

## **PUBLIC NOTICE**

The Board of Directors of Cordova Electric Cooperative, Inc. are requesting a Tariff change to amend Section 6 – Line Extension Policy as follows:

Revisions to 6.2 – Residential Extensions – add sections 6.2.2 and 6.2.3:

### **6.2 Residential Extensions**

#### **6.2.1 Extension Allowances**

The Extension Allowance for a permanent single residential application is \$-3,500. Meters used by the Cooperative for billing purposes are provided at no cost to the Applicant. The Applicant must advance the estimated costs exceeding the Extension Allowance prior to the start of construction.

The Cooperative will periodically review the Extension Allowance and may propose adjustments from time to time.

6.2.2 CEC shall not begin construction of the service extension until the Customer has: 1) paid CEC all estimated costs in excess of the Extension Allowance (unless the eligible Customer has signed an agreement to pay the balance of estimated costs in excess of the Extension Allowance in accordance with Section 6.2.3 below). The customer is responsible for all cost overruns up to 10 percent of the estimated costs of the service extension and all costs caused by the customer subsequent to the initial written estimate. Additional costs that were not caused by the customer in excess of 110 percent of the initial estimate shall be paid for by CEC.

6.2.3 CEC offers a payment plan option for individual homeowners who meet eligibility requirements. The applicant will be required to execute both a deed of trust as security and a written agreement in addition to any monthly payment for electric service. Under the “payment plan” option, CEC will secure a limited title search for the applicant’s property served by the line extension. The cost of the title search and the recording fee for the deed of trust must be paid by the applicant before construction. All contracts so executed shall have a term of two (2) years.

If the applicant or member sells the residence while the contract is in effect, the member will be required to pay the outstanding balance in full at the time of sale. Alternatively, CEC may permit the new owner to assume in writing the payment obligations of the contract.

#### **6.2.4 Additional Consumers, Advances and Refunds**

A consumer that pays for a portion of the construction of an Extension may receive refunds if additional consumers connect to the Extension. The consumer is eligible for refunds during the first five years following construction of an Extension for up to three additional consumers. Each of these three consumers utilizing any portion of the initial Extension must pay the Cooperative, prior to connection, 25% of the

cost of the shared facilities. The Cooperative will refund such payments to the initial consumer.

There will be a Public Hearing on Wednesday, June 27, 2018 from 5:30-6:00 p.m. at the Cooperative's headquarters located at 705 Second Street to receive input from the membership concerning this Tariff change. Written or oral comments are solicited. Please call CEO Clay Koplin at 424-5555 for more information or write CEC at PO Box 20, Cordova, AK 99574.