



C-2010-2150862

GENERAL RULES AND REGULATIONS

5. Right-of-Way

An Applicant (and/or any existing Customer seeking additional service) requesting service from the Company shall grant to the Company, without charge, a right-of-way for all Company facilities over, through, across and/or along the property owned or controlled by the Applicant/Customer in order to provide electric service to the Applicant/Customer, unless a valid and continuing right-of-way has already been granted to the Company by such Applicant/Customer or any predecessor.

The Company shall not be obligated to provide any electric service to an Applicant/Customer until the Company has received and/or obtained satisfactory rights-of-way and/or permits from, but not limited to, the Applicant/Customer, applicable Government agencies, railroad owners or other property owners. Any right-of-way or permit fees, either initial or recurring, or other charges in connection with rights-of-way for providing service to an Applicant/Customer, shall be paid for by the Applicant/Customer.

6. Extension of Company Facilities: System Upgrades

The standard service provided by the Company for delivery of electric energy to a Customer under this Tariff, whether Delivery Service or Full Service, regardless of delivery voltage, shall be from overhead Distribution Lines, except as noted in any Rate Schedule or other applicable provision of this Tariff. Subject to the requirements of this Tariff, the Company shall extend its 34,500 volt wye configured or lower voltage Distribution Lines to Applicants. Any request for electric service that requires the extension, removal, relocation or change of the Company's existing Distribution Lines shall be provided as set forth in this Rule 6. Applicants requesting a Line Extension shall, at the Company's discretion, execute the Company's Line Extension contract. Any Customer served by a Line Extension completed before the effective date of this Rule 6 shall be subject to the terms and conditions of its existing Line Extension contract and the Company's then-applicable Line Extension tariff, rules and regulations.

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GENERAL RULES AND REGULATIONS

Rule 6 - Extension of Company Facilities: System Upgrades (continued)

a. **Line Extensions**(1) **Definitions**

Any capitalized term used in this Rule 6 that is not otherwise defined herein shall have the meaning set forth in Rule 2 of this Tariff. For the purpose of this Rule 6, the following definitions shall apply:

Applicant - Any person, corporation or other entity that (i) desires to receive from the Company electric or any other service provided for in this Tariff, (ii) complies completely with all Company requirements for obtaining electric or any other service provided for in this Tariff, (iii) has filed and is awaiting Company approval of its application for service, and (iv) is not yet actually receiving from the Company any service provided for in this Tariff. For Residential Service, an Applicant is a natural person not currently receiving service who applies for Residential Service or any adult occupant whose name appears on the mortgage, deed or lease of the property for which the Residential Service is requested. An Applicant shall become a Customer for purposes of this Rule 6 only after it actually starts receiving the applicable service(s) from the Company under this Tariff.

Cash Advance - A refundable contribution in cash from an Applicant for those costs associated with a Line Extension, increased for applicable taxes as specified in Rule 7, which is held by the Company in a non-interest bearing account.

Contractor Costs - The amounts paid by the Company for work performed by a contractor retained by the Company.

Contributions in Aid of Construction ("CIAC") - A non-refundable contribution in cash from an Applicant for those costs associated with a Line Extension, and/or tree trimming, brush clearance and related activities or those costs associated with Temporary Service or the relocation of Company facilities, increased for applicable taxes as specified in Rule 7.

GENERAL RULES AND REGULATIONS

Rule 6 - Extension of Company Facilities: System Upgrades (continued)

Customer - Any person, partnership, association, corporation, or other entity (i) in whose name a service account is listed, (ii) who occupies or is the ratepayer for any premises, building or structure, etc. or (iii) is primarily responsible for payment of bills. For Residential Service, a Customer is a natural person in whose name a Residential Service is listed and who is primarily responsible for payment of bills rendered for the service or any adult occupant whose name appears on the mortgage, deed or lease of the property for which the Residential Service is being received.

Developer - The person or entity responsible for constructing and providing improvements in a Development, including, but not limited to, streets, sidewalks and utility-ready lots.

Development - A planned project which is developed by a Developer for electric service set out in a recorded plot plan of five (5) or more adjoining unoccupied lots for the construction of single-family residences, detached or otherwise, mobile homes, or one (1) or more five-unit apartment houses, all of which are intended for year-round occupancy, if electric service to such lots necessitates extending the Company's existing Distribution Lines.

Direct Labor Costs - The pay and expenses of Company employees directly attributable to work performed, excluding construction overheads or payroll taxes, workmen's compensation expenses or similar expenses.

Direct Material Costs - The purchase price of materials used, excluding related stores (i.e., warehousing) expenses. In computing Direct Material Costs, proper allowance shall be made for unused materials recovered from temporary structures, and for discounts allowed and realized in the purchase of materials.

Distribution Line - An electric supply line and related equipment of untransformed voltage from which energy is delivered to one (1) or more Service Lines.

Line Extension - The extension of the Company's distribution system from the nearest suitable and available Distribution Line to the Service Line which will provide service to the Customer.

GENERAL RULES AND REGULATIONS

Rule 6 - Extension of Company Facilities: System Upgrades (continued)

Non-Speculative Line Extension - A Line Extension for a Permanent Residential Customer under which the Company has taken into account various factors including, but not limited to, Customer location, rate classification, projected Company revenues, permanency of use, primary residence and prospect of use by future Customers, and has deemed the cost for the Line Extension to be reasonable for the Company to incur.

Permanent Residential Customer - A Customer occupying a dwelling or mobile home on a permanent foundation which is the Customer's primary residence occupied year-round for normal living purposes and including: (i) electrical wiring conforming to the National Electrical Code and the Company's service installation policies; (ii) a permanently installed heating system; and, (iii) permanently installed plumbing and sewage systems.

Private Right-of-Way - The right-of-way or easement for electric facilities on, over, under, across and/or through real or other property owned by an individual or entity which is not a governmental, municipal or other public body to provide Full Service or Delivery Service.

Public Right-of-Way - The right-of-way or easement for electric facilities, subject to reasonable permitting, on, over, under, across and/or through real or other property owned by a governmental, municipal or other public body to provide Full Service or Delivery Service.

Service Line - An electric supply line from the Distribution Line to the Customer's metering point from which electric service is delivered to the Customer.

Speculative Line Extension - A Line Extension in which the Company has taken into account various factors including, but not limited to, Customer location, rate classification, projected Company revenues, permanency of use, primary residence and prospect of limited use by future Customers, and has deemed the cost of the Line Extension to be unreasonable for the Company to incur.

GENERAL RULES AND REGULATIONS

Rule 6 - Extension of Company Facilities: System Upgrades (continued)

Subdivider - The person or entity responsible for dividing a tract of land into building lots, to form a Subdivision, that are not to be sold as utility-ready lots.

Subdivision - A tract of land divided by a Subdivider into five (5) or more adjoining unoccupied lots for the construction of single-family residences, detached or otherwise, or apartment houses, all of which are intended for year-round occupancy, if electric service to such lots necessitates extending the Company's existing Distribution Lines.

Temporary Electric Service - A Service Line, meter and/or other work supplied by the Company to the Customer for electric service over a defined period, usually less than one (1) year.

(2) Non-Speculative Single Phase Line Extension**Company Obligations**

As used in this Rule 6, a span of conductor is approximately equal to 180 feet. The Company shall construct, own and maintain all Line Extensions. The Company shall provide an Applicant, at no charge, up to three (3) spans of conductor, three (3) poles and related material on Public Right-of-Way for each Line Extension, including the Service Line. The Company shall provide an Applicant, at no charge, one (1) span of conductor and related material on Private Right-of-Way for each Line Extension, including the Service Line, to serve a Permanent Residential Customer. The number of spans provided to an Applicant/Customer at no charge shall be referred to in this Rule 6 as the span allowance. The Company's engineering layout shall be the sole basis used for determining the design of the Line Extension and/or Service Line. Any additional Line Extension and/or Service Line costs in excess of those costs assumed by the Company under this Tariff shall be borne by the Applicant/Customer.

The Company shall not commence construction of a Line Extension and/or Service Line until completion of all of the following:

GENERAL RULES AND REGULATIONS

Rule 6 - Extension of Company Facilities: System Upgrades (continued)

- (a) The Company's receipt and acceptance of an Application for electric service.
- (b) Execution by the Company and the Applicant/Customer of appropriate agreements for electric service and/or Line Extensions, and the payment by the Applicant/Customer of any and all associated costs or charges.
- (c) The Applicant/Customer requesting the Line Extension and/or Service Line has furnished to the Company rights-of-way on, over, across, under and/or through the Applicant's/Customer's property that are necessary for the construction, maintenance and operation of the Line Extension and/or Service Line in accordance with Rule 5 of this Tariff and which are in form and substance acceptable to the Company.

The Company shall be under no obligation to construct the Line Extension and/or Service Line in the event it is unable to acquire all necessary rights-of-way and other consents from any parties other than the Applicant/Customer, in such form and substance acceptable to the Company.

Applicant Obligations

Where the Non-Speculative Line Extension and/or Service Line exceeds the span allowance, the Applicant/Customer shall make a CIAC or Cash Advance to the Company equivalent to the Company's estimated Direct Labor Costs and Direct Material Costs and/or Contractor Costs for construction of that portion of the Line Extension and/or Service Line which is in excess of the span allowance. All Line Extension and/or Service Line costs in excess of the span allowance shall be charged to the Applicant/Customer.

In the event that an Applicant/Customer makes a Cash Advance to the Company for construction costs in excess of the span allowance, refund(s) shall be made to the initial Line Extension Applicant/Customer for each new Permanent Residential Customer added to the initial Line Extension. The refund(s) shall be calculated by the average cost per foot of the Line Extension in excess of the span allowance. Refunds shall be made only for Customer additions made within five (5) years from completion of the initial Line Extension and the sum of any refund(s) shall never exceed the initial Line Extension Applicant's/Customer's Cash Advance. Any balance from the Cash Advance remaining after five (5) years shall be retained by the Company. In lieu of paying a Cash Advance to the Company, the Applicant/Customer may elect to pay a CIAC to the Company.

GENERAL RULES AND REGULATIONS

Rule 6 - Extension of Company Facilities: System Upgrades (continued)

If the Applicant/Customer requests, and Company approves, Line Extensions and/or Service Lines may be installed underground. Where a Customer requests underground service from overhead distribution facilities, the Company shall install such service upon receipt of a contribution, in the form of a CIAC, from the Customer equal to the amount the underground service costs exceed the overhead service costs. These costs will not be part of any Cash Advance or refund to a Cash Advance. The Company shall own, operate and maintain such underground facilities. In such case, the Applicant/Customer shall provide all necessary trenching, excavation, backfilling and grading in accordance with Company specifications in the prevailing Service and Meter Installation Requirement handbook, and shall bear all costs thereof.

Residential Customers electing to use conduit for their underground Service Line shall pay all related costs associated with such conduit.

The Applicant/Customer shall perform or arrange and pay for all Company-directed rough grading in accordance with the Company's specifications for underground lines and facilities, as said specifications shall be modified by the Company from time to time.

The Applicant/Customer shall pay the cost of all tree trimming, brush clearance and related activity associated with the establishment of the right-of-way for the Line Extension and/or Service Line.

If Applicant/Customer requests any deviation from the Company's specifications, the Company may, in its sole and exclusive discretion, approve such request. Any Company-approved deviations from its construction practices shall be at the Applicant's/Customer's sole expense.

GENERAL RULES AND REGULATIONS

Rule 6 - Extension of Company Facilities: System Upgrades (continued)

(3) Underground Electric Service in New Residential Developments**Company Obligations**

The Company shall install underground facilities inside new Developments; however, should the lot owner or owners in a Subdivision desire underground service, such service shall be provided by the Company if such lot owner or owners, at their option, comply with Rule 6a(2) (Non-Speculative Single Phase Line Extensions) and 6a(4) (Speculative Single Phase and All Three Phase Line Extensions and Service Lines).

The Company shall require for Developments which qualify under this Rule 6a(3) (Underground Electric Service in New Residential Developments) and Rule 6a(4), (Speculative Single Phase and All Three-Phase Line Extensions and Service Lines) a CIAC or Cash Advance from the Applicant covering the Company's total estimated direct and indirect costs associated with the Line Extension to the tract of land being developed or within 100 feet of the boundary of Development. After the connection of Customers, external to the Development, to the Line Extension, a refund of the Cash Advance shall be made to the Applicant in accordance with Rule 6a(4) (Speculative Single Phase and All Three-Phase Line Extensions and Service Lines).

The Company or its agent shall install the necessary service-related facilities that may include the installation of padmount transformers.

The Company shall, at the request of the Developer, install underground street lighting lines at the time of the original request for service to the Development or thereafter within the same Development. All street lighting shall be provided in accordance with this Tariff.

The Company shall have the right to perform its own excavating and backfilling.

If the Company elects to perform its own excavating and backfilling, there shall be no other charges to the Developer or to any other utility sharing the same trench.

GENERAL RULES AND REGULATIONS

Rule 6 - Extension of Company Facilities: System Upgrades (continued)

Developer Obligations

A Developer shall pay the cost of providing the Company with a copy of the recorded development plot plan identifying property boundaries and with easements satisfactory to the Company for occupancy by distribution, service and street lighting lines and related facilities.

The Developer or its agent shall provide all excavating, rough grading and backfilling required by the Company and shall meet the Company's specifications as they may be in effect from time to time. The Company upon request shall provide copies of the specifications to the Developer.

A Developer shall pay the Company for any necessary and additional costs incurred by the Company as a result of the following:

- (a) Installation of underground facilities that deviate from the Company's underground construction standards and specifications if such deviation is requested by the Developer.
- (b) A change in the plot plan by the Developer for electric service after the Company has completed engineering for the project and/or has commenced installation of its facilities.
- (c) Physical characteristics such as, but not limited to, oversized lots or lots with extreme setback.

GENERAL RULES AND REGULATIONS

Rule 6 - Extension of Company Facilities: System Upgrades (continued)

Exceptions

Whenever the Company or any affected person believes that the application of this Rule 6a(3),(Underground Electric Service in New Residential Developments) works an undue hardship, involves a physical impossibility, or is otherwise inappropriate, they may request an exception from the Commission in accordance with 52 Pa. Code §§ 57.81-57.88 by providing the Commission with the following:

- (a) A copy of the recorded plot plan of the Development for which the exception is being sought; and
- (b) A letter petition setting forth the name of the Applicant, the location and size of the development involved, the names of the electric utility and telephone utility which shall provide service to that development, the date on which construction began or shall begin, whether the development is a new development or one (1) phase in a development to be completed in several phases, and whether facilities in the area surrounding the development have been installed underground or overhead.

Upon the filing of an exception request, the Commission's staff shall notify the utilities involved and the appropriate local government authority, review the facts stated in the request and issue to the Applicant and the utility an informal written report and decision within 180 days of the request for an exception. Failure of the party requesting an exception to supply sufficient data within the 180 day period shall result in the automatic denial of the request.

The Company or any affected person may appeal the informal decision rendered by Commission staff by filing a letter petition with the Secretary of the Commission stating the facts in question and requesting a hearing. All such appeals shall be referred to the Commission's Office of Administrative Law Judge for hearing and decision.

If an exception request initiated by an Applicant for electric service is granted, and such Applicant thereafter desires underground electric service, 52 Pa. Code §§ 57.82 and 57.83 shall apply as if no exception had been granted.

GENERAL RULES AND REGULATIONS

Rule 6 - Extension of Company Facilities: System Upgrades (continued)

(4) Speculative Single Phase and All Three-Phase Line Extensions and Service Lines

When the Company is requested to increase capacity, expand facilities or construct Speculative Single Phase Line Extensions and/or Service Lines or Three-Phase Line Extensions and/or Service Lines, the Company shall determine from the circumstances of each case the nature and level of financing and/or guarantee of revenue required of the Applicant/Customer prior to construction or installation of Company facilities. The Company shall employ a five-year revenue guarantee in order to offset the initial construction costs. The five-year revenue guarantee includes five (5) years of forecasted distribution revenues less certain incremental delivery costs including, but not limited to, distribution operation and maintenance expenses, depreciation expenses, gross receipts taxes, state and federal income taxes, and a reasonable return component. The Company may require the Applicant/Customer to make (i) a CIAC equivalent to the Company's total estimated costs associated with the construction of facilities necessary to render service in excess of the amount not covered by the revenue guarantee or (ii) a Cash Advance for the total construction costs to render service. The Company shall refund all or a portion of a Cash Advance previously provided by the Applicant in the event that the Company's revenue analysis for any newly connected Non-Residential Customer indicates that there are revenues in excess of the costs to provide service to that newly connected Non-Residential Customer, within five (5) years from the completion of the initial Line Extension.

Where an application for an overhead Line Extension for a tract of land being developed or proposed to be developed, in whole or in part, for residential, commercial or industrial purposes not covered by Rule 6a(3), (Underground Electric Service in New Residential Developments) is received from an entity that is not expected to be a Customer, the Company, prior to construction, shall require payment of a CIAC or a Cash Advance from the Applicant covering the Company's total estimated costs associated with the construction of said overhead extension (i) to the tract of land being developed and (ii) within the boundary of the tract of land necessary to serve prospective Customers in the tract.

GENERAL RULES AND REGULATIONS

Rule 6 - Extension of Company Facilities: System Upgrades (continued)

After the connection of a Non-Residential Customer to the Line Extension, a refund of the Cash Advance shall be made to the Applicant in accordance with this Rule 6 a(4) (Speculative Single Phase and All Three-Phase Line Extensions and Service Lines).

Applications for Speculative or Three-Phase Line Extensions and/or Service Lines shall be subject to the provisions of this Tariff.

In addition to the Line Extension costs described above, Non-Residential Customers shall also provide, install and pay for conduit, cable, metering conduit associated with their underground installation, including the Service Line, and such other costs specified in the Company's prevailing Service and Meter Installation Requirement handbook.

The Applicant/Customer shall pay the cost of all tree trimming, brush clearance and related activity associated with the establishment of the right-of-way for the Line Extension and/or Service Line

b. Temporary Service

Temporary installations for Residential and Non-Residential Customers, requiring special service, meter or other work shall provide electric service for a defined period, usually less than one (1) year ("Temporary Service"). Temporary Service, such as for construction purposes or exhibits of short duration, etc. shall be installed and removed at the Applicant's/Customer's expense. The Company shall provide the Temporary Service upon application from an Applicant/Customer. The Company shall provide the Temporary Service, provided that the Applicant/Customer reimburses the Company for all costs of installing and removing the service installation, including both material and labor, less the salvage recovered from all materials and equipment removed after termination of service. In all such cases, the Applicant/Customer shall make an advance payment to the Company sufficient to cover the estimated charges for installation and removal of the Temporary Service.

For Temporary Service for residential single-unit house construction where both the temporary Service Line and meter can be transferred to the completed building, the Temporary Service shall be provided by the Company upon the Applicant's/Customer's payment of the Company's estimated costs to provide this service.

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Rule 6 - Extension of Company Facilities: System Upgrades (continued)

c. Relocation of, or Modification to, Company Facilities; Service Interruptions

If as a result of a Line Extension or any other request that results in an expansion of the Company's facilities, an increase in the Company's facilities, construction of a system upgrade or any other change to or the modification of the Company's electric system, the Applicant/Customer shall pay all costs for such work as specified in this Rule 6.

Company Obligations

The Company shall remove, relocate or change the Company's facilities or temporarily interrupt service to a Customer's premises, upon the Customer's request, where such removal, relocation, change or interruption is acceptable to the Company.

The Company shall provide the Residential Customer with an estimate of the costs of removing, relocating, changing or interrupting the Customer's service, and the Residential Customer shall pay that amount to the Company prior to performing the work.

The Company shall bill the Residential Customer based upon the Contractor Costs and/or Direct Labor and Direct Material Costs associated with the removal, relocation or change of distribution facilities or interruption, less an amount equal to any maintenance expenses avoided as a result of such work.

The Company may, in its sole discretion, request a Non-Residential Customer or other person or entity to pay to the Company in advance the estimated cost to perform such work. The Company shall bill Non-Residential Customers or other person or entity the total cost of the work, including the total direct and indirect costs.

After completion of the work, the Company shall bill or refund to the Non-Residential Customer or other person or entity, the difference between the estimated cost and the total direct and indirect cost of such work.

GENERAL RULES AND REGULATIONS

Rule 6 - Extension of Company Facilities: System Upgrades (continued)

Customer Obligations

A Customer desiring the removal, relocation or change of Company facilities or interruption shall submit a request to the Company.

The Company may accept or reject said request in its sole and exclusive discretion. If the Company accepts said request, the Customer shall pay in advance the Company's total estimated cost for any Customer requested temporary interruption in the Customer's service due to construction, maintenance or other activities.

All Customers or other parties that request the removal, relocation or change of Company facilities shall furnish, without expense to the Company, satisfactory rights-of-way acceptable to the Company for the construction, maintenance and operation of the relocated facilities.

Non-Residential Property Owner

A non-residential property owner shall not be relieved or excused from paying all costs associated with the relocation or modification of the Company's facilities or temporarily interrupt electric service to a Non-Residential Customer's property under this Rule 6(c) if such relocation or modification of Company facilities or temporary service interruption is the result of any order, rule, regulation or other direction to said property owner from any governmental or public authority.