

October 4, 2024

Dear Contractor/Developer:

Each year, beginning on November 1 and continuing through April 15, Minnesota Valley Electric Cooperative (MVEC) may assess additional charges for the installation of underground cable to new services.

MVEC assesses winter construction rates to recover additional costs when crews install underground cable in rain, mud, snow, or frost. Special equipment, increased maintenance costs, and more time is required to get the job done when these conditions exist.

Residential Winter Construction Rate: \$4.50 per foot November 1 through December 31, or \$5.75 per foot January 1 through April 15. There is an additional charge of \$150.00 per installation of distribution line equipment (such as transformer, secondary ped, etc.). Boring rates during winter construction are \$20.00 per foot. These charges are in addition to normal fees for underground installation incurred at other times of the year.

Winter rates may begin being applied on October 15 to ensure costs are covered at time of construction. Charges will be reviewed based on conditions at the time of construction.

Development Winter Construction Rate: \$13.50 per foot from November 1 – April 15, there is an additional charge of \$200.00 per installation of distribution line equipment (such as transformer, secondary pedestal, etc.). Boring rates during winter construction are \$20.00 per foot. These are the base rates during these time periods in addition to normal fees for underground installation incurred at other times of the year.

All development construction costs require a pre-paid deposit. During this time (November 1 – April 15), winter construction costs are estimated for the deposit. Actual winter construction charges will be passed on or refunded to the developer based on contractor's rates. It is the developer's responsibility to check on winter rate status and accumulation during this time.

It will be at Minnesota Valley Electric Cooperative's discretion to remove or refund any or all winter construction charges if deemed necessary. MVEC has the right to suspend construction in the event conditions will affect the integrity of the system.

If you are a contractor who regularly builds in MVEC's service area, you may qualify for credit approval to avoid a pre-payment requirement; please call Member Services for an application interested. If you have any questions, please contact Member Services at 952-492-2313.

Sincerely,
Daniel Turner
Distribution Design Supervisor