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GENERAL INFORMATION

3. EXTENSION AND MAINTENANCE OF COMPANY FACILITIES TO SERVE CUSTOMER (Cont'd)

J. UNDERGROUND RESIDENTIAL DISTRIBUTION SYSTEMS IN SUBDIVISIONS (Cont'd)

(2) <u>Installation of Underground Distribution System within Subdivisions</u> (Cont'd)

(b) Deposit by the Applicant

In order to guarantee performance, the Company may require from the applicant before construction is commenced a deposit in a reasonable amount, but in no event more than the estimated total cost of construction. The deposit is in addition to the applicant's payment (contribution) of its share of costs for installation and shall be returned, with interest, to the applicant, on a pro rata basis based on the number of dwelling units connected to and receiving service from the system, when each dwelling unit is connected to the system.

When the developer is not primarily engaged in the construction of dwelling units within the subdivision and there is no governmental authority requiring undergrounding and overhead facilities are proposed to be installed under Rule 3.J.(5)(a); the Company may require a deposit of the full costs and expenses for the overhead distribution system prior to the start of construction. This deposit shall be returned, with interest, to the applicant, on a pro rata basis based on the number of dwelling units connected to and receiving service from the system, when each dwelling unit is connected to the system.

Any portion of the deposit remaining unrefunded five years from the date the Company is first ready to render service from the underground system shall be retained by the Company.

A bond, letter of credit or reasonable equivalent may be posted in lieu of any deposit providing the terms can be mutually agreed upon by the Company and the applicant. In addition, the Company may require provision for collection in advance of a reasonable sum for administrative costs.

The deposit refund interest rate shall be the rate specified by the Commission for interest on deposits.

(3) <u>Underground Electric Service Lateral</u>

Underground electric service laterals shall be installed in accordance with the provisions of Rule 3.C.

(4) <u>Underground Connection to Supply System</u>

If a governmental authority having jurisdiction to require undergrounding, has required that underground facilities be installed, the Company shall furnish and construct, when necessary, an amount of underground supply circuit from the boundary line of the subdivision to the Company's existing distribution system. The "supply line" shall be included in the calculation of the total footage required for the underground distribution system in the subdivision.

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