

SMECO Postpones Per-Foot Line Extension Rate Increase

The Maryland Public Service Commission has approved SMECO's recent filing to postpone until July 1, 2006, the per-foot line extension rate that initially went into effect in February. SMECO filed the request to ease the transition to the new rate.

Extensions for townhomes and multi-family structures will remain at the approved rate:

- individual meter bases—\$1,090 per unit
- dual-ganged meter bases—\$727 per unit
- multiple-ganged meter bases containing three or more meters—\$382 per meter

Until July 1, the approved base rate of \$1,342 will apply to all service installations for single family homes. This rate applies to extensions beginning at the street and terminating at the nearest corner of the customer's house, regardless of the length of the extension. **Beginning July 1**, all line extensions longer than 220 feet will be charged \$11.49 per foot for the entire length of the line. In either case, now or after July 1, customer or builder requested extensions beyond the nearest corner of the house will be at a cost of \$11.49 per foot.

Costs for commercial and industrial line extensions are based on a number of variables, so charges are determined on a case-by-case basis.

Before February, SMECO had maintained the same line extension rates for 11 years. The revised rates reflect industry standards and ensure the cost of each extension is paid by the customer who receives it. As with our electric rates, SMECO does not mark-up line extension charges and makes no profit from them. The cost for a line extension is usually paid by the builder when the new service is installed. In 2005, the average distance for single-family home line extensions was 117 feet; less than 10 percent of SMECO's new service installations exceed 220 feet.

Remember, applicants for new electric service must complete and submit the necessary paperwork to SMECO prior to work being performed. To simplify the application approval process, customers are encouraged to contact SMECO as early as possible in the planning phase of new construction. For details on rates and specifications, see SMECO's tariff on the co-op Web site at www.smeco.coop.



Your Touchstone Energy® Cooperative

