

**JOE WHEELER ELECTRIC MEMBERSHIP CORPORATION
OPERATIONAL POLICY**

Policy No.211

ADOPTED: FEB. 22, 1993

AMENDED: JANUARY 24, 2008

BOARD APPROVED: OCTOBER 7, 2014

Subject: Relocation of Electric Facilities

I. Objective

- A. To provide an equitable and uniform procedure to respond to requests for the relocation of the cooperative's electric facilities.
- B. To establish a method of determining the proper allocation of relocation cost between the cooperative and the party requesting such relocation, to insure that the cooperative's membership will not subsidize such cost without mutual benefit.
- C. To recognize the need for the relocation of electric facilities to foster and respond to area growth and development.

II. Policy

- A. It is the policy of the Cooperative to construct and maintain electric lines and facilities in such manner as to provide area coverage in the most efficient manner possible for the benefit of the cooperative's membership. It is recognized that the useful life of these electric facilities may typically extend to 40 years and beyond, and that during this useful life, the placement or location of existing facilities may, from time to time, conflict with planned redevelopment of the land or cause inconvenience, displeasure, or financial disadvantage to individuals or entities located along or adjacent to these facilities.
- B. It is the policy of the cooperative to analyze requests for the relocation of electric facilities based upon the following guidelines. In applying these guidelines, the age and physical condition of the facilities, maintainability of the facilities as related to location and any other benefits the relocation may provide to the cooperative will also be considered.
 - 1. In instances where a request for relocation is based upon, or has the purpose of individual financial gain, personal convenience, support of hobby, aesthetics, etc., the Cooperative will develop a relocation plan satisfactory to the requesting individual, if possible due to right of way, NESC requirements, or electrical requirements to serve existing members. The Cooperative will then estimate the cost of implementing such plan. This cost estimate shall include the sacrifice life value of existing facilities less salvage value, the cost of removing existing facilities, and the cost of

installing replacement facilities. This cost estimate shall serve as the basis for payment for relocation by the requesting individual. Following payment by the requesting individual of the cost estimate, the Cooperative will proceed with the planned relocation. The individual requesting the relocation must secure any necessary easements or right of way per Cooperative requirements.

2. In instances where a request for relocation is based upon or has the purpose of permitting the construction of a bona fide permanent residence, business, or industry, which construction would not reasonably be possible without such relocation, the cooperative will develop a relocation plan satisfactory to the requesting individual, if possible due to right of way, NESC requirements, or electrical requirements to serve existing members. The Cooperative will proceed with the relocation following receipt of proof that such construction will immediately commence and any relocation costs have been paid. Estimated relocation and new construction costs over the defined credit outlined in the Schedule of Fees for new permanent residential service will be paid by the requesting individual. Estimated relocation and new construction costs for commercial or industry will be evaluated based on rate of return analysis performed by the Cooperative.
3. In instances where the cooperative determines that the relocation of its existing facilities is necessary for the safety of the general public or that such relocation would otherwise serve the public interest, the Cooperative will proceed with such relocation.

III. Responsibility

- A. The Board of Trustees is responsible for a periodic review of this policy and shall approve all changes to the policy.
- B. The General Manager is responsible for the implementation of the policy.