

4901:1-9
Electric Companies

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4901:1-9-01 **Definitions.**

As used in this chapter:

(A) "Commission" means the public utilities commission of Ohio.

(B) "Competitive retail electric service" shall have the meaning set forth in division (A)(4) of section 4928.01 of the Revised Code.

(C) "Electric distribution utility" shall have the meaning set forth in division (A)(6) of section 4928.01 of the Revised Code.

(D) "Electric light company" shall have the meaning set forth in division (A)(4) of section 4905.03 of the Revised Code.

(E) "Electric utility" shall have the meaning set forth in division (A)(11) of section 4928.01 of the Revised Code.

4901:1-9-03 **Demand or load meter option for residential customers.**

Each electric light company shall maintain on file with the ~~public utilities~~ commission a tariff, in which the ~~company~~ electric utility:

- (A) Offers residential customers, whose residences are primarily heated by electricity, the option of metering usage by a demand or load meter~~;~~.
- (B) May require customers to pay for any demand/load meter they select and its installation, if no such meter is already installed~~;~~.
- (C) Shall bill customers with demand/load meters for kilowatt hours in excess of a prescribed number of kilowatt hours per kilowatt of billing demand, at a rate per kilowatt hour that reflects the lower cost of providing service during off-peak periods.

4901:1-9-05 **Uniform system of accounts for electric companies.**

- (A) Electric ~~light companies subject to the jurisdiction of the public utilities commission of Ohio~~ utilities and providers of competitive retail electric service shall keep their books of accounts and records in accordance with the uniform system of accounts from time to time prescribed by the federal energy regulatory commission (FERC) except to the extent that the provisions of said uniform system of accounts are inconsistent in any way with the outstanding accounting orders of the ~~public utilities~~ commission ~~of Ohio~~.
- (B) The ~~public utilities~~ commission ~~of Ohio~~ reserves ~~to itself~~ the right to require the creation and maintenance of such additional accounts as may hereafter be prescribed to cover the accounting procedures of electric ~~light companies operating within the state of Ohio~~ utilities and providers of competitive retail electric service.

4901:1-9-06 **Retention of records.**

Unless otherwise specified in Chapter 4901:1-10 of the Administrative Code, the regulations governing the retention and preservation of records of electric utilities are set forth in the appendix ~~A~~ to this rule.

4901:1-9-07 **Rules, regulations, and practices for the construction of electric line extensions.**

(A) Definitions

As used in this rule:

- (1) "Contribution in aid of construction" (CIAC) means, for the purpose of this rule, any amount of money or property contributed to an electric utility to the extent that the purpose of the contribution is to provide for line extensions for new customers.
- (2) "Commission" means the public utilities commission of Ohio.
- (3) "Customer" means, for the purpose of this rule, any individual, corporation, company, co-partnership, association, joint venture, or government entity who has requested the construction of an electric line extension from the electric utility.
- (4) "Line extension" means the provision of facilities (including, but not limited to, poles, fixtures, wires, and appurtenances) necessary for delivering electrical energy from the point of origin to the customer's meter.
- (5) "Multifamily installations" means any line extension to a new residential dwelling that will have two or more dwelling units, where each unit has a separate account for electric service.

(6) "Point of origin" means the point where a line extension under this rule connects with and receives energy from any existing transmission or distribution line. The point of origin shall be the nearest practical point to the customers to be served by the line extension.

(7) "Premium service" includes, but is not limited to, customer-requested oversizing of facilities, underground construction, and three-phase residential service.

(B) Applicability

This rule is applicable to all electric utilities to facilitate the state's effectiveness in the global economy and ensure the availability of reasonably priced electric service by requiring all of the state's electric utilities to apply the same policies and charges on a nondiscriminatory and comparable basis in fulfilling the obligation to construct line extensions when necessary to provide adequate distribution service to all customers, both residential and nonresidential.

(C) Tariff requirements

(1) Each electric utility shall have on file with the commission an approved tariff schedule for the provision of line extensions consistent with the requirements of this rule.

(2) In the event that provisions are required to implement circumstances not addressed in this rule, the electric utility shall address those circumstances in its application, but shall make its best efforts to maintain consistency with the rules herein.

(3) Upon the filing of an application to establish or modify line extension tariffs, the commission may fix a time and place for hearing if the application appears to be unjust and unreasonable. The burden of proof to show that the proposals in the application are just and reasonable shall be upon the electric utility.

(D) Cost estimates

(1) The electric utility shall provide detailed cost estimates, including material costs and overhead, equipment costs and overhead, labor costs and overhead, and all taxes associated with each major material and service component of a line extension. The electric utility shall also set forth in its cost estimate any incremental costs associated with providing premium services.

(2) The electric utility shall provide, within ten working days of a request, a nonbinding good faith estimate of the costs of the line extension project. The electric utility shall provide a binding firm estimate within forty-five days of a request. Under the circumstance where the electric utility requires further relevant information, the electric utility shall contact the customer and shall provide a firm estimate no more than ten days from the receipt of the required information.

- (3) All firm cost estimates shall be valid for ninety days, subject to obtaining necessary rights of way and to conditions beyond the reasonable control of the electric utility.
- (4) The electric utility may allow third-party installation of line extension facilities subject to utility specifications and inspection. If a customer does any of the work, a detailed cost estimate will be developed for the purpose of calculating the amount to be paid by the customer and the amount to be paid by the electric utility.
- (5) Land clearance activity, trenching, and backfilling required for the installation of line extension facilities on the customer's property are the responsibility of the customer.

(E) Line extension charges

- (1) For line extensions to residential single family homes, both individual homes and homes in a development, the following shall apply:

 - (a) The electric utility shall be responsible for all costs, excluding the incremental costs of premium services, up to five thousand dollars.
 - (b) The customer shall be responsible for the incremental cost of premium services (the sum of the electric utility's cost to provide the premium installation minus the electric utility's cost of a standard, single-phase installation) prior to the start of construction.
 - (c) The customer shall make arrangements with the electric utility for the payment of the costs that exceed five thousand dollars. The electric utility shall afford the customer the option of paying those costs, plus interest, on a pro-rated monthly basis for up to fifty months.
- (2) For line extensions to residential, non-master-metered, multifamily installations (two or more units) the following shall apply:

 - (a) The electric utility shall be responsible for all costs, excluding the incremental costs of premium services, up to twenty-five hundred dollars per unit.
 - (b) The customer shall be responsible for the incremental cost of premium services (the sum of the electric utility's cost to provide the premium installation minus the electric utility's cost of a standard, single-phase installation) prior to the start of construction.
 - (c) The customer shall make arrangements with the electric utility for the payment of the costs that exceed twenty-five hundred dollars per unit. The electric utility shall afford the customer the option of paying those costs, plus interest, on a pro-rated monthly basis for up to fifty months.
- (3) For line extensions to nonresidential customers the following shall apply:

- (a) The electric utility shall be responsible for all costs, excluding the incremental costs of premium services.
- (b) The customer shall be responsible for the incremental cost of premium services (the sum of the electric utility's cost to provide the premium installation minus the electric utility's cost to install, in accordance with good utility practice, a standard line extension to the project) prior to the start of construction.
- (c) If a substation is required as part of the line extension project to a customer, the customer shall be given the option of building (pursuant to all applicable electrical standards), owning, and maintaining such substation.

(F) Electric utility cost recovery for line extensions

- (1) The payment for premium service and for the cost of residential construction in excess of the limits of five thousand dollars for single-family residences and twenty-five hundred dollars per unit for multifamily residences shall be considered as a CIAC and shall be grossed-up by the effect of applicable taxes. The total CIAC payment (including the tax gross-up) shall be accounted for according to applicable accounting standards.
- (2) All other costs, including, but not limited to, the costs of necessary technical studies, operation and maintenance costs, and capital costs shall be eligible for recovery in the next distribution rate proceeding, in accordance with traditional ratemaking standards.
- (3) Line extension costs and the recovery of such costs shall not be included in the recovery of any costs associated with infrastructure and modernization of the electric utility's distribution system for which the electric utility may seek recovery under division (B)(2)(h) of section 4928.143 of the Revised Code.

(G) Future residential customers

- (1) Any residential customer who paid to the electric utility a CIAC, other than for premium services, may be entitled to a refund of a portion of the CIAC paid in accordance with the following:

 - (a) If any new residential customer, within fifty months of the completion of a line extension project for which a party has paid to the electric utility a CIAC, utilizes all or part of the facilities for which the CIAC has been paid, the party who paid the CIAC may be entitled to a refund which represents a pro rata portion of the original CIAC calculated to equitably share the CIAC responsibility for those facilities used in service by both the new and original residential customer.

(b) If any new additional residential customer, within fifty months of the completion of the line extension project for which a party has paid to the electric utility a CIAC, utilizes all or part of the facilities for which a CIAC has been paid, the party who paid the CIAC may also be entitled to a refund.

(2) Such refunds shall be reflected as a reduction to CIAC for ratemaking purposes.

4901:1-9-09 **Nuclear decommissioning reports.**

- (A) Pursuant to section 4928.13 of the Revised Code, each electric utility that owns nuclear generation facilities located in the state of Ohio shall demonstrate compliance with decommissioning requirements of the nuclear regulatory commission ~~(NRC)~~ and the ~~public utilities~~ commission ~~of Ohio (commission)~~ and shall demonstrate adequate financing mechanisms to fund facility decommissioning.
- (B) Each electric utility or affiliate that owns nuclear generation facilities located in Ohio shall submit to the commission, on or before January 31, 2001, a copy of the study used to estimate decommissioning costs for each nuclear generating facility, as used for internal modeling purposes, as of December 31, 1998. If a later estimate of decommissioning costs has been prepared, this study also shall be provided by the above date.
- (C) On a biennial basis, commencing March 31, 2001, an electric utility or affiliate owning nuclear generation facilities shall cause the entity responsible for managing the external trust fund (fund) created to hold funds for the decommissioning of each nuclear facility located in Ohio, as described in case no. 87-1183-EL-COI, to report to the commission on the status of that fund. This reporting may be coordinated so as to coincide with the reporting requirements of the ~~NRC~~ nuclear regulatory commission. The annual reports shall include:
- (1) Information on the receipts of the fund~~;~~.
 - (2) The investment income of the fund~~;~~.
 - (3) The costs incurred by the fund~~;~~.
 - (4) The balance of the fund~~;~~ ~~and~~.
 - (5) A description of the current fund investments, as to return and investment grade reported by applicable reporting services.
- (D) In addition, an electric utility or affiliate owning nuclear generation facilities shall cause the entity responsible for managing the external trust fund to file copies of all documents required to be filed with other state or federal agencies, including tax returns, with the commission within thirty days following their submittal to the requiring agency. This requirement includes updated

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estimates of nuclear decommissioning cost estimates as and when required by the ~~NRC~~ [nuclear regulatory commission](#).

(E) The above referenced documents shall be filed with the commission's docketing division as notice filings.