



**Portland General Electric**  
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portlandgeneral.com

December 20, 2024

Public Utility Commission of Oregon  
Attn: Filing Center  
201 High Street, S.E.  
P.O. Box 1088  
Salem, OR 97308-1088

**RE: Advice No. 24-38/UE 430 Investigation into New Load Connection Costs**

Portland General Electric Company (PGE) submits this filing pursuant to Oregon Revised Statutes (ORS) 757.205 and 757.210 and Oregon Administrative Rule (OAR) 860-022-0025(2) for filing proposed tariff sheets associated with Tariff P.U.C. No. 19, with a requested effective date of **February 19, 2025:**

First Revision of Sheet No. 1-7  
First Revision of Sheet No. 1-8  
First Revision of Sheet No. C-5  
First Revision of Sheet No. C-6  
First Revision of Sheet No. C-7  
First Revision of Sheet No. I-1  
First Revision of Sheet No. I-2  
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Original Sheet No. I-19  
Original Sheet No. I-20

Enclosed for filing in Docket No. UE 430 is the following Testimony and Exhibits:

- PGE Direct Testimony of Dr. Marie Fagan and Julia Frayer (UE 430 PGE / 100-102)
- PGE Direct Testimony of John McFarland and Robert Macfarlane (UE 430 PGE / 200-204)

This filing is in response to the Chief Administrative Law Judge's (ALJ) Ruling issued on October 30, 2024, in Docket No. UE 430 that PGE file proposed tariffs in this docket by December 20, 2024.

### **Background**

On October 30, 2023, the Public Utility Commission of Oregon (Commission) adopted certain stipulations regarding PGE's request for a general rate revision and an update to PGE's 2024 annual power costs in Order No. 23-386.<sup>1</sup> Under the fourth partial stipulation, the parties agreed to open an investigation to address new large load connections costs. The Commission adopted the fourth partial stipulation and directed the Administrative Hearings Division (AHD) to open a docket and set a schedule. The Commission further stated that they "wish to consider whether to adopt an interim measure to mitigate customer risk during the pendency of the investigation and therefore, PGE should be prepared to file a proposal for an interim tariff in this new docket by December 28, 2023."

The AHD subsequently opened this docket and held a status conference on December 11, 2023. At the status conference, PGE stated a preference to file any proposed tariffs by March 31, 2024. Staff preferred to see an interim measure to mitigate customer risk while PGE developed this filing. PGE agreed to file a letter into the docket by January 18, 2024, discussing the risk mitigation measures the Company has in place to address the proper allocation of connections costs for new large load customers during the interim period before a final Commission order in this docket. With these assurances, Staff supported PGE's proposed timeframe and on December 29, 2023, the Chief ALJ issued a memorandum, requiring PGE to file proposed tariffs by March 31, 2024.

PGE filed additional motions for extensions of time on March 29, 2024, and on October 23, 2024, respectively, and the Chief ALJ issued memorandums granting these requests, the last of which required PGE to file proposed tariffs by December 20, 2024, under the assumption that PGE would hold a workshop with Staff and stakeholders in November 2024. PGE held a workshop with Staff and stakeholders on November 12, 2024, and is making this filing in accordance with the last granted request for extension considering feedback received.

This filing addresses the needs of new load customers connecting to PGE's system and associated costs fairly allocating costs to serve large load customers. This filing introduces several proposed changes to PGE policies and tariffs that will (i) reasonably protect other customers from the cost to connect new large load customers, (ii) improve transmission system planning and capacity by managing capacity requests over 1 megawatt (MW), (iii) fairly recovering distribution investment costs from their large load users, and (iv) implementing contractual requirements designed to

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<sup>1</sup> In the Matter of Portland General Electric Company, Request for a General Rate Revision; and 2024 Annual Power Cost Update, Docket No. UE 416, Order No. 23-386 (October 30, 2023).

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appropriately allocate and recover distribution and transmission costs and mitigate the risk of stranded assets, while providing flexibility to meet large customer needs.

To satisfy the requirements of OAR 860-022-0025(2). PGE provides the following response:

The proposed changes do not increase, decrease, or otherwise change existing rates or impact revenues at this time.

Attachment A provides courtesy redlines.

Thank you for your assistance in this matter. If you have any questions or require further information, please contact Chelsea Herrera at [chelsea.herrera@pgn.com](mailto:chelsea.herrera@pgn.com) or myself at [rob.macfarlane@pgn.com](mailto:rob.macfarlane@pgn.com)

Please direct all formal correspondence and requests to the following email address [pge.opuc.filings@pgn.com](mailto:pge.opuc.filings@pgn.com)

Sincerely,

*\s\ Robert Macfarlane*

Robert Macfarlane  
Manager, Pricing and Tariffs

Enclosures

cc. UE 430 Service List

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(M)  
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(M)

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Customer-Supplied Equipment (Continued)

- 2) Conformance with Codes  
Before the Company will provide Electricity Service, the Customer's wiring and equipment must conform to applicable municipal, county and state requirements, and to accepted standards of the National Electrical Safety Code, the National Electric Code, the Company's published "Electric Service Requirements and Guidelines," and Company standards and practices. As required by law, the Customer or its agent must obtain a certificate of electrical inspection before the Company will provide Electricity Service.
- 3) Company's Right to Inspect  
The Company has the right, but is not obligated, to inspect any Customer-owned installation, including all wiring, conduit, meter-bases or supporting equipment up to the electric meter and/or SP, at any reasonable time.
- 4) Effect of Customer's Load  
The Customer must reasonably balance load between phases of a three-phase service or between ungrounded conductors of a single-phase, three-wire service. The Customer's equipment must not cause excessive voltage fluctuations on the Company's lines. The Company has the right to refuse, discontinue or to regulate hours of Electricity Service to loads that could, in the Company's opinion, impair Electricity Service to other Customers.
- 5) Notice of Changes in Customer Load  
A Customer must give the Company prior written notice before making any material change in either the amount or character of the Customer's electrical appliances, apparatus or equipment, thereby allowing the Company to ascertain whether any changes are needed in its Facilities and to make such alterations in the charges for Electricity Service as may be required by this Tariff for the changed installation. If damage results to Facilities owned by the Company through failure of the Customer to notify the Company, the repair and, or replacement costs of such Facilities will be paid by the Customer.
- 6) Use of tools to increase Load or Demand  
The Company prohibits the use of tools such as load banks to temporarily increase load to meet minimum loads or demand levels specified in any written agreement with the Company pursuant to the terms of Rule I. Customers may use these tools for testing purposes but must get pre-approval by written notification from the Company prior to initiating testing.
- 7) Trouble Calls  
When the Company, in responding to a report of an outage or other continuity of Electricity Service problem, determines the cause of the service problem to be solely in the Customer's equipment, the Company will bill the Customer for charges as listed under Schedule 300.

(N)

(N)

(T)

(M)

**RULE C (Continued)**

Customer-Supplied Equipment (Continued)

(T)

8) Miscellaneous Equipment Rental

When available, the Customer may elect to rent equipment from the Company including, but not limited to, transformers, single-phase to three-phase inverters, capacitors, and other related equipment in accordance with charges specified under Schedule 300 and the terms and conditions of the equipment rental agreement.

(T)(M)

(M)

**D. Hazardous Substances**

1) Evaluation of Job Sites

The Company reserves the right, but is not obligated, to evaluate the job site of any new line extension request or of any required maintenance or repairs of existing Facilities for the purpose of identifying any hazardous wastes, hazardous substances or contaminants ("hazards") in soils or surface at the job site, as such hazards are defined under state or federal law.

2) Information About Hazards

Information about hazards may include the following:

- a) The job site is within an area designated or listed as a hazardous site by a state or federal environmental agency; or
- b) The Customer, Applicant or an employee of the Company or agent of the Company, Customer or Applicant reports unusual or inappropriate odor, color or material in, or adverse physical reaction to, soil or surfaces at the job site.

3) Treatment of Information About Hazards

If the Company receives information that hazards may exist at a job site, and such hazards may, in the Company's determination based upon applicable state, federal and industry standards, cause a risk to the health or safety of its employees or agents or the viability of equipment in the installation, maintenance, or repair of service, the Company will specify mandatory conditions for the protection of its employees, agents, or equipment. The Company also may require that the Customer or Applicant indemnify the Company against future claims related to the existence of the hazard. The cost of complying with the Company's conditions and with following state and federal regulations for the handling of the hazard, including, but not limited to, the cost of testing, handling, transporting and disposing of contaminated soil will be borne by the Customer or Applicant.

4) Remediation of Hazardous Conditions

The Company may require the Customer or Applicant to bear the cost of remediation or relocation of Company Facilities, if conditions cannot be prescribed which, in the Company's judgment, will adequately protect its employees or agents against hazards.

5) Remediation Costs

Nothing contained in this Tariff will be construed as obligating the Company to pay any remediation costs relating to hazards.

(M)

**RULE C (Continued)**

Hazardous Substances (Continued)

(T)

6) Hazards in Public Right-of-Way

(M)

This Tariff does not apply to hazards in a public right-of-way, either for purpose of recovery of extraordinary costs associated with installation, maintenance or repair, or for indemnification against future costs, except where the Customer's or Applicant's Premises are the source of the hazards in the right-of-way.

(M)

**5. Interconnection of Customer-Generator Facilities**

The following will apply to all interconnected Customers unless they are covered by an Interconnection Agreement entered into pursuant to the Company's Open Access Transmission Tariff (OATT) on file with the Federal Energy Regulatory Commission (FERC).

**A. Conformance with Regulations**

In order to ensure system safety and reliability of interconnected operations, the facility will be constructed, interconnected, and operated in accordance with all applicable federal, state, local laws and regulations, including the Company's Interconnection Guidelines, as may be amended from time to time.

**B. Control and Protective Devices**

The Customer will furnish, install, operate, and maintain in good order and repair without cost to the Company such switching equipment, relays, locks and seals, breakers, automatic synchronizers, and other control and protective apparatus as shown by the Company to be reasonably necessary for the operation of the facility in parallel with the Company's system. In all cases, the protective relaying design and equipment proposed for the interconnection of generator(s) must be approved by the Company.

**C. Cost Responsibilities**

The Customer is responsible for all costs of interconnection including any costs incurred by the Company. Additionally, the Customer is responsible for any modification to the Customer's facility that may be required by the Company for purposes of safety and reliability. The Customer will also reimburse the Company for administrative costs the Company incurs in this process.

**D. Conformance with Codes**

A facility will meet all applicable safety and performance standards established in the Oregon State Building Code. The standards will be consistent with the applicable standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories or other similarly accredited laboratory.



**RULE I**  
**NEW CONNECTIONS, LINE EXTENSIONS, AND SYSTEM UPGRADES**

(C)

1. **Purpose**

This rule establishes procedures and defines respective cost responsibilities for new Electricity Service connections or increases to existing Electricity Service and their respective system upgrades including but not limited to a Line Extension to a builder, developer, Customer or Applicant who requests a Line Extension on its own behalf, or a Customer or Applicant's agent.

(C)

(C)

A. **Generally**

Line Extensions will be at primary and/or secondary voltage levels. Modifications to transmission or subtransmission voltage facilities or substations are not considered Line Extensions for purposes of this rule and require special contract arrangements. When an agent requests a Line Extension on behalf of a Customer or Applicant, the agent must provide documentation acceptable to the Company evidencing its authority to request a Line Extension.

B. **Definitions**

1) **Allocated System Capacity**

The capacity on the Company's transmission system that is available to reliably serve an Applicant or Customer and that the Company allocates as a result of the system capacity allocation process, which is reflected in the Customer Service Contract.

(N)

(N)

(T)

2) **Applicant**

For purposes of this rule, an Applicant is a builder, developer, Customer, Applicant or other Customer or Applicant agent requesting a Line Extension to:

a) Serve new construction; or

b) Obtain additional capacity for, or a change in, service conditions relative to existing Distribution Facilities.

3) **Cost of Work**

The Company's actual direct and indirect costs to install new, additional, or upgraded Distribution Facilities to serve the Applicant's planned Electricity needs and assigned to the Applicant in the Customer Service Contract, including but not limited to administrative and engineering design costs.

(N)

4) **Customer Service Contracts** are either (1) a Minimum Load Agreement for Applicants in Capacity Category 2B or (2) a Large Load Customer Agreement (LLCA) for Applicants in Capacity Category 3, the terms and conditions for which are outlined in this Rule I.

5) **Distribution Capacity**

The capacity that the Company makes available to the Customer or Applicant via upgrades to existing or construction of new Distribution Facilities.

(N)

**RULE I (Continued)**

Definitions (Continued)

6) **Distribution Facilities**

Distribution Facilities are all structures and devices needed to distribute Electricity at any of the primary or secondary voltages listed in Rule C. Distribution Facilities will be installed in accordance with applicable laws, codes and Company standards and practices. It is the Applicant's responsibility to provide the Company with accurate information about their usage including but not limited to nameplate ratings of major installed electrical equipment and the intent to operate equipment above or below the nameplate rating. If damage results to Facilities owned by the Company through failure of the Applicant to fully disclose its load requirement to the Company, the repair and, or replacement costs of such Facilities will be paid by the Applicant.

(T)

7) **Enhanced Planning Area**

An area within the Company's service territory in which the transmission system requires more complex planning efforts in order to reliably serve expected capacity requirements. These designations are reviewed annually during system-wide analysis and with every study performed for customer requests. The Company will update designations based on a variety of factors such as changes in system conditions, regional growth, and/or individual capacity requests.

(N)

8) **Exclusive Use Facilities**

Facilities owned and operated by the Company required to provide Electric Service to the Customer between existing Company transmission or Distribution Facilities and the Applicant's or Customer's Service Point (SP) that are for the sole benefit and use of the Customer receiving Electricity Service are Exclusive Use Facilities. Customers with Exclusive Use Facilities are responsible for all costs associated with such facilities less any Line Extension Allowance for which the Customer qualifies. Neither upgrades to the Company's transmission nor distribution network(s) made for the benefit of all respective users are considered Exclusive Use Facilities and, as such, their costs are not allocated directly to any Customer(s).

9) **Exit Fee**

The amount that a Customer must pay to the Company if the Customer Service Contract expires or is terminated by the Customer or by the Company in the event of a Customer default or breach or by either the Company or Customer in the event of change of law defined in the Customer Service Contract.

10) **Facilities Study**

A study performed by the Company that includes analysis of facilities impacts and Applicant or Customer cost allocation as applicable to Distribution Facilities upgrades or new construction required to accommodate a capacity request.

11) **Feasibility Study**

A high-level planning study performed by the Company to determine whether service can be provided at the location and under the timeline specified in the Applicant's request and whether new or upgrades to transmission or Distribution Facilities may be required. The results of a Feasibility Study may indicate the need for more detailed review in either a System Impact or Facilities Study.

(N)

**RULE I (Continued)**

Definitions (Continued)

- 12) **Line Extension** (T)  
A Line Extension is the installation of new, additional or upgraded Distribution Facilities from a point on the Company's existing distribution system that the Company provides for the Applicant's planned Electricity needs to the Applicant's Service Point (SP). Where the Applicant is requesting either a new individual residential service or an upgrade to an individual residential service, upgrades to existing primary lines will not be considered part of the Line Extension. Any new primary or secondary Line Extensions, transformer additions or replacements necessary to serve the new load will be considered part of the Line Extension. However, for residential Electric Vehicle charging-related line extensions, transformer additions or replacements necessary to serve that charging load will not be considered part of the Line Extension. (C)
- 13) **Line Extension Allowance** (T)  
The Line Extension Allowance is the portion of the Line Extension Cost that the Company will provide without charge to the Applicant. Estimated annual kWh values used to calculate non-Residential Customer line extension allowances do not reflect onsite generation.
- 14) **Line Extension Cost** (T)  
The Company's total estimated cost to install new, additional, or upgraded Distribution Facilities to serve the Applicant's planned Electricity needs. Line Extension Costs are intended to recover the expenses of labor, material and equipment involved in the design, installation and inspection of the Line Extension under the Company's design standards and using standard construction methods inclusive of but not limited to primary and secondary voltage conductors, tree trimming or tree removal, Company indirect charges and the cost of any necessary rearrangement of existing Facilities. Where the Applicant is requesting either a new individual residential service or an upgrade to an individual residential service and the transformer requires upgrading, the Line Extension Cost will be credited for the estimated original cost, less depreciation, less removal costs, of the existing transformer. (C)  
However, for residential Electric Vehicle charging line extensions, any transformer additions, or replacements necessary to serve the charging load will not be considered part of the Line Extension. Estimates of Line Extension Costs provided to Applicants are valid for six months from the date of issue. After six months the Company reserves the right to provide a revised estimate. The Line Extension Cost does not include payments to a third party for easements, additional costs associated with Underground Line Extension or other additional costs described in this rule. (C)

**RULE I (Continued)**

Definitions (Continued)

- 15) **Long Side Service Connection** (T)  
A service connection, which runs parallel to the street, rather than perpendicular to the street.
- 16) **Primary Voltage Project** (T)  
A Primary Voltage Project is a planned undertaking of construction, where the Company initially installs only primary voltage facilities. Primary Voltage Projects include large lot residential subdivisions, industrial parks and other similar complexes. It is expected that within the project each Customer will be served from one or more transformers dedicated to that Customer's use.
- 17) **Public Thoroughfare** (T)  
A Public Thoroughfare is a municipal, county, state, federal, or other street, road, or highway, which is dedicated, maintained and open to public use in which the Company has the right to construct, operate, and maintain Facilities.
- 18) **Residential Subdivision** (T)  
A Residential Subdivision is a parcel of land divided into four or more smaller lots for the purpose of development or sale, which has been platted and filed under Oregon law as a subdivision. It is expected that within the subdivision several homes will be or are served from the same transformer.
- 19) **System Impact Study** (N)  
A study performed by the Company to identify system-specific upgrades or new construction required to accommodate a capacity request while maintaining system reliability, stability, and performance. The System Impact Study report also includes a rough order of magnitude (ROM) cost estimate and preliminary schedule to energization. The results of a System Impact Study may indicate the need for more detailed review in a Facilities Study. (N)

C. **Company Requirements**

- 1) **Capacity Categories** (N)  
Total requested capacity by Site, as defined in Rule B and subject to the Like Ownership provision of Rule E, is categorized in this Rule as follows:
- Category 1:** Less than 1,000 kW  
**Category 2:** 1,000 kW to 30,000 kW with
- A:** no required substation transformer upgrades and for which total Line Extension Costs required to serve the load request are estimated to be less than \$1 million, or  
**B:** required substation transformer upgrades or for which total Line Extension Costs required to serve the load request are estimated to be \$1 million or greater.
- Category 3:** Greater than 30,000 kW (N)

**RULE I (Continued)**

Company Requirements (Continued)

For customers in Capacity Categories 2 and 3, the Company will aggregate capacity requests as one Site request where buildings with Like Ownership are located within 2,500 feet or are located at greater than 2,500 feet and are electrically connected, such as served from the same substation.

(N)

Transportation electrification customers who qualify for service under Schedule 38 are exempt from requirements applicable to Capacity Category 2B or 3 under this Rule I.

2) **Facilities Equipment Sizing and Use**

It is the Applicant's or Customer's responsibility to provide the Company with accurate information about their usage including but not limited to nameplate ratings of major installed electrical equipment and the intent to operate equipment above or below the nameplate rating. If damage results to Facilities owned by the Company through failure of the Applicant or Customer to fully disclose its load requirement to the Company, the repair and/or replacement costs of such Facilities will be paid by the Applicant or Customer.

(N)

3) **Company to Determine Route**

The Company will determine the route for all Line Extensions along Public Thoroughfares and may determine the route of a Line Extension made on private property. If the Applicant requests a route different than that determined by the Company, the Company may provide the Line Extension along the requested route if the Applicant pays the Company all additional costs resulting from the provision of that route and the requested route is not contrary to Company standards and practices.

(T)

4) **Company Ownership**

The Company will own and maintain all Facilities to the SP.

(T)

5) **Company Installation**

The Company will install all Facilities to the SP except that an Applicant for overhead Facilities may arrange to have the Facilities located on the property constructed by an electrical contractor acceptable to the Company, subject to the following conditions:

(T)

- a) The Company will furnish the design and construction specifications for the connection and perform the necessary surveying;

**RULE I (Continued)**

Company Installation (Continued)

- b) The Applicant will, prior to the beginning of construction, cause the contractor to furnish the Company a certificate naming the Company as an additional insured in an amount not less than \$1 million under the contractor's general liability policy;
- c) During and after completion of the work by the contractor, the Company will make inspections. If the construction meets the Company's design specifications, the Company will accept ownership, and the Applicant will provide to the Company the title to the construction using form documents provided by the Company, together with all rights-of-way and easements required by the Company, free and clear of any liens or encumbrances; and
- d) Following receipt of the title and Company-approved form documents indicating successful transfer, the Company will energize the Line Extension to make Electricity Service available to the Applicant.
- e) If the Company determines that the overhead Distribution Facilities are deficient in materials or workmanship within 24 months of the time the Company energized the Line Extension, the Applicant must pay the cost to correct the deficiency to the Company's satisfaction.
- 6) **Unusual Distribution Facilities or Nonstandard Construction**  
The Company is required to install only those Facilities deemed necessary to render service in accordance with the Tariff. The Company is not required to make Line Extensions which involve additional or unusual Facilities, nonstandard construction, or other unusual conditions. Any facilities installed at Applicant's request which are in addition to, or in substitution of, the standard Distribution Facilities which the Company would normally install but which are otherwise acceptable to the Company, the additional cost of such nonstandard Facilities will be paid by the Applicant and will not be subject to the Line Extension Allowance in Schedule 300. In the case of conversion from overhead service to underground service, Section 6 of this Rule applies. In the case of relocation or removal of services and facilities, Section 7 of Rule C applies.

**2. Applicant Cost Responsibilities**

**A. Payment**

Applicants who have cost responsibilities under this section and Section 3 will make payment in full at the time the Company agrees to make the Line Extension or for Applicants in Capacity Categories 2B or 3, pursuant to the terms of their Customer Service Contract.

**RULE I (Continued)**

Payment (Continued)

A letter of credit or a deposit may be required by the Company if the Applicant does not meet the Company's credit requirements and is requesting capacity of 1,000 kW or greater. Applicant's payment requirements for jobs with Line Extension Costs estimated to be equal to or exceeding \$250,000 but with requested capacity in Capacity Categories 1 and 2A are as follows:

- 1) The Applicant will provide a cash payment of 10% of the estimated Line Extension Cost prior to the Company initiating design work;
- 2) At the time the Company orders any special order and/or long lead-time electrical and/or pathway material, the Applicant will provide a cash payment to the Company for the full cost of the order; and
- 3) At the commencement of construction, the Applicant will provide a payment equal to any remaining Line Extension Costs necessary to complete construction. Acceptable means of payment will be at the sole discretion of the Company.

A Line Extension Allowance shall only be available for Customers or Applicants in Capacity Categories 1 or 2A. The Line Extension Allowance will be refunded at the time the Applicant's Electricity Service is established. If Applicant's Electricity Service is not established, payments made under Section (2)(A) are not refundable.

**B. Applicants for New Permanent Service – Capacity Categories 1 and 2A**

Applicants for new permanent service in Capacity Categories Category 2A will be required to pay a nonrefundable application fee that cannot be applied to Line Extension Costs and to enter into an agreement to pay study costs and will make payment for each applicable study prior to the Company initiating the study and within specified periods to retain queue position as described in Section 4 of this rule. The Applicant will pay for each study based on the Company's estimated cost to complete the study, and the Applicant will be assessed or refunded the difference as applicable at the conclusion of or upon Applicant's exit from the study process.

The following provisions will apply to Applicants and Customers in Capacity Categories 1 or 2A.

**1) Individual Applicants**

Applicants for new permanent service will be responsible for the Line Extension Costs, less the applicable Line Extension Allowance listed in Schedule 300. In addition, any payments to a third party for easements, permits, additional costs associated with Underground Line Extensions, and all other additional costs described in this rule will be the responsibility of the Applicant and are not eligible for the Line Extension Allowance.

(C)

(C)

(C)

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(C)

(N)

(N)

**RULE I (Continued)**

Individual Applicants (Continued)

(T)

**2) Other than Individual Applicants**

The Company will install a main-line primary distribution system to provide service to a project (e.g., a subdivision, industrial park, or similar project) to serve Customers within the project provided the Applicant pays in advance for: 1) the total estimated cost of the installation of a continuous conduit system which includes, but is not limited to, the costs of trenching, boring, excavating, backfilling, ducts, raceways, road crossings, paving, vaults, transformer pads and any required permits; and 2) all other Applicant cost responsibilities based on the expected load within the project. The expected load in a large lot subdivision, industrial park, or similar project is comprised of only those loads projected to be connected within the first five years. Any Line Extension refund owed to the Customer or Applicant will be based on load connected within the first five years.

In residential subdivisions or phases of residential subdivisions where Line Extensions will not require subsequent additional extensions of primary voltage Distribution Facilities to serve the ultimate users within the subdivision, the refund will be based on the Line Extension Allowances for the subdivision calculated in accordance with Schedule 300.

**C. Existing Customers – Capacity Categories 1 and 2A**

(C)

Existing customer expansions in Capacity Category 2A will be required to enter into an agreement to pay study costs and will make payment for each applicable study prior to the Company initiating the study and within specified periods to retain queue position as described in Section 4 of this rule. The Applicant will pay for each study based on the Company's estimated cost to complete the study, and the Applicant will be assessed or refunded the difference as applicable at the conclusion of or upon Applicant's exit from the study process.

(N)

The following provisions will apply to Applicants and Customers in Capacity Categories 1 or 2A.

(N)

**1) Nonresidential**

Where an Applicant is an existing Nonresidential Customer requesting an additional SP, the conversion of a single-phase service to three-phase service, or additional capacity, the Applicant will make payment in full at the time the Company agrees to make the Line Extension. The Line Extension Allowance in these cases will be based on the incremental, annual kWh to be served by the Company or, in the case of a change in the applicable rate schedule, equal to four times the increase in annual revenues from Basic and Distribution Charges.



**RULE I (Continued)**

Existing Customers – Capacity Categories 1 and 2A (Continued)

(C)

2) **Residential**

Where an Applicant is a Residential Customer requesting additional capacity at the same SP, the Line Extension Allowance is as listed in Schedule 300. Any excess amount will be the responsibility of the Applicant. In addition, any payments to a third party for easements, permits and additional costs associated with Underground Line Extensions and all additional costs described in this rule will be the responsibility of the Applicant and are not eligible for the Line Extension Allowance.

D. **New and Existing Customers - Capacity Categories 2B and 3**

(N)

- 1) Applicants for new permanent service or existing customer expansions in Capacity Categories 2B or 3 are required to pay a nonrefundable application fee and to enter into an agreement to pay study costs. Applicants will make payment for each applicable study prior to the Company initiating the study and within specified periods to retain queue position as described in Section 4 below. The Applicant will pay for each study based on the Company's estimated cost to complete the study, and the Applicant will be assessed or refunded the difference as applicable at the conclusion of each required study.
- 2) Applicants for new permanent service or existing customer expansions in Capacity Categories 2B or 3 shall be required to enter into a Customer Service Contract that will allocate the Cost of Work to the Applicant and contain other commercially reasonable terms and conditions, including but not limited the obligations and benefits outlined in this Rule I.
- 3) The Company reserves the right to recover transmission costs from Customers in Capacity Categories 2B or 3 in a manner other than through a Customer Service Contract if the nature of the transmission investments required to serve the Customer are such that an alternative method of recovery is required to avoid an inequitable or unreasonable result.

(N)

3. **Special Conditions for Underground Line Extensions**

A. **Applicability**

Underground Line Extensions will be made:

- 1) When required by a governmental authority having jurisdiction;
- 2) When required by the Company for reasons of safety, resiliency or because the extension is from an existing underground system; or
- 3) When otherwise mutually agreed upon by the Company and the Applicant.

**RULE I (Continued)**

Responsibility for Costs (Continued)

**B. Responsibility for Costs**

- 1) The Applicant will be responsible for the current and reasonable future costs associated with the installation of the Line Extension's continuous conduit system, which includes but is not limited to, the costs of trenching, boring, excavating, backfilling, ducts, raceways, road crossings, paving, vaults, transformer pads and any required permits. The Company will own and maintain the conduit system once Company conductors have been installed.
- 2) At its option, the Company may perform the Applicant's responsibilities listed in (B)(1) above at the Applicant's expense or permit the Applicant to perform these responsibilities at Applicant's expense. Where work is to be performed in an existing right-of-way and requires the Company to obtain a permit from a governmental body, the Company may specify additional requirements and place restrictions on the selection of contractors.
- 3) Where the Company provides trenching, and backfilling, estimated actual costs will apply as specified in Schedule 300. The Applicant will be responsible for all additional costs of excavating rock, furnishing and installing raceway, excavating to a depth in excess of Company standards, manual digging, and the repair of paved roads, walks, and driveways when such work must be performed.

**C. Additional Services**

(T)

- 1) **Service Locates**  
The Company will locate underground water, sewer and water runoff services along the Applicant's proposed trench route on the Applicant's property if requested by the Applicant.
- 2) **Service Guarantee/Wasted Trip Charge**  
The Company will begin the installation of residential single family underground service laterals within seven working days following the date an Applicant requests such service, except during periods of major storms or other such conditions beyond the Company's control. If the Company does not meet this standard, the Company will pay the Applicant the Service Guarantee Charge in Schedule 300. If, however, Company resources are dispatched to install the residential single family service lateral within the seven-day period and the Applicant's site or other facilities are not ready for service, the Applicant will be assessed the Wasted Trip Charge in Schedule 300.
- 3) **Joint Trench Installation Charge**  
Upon mutual agreement between the Company and the Applicant, the Company may install telephone and cable services during the installation of the underground service lateral. The parties involved will mutually agree to the price for such service.

**RULE I (Continued)**

(T)

**4. System Capacity Allocation Process – Capacity Categories 2A, 2B, and 3**

(N)

Applicants in Capacity Categories 2A, 2B, and 3 will be required to enter a system capacity allocation process for system planning, energization schedule, and determination of Allocated System Capacity.

Existing customers that have already been allocated system capacity over 30 MW prior to December 19, 2023, and have entered into a service agreement with the Company but have not been energized by December 20, 2024, must agree to amend the terms of their service agreement with the Company to specify their Allocated system Capacity and associated Capacity Exceedance Threshold. These customers are otherwise exempt from this allocation process until or unless they request additional system capacity.

**A. General Conditions**

- 1) The Company will determine which study or studies will be required. Applicants may be required to sign a comprehensive study agreement for all required studies or individual agreements for each required study at the Company's discretion.
- 2) Applicants will be placed in a queue. The Company reserves discretion to divide Applicants or Customers into separate queues and to perform studies in clusters by service interconnection, requested capacity, location within Enhanced Planning Areas, or other relevant factors. Applicants in Capacity Categories 2A or 2B in an area that has not been identified as an Enhanced Planning Area and all Applicants in Capacity Category 2A or 2B with requested capacity of less than 4 MW will be studied and positioned in the queue based upon the date of a complete Application. The Company will make a good faith effort to manage queue position on a first-come, first-served basis for such Applicants. All other Applicants in Capacity Categories 2A, 2B or 3 will be placed in a cluster study upon completion of an Application to be studied with other Applicants in the cluster study.
- 3) For Applicants in a cluster study, the determination of Allocated System Capacity will be assessed on a pro-rata framework based on the total requested capacity and available capacity up to the transmission system capacity limit derived based on reliability standards requirements for the transmission system. Additional system capacity may be allocated to Applicants committing to providing dispatchable flexible load pursuant to a Company-authorized flexible load program such as Schedule 200 or demand side management program.
- 4) Study durations may be significantly affected if coordination with other utilities is required.
- 5) Completion of a study by the Company does not guarantee capacity or service or that capacity will be allocated to the Applicant.
- 6) Failure of the Applicant to sign a required study agreement within 30 days of receipt from the Company and provide any required accompanying evidence, such as property ownership or good faith efforts to acquire property, shall automatically forfeit position within the queue.

(N)

**RULE I (Continued)**

General Conditions (Continued)

(N)

- 7) Generally, the Allocated System Capacity and in-service timeframe offered to the Applicant by the Company will be determined by available system capacity and the amount of capacity the Applicant requests and are subject to change by the Company until a Customer Service Contract is executed by the Applicant and the Company.

**B. Allocation Process**

1) **Pre-Feasibility Review**

The Applicant or Customer shall submit a capacity request to the Company. The request will be evaluated for pre-feasibility, which includes a high-level screening of the Company's general ability to serve the request at the specified location and within the requested timeframe.

2) **Application Submission**

The Applicant or Customer shall submit a completed application to the Company to enter into the system capacity allocation process. The Applicant will be required to pay the application fee and sign the Study Agreement.

3) **Load Flexibility**

Applicants in a study may gain access to additional Allocated System Capacity beyond their initial allocation by participating in eligible Company flexible load programs. In order to be considered for such allocation of additional transmission capacity, an Applicant must include proposed eligible flexible load in their Application prior to the initial study. Any proposed eligible flexible load will be required to meet the applicable requirements of a Company-approved flexible load program, including but not limited to Schedule 200 and demand side management programs. Requests to add flexible load after the initial study completion may require submission of a new Application or result in the need to restudy the Application.

4) **Feasibility Study**

The Company requires a minimum of 30 days to complete Applicant's Feasibility Study and will provide the Applicant with an estimated completion date in the study agreement.

5) **System Impact Study**

The Company requires a minimum of 60 days to complete Applicant's System Impact Study and will provide the Applicant with an estimated completion date in the study agreement.

6) **Facilities Study**

The Company requires a minimum of 90 days to complete Applicant's Facilities Study and will provide the Applicant with an estimated completion date in the study agreement.

(N)

**RULE I (Continued)**

**5. Customer Service Contracts – Capacity Categories 2B and 3**

(N)

Applicants in Capacity Categories 2B and 3 will be required to sign a Customer Service Contract as a condition of receiving Electricity Service from the Company. The Applicant's Customer Service Contract will be provided along with the last study report of the system capacity allocation process and must be signed by the Applicant within 60 days of issuance. Failure to return a signed Customer Service Contract to the Company within 60 days of issuance will result in forfeiture of the Applicant's queue position.

Customer Service Contracts will be form contracts with terms and conditions required by this Rule as well as other commercially reasonable terms and conditions and may be revised by the Company consistent with applicable requirements in the Company's tariffs, the Public Utility Commission rules and orders.

**A. Billed Distribution Demand**

If providing service to the Applicant requires the construction of Distribution Facilities, the Customer Service Contract will contain an annual Billed Demand that the Customer must pay at the then-current tariff rates for distribution. Billed Demand will be based on the Company's levelized annual revenue requirement associated with the Cost of Work attributable to the Customer. The annual revenue requirement for Exclusive Use Facilities is allocated 100% to the attributable Customer but is otherwise proportionally assigned. Generally, under any LLCA, the Billed Demand shall be a flat amount that the Customer will be billed at the then-current tariff rate regardless of the Customer's actual demand.

Billed Demand for a LLCA will be directly calculated as a kW or MW equivalent based on the annual revenue requirement associated with the Cost of Work. Under the LLCA, the Billed Demand will continue during any renewal period if and only if Billed Demand exceeds Allocated System Capacity. If a Customer under a LLCA would be required to pay a Billed Demand amount of less than 25% of its Allocated System Capacity, then the Customer will be billed at the greater of Billed Demand or actual demand.

Billed Demand for Minimum Load Agreements will be set in the fifth year to no less than 75% of Distribution Capacity and set to recover no less than 17% of the Cost of Work totaled over the five-year load ramp period, provided that for each year during the ramp period the Billed Demand may not exceed the Distribution Capacity. Customers under a Minimum Load Agreement will be billed at the greater of Billed Demand or actual demand.

**B. Contract Term**

The term of a Minimum Load Agreement will be 10 years. The term of the LLCA will be 8 to 30 years, at the Customer's election, measured from the in-service date.

**C. Contract Renewal**

Customer Service Contracts will renew automatically unless terminated according to the terms of the Customer Service Contract.

(N)

**RULE I (Continued)**

Customer Service Contracts – Capacity Categories 2B and 3 (Continued)

(N)

**D. Credit Requirements**

If Applicant does not meet the Company's credit requirements or does not provide a parental guarantee from a parent company meeting the Company's credit requirements, then Applicant will be required to provide a deposit in the form of a letter of credit. The Company's credit requirements will be identified in the Customer Service Contract.

**E. Exit Fee**

In the event a Customer Service Contract expires or is terminated by the Customer or by the Company in the event of a Customer default or breach or by either the Company or Customer in the event of change of law defined in the Customer Service Contract, the Company will calculate the Exit Fee in a commercially reasonable manner and provide notice of the amount to Customer and Customer shall pay the Exit Fee to the Company within ten (10) calendar days of the date of such notice.

The Exit Fee for the LLCA shall be (i) the net book value of the Cost of the Work calculated as of the date that is three (3) years after the date of termination or expiration of the LLCA, as determined by the Company in accordance with generally accepted accounting principles; plus (ii) any additional costs reasonably incurred or owing by the Company in connection with winding up the construction work, including any costs of decommissioning and removal of the Distribution Facilities, net of salvage value as determined by the Company in its reasonable discretion, and costs incurred in connection with the cancellation of third-party contracts; plus (iii) an amount equal to three years of distribution charges at the then current tariff rates for distribution and equal to either Billed Demand or actual demand (if there is no Billed Demand) as applicable to the Customer at the time of termination or expiration of the LLCA.

The Exit Fee for the Minimum Load Agreement shall be (i) the net book value of the Cost of the Work calculated as of the date of termination or expiration of the Minimum Load Agreement, as determined by the Company in accordance with generally accepted accounting principles; plus (ii) any additional costs reasonably incurred or owing by the Company in connection with winding up the construction work, including any costs of decommissioning and removal of the Distribution Facilities, net of salvage value as determined by the Company in its reasonable discretion, and costs incurred in connection with the cancellation of third-party contracts.

(N)

**RULE I (Continued)**

Customer Service Contracts – Capacity Categories 2B and 3 (Continued)

(N)

**F. Failure to Satisfy Flexible Load Requirements**

The Customer Service Contract will contain terms and conditions providing for remedies if a Customer fails to satisfy the requirements for its participation in any Company-approved flexible load program when such participation is a condition of service. Customers who are enrolled in a flexible load program with the Company as a condition of service are not eligible for financial benefits associated with such programs so long as participation in the Company approved flexible load program is a condition of service.

**G. Capacity Exceedance Penalty**

Under the terms of any LLCA or any Minimum Load Agreement for Allocated System Capacity of 12 MW or greater, if the Customer is located in an Enhanced Planning Area as identified by the Company and if the Customer's actual demand exceeds Allocated System Capacity by 10% or 5,000 kW, whichever is less ("Capacity Exceedance Threshold"), then the Customer will be assessed an exceedance penalty. Under the terms of any LLCA, the Company may impose an exceedance penalty in an area not considered an Enhanced Planning Area if the exceedance is substantial and may cause a risk of a system emergency or constraint. The penalty amount will be calculated and charged per hour and per MW of exceedance over the threshold as four times the transmission rate specified by demand per the retail schedule under which the Customer is served. Customers who exceed their Capacity Exceedance Threshold will be subject to curtailment, termination and other remedies specified in the Customer Service Contract.

**H. Minimum Transmission Demand**

LLCAs will require Customers to annually meet or pay a minimum of 80% of Allocated System Capacity (the "Minimum Transmission Demand") at the then current tariff rate for transmission per the retail schedule under which the Customer is served.

**I. System Capacity Allocation Deposit**

LLCAs will require Applicants provide a one-time deposit for Allocated System Capacity equal to two years' worth of Minimum Transmission Demand. Customers with no arrearage will be entitled to a refund of the System Capacity Allocation Deposit. Eligible refunds will be paid at 50% following Year 2 and 50% following Year 3 of the Customer Service Contract.

(N)

**RULE I (Continued)**

Customer Service Contracts – Capacity Categories 2B and 3 (Continued)

(N)

**J. System Capacity Allocation Period**

Under the terms of any LLCA, Allocated System Capacity is determined on a rolling three-year basis until the termination or expiration of the LLCA. At the end of each allocation period, the allocation will auto-renew at the Allocated System Capacity unless, (1) the Company has reduced the Allocated System Capacity due to failure to meet the Minimum Transmission Demand at least three (3) times in the immediate preceding allocation period, (2) the customer has requested a reduction of their Allocated System Capacity and the Company has accepted the reallocation of system capacity to another customer, or (3) the Customer fails to meet the requirements of the Flexible Load Plan, as defined in the LLCA.

If Customer's Demand fails to meet the Minimum Transmission Demand as outlined in the LLCA at least three (3) times in the immediately preceding allocation period, then the Company may reduce the Allocated System Capacity to Customer's highest Demand measured during such allocation period pursuant to the terms of the LLCA. The terms and conditions applicable to potential reductions in Allocated System Capacity based upon the Customer's failure to satisfy the requirements of any Company flexible load program or upon the Customer's timely request to reduce the Allocated System Capacity will be set forth in the LLCA. The Customer will not be required to pay a new System Capacity Allocation Deposit at commencement of each allocation period, but transmission charges will be based upon the Minimum Transmission Demand established for the three-year period.

Reductions of Allocated System Capacity and their accompanying cost responsibilities will only be considered at the expiration of each three-year allocation period and will be contingent upon the Company's ability to reallocate such capacity to another customer.

(N)

**6. Refunds**

(T)

- A. Where an Applicant has paid all or a portion of the costs of a Line Extension and additional Customers are subsequently connected to it, the Company will, at its initiative or on request from the Applicant for the original Line Extension, compute on a prorated basis the Line Extension Cost responsibility for up to three additional new Applicants connected to the original Line Extension and make collections and refunds for up to three additional Applicants, provided the following three conditions are satisfied:
- 1) The original Line Extension has been in service for less than five years when the additional connections are made;
  - 2) The original Line Extension has been in service less than six years when the application for refund is made; and
  - 3) The payment made by the original Applicant was \$100 or more.
- B. Where additional Applicants are connected within five years of completion of the original Line Extension, and the allowances for the subsequent Line Extensions exceed additional Applicants' costs, the difference may be refunded to the original Applicant under the following conditions:



**RULE I (Continued)**

Refunds (Continued)

- 1) Application for such refunds may be made as additional Applicants are connected, but no more frequently than on an annual basis; and
- 2) The total amount refunded will not exceed the Line Extension Cost paid by the original Applicant.

**7. Special Conditions for Portland River District Undergrounding Project**

(T)

For an area within the City of Portland, depicted as the shaded region on the map included as Appendix A<sup>(1)</sup>, the applicable Applicant cost responsibilities of Underground Line Extensions, as specified in Section (3)B(1), will be incurred as a Service Connection Charge. This charge will be equal to \$39,040.00<sup>(2)</sup> for a standard 200' X 200' block within the district. For any development area other than the standard size, the charge will be prorated based on the comparative size of that area.

- (1) Between Broadway and Glisan Street and behind Union Station, the River District boundary is defined by the railroad right-of-way. Their respective streets or the Willamette River defines all other sections of the River District boundary.
- (2) This amount will be applicable through the year 2009. Beyond 2009, the charge will be escalated annually by the Company's then authorized cost of capital.

**8. Conversion from Overhead to Underground Service**

(T)

**A. General**

The Company will replace overhead with underground Facilities whenever such conversion is practicable and economically feasible. Customers connected by overhead Distribution Facilities owned by the Company that desire underground service will comply with applicable provisions of this rule.

**B. Payment for Service Changes**

The party requesting conversion from overhead to underground will pay the Company, prior to conversion, the estimated original cost, less depreciation, less salvage value, plus removal expense of any existing overhead Facilities no longer used or useful by reason of said underground system, and the costs of any necessary rearrangements, modifications, and additions to existing Facilities to accommodate the conversion of Facilities from overhead to underground.

**C. Special Conditions**

The conversion of overhead to underground Facilities affecting more than one Customer will be conditioned on the following:

- 1) The governing body of the city or county in which the Company's Facilities are located will have adopted an ordinance creating an underground district in the area in which both the existing and new Facilities are and will be located, providing:

**RULE I (Continued)**

Special Conditions (Continued)

- a) All existing overhead communication equipment and Distribution Facilities in such district are removed;
  - b) Each Customer served from such electric overhead Facilities will, in accordance with the Company's rules for underground service, make all necessary electrical facility changes on said Customer's Premises in order to receive service from the Company's underground Facilities as soon as available; and
  - c) The Company is authorized to discontinue its overhead service on completion of the underground Facilities.
- 2) All Customers served from overhead Facilities will agree in writing to perform the wiring changes required on their Premises so that service may be furnished in accordance with the Company's rules regarding underground service. Such Customers must also authorize the Company to discontinue overhead service upon completion of the underground Facilities.
  - 3) The local government requires the Company to convert overhead Facilities to underground at the Company's expense, the provisions of OAR 860-022-0046 will apply. (C)
  - 4) That portion of the overhead system that is placed underground will not impair the utilization of the remaining overhead system.

**D. Cost of Area Conversions**

Area conversions may involve an assessment of costs and responsibilities among Customers. Such assessment and collection thereof will be the responsibility of a governmental unit or an association of those affected. (C)

**E. Cost of Additional Circuit Capacity**

Where the Company installs an underground circuit with capacity in excess of the existing overhead, any additional cost to provide such excess circuit capacity will be at the Company's expense. Applicant cost responsibilities will be as defined in Section (6)(B) plus all reasonable costs for conduit or vault space installed to establish pathways for future circuit capacity.

**RULE I (Continued)**

**9. Nonpermanent Line Extension** (T)

**A. General**

A Line Extension is nonpermanent when the Company believes service for its intended purpose by the Applicant will continue for less than five years. If the Company believes a requested Line Extension is nonpermanent, the Company will require a cash advance of the entire Line Extension Cost, plus payments to third parties for easements and those costs outlined under Section 3, plus the estimated cost of removing the Line Extension, less any salvage value. If service is used for the intended purpose by the Line Extension Applicant for a period of five years, that portion of the amount advanced by the Applicant which was in excess of the amount that would have been charged for a permanent Line Extension will be refunded to the Applicant with interest.

**B. Nonresidential Nonpermanent Service – Capacity Categories 1 and 2A** (C)

Nonresidential Line Extension Applicants with Line Extension Costs of \$50,000 or greater, with loads in excess of 1 MWa, will sign a contract agreeing to accept Electricity Service at a specified minimum load. If service is terminated within an initial term of five years or if service is reduced to shut-down mode, a Service Termination Charge equal to the Line Extension Allowance (LEA) less 1/5<sup>th</sup> for each year service was taken at the specified minimum will be assessed as follows:

$$\frac{[(5 - \text{Years Served}) * \text{LEA}]}{5}$$

**10. Excess Capacity** (T)

Excess Capacity will be determined to exist where:

- A. The characteristics of the Customer's load require the Company to install Facilities larger than the kVA demand of the load for voltage regulation or other reasons;
- B. The Customer requests additional capacity due to planned expansion needs that have not yet occurred; or
- C. The Customer requests Facilities that are in excess of what the Company determines is required based on the Company's analysis of the Customer's planned load.

**RULE I (Concluded)**

Excess Capacity (Continued)

- E. When a Customer applying for a service upgrade or a new service Applicant requires Excess Capacity, such installation will be ineligible for a Line Extension Allowance associated with the unused or underutilized portion of the Line Extension. The unused or underutilized portion of the Line Extension will be determined by comparing the cost of the Line Extension with and without the Facilities necessary to serve the Excess Capacity. The Customer or Applicant will also be responsible for a maintenance charge equal to the present value of future maintenance of the excess Facilities at the time the new service or service upgrade is installed. If within five years of installation the excess capacity situation is determined to no longer exist the Company will refund the portion of the Line Extension charges that resulted from the designation of Excess Capacity, including the maintenance charge. It is the responsibility of the Customer to inform the Company as to the change in their capacity requirement within the five-year period.

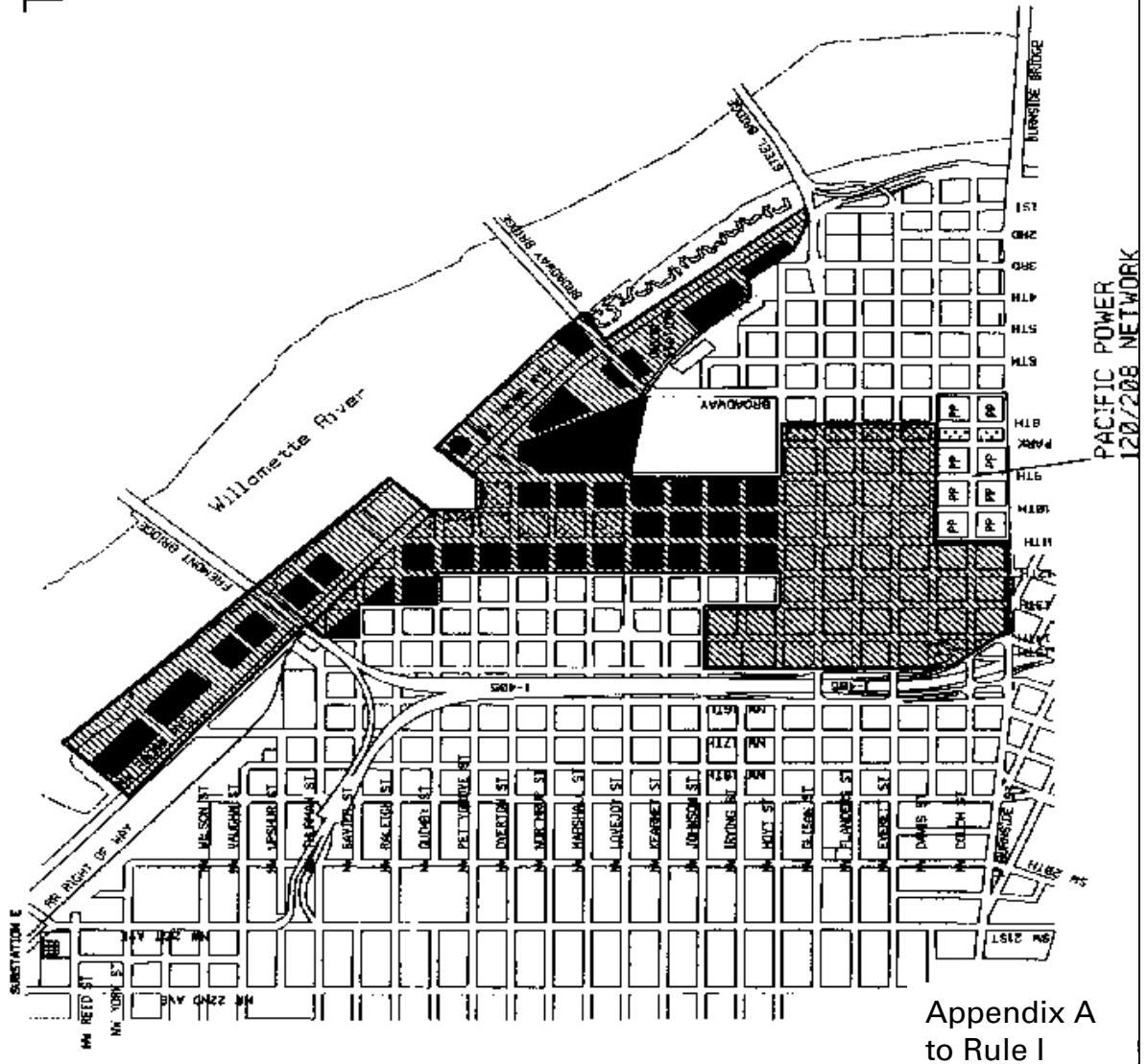
**11. Rules Previously in Effect**

(T)

Amounts advanced under the conditions established by a rule or contract previously in effect will be refunded in accordance with the provisions of that rule or contract.

RULE I  
APPENDIX A

The River District



DIVISION DISTRICT

Appendix A  
to Rule I

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**Advice No. 24-38**  
**Issued December 20, 2024**  
**Angelica Espinosa, Senior Vice President**

**Effective for service**  
**on and after February 19, 2025**

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## RULE C (Continued)

### Customer-Supplied Equipment (Continued)

- 2) Conformance with Codes  
Before the Company will provide Electricity Service, the Customer's wiring and equipment must conform to applicable municipal, county and state requirements, and to accepted standards of the National Electrical Safety Code, the National Electric Code, the Company's published "Electric Service Requirements and Guidelines," and Company standards and practices. As required by law, the Customer or its agent must obtain a certificate of electrical inspection before the Company will provide Electricity Service.
- 3) Company's Right to Inspect  
The Company has the right, but is not obligated, to inspect any Customer-owned installation, including all wiring, conduit, meter-bases or supporting equipment up to the electric meter and/or SP, at any reasonable time.
- 4) Effect of Customer's Load  
The Customer must reasonably balance load between phases of a three-phase service or between ungrounded conductors of a single-phase, three-wire service. The Customer's equipment must not cause excessive voltage fluctuations on the Company's lines. The Company has the right to refuse, discontinue or to regulate hours of Electricity Service to loads that could, in the Company's opinion, impair Electricity Service to other Customers.
- 5) Notice of Changes in Customer Load  
A Customer must give the Company prior written notice before making any material change in either the amount or character of the Customer's electrical appliances, apparatus or equipment, thereby allowing the Company to ascertain whether any changes are needed in its Facilities and to make such alterations in the charges for Electricity Service as may be required by this Tariff for the changed installation. If damage results to Facilities owned by the Company through failure of the Customer to notify the Company, the repair and, or replacement costs of such Facilities will be paid by the Customer.
- 6) Use of tools to increase Load or Demand  
The Company prohibits the use of tools such as load banks to temporarily increase load to meet minimum loads or demand levels specified in any written agreement with the Company pursuant to the terms of Rule I. Customers may use these tools for testing purposes but must get pre-approval by written notification from the Company prior to initiating testing.
- 7) Trouble Calls  
When the Company, in responding to a report of an outage or other continuity of Electricity Service problem, determines the cause of the service problem to be solely in the Customer's equipment, the Company will bill the Customer for charges as listed under Schedule 300.

**RULE C (Continued)**

**Customer-Supplied Equipment (Continued)**

**78) Miscellaneous Equipment Rental**

When available, the Customer may elect to rent equipment from the Company including, but not limited to, transformers, single-phase to three-phase inverters, capacitors, and other related equipment in accordance with charges specified under Schedule 300 and the terms and conditions of the equipment rental agreement.

**D. Hazardous Substances**

1) Evaluation of Job Sites

The Company reserves the right, but is not obligated, to evaluate the job site of any new line extension request or of any required maintenance or repairs of existing Facilities for the purpose of identifying any hazardous wastes, hazardous substances or contaminants ("hazards") in soils or surface at the job site, as such hazards are defined under state or federal law.

2) Information About Hazards

Information about hazards may include the following:

- a) The job site is within an area designated or listed as a hazardous site by a state or federal environmental agency; or
- b) The Customer, Applicant or an employee of the Company or agent of the Company, Customer or Applicant reports unusual or inappropriate odor, color or material in, or adverse physical reaction to, soil or surfaces at the job site.

3) Treatment of Information About Hazards

If the Company receives information that hazards may exist at a job site, and such hazards may, in the Company's determination based upon applicable state, federal and industry standards, cause a risk to the health or safety of its employees or agents or the viability of equipment in the installation, maintenance, or repair of service, the Company will specify mandatory conditions for the protection of its employees, agents, or equipment. The Company also may require that the Customer or Applicant indemnify the Company against future claims related to the existence of the hazard. The cost of complying with the Company's conditions and with following state and federal regulations for the handling of the hazard, including, but not limited to, the cost of testing, handling, transporting and disposing of contaminated soil will be borne by the Customer or Applicant.

4) Remediation of Hazardous Conditions

The Company may require the Customer or Applicant to bear the cost of remediation or relocation of Company Facilities, if conditions cannot be prescribed which, in the Company's judgment, will adequately protect its employees or agents against hazards.

5) Remediation Costs

Nothing contained in this Tariff will be construed as obligating the Company to pay any remediation costs relating to hazards.

**RULE C (Continued)**

**Hazardous Substances (Continued)**

**6) Hazards in Public Right-of-Way**

This Tariff does not apply to hazards in a public right-of-way, either for purpose of recovery of extraordinary costs associated with installation, maintenance or repair, or for indemnification against future costs, except where the Customer's or Applicant's Premises are the source of the hazards in the right-of-way.

**5. Interconnection of Customer-Generator Facilities**

The following will apply to all interconnected Customers unless they are covered by an Interconnection Agreement entered into pursuant to the Company's Open Access Transmission Tariff (OATT) on file with the Federal Energy Regulatory Commission (FERC).

**A. Conformance with Regulations**

In order to ensure system safety and reliability of interconnected operations, the facility will be constructed, interconnected, and operated in accordance with all applicable federal, state, local laws and regulations, including the Company's Interconnection Guidelines, as may be amended from time to time.

**B. Control and Protective Devices**

The Customer will furnish, install, operate, and maintain in good order and repair without cost to the Company such switching equipment, relays, locks and seals, breakers, automatic synchronizers, and other control and protective apparatus as shown by the Company to be reasonably necessary for the operation of the facility in parallel with the Company's system. In all cases, the protective relaying design and equipment proposed for the interconnection of generator(s) must be approved by the Company.

**C. Cost Responsibilities**

The Customer is responsible for all costs of interconnection including any costs incurred by the Company. Additionally, the Customer is responsible for any modification to the Customer's facility that may be required by the Company for purposes of safety and reliability. The Customer will also reimburse the Company for administrative costs the Company incurs in this process.

**D. Conformance with Codes**

A facility will meet all applicable safety and performance standards established in the Oregon State Building Code. The standards will be consistent with the applicable standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories or other similarly accredited laboratory.

**RULE I**  
**NEW CONNECTIONS, LINE EXTENSIONS, AND SYSTEM UPGRADES**

**1. Purpose**

This rule establishes procedures and defines respective cost responsibilities for new Electricity Service connections or increases to existing Electricity Service and their respective system upgrades including but not limited to provide a Line Extension to a builder, developer, Customer or Applicant who requests a Line Extension on its own behalf, or a Customer or Applicant's agent.

**A. Generally**

Line Extensions will be at primary and/or secondary voltage levels. Modifications to transmission or subtransmission voltage facilities or substations are not considered Line Extensions for purposes of this rule and require special contract arrangements. When an agent requests a Line Extension on behalf of a Customer or Applicant, the agent must provide documentation acceptable to the Company evidencing its authority to request a Line Extension.

**B. Definitions**

**1) Allocated System Capacity**

The capacity on the Company's transmission system that is available to reliably serve an Applicant or Customer and that the Company allocates as a result of the system capacity allocation process, which is reflected in the Customer Service Contract.

**2) ~~4)~~ Applicant**

For purposes of this rule, an Applicant is a builder, developer, Customer, Applicant or other Customer or Applicant agent requesting a Line Extension to:

- a) Serve new construction; or
- b) Obtain additional capacity for, or a change in, service conditions relative to existing Distribution Facilities.

**3) Cost of Work**

The Company's actual direct and indirect costs to install new, additional, or upgraded Distribution Facilities to serve the Applicant's planned Electricity needs and assigned to the Applicant in the Customer Service Contract, including but not limited to administrative and engineering design costs.

**4) Customer Service Contracts are either (1) a Minimum Load Agreement for Applicants in Capacity Category 2B or (2) a Large Load Customer Agreement (LLCA) for Applicants in Capacity Category 3, the terms and conditions for which are outlined in this Rule I.**

**5) ~~2)~~ Distribution Capacity**

The capacity that the Company makes available to the Customer or Applicant via upgrades to existing or construction of new Distribution Facilities.

**RULE I (Continued)**

Definitions (Continued)

**6) ~~2)~~ Distribution Facilities**

Distribution Facilities are all structures and devices needed to distribute Electricity at any of the primary or secondary voltages listed in Rule C. Distribution Facilities will be installed in accordance with applicable laws, codes and Company standards and practices. It is the Applicant's responsibility to provide the Company with accurate information about their usage including but not limited to nameplate ratings of major installed electrical equipment and the intent to operate equipment above or below the nameplate rating. If damage results to Facilities owned by the Company through failure of the Applicant to fully disclose its load requirement to the Company, the repair and, or replacement costs of such Facilities will be paid by the Applicant.

**7) Enhanced Planning Area**

An area within the Company's service territory in which the transmission system requires more complex planning efforts in order to reliably serve expected capacity requirements. These designations are reviewed annually during system-wide analysis and with every study performed for customer requests. The Company will update designations based on a variety of factors such as changes in system conditions, regional growth, and/or individual capacity requests.

**8) Exclusive Use Facilities**

Facilities owned and operated by the Company required to provide Electric Service to the Customer between existing Company transmission or Distribution Facilities and the Applicant's or Customer's Service Point (SP) that are for the sole benefit and use of the Customer receiving Electricity Service are Exclusive Use Facilities. Customers with Exclusive Use Facilities are responsible for all costs associated with such facilities less any Line Extension Allowance for which the Customer qualifies. Neither upgrades to the Company's transmission nor distribution network(s) made for the benefit of all respective users are considered Exclusive Use Facilities and, as such, their costs are not allocated directly to any Customer(s).

**9) Exit Fee**

The amount that a Customer must pay to the Company if the Customer Service Contract expires or is terminated by the Customer or by the Company in the event of a Customer default or breach or by either the Company or Customer in the event of change of law defined in the Customer Service Contract.

**10) Facilities Study**

A study performed by the Company that includes analysis of facilities impacts and Applicant or Customer cost allocation as applicable to Distribution Facilities upgrades or new construction required to accommodate a capacity request.

**11) Feasibility Study**

A high-level planning study performed by the Company to determine whether service can be provided at the location and under the timeline specified in the Applicant's request and whether new or upgrades to transmission or Distribution Facilities may be required. The results of a Feasibility Study may indicate the need for more detailed review in either a System Impact or Facilities Study.

**RULE I (Continued)**

Definitions (Continued)

**12) 3) ~~Line Extension~~**

A Line Extension is the installation of new, additional or upgraded Distribution Facilities from a point on the Company's existing distribution system that the Company ~~has determined has adequate capacity provides~~ for the Applicant's planned Electricity needs to the Applicant's Service Point (SP). Where the Applicant is requesting either a new individual residential service or an upgrade to an individual residential service, upgrades to existing primary lines will not be considered part of the Line Extension. Any new primary or secondary Line Extensions, transformer additions or replacements necessary to serve the new load will be considered part of the Line Extension. However, for residential Electric Vehicle charging-related line extensions, transformer additions or replacements necessary to serve that charging load will not be considered part of the Line Extension.

**13) 4) ~~Line Extension Allowance~~**

The Line Extension Allowance is the portion of the Line Extension Cost that the Company will provide without charge to the Applicant. Estimated annual kWh values used to calculate non-Residential Customer line extension allowances do not reflect onsite generation.

**14) 5) ~~Line Extension Cost~~**

~~A Line Extension Cost is t~~The Company's total estimated cost to install new, additional, or upgraded Distribution Facilities to serve the Applicant's planned Electricity needs. Line Extension Costs are intended to recover the expenses of labor, material and equipment involved in the design, installation and inspection of the Line Extension under the Company's design standards and using standard construction methods inclusive of but not limited to. ~~Line Extension Costs include, but are not limited to, labor costs, the cost of transformers,~~ primary and secondary voltage conductors, tree trimming or tree removal, Company indirect charges and the cost of any necessary rearrangement of existing Facilities. Where the Applicant is requesting either a new individual residential service or an upgrade to an individual residential service and the transformer requires upgrading, the Line Extension Cost will be credited for the estimated original cost, less depreciation, less removal costs, of the existing transformer.

However, for residential Electric Vehicle charging line extensions, any transformer additions, or replacements necessary to serve the charging load will not be considered part of the Line Extension. Estimates of Line Extension Costs provided to Applicants are valid for six months from the date of issue. After six months the Company reserves the right to provide a revised estimate. The Line Extension Cost does not include payments to a third party for easements, additional costs associated with Underground Line Extension or other additional costs described in this rule.

## RULE I (Continued)

### Definitions (Continued)

**15) ~~6)~~ Long Side Service Connection**

A service connection, which runs parallel to the street, rather than perpendicular to the street.

**16) ~~7)~~ Primary Voltage Project**

A Primary Voltage Project is a planned undertaking of construction, where the Company initially installs only primary voltage facilities. Primary Voltage Projects include large lot residential subdivisions, industrial parks and other similar complexes. It is expected that within the project each Customer will be served from one or more transformers dedicated to that Customer's use.

**17) ~~8)~~ Public Thoroughfare**

A Public Thoroughfare is a municipal, county, state, federal, or other street, road, or highway, which is dedicated, maintained and open to public use in which the Company has the right to construct, operate, and maintain Facilities.

**18) ~~9)~~ Residential Subdivision**

A Residential Subdivision is a parcel of land divided into four or more smaller lots for the purpose of development or sale, which has been platted and filed under Oregon law as a subdivision. It is expected that within the subdivision several homes will be or are served from the same transformer.

**19) System Impact Study**

A study performed by the Company to identify system-specific upgrades or new construction required to accommodate a capacity request while maintaining system reliability, stability, and performance. The System Impact Study report also includes a rough order of magnitude (ROM) cost estimate and preliminary schedule to energization. The results of a System Impact Study may indicate the need for more detailed review in a Facilities Study.

### C. **Company Requirements**

**1) Capacity Categories**

Total requested capacity by Site, as defined in Rule B and subject to the Like Ownership provision of Rule E, is categorized in this Rule as follows:

**Category 1:** Less than 1,000 kW

**Category 2:** 1,000 kW to 30,000 kW with

A: no required substation transformer upgrades and for which total Line Extension Costs required to serve the load request are estimated to be less than \$1 million, or

B: required substation transformer upgrades or for which total Line Extension Costs required to serve the load request are estimated to be \$1 million or greater.

**Category 3:** Greater than 30,000 kW

## RULE I (Continued)

### Company Requirements (Continued)

For customers in Capacity Categories 2 and 3, the Company will aggregate capacity requests as one Site request where buildings with Like Ownership are located within 2,500 feet or are located at greater than 2,500 feet and are electrically connected, such as served from the same substation.

Transportation electrification customers who qualify for service under Schedule 38 are exempt from requirements applicable to Capacity Category 2B or 3 under this Rule I.

#### 2) Facilities Equipment Sizing and Use

It is the Applicant's or Customer's responsibility to provide the Company with accurate information about their usage including but not limited to nameplate ratings of major installed electrical equipment and the intent to operate equipment above or below the nameplate rating. If damage results to Facilities owned by the Company through failure of the Applicant or Customer to fully disclose its load requirement to the Company, the repair and/or replacement costs of such Facilities will be paid by the Applicant or Customer.

#### 3) ~~1)~~ Company to Determine Route

The Company will determine the route for all Line Extensions along Public Thoroughfares and may determine the route of a Line Extension made on private property. If the Applicant requests a route different than that determined by the Company, the Company may provide the Line Extension along the requested route if the Applicant pays the Company all additional costs resulting from the provision of that route and the requested route is not contrary to Company standards and practices.

#### 4) ~~2)~~ Company Ownership

The Company will own and maintain all Facilities to the SP.

#### 5) ~~3)~~ Company Installation

The Company will install all Facilities to the SP except that an Applicant for overhead Facilities may arrange to have the Facilities located on the property constructed by an electrical contractor acceptable to the Company, subject to the following conditions:

- a) The Company will furnish the design and construction specifications for the connection and perform the necessary surveying;



## RULE I (Continued)

### Company Installation (Continued)

- b) The Applicant will, prior to the beginning of construction, cause the contractor to furnish the Company a certificate naming the Company as an additional insured in an amount not less than \$1 million under the contractor's general liability policy;
- c) During and after completion of the work by the contractor, the Company will make inspections. If the construction meets the Company's design specifications, the Company will accept ownership, and the Applicant will provide to the Company the title to the construction using form documents provided by the Company, together with all rights-of-way and easements required by the Company, free and clear of any liens or encumbrances; and
- d) Following receipt of the title and Company-approved form documents indicating successful transfer, the Company will energize the Line Extension to make Electricity Service available to the Applicant.
- e) ~~If, within 24 months of the time the Company energized the Line Extension, it determines that the overhead Distribution Facilities are deficient in materials or workmanship~~If the Company determines that the overhead Distribution Facilities are deficient in materials or workmanship within 24 months of the time the Company energized the Line Extension, the Applicant must pay the cost to correct the deficiency to the Company's satisfaction.

~~6)~~ **4) Unusual Distribution Facilities or Nonstandard Construction**

The Company is required to install only those Facilities deemed necessary to render service in accordance with the Tariff. The Company is not required to make Line Extensions which involve additional or unusual Facilities, nonstandard construction, or other unusual conditions. ~~If, at the Applicant's request, the Company installs Facilities which are in addition to, or in substitution of, the standard Facilities~~ Any facilities installed at Applicant's request which are in addition to, or in substitution of, the standard Distribution Facilities which the Company would normally install but which are otherwise acceptable to the Company, the additional cost of such nonstandard Facilities will be paid by the Applicant and will not be subject to the Line Extension Allowance in Schedule 300. In the case of conversion from overhead service to underground service, Section 6 of this Rule applies. In the case of relocation or removal of services and facilities, Section 7 of Rule C applies.

## 2. Applicant Cost Responsibilities

### A. Payment

Applicants who have cost responsibilities under this section and Section 3 will make payment in full at the time the Company agrees to make the Line Extension or for Applicants in Capacity Categories 2B or 3, pursuant to the terms of their Customer Service Contract.

## RULE I (Continued)

Payment (Continued)

A letter of credit or a deposit may be required by the Company if the Applicant does not meet the Company's credit requirements and is requesting capacity of 1,000 kW or greater. Applicant's payment requirements for jobs with Line Extension Costs estimated to be equal to or exceeding \$250,000 but with requested capacity in Capacity Categories 1 and 2A may beare as follows:

- 1) The Applicant will provide a cash payment of 10% of the estimated Line Extension Cost prior to the Company initiating design work;
- 2) At the time the Company orders any special order and/or long lead-time electrical and/or pathway material, the Applicant will provide a cash payment to the Company for the full cost of the order; and
- 3) At the commencement of construction, the Applicant will provide a payment equal to any remaining Line Extension Costs necessary to complete construction. Acceptable means of payment will be at the sole discretion of the Company.

A Line Extension Allowance shall only be available for Customers or Applicants in Capacity Categories 1 or 2A. The Line Extension Allowance will be refunded at the time the Applicant's Electricity Service is established. If Applicant's Electricity Service is not established, payments made under Section (2)(A) are not refundable.

### **B. Applicants for New Permanent Service – Capacity Categories 1 and 2A**

Applicants for new permanent service in Capacity Categories Category 2A will be required to pay a nonrefundable application fee that cannot be applied to Line Extension Costs and to enter into an agreement to pay study costs and will make payment for each applicable study prior to the Company initiating the study and within specified periods to retain queue position as described in Section 4 of this rule. The Applicant will pay for each study based on the Company's estimated cost to complete the study, and the Applicant will be assessed or refunded the difference as applicable at the conclusion of or upon Applicant's exit from the study process.

The following provisions will apply to Applicants and Customers in Capacity Categories 1 or 2A.

#### **1) Individual Applicants**

Applicants for new permanent service will be responsible for the Line Extension Costs, less the applicable Line Extension Allowance listed in Schedule 300. In addition, any payments to a third party for easements, permits, additional costs associated with Underground Line Extensions, and all other additional costs described in this rule will be the responsibility of the Applicant and are not eligible for the Line Extension Allowance.

## RULE I (Continued)

### Individual Applicants (Continued)

#### 2) **Other than Individual Applicants**

The Company will install a main-line primary distribution system to provide service to a project (e.g., a subdivision, industrial park, or similar project) to serve Customers within the project provided the Applicant pays in advance for: 1) the total estimated cost of the installation of a continuous conduit system which includes, but is not limited to, the costs of trenching, boring, excavating, backfilling, ducts, raceways, road crossings, paving, vaults, transformer pads and any required permits; and 2) all other Applicant cost responsibilities based on the expected load within the project. The expected load in a large lot subdivision, industrial park, or similar project is comprised of only those loads projected to be connected within the first five years. Any Line Extension refund owed to the Customer or Applicant will be based on load connected within the first five years.

In residential subdivisions or phases of residential subdivisions where Line Extensions will not require subsequent additional extensions of primary voltage Distribution Facilities to serve the ultimate users within the subdivision, the refund will be based on the Line Extension Allowances for the subdivision calculated in accordance with Schedule 300.

### C. Existing Customers – Capacity Categories 1 and 2A

Existing customer expansions in Capacity Category 2A will be required to enter into an agreement to pay study costs and will make payment for each applicable study prior to the Company initiating the study and within specified periods to retain queue position as described in Section 4 of this rule. The Applicant will pay for each study based on the Company's estimated cost to complete the study, and the Applicant will be assessed or refunded the difference as applicable at the conclusion of or upon Applicant's exit from the study process.

The following provisions will apply to Applicants and Customers in Capacity Categories 1 or 2A.

#### 1) **Nonresidential**

Where an Applicant is an existing Nonresidential Customer requesting an additional SP, the conversion of a single-phase service to three-phase service, or additional capacity, the Applicant will make payment in full at the time the Company agrees to make the Line Extension. The Line Extension Allowance in these cases will be based on the incremental, annual kWh to be served by the Company or, in the case of a change in the applicable rate schedule, equal to four times the increase in annual revenues from Basic and Distribution Charges.

## RULE I (Continued)

### Existing Customers – Capacity Categories 1 and 2A (Continued)

#### 2) **Residential**

Where an Applicant is a Residential Customer requesting additional capacity at the same SP, the Line Extension Allowance is as listed in Schedule 300. Any excess amount will be the responsibility of the Applicant. In addition, any payments to a third party for easements, permits and additional costs associated with Underground Line Extensions and all additional costs described in this rule will be the responsibility of the Applicant and are not eligible for the Line Extension Allowance.

### D. New and Existing Customers - Capacity Categories 2B and 3

- 1) Applicants for new permanent service or existing customer expansions in Capacity Categories 2B or 3 are required to pay a nonrefundable application fee and to enter into an agreement to pay study costs. Applicants will make payment for each applicable study prior to the Company initiating the study and within specified periods to retain queue position as described in Section 4 below. The Applicant will pay for each study based on the Company's estimated cost to complete the study, and the Applicant will be assessed or refunded the difference as applicable at the conclusion of each required study.
- 2) Applicants for new permanent service or existing customer expansions in Capacity Categories 2B or 3 shall be required to enter into a Customer Service Contract that will allocate the Cost of Work to the Applicant and contain other commercially reasonable terms and conditions, including but not limited the obligations and benefits outlined in this Rule I.
- 3) The Company reserves the right to recover transmission costs from Customers in Capacity Categories 2B or 3 in a manner other than through a Customer Service Contract if the nature of the transmission investments required to serve the Customer are such that an alternative method of recovery is required to avoid an inequitable or unreasonable result.

### **3. Special Conditions for Underground Line Extensions**

#### **A. Applicability**

Underground Line Extensions will be made:

- 1) When required by a governmental authority having jurisdiction;
- 2) When required by the Company for reasons of safety, resiliency or because the extension is from an existing underground system; or
- 3) When otherwise mutually agreed upon by the Company and the Applicant.

## RULE I (Continued)

### Responsibility for Costs (Continued)

#### **B. Responsibility for Costs**

- 1) The Applicant will be responsible for the current and reasonable future costs associated with the installation of the Line Extension's continuous conduit system, which includes but is not limited to, the costs of trenching, boring, excavating, backfilling, ducts, raceways, road crossings, paving, vaults, transformer pads and any required permits. The Company will own and maintain the conduit system once Company conductors have been installed.
- 2) At its option, the Company may perform the Applicant's responsibilities listed in (B)(1) above at the Applicant's expense or permit the Applicant to perform these responsibilities at Applicant's expense. Where work is to be performed in an existing right-of-way and requires the Company to obtain a permit from a governmental body, the Company may specify additional requirements and place restrictions on the selection of contractors.
- 3) Where the Company provides trenching, and backfilling, estimated actual costs will apply as specified in Schedule 300. The Applicant will be responsible for all additional costs of excavating rock, furnishing and installing raceway, excavating to a depth in excess of Company standards, manual digging, and the repair of paved roads, walks, and driveways when such work must be performed.

#### **C. Additional Services**

- 1) **Service Locates**  
The Company will locate underground water, sewer and water runoff services along the Applicant's proposed trench route on the Applicant's property if requested by the Applicant.
- 2) **Service Guarantee/Wasted Trip Charge**  
The Company will begin the installation of residential single family underground service laterals within seven working days following the date an Applicant requests such service, except during periods of major storms or other such conditions beyond the Company's control. If the Company does not meet this standard, the Company will pay the Applicant the Service Guarantee Charge in Schedule 300. If, however, Company resources are dispatched to install the residential single family service lateral within the seven-day period and the Applicant's site or other facilities are not ready for service, the Applicant will be assessed the Wasted Trip Charge in Schedule 300.
- 3) **Joint Trench Installation Charge**  
Upon mutual agreement between the Company and the Applicant, the Company may install telephone and cable services during the installation of the underground service lateral. The parties involved will mutually agree to the price for such service.

**RULE I (~~Concluded~~Continued)**

**4. System Capacity Allocation Process – Capacity Categories 2A, 2B, and 3**

Applicants in Capacity Categories 2A, 2B, and 3 will be required to enter a system capacity allocation process for system planning, energization schedule, and determination of Allocated System Capacity.

Existing customers that have already been allocated system capacity over 30 MW prior to December 19, 2023, and have entered into a service agreement with the Company but have not been energized by December 20, 2024, must agree to amend the terms of their service agreement with the Company to specify their Allocated system Capacity and associated Capacity Exceedance Threshold. These customers are otherwise exempt from this allocation process until or unless they request additional system capacity.

**A. General Conditions**

- 1) The Company will determine which study or studies will be required. Applicants may be required to sign a comprehensive study agreement for all required studies or individual agreements for each required study at the Company's discretion.
- 2) Applicants will be placed in a queue. The Company reserves discretion to divide Applicants or Customers into separate queues and to perform studies in clusters by service interconnection, requested capacity, location within Enhanced Planning Areas, or other relevant factors. Applicants in Capacity Categories 2A or 2B in an area that has not been identified as an Enhanced Planning Area and all Applicants in Capacity Category 2A or 2B with requested capacity of less than 4 MW will be studied and positioned in the queue based upon the date of a complete Application. The Company will make a good faith effort to manage queue position on a first-come, first-served basis for such Applicants. All other Applicants in Capacity Categories 2A, 2B or 3 will be placed in a cluster study upon completion of an Application to be studied with other Applicants in the cluster study.
- 3) For Applicants in a cluster study, the determination of Allocated System Capacity will be assessed on a pro-rata framework based on the total requested capacity and available capacity up to the transmission system capacity limit derived based on reliability standards requirements for the transmission system. Additional system capacity may be allocated to Applicants committing to providing dispatchable flexible load pursuant to a Company-authorized flexible load program such as Schedule 200 or demand side management program.
- 4) Study durations may be significantly affected if coordination with other utilities is required.
- 5) Completion of a study by the Company does not guarantee capacity or service or that capacity will be allocated to the Applicant.
- 6) Failure of the Applicant to sign a required study agreement within 30 days of receipt from the Company and provide any required accompanying evidence, such as property ownership or good faith efforts to acquire property, shall automatically forfeit position within the queue.

**RULE I (Continued)**

General Conditions (Continued)

- 7) Generally, the Allocated System Capacity and in-service timeframe offered to the Applicant by the Company will be determined by available system capacity and the amount of capacity the Applicant requests and are subject to change by the Company until a Customer Service Contract is executed by the Applicant and the Company.

**B. Allocation Process**

**1) Pre-Feasibility Review**

The Applicant or Customer shall submit a capacity request to the Company. The request will be evaluated for pre-feasibility, which includes a high-level screening of the Company's general ability to serve the request at the specified location and within the requested timeframe.

**2) Application Submission**

The Applicant or Customer shall submit a completed application to the Company to enter into the system capacity allocation process. The Applicant will be required to pay the application fee and sign the Study Agreement.

**3) Load Flexibility**

Applicants in a study may gain access to additional Allocated System Capacity beyond their initial allocation by participating in eligible Company flexible load programs. In order to be considered for such allocation of additional transmission capacity, an Applicant must include proposed eligible flexible load in their Application prior to the initial study. Any proposed eligible flexible load will be required to meet the applicable requirements of a Company-approved flexible load program, including but not limited to Schedule 200 and demand side management programs. Requests to add flexible load after the initial study completion may require submission of a new Application or result in the need to restudy the Application.

**4) Feasibility Study**

The Company requires a minimum of 30 days to complete Applicant's Feasibility Study and will provide the Applicant with an estimated completion date in the study agreement.

**5) System Impact Study**

The Company requires a minimum of 60 days to complete Applicant's System Impact Study and will provide the Applicant with an estimated completion date in the study agreement.

**6) Facilities Study**

The Company requires a minimum of 90 days to complete Applicant's Facilities Study and will provide the Applicant with an estimated completion date in the study agreement.

**RULE I (Continued)**

**5. Customer Service Contracts – Capacity Categories 2B and 3**

Applicants in Capacity Categories 2B and 3 will be required to sign a Customer Service Contract as a condition of receiving Electricity Service from the Company. The Applicant's Customer Service Contract will be provided along with the last study report of the system capacity allocation process and must be signed by the Applicant within 60 days of issuance. Failure to return a signed Customer Service Contract to the Company within 60 days of issuance will result in forfeiture of the Applicant's queue position.

Customer Service Contracts will be form contracts with terms and conditions required by this Rule as well as other commercially reasonable terms and conditions and may be revised by the Company consistent with applicable requirements in the Company's tariffs, the Public Utility Commission rules and orders.

**A. Billed Distribution Demand**

If providing service to the Applicant requires the construction of Distribution Facilities, the Customer Service Contract will contain an annual Billed Demand that the Customer must pay at the then-current tariff rates for distribution. Billed Demand will be based on the Company's levelized annual revenue requirement associated with the Cost of Work attributable to the Customer. The annual revenue requirement for Exclusive Use Facilities is allocated 100% to the attributable Customer but is otherwise proportionally assigned. Generally, under any LLCA, the Billed Demand shall be a flat amount that the Customer will be billed at the then-current tariff rate regardless of the Customer's actual demand.

Billed Demand for a LLCA will be directly calculated as a kW or MW equivalent based on the annual revenue requirement associated with the Cost of Work. Under the LLCA, the Billed Demand will continue during any renewal period if and only if Billed Demand exceeds Allocated System Capacity. If a Customer under a LLCA would be required to pay a Billed Demand amount of less than 25% of its Allocated System Capacity, then the Customer will be billed at the greater of Billed Demand or actual demand.

Billed Demand for Minimum Load Agreements will be set in the fifth year to no less than 75% of Distribution Capacity and set to recover no less than 17% of the Cost of Work totaled over the five-year load ramp period, provided that for each year during the ramp period the Billed Demand may not exceed the Distribution Capacity. Customers under a Minimum Load Agreement will be billed at the greater of Billed Demand or actual demand.

**B. Contract Term**

The term of a Minimum Load Agreement will be 10 years. The term of the LLCA will be 8 to 30 years, at the Customer's election, measured from the in-service date.

**C. Contract Renewal**

Customer Service Contracts will renew automatically unless terminated according to the terms of the Customer Service Contract.



**RULE I (Continued)**

Customer Service Contracts – Capacity Categories 2B and 3 (Continued)

**D. Credit Requirements**

If Applicant does not meet the Company's credit requirements or does not provide a parental guarantee from a parent company meeting the Company's credit requirements, then Applicant will be required to provide a deposit in the form of a letter of credit. The Company's credit requirements will be identified in the Customer Service Contract.

**E. Exit Fee**

In the event a Customer Service Contract expires or is terminated by the Customer or by the Company in the event of a Customer default or breach or by either the Company or Customer in the event of change of law defined in the Customer Service Contract, the Company will calculate the Exit Fee in a commercially reasonable manner and provide notice of the amount to Customer and Customer shall pay the Exit Fee to the Company within ten (10) calendar days of the date of such notice.

The Exit Fee for the LLCA shall be (i) the net book value of the Cost of the Work calculated as of the date that is three (3) years after the date of termination or expiration of the LLCA, as determined by the Company in accordance with generally accepted accounting principles; plus (ii) any additional costs reasonably incurred or owing by the Company in connection with winding up the construction work, including any costs of decommissioning and removal of the Distribution Facilities, net of salvage value as determined by the Company in its reasonable discretion, and costs incurred in connection with the cancellation of third-party contracts; plus (iii) an amount equal to three years of distribution charges at the then current tariff rates for distribution and equal to either Billed Demand or actual demand (if there is no Billed Demand) as applicable to the Customer at the time of termination or expiration of the LLCA.

The Exit Fee for the Minimum Load Agreement shall be (i) the net book value of the Cost of the Work calculated as of the date of termination or expiration of the Minimum Load Agreement, as determined by the Company in accordance with generally accepted accounting principles; plus (ii) any additional costs reasonably incurred or owing by the Company in connection with winding up the construction work, including any costs of decommissioning and removal of the Distribution Facilities, net of salvage value as determined by the Company in its reasonable discretion, and costs incurred in connection with the cancellation of third-party contracts.

**RULE I (Continued)**

Customer Service Contracts – Capacity Categories 2B and 3 (Continued)

**F. Failure to Satisfy Flexible Load Requirements**

The Customer Service Contract will contain terms and conditions providing for remedies if a Customer fails to satisfy the requirements for its participation in any Company-approved flexible load program when such participation is a condition of service. Customers who are enrolled in a flexible load program with the Company as a condition of service are not eligible for financial benefits associated with such programs so long as participation in the Company approved flexible load program is a condition of service.

**G. Capacity Exceedance Penalty**

Under the terms of any LLCA or any Minimum Load Agreement for Allocated System Capacity of 12 MW or greater, if the Customer is located in an Enhanced Planning Area as identified by the Company and if the Customer's actual demand exceeds Allocated System Capacity by 10% or 5,000 kW, whichever is less ("Capacity Exceedance Threshold"), then the Customer will be assessed an exceedance penalty. Under the terms of any LLCA, the Company may impose an exceedance penalty in an area not considered an Enhanced Planning Area if the exceedance is substantial and may cause a risk of a system emergency or constraint. The penalty amount will be calculated and charged per hour and per MW of exceedance over the threshold as four times the transmission rate specified by demand per the retail schedule under which the Customer is served. Customers who exceed their Capacity Exceedance Threshold will be subject to curtailment, termination and other remedies specified in the Customer Service Contract.

**H. Minimum Transmission Demand**

LLCAs will require Customers to annually meet or pay a minimum of 80% of Allocated System Capacity (the "Minimum Transmission Demand") at the then current tariff rate for transmission per the retail schedule under which the Customer is served.

**I. System Capacity Allocation Deposit**

LLCAs will require Applicants provide a one-time deposit for Allocated System Capacity equal to two years' worth of Minimum Transmission Demand. Customers with no arrearage will be entitled to a refund of the System Capacity Allocation Deposit. Eligible refunds will be paid at 50% following Year 2 and 50% following Year 3 of the Customer Service Contract.

**RULE I (Continued)**

Customer Service Contracts – Capacity Categories 2B and 3 (Continued)

**J. System Capacity Allocation Period**

Under the terms of any LLCA, Allocated System Capacity is determined on a rolling three-year basis until the termination or expiration of the LLCA. At the end of each allocation period, the allocation will auto-renew at the Allocated System Capacity unless, (1) the Company has reduced the Allocated System Capacity due to failure to meet the Minimum Transmission Demand at least three (3) times in the immediate preceding allocation period, (2) the customer has requested a reduction of their Allocated System Capacity and the Company has accepted the reallocation of system capacity to another customer, or (3) the Customer fails to meet the requirements of the Flexible Load Plan, as defined in the LLCA.

If Customer's Demand fails to meet the Minimum Transmission Demand as outlined in the LLCA at least three (3) times in the immediately preceding allocation period, then the Company may reduce the Allocated System Capacity to Customer's highest Demand measured during such allocation period pursuant to the terms of the LLCA. The terms and conditions applicable to potential reductions in Allocated System Capacity based upon the Customer's failure to satisfy the requirements of any Company flexible load program or upon the Customer's timely request to reduce the Allocated System Capacity will be set forth in the LLCA. The Customer will not be required to pay a new System Capacity Allocation Deposit at commencement of each allocation period, but transmission charges will be based upon the Minimum Transmission Demand established for the three-year period.

Reductions of Allocated System Capacity and their accompanying cost responsibilities will only be considered at the expiration of each three-year allocation period and will be contingent upon the Company's ability to reallocate such capacity to another customer.

**46. Refunds**

- A. Where an Applicant has paid all or a portion of the costs of a Line Extension and additional Customers are subsequently connected to it, the Company will, at its initiative or on request from the Applicant for the original Line Extension, compute on a prorated basis the Line Extension Cost responsibility for up to three additional new Applicants connected to the original Line Extension and make collections and refunds for up to three additional Applicants, provided the following three conditions are satisfied:
  - 1) The original Line Extension has been in service for less than five years when the additional connections are made;
  - 2) The original Line Extension has been in service less than six years when the application for refund is made; and
  - 3) The payment made by the original Applicant was \$100 or more.
- B. Where additional Applicants are connected within five years of completion of the original Line Extension, and the allowances for the subsequent Line Extensions exceed additional Applicants' costs, the difference may be refunded to the original Applicant under the following conditions:

**RULE I (Continued)**

Refunds (Continued)

- 1) Application for such refunds may be made as additional Applicants are connected, but no more frequently than on an annual basis; and
- 2) The total amount refunded will not exceed the Line Extension Cost paid by the original Applicant.

**57. Special Conditions for Portland River District Undergrounding Project**

For an area within the City of Portland, depicted as the shaded region on the map included as Appendix A<sup>(1)</sup>, the applicable Applicant cost responsibilities of Underground Line Extensions, as specified in Section (3)B(1), will be incurred as a Service Connection Charge. This charge will be equal to \$39,040.00<sup>(2)</sup> for a standard 200' X 200' block within the district. For any development area other than the standard size, the charge will be prorated based on the comparative size of that area.

- (1) Between Broadway and Glisan Street and behind Union Station, the River District boundary is defined by the railroad right-of-way. Their respective streets or the Willamette River defines all other sections of the River District boundary.
- (2) This amount will be applicable through the year 2009. Beyond 2009, the charge will be escalated annually by the Company's then authorized cost of capital.

**68. Conversion from Overhead to Underground Service**

**A. General**

The Company will replace overhead with underground Facilities whenever such conversion is practicable and economically feasible. Customers connected by overhead Distribution Facilities owned by the Company that desire underground service will comply with applicable provisions of this rule.

**B. Payment for Service Changes**

The party requesting conversion from overhead to underground will pay the Company, prior to conversion, the estimated original cost, less depreciation, less salvage value, plus removal expense of any existing overhead Facilities no longer used or useful by reason of said underground system, and the costs of any necessary rearrangements, modifications, and additions to existing Facilities to accommodate the conversion of Facilities from overhead to underground.

**C. Special Conditions**

The conversion of overhead to underground Facilities affecting more than one Customer will be conditioned on the following:

- 1) The governing body of the city or county in which the Company's Facilities are located will have adopted an ordinance creating an underground district in the area in which both the existing and new Facilities are and will be located, providing:

**RULE I (Continued)**

Special Conditions (Continued)

- a) All existing overhead communication equipment and Distribution Facilities in such district are removed;
  - b) Each Customer served from such electric overhead Facilities will, in accordance with the Company's rules for underground service, make all necessary electrical facility changes on said Customer's Premises in order to receive service from the Company's underground Facilities as soon as available; and
  - c) The Company is authorized to discontinue its overhead service on completion of the underground Facilities.
- 2) All Customers served from overhead Facilities will agree in writing to perform the wiring changes required on their Premises so that service may be furnished in accordance with the Company's rules regarding underground service. Such Customers must also authorize the Company to discontinue overhead service upon completion of the underground Facilities.
  - 3) ~~When the~~ local government requires the Company to convert overhead Facilities to underground at the Company's expense, the provisions of OAR 860-022-0046 will apply.
  - 4) That portion of the overhead system that is placed underground will not impair the utilization of the remaining overhead system.

**D. Cost of Area Conversions**

Area conversions may involve an ~~allocation or~~ assessment of costs and responsibilities among Customers. Such assessment and collection thereof will be the responsibility of a governmental unit or an association of those affected.

**E. Cost of Additional Circuit Capacity**

Where the Company installs an underground circuit with capacity in excess of the existing overhead, any additional cost to provide such excess circuit capacity will be at the Company's expense. Applicant cost responsibilities will be as defined in Section (6)(B) plus all reasonable costs for conduit or vault space installed to establish pathways for future circuit capacity.

RULE I (Continued)

**79. Nonpermanent Line Extension**

A. **General**

A Line Extension is nonpermanent when the Company believes service for its intended purpose by the Applicant will continue for less than five years. If the Company believes a requested Line Extension is nonpermanent, the Company will require a cash advance of the entire Line Extension Cost, plus payments to third parties for easements and those costs outlined under Section 3, plus the estimated cost of removing the Line Extension, less any salvage value. If service is used for the intended purpose by the Line Extension Applicant for a period of five years, that portion of the amount advanced by the Applicant which was in excess of the amount that would have been charged for a permanent Line Extension will be refunded to the Applicant with interest.

B. **Greater than 1 MWa Nonresidential Nonpermanent Service – Capacity Categories 1 and 2A**

Nonresidential Line Extension Applicants with Line Extension Costs of \$50,000 or greater, with loads in excess of 1 MWa, will sign a contract agreeing to accept Electricity Service at a specified minimum load. If service is terminated within an initial term of five years or if service is reduced to shut-down mode, a Service Termination Charge equal to the Line Extension Allowance (LEA) less 1/5<sup>th</sup> for each year service was taken at the specified minimum will be assessed as follows:

$$\frac{[(5 - \text{Years Served}) * \text{LEA}]}{5}$$

**810. Excess Capacity**

Excess Capacity will be determined to exist where:

- A. The characteristics of the Customer's load require the Company to install Facilities larger than the kVA demand of the load for voltage regulation or other reasons;
- B. The Customer requests additional capacity due to planned expansion needs that have not yet occurred; or
- C. The Customer requests Facilities that are in excess of what the Company determines is required based on the Company's analysis of the Customer's planned load.

**RULE I (Concluded)**

Excess Capacity (Continued)

- D. When a Customer applying for a service upgrade or a new service Applicant requires Excess Capacity, such installation will be ineligible for a Line Extension Allowance associated with the unused or underutilized portion of the Line Extension. The unused or underutilized portion of the Line Extension will be determined by comparing the cost of the Line Extension with and without the Facilities necessary to serve the Excess Capacity. The Customer or Applicant will also be responsible for a maintenance charge equal to the present value of future maintenance of the excess Facilities at the time the new service or service upgrade is installed. If within five years of installation the excess capacity situation is determined to no longer exist the Company will refund the portion of the Line Extension charges that resulted from the designation of Excess Capacity, including the maintenance charge. It is the responsibility of the Customer to inform the Company as to the change in their capacity requirement within the five-year period.

**911. Rules Previously in Effect**

Amounts advanced under the conditions established by a rule or contract previously in effect will be refunded in accordance with the provisions of that rule or contract.

RULE I

APPENDIX A

