



Aid-to-Construction Policy

This policy establishes the requirements and cost responsibilities for extending electrical service within the Cullman Power Board (CPB) service territory.

All routing of CPB facilities will be determined by CPB. Any deviation or alternate routing requested by the property owner must be reviewed and approved by CPB prior to any construction. The additional cost of any alternative routes will be paid for at 100% by the property owner. Failure to notify CPB prior to construction for review and approval may result in additional costs paid by the property owner, revisions to the project plan, and/or delays in the project schedule.

Property owner must secure all easements and/or rights-of-way (ROW) needed for the installation of CPB facilities. Required width of easement to be determined by CPB.

Property owner is responsible for initial clearing of all easements and/or rights-of-way. Clearing shall be from one edge of easement/ROW to the opposite edge of easement/ROW and from the ground up. CPB will not proceed with construction until all required easements and clearing are completed.

Location of meter base(s) shall be determined by CPB.

This policy will be applied in conjunction with the City of Cullman Electrical Service Installation Requirements (Red Book) and will be reviewed as needed.

Aid-to-Construction Costs:

All aid-to-construction costs shall be paid in full according to the Customer Classification fees below prior to receiving permanent power. Temporary power may be installed prior to payment; however, permanent service will not be energized until all applicable fees are paid in full.

Residential Customer Classification:

- Single house/residence – property owner must pay \$750
 - e.g. single lot with single residential dwelling
 - This is for a new meter socket addition to the system
 - Existing structures that have/had a meter are exempt from fee, unless it is a complete tear down and rebuild of a new structure
- Residential Development – a planned residential subdivision or other multi-unit residential development consisting of two or more residential sites intended for sale to the general public or to be used as a rental property, property owner must pay \$750 per meter socket plus 50% of CPB estimated cost for supplying electrical service to the development
 - CPB estimated cost are developed using labor, materials, overhead, and engineering needed to complete the project to provide service to the development
 - If a residential development is being developed but not intended for sale to the general public or to be used as rental property, the 50% of CPB estimated cost portion of the fee can be refunded/credited to the property owner after maintaining the meters in the developing property owner's name for 12 months after completion of the development

Commercial/Industrial Customer Classification:

- Property Owner/Developer must pay the following:
 - \$1,250 per meter socket
 - Plus 75% of CPB estimated cost for supplying electrical service to the development
 - See Residential Development section for additional information on estimated cost
 - If existing transformer capacity is used, a connection fee equal to 15% of the transformer cost will be added to the ATC

Payment Options:

The cost for aid-to-construction or the cost to relocate existing facilities is based on CPB's estimated costs and must be paid in full or finance under the following terms prior to receiving permanent power:

- **For projects less than \$10,000, the fee must be paid in full prior to receiving permanent power.**
- **For projects with a total estimated cost of \$10,000 or higher, a minimum down payment of 50% is required with the remainder financed at a near prime market rate* for a term up to 36 months.**

*Finance rate is determined by CPB at the time of the financing agreement

Policy Exceptions:

The Board of Directors of Cullman Power Board from time to time may make exceptions with this policy. The Board may participate in the creation of an economic incentive package to recruit new industry. Participation shall be based upon, among other factors, economic feasibility, substantial job creation, overall community growth, or expanding existing systems.

In the event the Board makes a policy exception under the provision above, the estimated aid to construction will be calculated and collected upfront as stipulated by this policy and documented in appropriate agreements between the customer and CPB; provided, however, that all or a portion of any aid to construction costs paid may be refunded upon the successful completion of the request.

In addition, under CPB's power contract with TVA, power must be sold and distributed to the ultimate consumer without discrimination among consumers of the same class, and direct or indirect discriminatory rates, rebates, or other special concessions are prohibited. Therefore, CPB will apply this exception only after careful consideration and after benefits to all consumers are properly documented prior to the Board's approval.