A. SCE will, at its expense, replace its existing overhead electric facilities with underground electric facilities along public streets and roads, and on public lands and private property across which rights-of-way satisfactory to SCE have been obtained by SCE, provided that:

1. The governing body of the city or county in which such electric facilities are and will be located has:
   a. Determined, after consultation with SCE and after holding public hearings on the subject, that such undergrounding is in the general public interest for one or more of the following reasons:
      (1) Such undergrounding will avoid or eliminate an unusually heavy concentration of overhead electric facilities;
      (2) The street or road or right-of-way is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic;
      (3) The street or road or right-of-way adjoins or passes through a civic area or public recreation area or an area of unusual scenic interest to the general public; or
      (4) The street or road or right-of-way is considered an arterial street or major collector road, as defined in the Governor’s Office of Planning and Research General Plan Guidelines.
   b. Adopted an ordinance creating an underground district in the area in which both the existing and new facilities are and will be located requiring, among other things, (1) that all existing overhead communication and electric distribution facilities in such district shall be removed, (2) that each property served from such electric overhead facilities shall have installed in accordance with SCE’s rules for underground service, all electrical facility changes on the premises necessary to receive service from the underground facilities of SCE as soon as it is available, and (3) authorizing SCE to discontinue its overhead service.
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REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES

(Continued)

A. (Continued)

2. SCE’s total annual budgeted amount for undergrounding within any city or the unincorporated area of any county shall be allocated as follows:

a. The amount allocated to each city and county in 1990 shall be the highest of:

   1. The amount allocated to the city or county in 1989, which amount shall be allocated in the same ratio that the number of overhead meters in such city or unincorporated area of any county bears to the total system overhead meters; or

   2. The amount the city or county would receive if SCE’s total annual budgeted amount for undergrounding provided in 1989 were allocated in the same ratio that the number of overhead meters in each city or the unincorporated area of each county bears to the total system overhead meters based on the latest count of overhead meters available prior to establishing the 1990 allocations; or

   3. The amount the city or county would receive if SCE’s total annual budgeted amount for undergrounding provided in 1989 were allocated as follows:

      a. Fifty percent of the budgeted amount allocated in the same ratio that the number of overhead meters in any city or the unincorporated area of any county bears to the total system overhead meters; and

      b. Fifty percent of the budgeted amount allocated in the same ratio that the total number of meters in any city or the unincorporated area of any county bears to the total system meters.

   (Continued)
A. (Continued)

2. (Continued)

b. Except as provided in Section 2.c., the amount allocated for undergrounding within any city or the unincorporated area of any county in 1991 and later years shall use the amount actually allocated to the city or county in 1990 as the base, and any changes from the 1990 level in SCE's total annual budgeted amount for undergrounding shall be allocated to individual cities and counties as follows:

1. Fifty percent of the change from the 1990 total budgeted amount shall be allocated in the same ratio that the number of overhead meters in any city or unincorporated area of any county bears to the total system overhead meters.

2. Fifty percent of the change from the 1990 total budgeted amount shall be allocated in the same ratio that the total number of meters in any city of the unincorporated area of any county bears to the total system meters.

c. When a city incorporates, resulting in a transfer of utility meters from the unincorporated area of a county to the city, there shall be a permanent transfer of a prorata portion of the county's 1990 allocation base referred to in Section 2.b. to the city. The amount transferred shall be determined:

1. Fifty percent based on the ratio that the number of overhead meters in the city bears to the total system overhead meters; and

2. Fifty percent based on the ratio that the total number of meters in the city bears to the total system meters.

When territory is annexed to an existing city, it shall be the responsibility of the city and county affected, in consultation with SCE serving the territory, to agree upon an amount of the 1990 allocation base that will be transferred from the county to the city, and thereafter to jointly notify SCE in writing.
REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES

(Continued)

A. (Continued)

2. (Continued)

d. However, Section 2.a, b, and c, shall not apply to any utility where the total amount available for allocation under Rule 20-A is equal to or greater than 1.5 times the previous year's statewide average on a per customer basis. In such cases, SCE's total annual budgeted amount for undergrounding within any city or the unincorporated area of any county shall be allocated in the same ratio that the number of overhead meters in the city or unincorporated area of any county bears to the total system overhead meters.

e. Upon request by a city or county, the amounts allocated may be exceeded for each city or county by an amount up to a maximum of five years' allocation at then-current levels where SCE establishes that participation on a project is warranted and resources are available. Such allocated amount may be carried over for a reasonable period of time in communities with active undergrounding programs. In order to qualify as a community with an active undergrounding program, the governing body must have adopted an ordinance or ordinances creating an underground district and/or districts as set forth in Section A.1.b. of this Rule. Where there is a carry-over or additional requested participation as discussed above, SCE has the right to set, as determined by its capability, reasonable limits on the rate of performance of the work to be financed by the funds carried over. When amounts are not expended or carried over for the community to which they are initially allocated, they shall be assigned when additional participation on a project is warranted or be reallocated to communities with active undergrounding programs.
A. (Continued)

3. The undergrounding extends for a minimum distance of one block or 600 feet, whichever is the lesser.

Upon request of the governing body, SCE will pay from the existing allocation of that entity for:

a. The installation of no more than 100 feet of each customer's underground electric service lateral occasioned by the undergrounding, and/or

b. The conversion of a customer's meter panel to accept underground service occasioned by the undergrounding, excluding permit fees.

SCE or the governing body may establish a lesser allowance, or may otherwise limit the amount of money to be expended on a single customer's electric service, or the total amount to be expended on all electric service installations in a particular project.

B. In circumstances other than those covered by A above, SCE will replace its existing overhead electric facilities with underground electric facilities along public streets and roads or other locations mutually agreed upon when requested by an applicant or applicants when all of the following conditions are met:

1. a. All property owners served from the overhead facilities to be removed first agree in writing to have the wiring changes made on their premises so that service may be furnished from the underground distribution system in accordance with SCE’s rules and that SCE may discontinue its overhead service upon completion of the underground facilities, or

b. Suitable legislation is in effect requiring such necessary wiring changes to be made and authorizing SCE to discontinue its overhead service.
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REPLACEMENT OF OVERHEAD WITH UNDERGROUND ELECTRIC FACILITIES

(Continued)

B. (Continued)

2. The applicant has:
   a. Furnished and installed the pads and vaults for transformers and associated equipment, conduits, ducts, boxes, pole bases and performed other work related to structures and substructures including breaking of pavement, trenching, backfilling, and repaving required in connection with the installation of the underground system, all in accordance with SCE’s specifications, or, in lieu thereof, paid SCE to do so;
   b. Transferred ownership of such facilities, in good condition, to SCE; and
   c. Paid a nonrefundable sum equal to the excess, if any, of the estimated costs, including transformers, meters, and services, of completing the underground system and building a new equivalent overhead system. The cost of removal of the overhead poles, lines, and facilities are the responsibility of SCE and will be paid by SCE. Such payments shall not operate to reduce Rule 20.A allocations.

3. The area to be undergrounded includes both sides of a street for at least one block or 600 feet, whichever is the lesser, and all existing overhead communication and electric distribution facilities within the area will be removed.

4. SCE may, when requested and authorized by the city or county and mutually agreed upon by such government entity and SCE, initially fund any required engineering/design costs for conversion projects under this section. In the event such a project proceeds, the requesting city or county shall reimburse SCE for such engineering/design costs before SCE shall be required to commence further work on the project. In the event the project is not approved to proceed within two and one-half years of SCE’s delivery of such engineering/design study, the requesting city or county shall reimburse SCE for its costs of such engineering/design study within 90 days of a demand by SCE. In the event a city or county does not reimburse SCE within 90 days of its demand for reimbursement, SCE shall be permitted to expense such costs as an operational cost and shall reduce the city or county’s allocations provided under Section A of this Schedule by the like amount.

C. In circumstances other than those covered by A or B above, when mutually agreed upon by SCE and an applicant, overhead electric facilities may be replaced with underground electric facilities, provided the applicant requesting the change pays, in advance, a non-refundable sum equal to the estimated cost of the underground facilities less the estimated net salvage value and depreciation of the replaced overhead facilities. Underground services will be installed and maintained as provided in SCE’s rules applicable thereto.

D. The term “underground electric system” means an electric system with all wires installed underground, except those wires in surface mounted equipment enclosures.