Rule No. 20

REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES

A. The Utility will, at its expense, replace its existing overhead electric facilities with underground electric facilities along public streets and roads, and on public lands and private property across which rights-of-way satisfactory to the Utility have been obtained by the Utility, provided that:

1. The governing body of the city or county in which such electric facilities are and will be located has:

   a. Determined, after consultation with the Utility and after holding public hearings on the subject, that such undergrounding is in the general public interest for one or more of the following reasons:

      (1) Such undergrounding will avoid or eliminate an unusually heavy concentration of overhead electric facilities.

      (2) The street or road or right-of-way is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic.

      (3) The street or road or right-of-way adjoins or passes through a civic area or public recreation area or an area of unusual scenic interest to the general public.

   b. Adopted an ordinance creating an underground district in the area in which both the existing and new facilities are and will be located requiring, among other things, (1) that all existing overhead communication and electric distribution facilities in such district shall be removed, (2) that each property served from such electric overhead facilities shall have installed in accordance with the Utility’s rules for underground service, all electrical facility changes on the premises necessary to receive service from the underground facilities of the Utility as soon as it is available, and (3) authorizing the Utility to discontinue its overhead service.

(Continued)
Rule No. 20

REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES
(Continued)

A. (Continued)

2. The Utility’s total annual budgeted amount for undergrounding within any city or
the unincorporated area of any county shall be allocated as follows:

   a. The amount allocated to each city and county in 1990 shall be the highest
      of:

         (1) The amount allocated to the city or county in 1989, which amount
             shall be allocated in the same ratio that the number of overhead
             meters in such city or unincorporated area of any county bears to
             the total system overhead meters.

         (2) The amount the city or county would receive if the Utility’s total
             annual budgeted amount for undergrounding provided in 1989
             were allocated in the same ratio that the number of overhead
             meters in each city or the unincorporated area of each county
             bears to the total system overhead meters based on the latest
             count of overhead meters available prior to establishing the 1990
             allocations.

         (3) The amount the city or county would receive if the Utility’s total
             annual budgeted amount for undergrounding provided in 1989
             were allocated as follows:

             (a) Fifty percent of the budgeted amount allocated in the same
                 ratio that the number of overhead meters in any city or the
                 unincorporated area of any county bears to the total
                 system overhead meters.

             (b) Fifty percent of the budgeted amount allocated in the same
                 ratio that the total number of meters in any city or the
                 unincorporated area of any county bears to the total
                 system meters.

(Continued)
Rule No. 20

REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES

(Continued)

A. (Continued)

2. (Continued)

b. Except as provided in Section 2.c., the amount allocated for undergrounding within any city or the unincorporated area of any county in 1991 and later years shall use the amount actually allocated to the city or county in 1990 as the base, and any changes from the 1990 level in the Utility’s total annual budgeted amount for undergrounding shall be allocated to individual cities and counties as follows:

   (1) Fifty percent of the change from the 1990 total budgeted amount shall be allocated in the same ratio that the number of overhead meters in any city or unincorporated area of any county bears to the total system overhead meters.

   (2) Fifty percent of the change from the 1990 total budgeted amount shall be allocated in the same ratio that the total number of meters in any city of the unincorporated area of any county bears to the total system meters.

c. When a city incorporates, resulting in a transfer of utility meters from the unincorporated area of a county to the city, there shall be a permanent transfer of a prorata portion of the county’s 1990 allocation base referred to in Section 2.b. to the city. The amount transferred shall be determined:

   (1) Fifty percent based on the ratio that the number of overhead meters in the city bears to the total system overhead meters.

   (2) Fifty percent based on the ratio that the total number of meters in the city bears to the total system meters.

When territory is annexed to an existing city, it shall be the responsibility of the city and counted affected, in consultation with the Utility serving the territory, to agree upon an amount of the 1990 allocation base that will be transferred from the county to the city, and thereafter to jointly notify the Utility in writing.

(Continued)
Rule No. 20

REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES

(Continued)

A.  (Continued)

2.  (Continued)

d. However, Section 2.a., b., and c., shall not apply to any Utility where the total amount available for allocation under Rule 20-A is equal to or greater than 1.5 times the previous year’s statewide average on a per-customer basis. In such cases, the Utility’s total annual budgeted amount for undergrounding within any city or the unincorporated area of any county shall be allocated in the same ratio that the number of overhead meters in the city or unincorporated area of any county bears to the total system overhead meters.

e. The amounts allocated in accordance with Section 2.a., b., c., or d., may be exceeded where the Utility establishes that additional participation on a project is warranted. Such allocated amount may be carried over for a reasonable period of time in communities with active undergrounding programs. In order to qualify as a community with an active undergrounding program, the governing body must have adopted an ordinance or ordinances creating an underground district and/or districts as set forth in Section A.1.b. of this rule. Where there is a carry-over, the Utility has the right to set, as determined by its capability, reasonable limits on the rate of performance of the work to be financed by the funds carried over. When amounts are not expended or carried over for the community to which they are initially allocated, they shall be assigned when additional participation on a project is warranted or be reallocated to communities with active undergrounding programs.

(Continued)
Rule No. 20

REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES
(Continued)

A. (Continued)

3. The undergrounding extends for a minimum distance of one block or 600 feet, whichever is the lesser.

Upon request of the governing body, the Utility will pay for the installation of no more than 100 feet of each customer's underground electric service lateral occasioned by the undergrounding. The governing body may establish a smaller footage allowance or may limit the amount of money to be expended on a single customer’s electric service or the total amount to be expended on all electric service installations in a particular project.

B. In circumstances other than those covered by A above, the Utility will replace its existing overhead electric facilities with underground electric facilities along public streets and roads or other locations mutually agreed upon when requested by an applicant or applicants when all of the following conditions are met:

1. a. All property owners served from the overhead facilities to be removed first agree in writing to have the wiring changes made on their premises so that service may be furnished from the underground distribution system in accordance with the Utility’s rules and that the Utility may discontinue its overhead service upon completion of the underground facilities.

   b. Suitable legislation is in effect requiring such necessary wiring changes to be made and authorizing the Utility to discontinue its overhead service.

(Continued)
Rule No. 20

REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES
(Continued)

B. (Continued)

2. The applicant has:
   a. Furnished and installed the pads and vaults for transformers and associated equipment, conduits, ducts, boxes, pole bases, and performed other work related to structures and substructures including breaking of pavement, trenching, backfilling, and repaving required in connection with the installation of the underground system, all in accordance with the Utility’s specifications, or, in lieu thereof, paid the Utility to do so.
   b. Transferred ownership of such facilities, in good condition, to the Utility.
   c. Paid a nonrefundable sum equal to the excess, if any, of the estimated costs, exclusive of transformers, meters, and services, of completing the underground system and building a new equivalent overhead system.

3. The area to be undergrounded includes both sides of a street for at least one block or 600 feet, whichever is the lesser, and all existing overhead communication and electric distribution facilities within the area will be removed.

C. In circumstances other than those covered by A or B above, when mutually agreed upon by the Utility and an applicant, overhead electric facilities may be replaced with underground electric facilities, provided the applicant requesting the change pays, in advance, a nonrefundable sum equal to the estimated cost of the underground facilities less the estimated net salvage value and depreciation of the replaced overhead facilities. Underground services will be installed and maintained as provided in the Utility’s rules applicable thereto.

D. The term “underground electric system” means an electric system with all wires installed underground, except those wires in surface-mounted equipment enclosures.