

Board Policy 5-08, Consumer Line Extensions – Changes effective 3/28/22

UCEMC takes very seriously our role in serving members and our community. That's why we need to inform you that we are facing some supply chain challenges due to the COVID-19 pandemic.

Due to supply chain price increases, long lead times, and shortages of equipment, the **UCEMC Board Policy 5-08, Consumer Line Extensions**, has been revised to reflect the increased costs, and an option for UCEMC members to receive expedited temporary underground residential service:

Attachment A. Chart of Line Extension Aid-In-Construction Charges

- Underground Single Phase Residential Primary Service (Full time)
Transformer pad mount will change from \$250 to \$1200
- Underground Single Phase Residential Primary Service (Part time)
Transformer pad mount will change from \$375 to \$1800
- **In addition to the above changes, all UG pad mount transformers will be moving to the new pricing.**
Review Attachment A for changes.

Board Policy 5-08 R-17

V. Types of Line Extensions and Aid-In-Construction Charges.

D. Full-Time Residential Underground Primary

In addition to other charges herein, the Cooperative will charge the difference between underground and overhead construction as stated in the appropriate Underground Regulations and Procedure included in Attachment A, Chart of Line Extension, Aid-in-Construction Charges to this policy.

In addition to other charges herein, the Cooperative will charge a non-refundable, onetime fee of \$4,000.00 for those members who choose expedite electric service by means of temporary installation of a riser pole and overhead transformer as opposed to delaying electric service by waiting for an available UG transformer to arrive.

- Like many other businesses, ours is experiencing extensive delays in the production and delivery of supplies, and steep price increases for available materials.
- The supply chain for materials commonly used in our industry has been under duress for many months, and the electric system devastation from recent tornadoes across four states has severely impacted the availability of supplies.
- Please be assured that UCEMC is making every effort to maintain materials and inventory to keep all projects on schedule.
- Some items we use in our everyday business are in increasingly short supply and production lead times are long. We have been actively seeking additional suppliers and have been closely monitoring both the on-hand and on-order materials.

- Consequently, we must closely monitor and, where necessary, stretch our resources, including materials like pole-mount transformers for overhead service and pad transformers for underground service.
- To ensure quality service to existing homes and businesses, we are prioritizing our current materials supply for *service maintenance* and *replacement*.
- Because some materials are in short supply, we are concerned that we may be unable to make them available until further notice to projects currently under construction.
- As a precaution, we are informing you that we **may be unable to provide timely electrification of future developments**. Thus, we advise delaying developments that are not already under construction or exploring alternative solutions. For instance, if overhead transformers are available but pad mount transformers are not, perhaps a temporary *overhead primary* could be considered until we're able to ensure an adequate supply of pad mount transformers.

Should you choose the temporary option, UCEMC must pass along to you the \$4,000 cost. If you choose to forgo the temporary fix and wait for availability of the pad mount transformer, your cost could eventually be as much as \$6,000 or more as prices for materials continue to rise.

- We will continue to monitor our suppliers for any sign of an uptick in available materials and work to communicate the change. Meanwhile, please keep in contact with UCEMC for updates.