

P. Construction of Distribution Facilities

1. Introduction

The Cooperative will supply electric service to each location through one service connection for each class of service at the location. Exceptions may be granted where permitted by the Electric Code and approved by the Cooperative.

The Cooperative may reject any application for service if the amount or nature of the service applied for, or the distance of the premises to be served from an existing suitable distribution line, or the difficulty of access thereto, is such that the estimated revenue to the Cooperative from the service applied for is insufficient, under any of the Cooperative's applicable rates, to recover the Cooperative's investment, unless such application is accompanied by a cash payment or an undertaking satisfactory to the Cooperative guaranteeing a stipulated revenue for a definite period of time, or both.

Final determination of location and design for a service rests with the Cooperative as negotiated with the prospective member. The cost of any construction beyond the least cost, safe and reliable standard shall be borne by the prospective member.

The Cooperative will perform all construction work during normal working hours. At the Co-op's discretion, the Co-op will perform construction work outside of normal working hours if requested by the member; the member will be responsible for additional costs.

2. New Construction

- a. Before the Cooperative constructs a new service, the following steps must be done:
 01. Request service within the Cooperative's Service Area (See regulated *Tariff*).
 02. Show proof of ownership or sufficient legal interest (such as a lease with duration of at least five (5) years) in the property where service will be provided. Prospective members who meet the property ownership condition must demonstrate by the existence of an approved septic plan or site work for a driveway and foundation or other evidence, their intent to construct (complete) a permanent service installation within twelve (12) months of the date of the meeting, referenced in "a.05" below, was held to contract for service. Installations to mobile homes will be considered permanent in nature provided they are installed on the prospective member's property and have independent or publicly supplied water and sewage connections, or are installed within the confines of a mobile home park.
 03. Contact the Cooperative to provide necessary information including name, address, phone number, and location of service. For complete information on applying for service refer to section *B. Obtaining Service*.
 04. Sign an application form establishing the terms of the agreement. Whether or not a written agreement for the supply of electricity is executed, the prospective member, by accepting the electricity from the Cooperative, agrees to be bound by the applicable

rates and these *Terms and Conditions*. The application, whether written or implied, constitutes a contract to:

- I. Receive electric service from the Cooperative and pay for the use thereof as billed by the Cooperative.
 - II. Allow the Cooperative to construct and maintain its facilities on your property as is necessary to provide service.
 - III. Allow the Cooperative to designate a meter location that facilitates the location of the electric service attachment to the structure and the subsequent reading and servicing of the meter and associated equipment.
 - IV. Comply with the provisions of these *Terms and Conditions*.
05. Schedule a meeting at the site of the new service with a representative of the Cooperative. An agent of the prospective member may meet with the Cooperative representative provided the agent has the full authority to act on your behalf. If temporary service is requested and it becomes permanent it will be billed in accordance with the *Schedule of Fees, Charges and Rates*. A Design Fee in accordance with the *Schedule of Fees, Charges and Rates* will be charged *before* the meeting, this fee covers the cost of the meeting and will not be refunded.
 06. Provide the Cooperative with a complete and accurate Load Data Survey Sheet, subject to verification by a Cooperative representative, for any greater than 400 Amp service request.
 07. If the member requests subsequent meetings in the field additional Design Fees may be assessed in accordance with the *Schedule of Fees, Charges and Rates*.
 08. Agree with the joint Cooperative/prospective member design of the construction and meter location.
 09. If a redesign is done at any point after you have agreed to the joint design, you will pay a Design Fee in accordance with the *Schedule of Fees, Charges and Rates*, plus the cost of any rework or additional construction resulting from the design change.
 10. Obtain for the Cooperative all easements, permits or authorizations required to construct and maintain its facilities at no cost to the Cooperative (See section *Q. Rights, Special Permits, Approvals and Easements*). If ultimately you are unable to obtain the necessary easements, approvals, and authorizations in a period of twelve (12) months, the project will be canceled. If during the twelve (12) month period the project is redesigned to meet the requirements of any easements, permits or authorizations, a Design Fee will apply in accordance with the *Schedule of Fees, Charges and Rates*.
 11. Pay the Cooperative any fees and charges to construct and connect the service in accordance with the *Schedule of Fees, Charges and Rates* and the sections below.
 12. Agree to take electric service from the Cooperative at the location being constructed for a minimum of twelve (12) months, unless you will be served as a Primary in which case you must agree to take electric service from the Cooperative at the location being

constructed for a minimum of five (5) years. This requirement is waived if the section on *Temporary Services* applies (See section *M. Characteristics of Service, 4. Temporary Service*).

13. For any Single-Phase service that is greater than 400 amps, both residential and commercial, the prospective member will supply all material items beyond the transformer secondary connectors.
 14. System Improvements
 - I. If the facilities to be constructed for a new service have the potential to serve additional members or loads, the NHEC Engineering Department will review the development design, along with an approved city/town plot plan.
 - II. If after reviewing the information provided, the NHEC Engineering Department determines that a system improvement would be beneficial to the Cooperative membership and in their best interest, NHEC would fund that portion of the project as a system improvement.
 15. Member Cancelled Construction Project
 - I. The Design Fee will not be refunded.
 - II. The Cooperative will bill the member for any labor and materials installed up to the date of cancellation less any retirements and contribution in aid of construction that was paid for the project.
 - III. The Cooperative will provide the member with a summary and bill for any amount due within 90 days of a cancellation.
- b. The Cooperative recognizes five types of New Construction:
01. For New Construction that is a Self-Contained Single-Phase less than 400 AMP metered service that is built along a classified road as defined by the State of NH, the prospective member is responsible for the total estimated cost to construct the new service based on a per foot cost, including any costs to install and remove a temporary service, less the Construction Allowance in accordance with the *Schedule of Fees, Charges and Rates*.
 - I. The Cooperative will extend its electric primary distribution facilities, overhead or underground, at the discretion of the Cooperative along and parallel and contiguous to state or town owned public ways as necessary to a point giving access to properties where service is requested. You grant to the Cooperative the authority, including a free and continuous right-of-way, necessary to construct and operate an electrical distribution system along and parallel to the streets or upon the private property contained in the project. Extensions will be built along public ways in preference to private property routes, even if the latter may be shorter, in order to provide for future extensions and additional members, as well as more efficient and economical maintenance and service. Exceptions will be at the discretion of the Cooperative.

- II. Prospective members pay for all other costs incurred by the Cooperative for construction, such as railroad crossings, river and pond crossing, crossing wetlands, extending to an island, use of submarine cable, and other special conditions (See sections *M. Characteristics of Service*, and *Q. Rights, Permits, and Approvals*).
02. For New Construction that is Multi-Phase service, the Cooperative, at its discretion, will construct new services and primary lines that are multi-phase provided that:
- I. You meet all requirements for New Construction described above in “*Section P.2.a.*” above unless specifically exempted below.
 - II. You provide the Cooperative with a complete and accurate Load Data Survey Sheet, subject to verification by a Cooperative representative, and other justification of the requirements for such a large service if requested. The Load Data Survey Sheet can be found in the Cooperative’s Handbook for Electric Service. A Cooperative representative can provide assistance to complete the Load Data Survey Sheet, at your request.
 - III. You grant to the Cooperative the authority, including a free and continuous right-of-way, necessary to construct and operate an electrical distribution system along and parallel to the streets or upon the private property contained in the project.
 - IV. You execute a recorded right-of-way for the entire property prior to recording the construction plan with the town. The book and page number of the easement will be noted on the recorded plan.
 - V. You furnish a scale drawing of the structure with surrounding lot lines.
 - VI. Service Levels
 - i. For a service level that is less than 50 kW, the prospective member is responsible for the full cost to construct the new electric distribution facilities.
 - ii. For a service level that is greater than 50 kW and less than 150 kW, the Cooperative at its discretion may perform a Return on Investment (ROI) calculation to determine the amount of a *ROI Cooperative Allowance*; it will reflect the Cooperative’s expected return on its investment from the structure to be built.
 - iii. For a service level that is greater than 150 kW, the Cooperative will perform a Return on Investment (ROI) calculation to determine the amount of a *ROI Cooperative Allowance*; it will reflect the Cooperative’s expected return on its investment from the structure to be built.
 - VII. If a Return on Investment (ROI) calculation is done and accepted by the Cooperative, the prospective member must:
 - i. Provide the Cooperative with a letter of credit or deposit equal to the ROI Cooperative Allowance calculated based on the structure that will be built.

- ii. The letter of credit or deposit will be returned when the compliance requirements as specified in the ROI construction agreement have been achieved.

03. Backbone Development

- I. A Backbone is the distribution infrastructure that utilizes more than two electric distribution transformers and provides electric service to individual structures.
- II. If the Backbone is built as underground, the construction will be allowed to be done in phases. The full cost of the phase must be paid less a Construction Allowance (in accordance with the *Schedule of Fees, Charges and Rates*) before the start of construction.
- III. If the Backbone is built as overhead the full cost of the complete backbone must be paid before the start of construction.
- IV. Before the Cooperative will begin construction of electric facilities in a development, the developer or contractor must:
 - i. Meet all requirements for New Construction described above *Section P.2* unless specifically exempted below.
 - ii. Pay to the Cooperative a *Design Fee* in accordance with the *Schedule of Fees, Charges and Rates* if any changes are made after the Cooperative has completed the design work and the developer has agreed to the original design. The developer/contractor will pay the cost of any rework or additional construction resulting from the design change.
 - iii. Grant to the Cooperative the authority, including a free and continuous right-of-way, necessary to construct and operate an electrical distribution system along and parallel to the streets or upon the private property of the lots contained in the development.
 - iv. Execute a recorded right-of-way for the entire property prior to recording the plan or subdivision with the town. The book and page number of the easement will be noted on the recorded plan or subdivision.
 - v. Execute an easement for each individual lot in the development. The Cooperative will charge a fee in accordance with the *Schedule of Fees, Charges and Rates* for recording each easement.
 - vi. Submit an electronic plat, prepared by a licensed surveyor, with streets and lots defined by meets and bounds. In multiple occupancy developments, such as apartments or condominiums, a scale drawing of the development shall be furnished.
 - vii. Identify all lot boundaries or other needed points as required by the Cooperative both on the electronic plat and physically with lot markers.
 - viii. Receive final approval by the planning agencies that have jurisdiction.

04. Unique Types of Construction

- I. For construction pertaining to cell towers, mobile home parks, trailer parks, and camp grounds, the Cooperative requires that an ROI be completed.
- II. The Cooperative will perform a Return on Investment calculation to determine the amount of a *ROI Cooperative Allowance*; it will reflect the Cooperative’s expected return on its investment from the structure to be built.

3. Member Built Lines

The Cooperative strongly discourages members from building their own distribution line and service. In most circumstances the “member-built” approach is not in the member’s financial best interest. More importantly, the “member-built” approach creates a risk that the member will expend substantial time, effort and money in the design and construction of facilities which do not fully meet all of the technical requirements which the Cooperative must insist upon to insure the safety, reliability, and proper administration of its distribution system. In such situations the Cooperative can not provide service to the member over the non-conforming facilities. In the rare circumstances where a “member-built” approach is a workable option, the member has the responsibility to the Cooperative of adhering to NHEC’s Terms and Conditions as well as to NHEC’s Engineering and Construction Standards.

One exception shall apply, due to agreements in place between the Cooperative and the various NH telephone companies, the Cooperative can not offer the “member-built” approach for **overhead** lines in the following towns that are not in the Cooperative’s current pole setting maintenance area.

The towns where the “**member built**” approach will not be an option are:

Benton	Gilmanton	Lincoln	Tuftonboro	Wolfeboro
Conway	Hill	Moultonborough	Warren	Woodstock
Danbury	Holderness	Sandwich	Wilmot	

The following steps must be taken to ensure that compliance:

- a. Member shall agree to pay a *Member Built Line Fee* in accordance with the *Schedule of Fees, Charges and Rates* before the line is constructed, ownership is transferred and line is energized.
- b. Member must follow *Section P.2.a 1-6, 8,9,11* above
- c. A *Design Fee* in accordance with the *Schedule of Fees, Charges and Rates* will be charged before the meeting referenced in “*Section P.2.a.05*” above will be held.
- d. Member shall communicate to the Cooperative their decision to hire a NHEC-approved Electrical Construction Contractor to build the line.
- e. Member shall sign a Pre-Construction Agreement prior to construction
- f. Member shall provide all materials for the entire line, with the exception of the transformer(s) and meter(s) which the Cooperative will provide.

- g. Member shall ensure that all materials meet the Engineering Standards of the Cooperative or are approved by the Cooperative.
- h. Member shall ensure that all construction adheres to the Cooperative's current construction standards.
- i. Member or electrical contractor shall arrange for a pre-construction consultation with the Cooperative's Operations Supervisor (OS/District Representative (DR) of the respective district...
- j. Member shall ensure that right-of-way cutting and trimming meet the Cooperative's current requirements as stated on the Cooperative's work order staking sheet.
- k. Member shall arrange for a pole and/or trench inspection with the Cooperative's OS/DR after poles have been set and/or conduit is in place.
- l. Member shall obtain all appropriate town permits, arrange for all appropriate town inspections, and obtain all appropriate town approvals.
- m. Member shall arrange for final acceptance inspection with the Cooperative's OS/DR when all construction is completed to Cooperative Standards.
- n. Member shall agree to pay all fees and expenses owed to the Cooperative before ownership of the line is transferred to the Cooperative or is energized.
- o. Member shall obtain for the Cooperative all easements, permits or authorizations required to construct and maintain its facilities at no cost to the Cooperative (See section *Q. Rights, Permits, Approvals and Easements*).
- p. Member shall agree that construction will not begin until all easements and payments have been received by the Cooperative and the job has been released for construction.
- q. Member shall agree to provide the Cooperative with a signed Transfer of Ownership Agreement upon final inspection of the line.

4. Modifications to Existing Distribution Facilities

- a. When any changes in the location or character of service, service conductors, meters, transformers and other necessary facilities are desired by the member, they should make appropriate arrangements for the accomplishment of such changes by the Cooperative and the member's electrical contractor. All service wiring must be completed before the Cooperative is scheduled to modify its service and other equipment. The member will pay a *Design Fee* in accordance with the *Schedule of Fees, Charges and Rates* prior to a Cooperative Representative visiting the site.
- b. Type of Modification
 - 01. A modification will be limited to one primary pole; otherwise it may be considered a system improvement.
 - 02. The Cooperative will not charge the member for the modification if it is mutually beneficial to the Cooperative to modify the service.
 - 03. There will be no charge for Cooperative initiated modifications.

04. If a temporary relocation of the service is necessary, the member will be charged a fee in accordance with the *Schedule of Fees, Charges and Rates* to provide the temporary service. (See Section M.4.)
05. If a member requests modifications which are of an aesthetic or convenience nature where the existing Cooperative facilities are adequate to serve the member's needs, the member will be charged as follows for the modifications before construction proceeds.
 - I. If the current service is overhead or underground the member will pay a fee for moving a meter in accordance with the *Schedule of Fees, Charges and Rates*.
 - II. If additional Cooperative equipment is necessary, the member is responsible for all costs of equipment and installation.
 - III. If the current service is overhead and the modification results in building underground service, there will be no cost up to 250 feet. This will include all Cooperative equipment normally provided for underground service and the fee for moving a meter will not be charged.
 - IV. All cost must be paid before construction proceeds.
06. If a member requests upgrades or modifications of an existing service resulting in additional load, the member will be charged as follows before construction proceeds for the new service.
 - I. The Cooperative will not charge the member for the modification when increasing only the wire size. If additional Cooperative equipment is necessary for overhead service the member is responsible for all costs of equipment and installation.
 - II. If the current single phase service is overhead and the modification results in building underground service, there will be no cost up to 250 feet. This will include all Cooperative equipment normally provided for underground service.
 - III. All cost must be paid before construction proceeds.
07. If the member requests relocation of a meter due to construction of an addition to the premises with no increase in load, such that the current service location would be inside the premises or would present a safety hazard, the Cooperative will perform the relocation based on the following:
 - I. The Cooperative will not charge the member for the modification when increasing only the wire size. If additional Cooperative equipment is necessary for overhead service the member is responsible for all costs of equipment and installation.
 - II. If the current service is overhead and the modification results in building underground service, there will be no cost up to 250 feet. This will include all Cooperative equipment normally provided for underground service.
 - III. All cost must be paid before construction proceeds.
08. Service conductors, meters or metering equipment or other Cooperative owned equipment shall not be removed or relocated except by employees or agents of the Cooperative.

09. To avoid undue outages or damages caused by members to Cooperative equipment, the member should advise the Cooperative in writing at least 10 working days prior to any significant increases in electrical load caused by additional equipment or usage by the member. If notice is not received and damage should occur to any facilities owned by the Cooperative or other members, the member will be held financially responsible.

5. Payments Options for Construction

- a. If the sum of all payments required is \$5,000 or less, the full costs must be paid before construction begins.
- b. If the sum of all payments required from the prospective member in this section *P.*, *Construction of Distribution Facilities*, exceeds \$5,000, the member will have the option to:
 01. Pay the amount in full before construction begins, or
 02. Use the Cooperative's New Construction Payment Plan (only available to residential home owners) and will pay the amount in 60 equal monthly installments amortized with a fixed annual interest rate in accordance with the *Schedule of Fees, Charges and Rates*, with the first payment made before construction begins. Entering into this agreement will result in a lien being recorded in the Registry of Deeds for the applicable County in the State of New Hampshire. The Cooperative reserves the right to verify the member's credit history and to refuse to provide this option to those who have a poor credit history. Failure to make payments in accordance with this agreement will result in disconnection proceedings in accordance with *Section G – Disconnection by the Cooperative for Non-payment*.

6. Recording All Agreements

Agreements made pursuant to this Section will be drawn to bind the successors in title to the member's premises and with such formalities as are required for recording in the Registry of Deeds for the applicable County in the State of New Hampshire and may be so recorded. The member in accordance with the *Schedule of Fees, Charges and Rates* pays all recording fees.

7. Conversion of Service

For any planned conversion of an existing commercial building to individual residential type units (apartments, condominium, etc.), please contact NHEC prior to the start of any construction to review your plans. This review with NHEC will help to ensure that the remodeled individual residential units will be metered with residential rates. Our staff is available to assist in ensuring that your desired goals are achieved.

8. Member Requested Temporary Disconnection of Service Lines

01. The Cooperative will not charge the member if it is a safety issue. Examples for which the Cooperative will not charge the member include, but are not limited to:
 - I. Covering the line to allow for painting or adding to the premises
 - II. "Floating" the service for siding installation

- III. De-energizing the service while the meter socket is replaced
 - IV. When the member changes the service entrance cable (the conductor from the weather head to the meter).
 - V. Septic
 - VI. Well
 - VII. Fire
 - VIII. Temporarily removing the line from the premises to allow for tree cutting or removal, only when the tree could endanger the Cooperative's line.
 - i. This will be determined by the NHEC line crew when they are on site.
 - ii. This applies to the line on the street/road and service entrance cable that are within the NHEC right-of-way.
 - iii. The member will pay the Standard Fee for Temporary Relocation of Permanent service in accordance with the *Schedule of Fees, Charges and Rates*, prior to scheduling the work.
 - iv. If it is determined to be safety related the fee will be refunded
02. If the member request is deemed to be a non-safety related issue, the member will pay the Standard Fee for Temporary Relocation of Permanent service in accordance with the *Schedule of Fees, Charges and Rates*.
- I. The fee will be paid prior to scheduling the work.
 - II. When the work is completed, if it is determined to be safety related the fee will be refunded.
 - III. The fee will also be refunded if it is determined that wrapping the wires provides adequate protection for the construction being done and is acceptable to the member.

9. Additional Information

Reference the Cooperative's *Handbook for Electric Service* for additional specifications regarding the characteristics of service.