work resulting from requested changes beyond the original scope of the project, or from site conditions caused by the member or others.

Single Phase Multi-Family Dwellings, Developments, Multi-Phase Services, and Industrial Loads 100kva or Larger:

\$ 2,000.00 Application & Engineering Fee
PLUS: Mobilization Costs
PLUS: Hookup-Impact Fees shall be calculated on an individual basis
PLUS: Total estimated cost of construction based on material & labor required to complete the project to be paid prior to construction, and upon completion of construction, a true-up to actual costs shall be calculated with either a refund to or additional costs paid by the applicant.

Service Changes and Relocations:

\$ 750.00 Application & Engineering Fee
PLUS: Total estimated cost of construction based on material & labor required to complete the project

Adjustments: If it is determined by the Cooperative that a service change requested by a member benefits the Cooperative, the cost of the change may be shared between the Cooperative and the member. The Engineer shall determine and recommend to management the ratio of cost sharing based on the benefits derived by each party.

After a line extension or service change has been completed and all costs of the project have been accounted for, the amount of contribution in-aid-of construction, including the Application & Engineering Fee paid by the member, that is in excess of the total cost of the project will be refunded to the member, except that amounts less than \$25.00 shall not be refunded, and no portion of a Hookup-Impact fee shall be refunded.

Yard Light Service:

Applications for NLI owned and maintained yard light service will be accepted if the requested yard light is more than 500 feet from the member's metered electrical service. Applicants for NLI owned and maintained yard light service shall pay 100% of the actual cost of the installation.

Adoption & Revision History:

Dates Amended by Board:

March 6, 1992 to be effective May 1, 1992.
November 23, 1992 to be effective October 1, 1992.
February 28, 1994 to be effective June 1, 1994.
March 20, 1995 to be effective March 21, 1995.
March 18, 1996 to be effective April 1, 1996.
April 28, 1997 to be effective May 1, 1997.
March 23, 1998 to be effective March 24, 1998.
March 27, 2000 to be effective May 1, 2000
March 29, 2001 to be effective April 2, 2001
February 25, 2002

Date Reviewed, no change:

Amended by Board:

December 16, 2002 to be effective January 1, 2003
August 25, 2003 retroactive to January 1, 2003
January 26, 2004, to be effective January 1, 2004
January 24, 2005, to be effective January 1, 2005
December 19, 2005, to be effective January 1, 2006
December 18, 2006, to be effective January 1, 2007
April 23, 2007, to be effective January 1, 2007
August 27, 2007
December 18, 2007 to be effective January 1, 2008
December 22, 2008 to be effective January 1, 2009
December 28, 2009 to be effective January 1, 2010
December 20, 2010 to be effective January 1, 2011
December 19, 2011 to be effective January 1, 2012

ADMINISTRATIVE BULLETIN NO. 1 TO POLICY NO. 105

LINE EXTENSIONS

Date Revised: December 19, 2012, to be effective January 1, 2012

The purpose of this bulletin is to set forth the administrative guidelines and procedures to implement the Line Extension Policy.

I. General

- A. A line extension is considered to be any installation of electric facilities providing service to a proposed load. Each extension shall be reviewed to determine its feasibility, and what actions may be necessary to accomplish construction. NLI shall determine if a proposed line extension is feasible based on factors such as terrain, length, route, encroachments, connected load, phases, and location.
- B. Additional provisions relative to line extensions are set forth in Policy No. 301, "Easements" and should be considered in conjunction with Policy No. 105 and this Administrative Bulletin.

- C. Applications for line extensions may be received from non-members and, therefore, reference should be made to Policy No. 102 - "Application for Membership and Electric Service."

II. Application for Line Extensions

- A. The Application & Engineering Fee offsets a portion of NLI's average costs of processing the application and engineering the project. This fee is considered part of the total contribution in-aid-of construction. Additional engineering fees may be assessed prior to beginning or continuing field engineering for projects requiring more than eight (8) total man-hours of engineering time.

If the job is canceled, deposits or fees paid prior to cancellation less any costs incurred by NLI, may be refunded except that amounts less than \$25.00 shall not be refunded.

- B. Applications for line extensions will be considered valid for a period of twelve (12) months from the date received. If construction has not been completed within twelve (12) months of the date of application, the project is subject to cancellation at the discretion of NLI. If requested, NLI may grant a time extension, and the applicant shall pay the line extension rates in effect at the time of actual construction. If a time extension is not granted on a job that has been partially constructed due to no fault of NLI, the job will be closed and fees paid to NLI that exceed costs incurred shall be refunded. A new application and Application & Engineering Fee will then be required to continue the project.

III. Character of Extension

- A. NLI will attempt to accommodate an applicant's request regarding the character of the extension. However, the design of the line extension shall be determined by NLI.
- B. For underground extensions, an applicant may be allowed (or required) to provide the trench and backfilling. The trench must be dug to NLI specifications with backfilling, bedding, and conduit as required. NLI will review each applicant's request to provide the trench to determine if it is feasible.
- C. If the applicant is providing the trench for secondary cable, conduit shall be provided and installed by the applicant with a pull rope inserted in the conduit and backfilled to NLI's specifications.

If the applicant is providing the trench, a construction crew will not be dispatched to the site until the applicant has met all fee and permit requirements and notifies NLI that the trench has been prepared according to NLI specifications and is ready for the cable. If the construction crew discovers that the trench and conduit do not meet the proper specifications, they will leave the site and move on to another job. The applicant will be notified as soon as possible and informed of the corrective measures necessary. The applicant will be required to correct any deficiencies in the trenching or conduit installation before the construction is re-scheduled.

IV. Contributions in-aid-of Construction

- A. Prior to construction of a project, applicants shall pay a contribution in-aid-of construction. Contributions in-aid-of construction for single-phase extensions are defined in Exhibit A of this bulletin - "Line Extension Fee Schedule." Multi-phase and industrial services shall be evaluated on a case-by-case basis.
- B. Two or more applicants may share the 'per foot' construction charges for a common line extension. However, each applicant shall be required to make application and pay the Application & Engineering Fee before engineering fieldwork commences. Full payment for the shared portion must be received by NLI prior to the job being scheduled for construction.
- C. The measurement of distances for determining charges shall include all primary extensions and secondary service lengths. For underground extensions, the distance should be the actual trench route (not necessarily a straight line).
- D. If a line extension is made longer for the convenience or benefit of NLI, the member's charges may be based on the shortest distance available to provide service.
- E. All charges for line extensions shall be paid in full before construction will commence. NLI will not provide payment terms or financing.

Any permit fees for encroachments shall be paid to NLI by the applicant before NLI submits the request to the permitting agency.

After a line extension has been completed and all costs of the project have been accounted for, the amount of contribution in-aid-of construction, including the Application & Engineering Fee, that was paid by the member and is in excess of the total cost of the project will be refunded to the member, except that amounts less than \$25.00 shall not be refunded, and no portion of the Hookup-Impact fee shall be refunded.

- F. For a temporary construction service, the charges shall be based on the measured distance to the permanent location of the meter, plus a fixed fee of \$500.00 in addition to any other fees assessed. The applicant shall provide trench, conduit, and backfill to the permanent metering point for underground installations. Final 'settle-up' of project costs will be performed once the permanent service has been completed and accounting for all costs for both the permanent and temporary services has been completed. If the member cannot identify a permanent location, NLI will consider the requested 'temporary' site to be the permanent location, and the member shall supply and install a permanent-type meter base at that site. The member shall apply for a service change and pay the service change costs should the metering location be changed in the future.
- G. For a temporary line extension, the member must pay the full cost of installation and the estimated cost of removal with credit allowed for salvage values. These costs shall be paid before installation of facilities. Temporary line extensions include, but are not limited to rock crushers and asphalt batch plants.

- H. For line extensions that exceed 1,500 feet, Policy # 105, Section H provides that NLI may require a minimum revenue agreement (See Exhibit B of this bulletin) in addition to the contribution in-aid-of construction. The minimum revenue requirement for such extensions will be considered on a case-by-case basis and will take into consideration the expected load and revenue of the facility to be served. The minimum revenue requirements for such facilities may be adjusted from time to time at the sole discretion of NLI based upon; 1) the actual energy consumption of the facility and 2) the member density on the line extension.

V. Monthly Billings After Construction

Upon completion of a service by NLI, the applicant shall pay the monthly electric rates pursuant to the policies and rate schedules of NLI, whether or not the meter entrance has been energized

VI. Developers

- A. A developer is any person, association, corporation or entity that submits an application to extend power to three or more contiguous parcels, a planned unit development, three or more multi-family or condominium units, or industrial loads greater than 100 kva.
- B. Upon application for a line extension the developer may be required to pay an Application & Engineering Fee prior to field engineering. In the event the job is canceled the Application & Engineering Fee, less any costs incurred by NLI, may be refunded except that amounts less than \$25.00 shall not be refunded.
- C. Prior to any construction activities, an amount equal to the total estimated cost of the project shall be deposited with NLI and upon completion of construction, a true-up to actual costs shall be calculated with either a refund to or additional costs paid by the developer.

VII. Service Changes and Relocations

- A. Requests for service changes or relocations shall require an Application & Engineering Fee to be paid before the request is processed.
- B. Members requesting service changes or relocations shall pay an amount equal to the total estimated cost of the project before the project is begun.
- C. If it is determined by NLI that a service change requested by a member provides benefits to NLI, the cost of the change may be shared between NLI and the member. The Engineer shall determine and recommend to management the ratio of cost sharing based on the benefits derived by each party.
- D. After a service change has been completed and all costs of the project are accounted for, the amount of contribution-in-aid-of construction including the Application & Engineering Fee that was paid by the member and is in excess of the total cost of the project will be refunded to the member, except that amounts less than \$25.00 shall not be refunded.

VIII. Service Installation After Retirement

- A. When re-connection of a previously retired service is requested and only the meter was retired, a \$200.00 Application and Inspection Fee will be billed and a service change application will be completed.
- B. If, after inspection by NLI personnel, it appears that more than a simple meter installation is required, the fees and procedures for a new service installation shall apply.
- C. NLI may require that the applicant apply for a State Electrical Permit prior to energizing the service.

IX. NLI Owned and Maintained Yard Light Installations

- A. NLI owned and maintained yard light service is available only if the requested yard light is more than 500 feet from the meter that serves the member's electrical service. Applicants requesting installation of a yard light will be required to execute a "Yard Light Service Order" in which the applicant agrees to accept and pay for said lighting service under the provisions of the appropriate rate schedule for a minimum of 36 months.
- B. The total estimated cost of the installation shall be paid by the member prior to any construction activities.
- C. Upon request, NLI shall transfer to members the ownership and maintenance responsibilities of yard lights installed prior to November 1, 2007 provided that the member agrees to connect the yard light to their metered electric service. The member shall agree to relocate the yard light if NLI determines that relocation is necessary for the safe operation of NLI's facilities. Member owned yard lights shall not be attached to NLI owned poles or facilities including meter poles.

X. Repair or Replacement of Electric Services Damaged by Fire

- A. Members requesting the repair or replacement of electric services that have been damaged by fire shall not be required to pay an Application & Engineering Fee if:
 - The fire was not caused by the negligence or criminal activity of the member or their agents
 - The service is 400 amps or less
 - The location and specifications of the service remain the same as they were prior to the fire damage
 - The repair or replacement of the service is requested and authorized by the member within 15 months of the loss
 - The member obtains all permits

If the repair or replacement is covered by the member's insurance policy, NLI shall provide the member with a bill in the amount of the actual cost of the work so that the member can submit a claim to their insurance company. The member shall pay to NLI the amount they receive from the insurance company for the claim, which NLI shall consider as payment in full of the bill even if the insurance reimbursement is less than the total amount of the bill. If the member does not have insurance coverage, NLI shall not seek collection of the cost of the work.

- B. Requests that do not meet the conditions in A. above shall be subject to the fees and conditions of NLI's Line Extension Policy in effect at the time of the request, except that the Application and Engineering Fee shall be waived.

Reviewed by General Manager
August 25, 2003
January 27, 2004
January 25, 2005
December 19, 2005
December 18, 2006
September 24, 2007
December 18, 2007
December 22, 2008
December 28, 2009
December 20, 2010
December 19, 2011

EXHIBIT A
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PLUS: \$ 750.00 Mobilization Fee
PLUS: \$ 1,855.00 Hookup-Impact Fee
PLUS: \$ 9.00 per foot - for all footage unless reduced as outlined below
PLUS: defined additional charges (see below)

Adjustments: If soil and terrain conditions warrant, the Cooperative may adjust the footage charge for the portion of underground extensions that exceeds 1,000 feet in length.

The member shall provide trenching and conduit for underground secondaries 10 feet or greater in length.

Additional charges may be assessed for items such as, but not limited to:

- ❖ Change of existing NLI facilities to accommodate extension
- ❖ Dig-ins on existing cable, or inserts within existing overhead lines
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- ❖ Extraordinary construction costs owing to conditions such as, but not limited to: terrain, rock, railroad, highways, roads, rivers, creeks.
- ❖ Any permit fees for encroachments (e.g. railroads, county roads, highways, State, or Federal land)
- ❖ Transformers greater than 25 KVA
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PLUS: Mobilization Costs
PLUS: Hookup-Impact Fees shall be calculated on an individual basis
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\$ 750.00 Application & Engineering Fee
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Adjustments: If it is determined by the Cooperative that a service change requested by a member benefits the Cooperative, the cost of the change may be shared between the Cooperative and the member. The Engineer shall determine and recommend to management the ratio of cost sharing based on the benefits derived by each party.

After a line extension or service change has been completed and all costs of the project have been accounted for, the amount of contribution in-aid-of construction, including the Application & Engineering Fee paid by the member that is in excess of the total cost of the project will be refunded to the member, except that amounts less than \$25.00 shall not be refunded, and no portion of a Hookup-Impact fee shall be refunded.

Yard Light Service:

Applications for NLI owned and maintained yard light service will be accepted if the requested yard light is more than 500 feet from the member's metered electrical service. Applicants for NLI owned and maintained yard light service shall pay 100% of the actual cost of the installation.

EXHIBIT B (page 1)

MINIMUM REVENUE AGREEMENT

This MINIMUM REVENUE AGREEMENT (hereinafter "Agreement"), effective on the date that both parties hereto have executed this Agreement, is entered into by and between NORTHERN LIGHTS, INC. (hereinafter "NLI" or "Party"), an electric Cooperative organized and existing under the laws of the State of Idaho, and _____ (hereinafter "Member" or "Party"). Collectively, NLI and Member are referred to herein as "Parties."

RECITALS

WHEREAS, Member has requested that NLI construct electric distribution facilities (Line Extension) for the purpose of providing electric service to Member's facility (Facility) or Member has requested a new service that will tap a line extension serving a member or members with existing minimum revenue agreements and the location of the tap is beyond 1,500 feet from the origin of the line extension; and

WHEREAS, pursuant to NLI's policy(s), line extensions in excess of 1,500 feet in length that are constructed to serve a member may require that a minimum amount of monthly revenue be paid to NLI because of the additional operation and maintenance costs of such line extensions; and

NOW THEREFORE, the Parties mutually agree and covenant as follows:

Service to be Provided

Subject to the terms and conditions of NLI's Member Service Policies and this Agreement, NLI will supply and Member will purchase electric energy including Firm Power (Firm Capacity and Firm Energy) required for the operation of the Facility.

Minimum Revenue Requirement

Member agrees to pay to NLI, monthly, a minimum amount of revenue equal to the sum of the basic charge as approved by the NLI Board of Directors and which may change from time to time, plus a minimum energy charge in the amount of \$ _____ per month.

NLI shall credit the minimum monthly energy charge against charges for Member's monthly kWh usage; however, no credit balance for kWh usage will carry over to future months.

III. Character of Extension

- A. NLI will attempt to accommodate an applicant's request regarding the character of the extension. However, the design of the line extension shall be determined by NLI.
- B. For underground extensions, an applicant may be allowed (or required) to provide the trench and backfilling. The trench must be dug to NLI specifications with backfilling, bedding, and conduit as required. NLI will review each applicant's request to provide the trench to determine if it is feasible.
- C. If the applicant is providing the trench for secondary cable, conduit shall be provided and installed by the applicant with a pull rope inserted in the conduit and backfilled to NLI's specifications.

If the applicant is providing the trench, a construction crew will not be dispatched to the site until the applicant has met all fee and permit requirements and notifies NLI that the trench has been prepared according to NLI specifications and is ready for the cable. If the construction crew discovers that the trench and conduit do not meet the proper specifications, they will leave the site and move on to another job. The applicant will be notified as soon as possible and informed of the corrective measures necessary. The applicant will be required to correct any deficiencies in the trenching or conduit installation before the construction is re-scheduled.

IV. Contributions in-aid-of Construction

- A. Prior to construction of a project, applicants shall pay a contribution in-aid-of construction. Contributions in-aid-of construction for single-phase extensions are defined in Exhibit A of this bulletin - "Line Extension Fee Schedule." Multi-phase and industrial services shall be evaluated on a case-by-case basis.
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- D. If a line extension is made longer for the convenience or benefit of NLI, the member's charges may be based on the shortest distance available to provide service.
- E. All charges for line extensions shall be paid in full before construction will commence. NLI will not provide payment terms or financing.

Any permit fees for encroachments shall be paid to NLI by the applicant before NLI submits the request to the permitting agency.

After a line extension has been completed and all costs of the project have been accounted for, the amount of contribution in-aid-of construction, including the Application & Engineering Fee, that was paid by the member and is in excess of the total cost of the project will be refunded to the member, except that amounts less than \$25.00 shall not be refunded, and no portion of the Hookup-Impact fee shall be refunded.

- F. For a temporary construction service, the charges shall be based on the measured distance to the permanent location of the meter, plus a fixed fee of \$500.00 in addition to any other fees assessed. The applicant shall provide trench, conduit, and backfill to the permanent metering point for underground installations. Final 'settle-up' of project costs will be performed once the permanent service has been completed and accounting for all costs for both the permanent and temporary services has been completed. If the member cannot identify a permanent location, NLI will consider the requested 'temporary' site to be the permanent location, and the member shall supply and install a permanent-type meter base at that site. The member shall apply for a service change and pay the service change costs should the metering location be changed in the future.
- G. For a temporary line extension, the member must pay the full cost of installation and the estimated cost of removal with credit allowed for salvage values. These costs shall be paid before installation of facilities. Temporary line extensions include, but are not limited to rock crushers and asphalt batch plants.
- H. For line extensions that exceed 1,500 feet, Policy # 105, Section H provides that NLI may require a minimum revenue agreement (See Exhibit B of this bulletin) in addition to the contribution in-aid-of construction. The minimum revenue requirement for such extensions will be considered on a case-by-case basis and will take into consideration the expected load and revenue of the facility to be served. The minimum revenue requirements for such facilities may be adjusted from time to time at the sole discretion of NLI based upon; 1) the actual energy consumption of the facility and 2) the member density on the line extension.

V. Monthly Billings After Construction

Upon completion of a service by NLI, the applicant shall pay the monthly electric rates pursuant to the policies and rate schedules of NLI, whether or not the meter entrance has been energized

VI. Developers

- A. A developer is any person, association, corporation or entity that submits an application to extend power to three or more contiguous parcels, a planned unit development, three or more multi-family or condominium units, or industrial loads greater than 100 kva.
- B. Upon application for a line extension the developer may be required to pay an Application & Engineering Fee prior to field engineering. In the event the job is canceled the Application & Engineering Fee, less any costs incurred by NLI, may be refunded except that amounts less than \$25.00 shall not be refunded.

- C. Prior to any construction activities, an amount equal to the total estimated cost of the project shall be deposited with NLI and upon completion of construction, a true-up to actual costs shall be calculated with either a refund to or additional costs paid by the developer.

VII. Service Changes and Relocations

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- B. Members requesting service changes or relocations shall pay an amount equal to the total estimated cost of the project before the project is begun.
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VIII. Service Installation After Retirement

- A. When re-connection of a previously retired service is requested and only the meter was retired, a \$200.00 Application and Inspection Fee will be billed and a service change application will be completed.
- B. If, after inspection by NLI personnel, it appears that more than a simple meter installation is required, the fees and procedures for a new service installation shall apply.
- C. NLI may require that the applicant apply for a State Electrical Permit prior to energizing the service.

IX. NLI Owned and Maintained Yard Light Installations

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- B. The total estimated cost of the installation shall be paid by the member prior to any construction activities.

- C. Upon request, NLI shall transfer to members the ownership and maintenance responsibilities of yard lights installed prior to November 1, 2007 provided that the member agrees to connect the yard light to their metered electric service. The member shall agree to relocate the yard light if NLI determines that relocation is necessary for the safe operation of NLI's facilities. Member owned yard lights shall not be attached to NLI owned poles or facilities including meter poles.
- X. Repair or Replacement of Electric Services Damaged by Fire
- A. Members requesting the repair or replacement of electric services that have been damaged by fire shall not be required to pay an Application & Engineering Fee if:
- The fire was not caused by the negligence or criminal activity of the member or their agents
 - The service is 400 amps or less
 - The location and specifications of the service remain the same as they were prior to the fire damage
 - The repair or replacement of the service is requested and authorized by the member within 15 months of the loss
 - The member obtains all permits
- If the repair or replacement is covered by the member's insurance policy, NLI shall provide the member with a bill in the amount of the actual cost of the work so that the member can submit a claim to their insurance company. The member shall pay to NLI the amount they receive from the insurance company for the claim, which NLI shall consider as payment in full of the bill even if the insurance reimbursement is less than the total amount of the bill. If the member does not have insurance coverage, NLI shall not seek collection of the cost of the work.
- B. Requests that do not meet the conditions in A. above shall be subject to the fees and conditions of NLI's Line Extension Policy in effect at the time of the request, except that the Application and Engineering Fee shall be waived.

Reviewed by General Manager
August 25, 2003
January 27, 2004
January 25, 2005
December 19, 2005
December 18, 2006
September 24, 2007
December 18, 2007
December 22, 2008
December 28, 2009
December 20, 2010
December 19, 2011

EXHIBIT A
Line Extension Fee Schedule

Single Phase Single-Family Dwellings and Single-Phase Industrial Loads Less Than 100kva:

\$ 750.00 Application & Engineering Fee
PLUS: \$ 750.00 Mobilization Fee
PLUS: \$ 1,855.00 Hookup-Impact Fee
PLUS: \$ 9.00 per foot - for all footage unless reduced as outlined below
PLUS: defined additional charges (see below)

Adjustments: If soil and terrain conditions warrant, the Cooperative may adjust the footage charge for the portion of underground extensions that exceeds 1,000 feet in length.

The member shall provide trenching and conduit for underground secondaries 10 feet or greater in length.

Additional charges may be assessed for items such as, but not limited to:

- ❖ Change of existing NLI facilities to accommodate extension
- ❖ Dig-ins on existing cable, or inserts within existing overhead lines
- ❖ Poles, junction huts, or additional transformers or meters
- ❖ Conversion from overhead to underground or vice versa
- ❖ Road bores or pushes
- ❖ Temporary services
- ❖ Extraordinary construction costs owing to conditions such as, but not limited to: terrain, rock, railroad, highways, roads, rivers, creeks.
- ❖ Any permit fees for encroachments (e.g. railroads, county roads, highways, State, or Federal land)
- ❖ Transformers greater than 25 KVA
- ❖ Meters other than 200 amp or 400 amp (non-CT)
- ❖ Engineering time over eight (8) total man-hours
- ❖ Installations between November 1st and March 31st
- ❖ Additional work resulting from requested changes beyond the original scope of the project, or from site conditions caused by the member or others.

Single Phase Multi-Family Dwellings, Developments, Multi-Phase Services, and Industrial Loads 100kva or Larger:

\$ 2,000.00 Application & Engineering Fee
PLUS: Mobilization Costs
PLUS: Hookup-Impact Fees shall be calculated on an individual basis
PLUS: Total estimated cost of construction based on material & labor required to complete the project to be paid prior to construction, and upon completion of construction, a true-up to actual costs shall be calculated with either a refund to or additional costs paid by the applicant.

Service Changes and Relocations:

\$ 750.00 Application & Engineering Fee
PLUS: Total estimated cost of construction based on material & labor required to complete the project

Adjustments: If it is determined by the Cooperative that a service change requested by a member benefits the Cooperative, the cost of the change may be shared between the Cooperative and the member. The Engineer shall determine and recommend to management the ratio of cost sharing based on the benefits derived by each party.

After a line extension or service change has been completed and all costs of the project have been accounted for, the amount of contribution in-aid-of construction, including the Application & Engineering Fee paid by the member that is in excess of the total cost of the project will be refunded to the member, except that amounts less than \$25.00 shall not be refunded, and no portion of a Hookup-Impact fee shall be refunded.

Yard Light Service:

Applications for NLI owned and maintained yard light service will be accepted if the requested yard light is more than 500 feet from the member's metered electrical service. Applicants for NLI owned and maintained yard light service shall pay 100% of the actual cost of the installation.

EXHIBIT B (page 1)

MINIMUM REVENUE AGREEMENT

This MINIMUM REVENUE AGREEMENT (hereinafter "Agreement"), effective on the date that both parties hereto have executed this Agreement, is entered into by and between NORTHERN LIGHTS, INC. (hereinafter "NLI" or "Party"), an electric Cooperative organized and existing under the laws of the State of Idaho, and _____ (hereinafter "Member" or "Party"). Collectively, NLI and Member are referred to herein as "Parties."

RECITALS

WHEREAS, Member has requested that NLI construct electric distribution facilities (Line Extension) for the purpose of providing electric service to Member's facility (Facility) or Member has requested a new service that will tap a line extension serving a member or members with existing minimum revenue agreements and the location of the tap is beyond 1,500 feet from the origin of the line extension; and

WHEREAS, pursuant to NLI's policy(s), line extensions in excess of 1,500 feet in length that are constructed to serve a member may require that a minimum amount of monthly revenue be paid to NLI because of the additional operation and maintenance costs of such line extensions; and

NOW THEREFORE, the Parties mutually agree and covenant as follows:

Service to be Provided

Subject to the terms and conditions of NLI's Member Service Policies and this Agreement, NLI will supply and Member will purchase electric energy including Firm Power (Firm Capacity and Firm Energy) required for the operation of the Facility.

Minimum Revenue Requirement

Member agrees to pay to NLI, monthly, a minimum amount of revenue equal to the sum of the basic charge as approved by the NLI Board of Directors and which may change from time to time, plus a minimum energy charge in the amount of \$_____ per month.

NLI shall credit the minimum monthly energy charge against charges for Member's monthly kWh usage; however, no credit balance for kWh usage will carry over to future months.

EXHIBIT B (page 2)

Term of Agreement

This Agreement shall be effective at the beginning of the first NLI monthly billing period after both parties hereto have executed this Agreement and shall terminate at such time as the line extension is tapped for service to other members such that the average length of line per member is less than

