



APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

TABLE OF CONTENTS

- I. PURPOSE 2**
- II. DEFINITIONS 2**
- III. POLICY 2**
 - A. Policies Applicable to Electric, Natural Gas, and Water Extensions 2
 - 1. General 2
 - 2. Extension Length 4
 - 3. Cost & Payment 5
 - 4. City Utilities Installed Extensions 5
 - 5. Developer Installed Extensions 6
 - B. Policies Specifically for Electric Extensions 11
 - 1. Extension Feasibility Analysis 11
 - 2. Overhead Electric Extensions 11
 - 3. Underground Electric Extensions 11
 - 4. Street Lighting 12
 - C. Policies Specifically for Water Extensions 12
 - 1. Water Main Extensions to Undeveloped or Unserved Parcels 12
 - 2. Water Extensions to Existing Subdivisions or Neighborhoods 13
 - 3. Fire Hydrants 14
 - 4. Water Services 14
 - D. Policies Specifically for Natural Gas Extensions 15
 - 1. Extension Feasibility Analysis 15
 - 2. Natural Gas Services 16
- IV. RESOURCES 17**
- V. SCHEDULE A 18**
- VI. SCHEDULE B 20**
- VII. SCHEDULE C 22**
- VIII. SCHEDULE D 25**

APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

I. PURPOSE

A. It is the intent of this policy to establish the basis for extending City Utilities' electric, natural gas, and water distribution systems.

II. DEFINITIONS

A. For this policy, the following words shall have the definition which follow the word. All other words shall be given their ordinary meaning.

1. **Customer** means a customer of City Utilities.

2. **Developer** means the fully authorized agent of an applicant, pursuant to this policy, for an extension of City Utilities services.

III. POLICY

A. Policies Applicable to Electric, Natural Gas, and Water Extensions

1. General

a) Extensions will not be made when any applicant is delinquent in the payment of any money owed City Utilities or has not satisfactorily performed all prior contractual agreements.



CU Policy 5.11 – Extension Policy

APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

- b) All applicants must designate, in writing, an agent for purposes of this policy.
- c) City Utilities will extend its distribution system(s) along roadways dedicated for public use or within the confines of utility easements acceptable to City Utilities. Utility extensions within easements shall be extended in accordance with City Utilities' Easement Acquisition Policy 4.28. The **Developer**, as part of the consideration for City Utilities extending its distribution system, shall, upon request of City Utilities and without cost to City Utilities, execute and deliver, such easement deeds as, in the opinion of City Utilities, are required for it to extend its distribution system to the property to be served by the proposed extension. **Developer** will reimburse City Utilities for cost of easements obtained by City Utilities from third parties.
- d) Where an extension is on land owned or controlled by the **Developer**, the **Developer** shall be required, as part of the consideration for City Utilities extending its distribution system, to clear, arrange to have cleared, or be responsible for such costs as City Utilities may incur in clearing the right-of-way for the extension of the distribution system. The requirements for clearing right-of-way to accommodate extensions of the distribution system are available from City Utilities.
- e) The **Developer** shall be responsible for the costs of relocations or alterations of existing utility infrastructure but, if applicable, such relocations or alterations shall be subject for consideration in the *Extension Feasibility Analysis* as described in Schedule C.
- f) Temporary extensions of the electric distribution system may be made as required to complete the development project. The costs, including the installation and removal of the facilities, administrative overheads, and the costs of any non-reusable materials shall be included in the project cost for consideration in the *Extension Feasibility Analysis* as described in Schedule C.
- g) The General Manager, or their designee, may waive, at their discretion, provisions of this extension policy provided that:
- 1) The waiver is economically sound or in the best interest of City Utilities; provided that the waiver satisfies the requirements of Policy 6.00, Community Economic Development Policy, or City Utilities is in direct competition to provide service to a proposed development, or



CU Policy 5.11 – Extension Policy

APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

2) The waiver is for a not-for-profit organization that provides community services for betterment of life in the Springfield area. The General Manager is authorized to receive proposals from not-for-profit organizations to apply for waivers of the extension policy for purposes which may benefit the not-for-profit organization, but which City Utilities identifies as within its public purposes. The General Manager is authorized to establish a procedure, determine the employee or employees to review such applications, and make waivers as determined or appropriate. No such waiver may be approved unless specific purposes significant to City Utilities can be identified. Such purposes may include conservation, energy efficiency, economic development, environment, safety, and recruitment, as examples, and educational initiatives related to those purposes. Outreach efforts at all levels of the education system, elementary through post-baccalaureate, are additional examples. The value of individual organization waivers shall not exceed \$25,000 on an annual basis.

3) No City Utilities employee may benefit directly or indirectly from any waiver pursuant to this Section. The General Manager is required to report annually to the Board of Public Utilities all waivers pursuant to this Section.

h) If a **Developer** or **Customer** fails to fulfill all of their obligations to City Utilities under this extension policy or any **Developer**-installed agreement, then City Utilities may refuse to provide utility service or may discontinue utility service to all properties affected by such failure, even if the **Developer** or **Customer** has conveyed one or more of the properties to a third party or if the utility service is in the name of a third party.

2. Extension Length

a) The route and extension length shall be determined by City Utilities. The extension length will be measured from the nearest usable and appropriate utility distribution facility.

b) When City Utilities' natural gas or water lines or underground electric conduit is on one side of a four-lane or larger roadway and a **Customer's** property is on the other side, then the **Customer** must request City Utilities to extend its distribution system in accordance with this policy. In these instances City Utilities may require installation of parallel facilities and/or main-size road crossings. In these cases, the extension length shall be measured using the proposed route of the required facility.



APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

3. Cost & Payment

- a) The cost for an extension shall be the amounts as provided for in Schedule A in effect at the time the request is made by the **Developer** or **Customer**, provided there are sufficient funds allocated for **Customer**-related extensions in the budget of City Utilities to construct the facilities required, as determined by City Utilities.
- b) All estimated costs shall be valid for one year after they are conveyed to the **Developer** or **Customer**, and after such time will be subject to review and recalculation.
- c) Where natural gas or water extensions, as designed or approved by City Utilities, call for the installation of a feeder-size main that would be larger than necessary to serve the **Customer's** development, the **Customer** will only be required to pay the cost of the pipe size that would have been required to serve only the **Customer's** development.
- d) Any required payments for extensions, services or related fees shall be made by the **Developer** or **Customer** before City Utilities will begin construction.

4. City Utilities Installed Extensions

- a) **Customers** may request City Utilities to install any extension of the natural gas, electric, or water system for the purpose of serving a one or two family residence or other non-commercial building. The cost shall be as listed in Schedule A.
- b) **Customer** shall pay the prescribed extension cost.

APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

5. **Developer** Installed Extensions

a) A **Developer** of property that is being developed as a residential subdivision or for investment, resale, or commercial purposes, shall install all extensions of the natural gas, electric, or water system necessary to serve such property. The General Manager or designee shall approve all **Developer** Installed Extensions. The **Developer** shall execute a **Developer** Installed Contract with City Utilities prior to performing any work on such extensions.

b) All work of constructing the natural gas and water extension and of installing the conduit for the underground electric extensions shall be at the **Developer**'s sole cost, with reimbursements as applicable. **Developer** will be responsible for conditions encountered during installation of extension, including, but not limited to, road and highway crossing, rock, and other unforeseen or unusual conditions. Said conditions shall not be cause for additional reimbursement by City Utilities.

c) The contractor selected by the **Developer** for installation of utility facilities must be a contractor approved by City Utilities to install "**Developer** Installed" extensions and meet experience, insurance, certification, and other qualifications as established by City Utilities. The **Developer** and contractor must have performed all obligations to City Utilities under prior contracts promptly and satisfactorily.

d) The **Developer** is encouraged to secure and supply to City Utilities utility bids from at least three approved City Utilities-approved contractors for any utility installation subject to reimbursement. Reimbursements will be based off the bid prices from the lowest base civil/site bid. If three bids are not provided to City Utilities, City Utilities reserves the right to reimburse based on an agreed amount between City Utilities and the **Developer**. When reimbursements are not involved, the **Developer** shall supply City Utilities the utility extension cost upon request.



APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

e) The **Developer** shall utilize City Utilities approved materials and submit documentation of materials to be used on the project, as well as the material suppliers for approval by City Utilities prior to commencing construction. Material testing reports shall be submitted on all piping supplied. The extension, in its entirety, shall be constructed in compliance with City Utilities' construction standards, specifications, drawings, and plans prepared or approved by City Utilities.

f) All work of constructing the natural gas and water extension and of installing the conduit for the underground electric extension shall be subject to inspection by and approval of City Utilities to determine that construction is in compliance with the construction specifications, drawings, and plans, prepared or approved by City Utilities, for the extension.

g) As a condition of service, the **Developer** shall reimburse City Utilities for costs of connecting the extension to the distribution system. Such costs shall be in addition to the charge for preliminary engineering, preparation of specifications, drawings, plans, inspection of construction, purging, lab fees, etc., as specified in Schedule A.

h) Where natural gas or water extensions or conduit for underground electric extensions are to be installed by the **Developer**, and the extension, as designed or approved by City Utilities, calls for the installation of additional utility infrastructure for the sole convenience of City Utilities, and the additional infrastructure does not make utility service available to additional lots in the subject development, or to land the **Developer** owns, or has control or interest in, City Utilities shall reimburse the cost of the additional infrastructure. City Utilities' reimbursement for electric, natural gas or water shall be as per Section III.A.5.d). City Utilities will pay its share of the costs by first applying such amount to the **Developer's** account and then remitting any balance to the **Developer** when title is transferred.

i) Where natural gas or water extensions or conduit for underground electric extensions are to be installed by the **Developer** and the extension, as designed or approved by City Utilities, calls for the installation of additional utility infrastructure for the sole convenience of City Utilities, and this additional infrastructure makes service available to lots owned by the **Developer**, or to future phases of the development, or to land the **Developer** owns, or has control or interest in, City Utilities will not share in the cost, as the **Developer** is the primary benefactor of this infrastructure.



APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

j) Where natural gas and water extensions or the conduit for underground electric extensions are to be installed by the **Developer** and the extensions, as designed or approved by City Utilities, call for a tie-in of a lateral or dead-end main as required for system deliverability and/or reliability, and although the tie-in does not make available utility service to additional lots of the subject development, City Utilities will not share in the cost for an extension tie-in within the scope of the proposed development.

k) Where natural gas or water main extensions are to be installed by the **Developer**, and the extension, as designed or approved by City Utilities, calls for the installation of a main of feeder size, in keeping with a master plan for the distribution system, which is not due solely to the service requirement of the area being developed, City Utilities shall share in the cost for a feeder-sized extension. City Utilities' share shall be an amount determined by City Utilities to be the difference in cost between such feeder-sized extension and a distribution-sized extension of the same length, as determined by City Utilities as per Section III.A.5.d). City Utilities will pay its share of the costs by first applying such amount to the **Developer's** account and then remitting any balance to the **Developer** when title is transferred. An analysis of each development will be performed by City Utilities to determine if larger than standard 2" natural gas and 8" water mains are required by the development. If the larger size mains are required, the **Developer** will install them at their sole cost, and City Utilities will not share in the cost.

l) All field change orders related to the utility installation shall require approval by City Utilities prior to execution of the change order. If the field change results in cost changes, then they will be included in the calculation of reimbursements.

m) Prior to any final reimbursement payment by City Utilities for the extension, the **Developer** shall submit a summary of the actual costs incurred and specifications of the extension. The **Developer** shall maintain, for not less than five years, complete and accurate records of all expenses incurred in constructing the natural gas and water extensions and installing the conduit for underground extensions, and such records shall be available to City Utilities for inspection and audit at reasonable times and upon reasonable notice. City Utilities will provide a format for summarizing extension and/or conduit installation costs.



APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

n) Where **Developers** and landowners require electric, natural gas, or water extensions or service lines to property served by extensions that were placed in service within the previous ten-year period, and where City Utilities has executed a “Recovery Agreement” with the **Developer** or landowner who originally installed such extension, the **Developer** or landowner shall pay a pro rata portion of the cost of the previous extension, in addition to being responsible for the full costs of the new extension or service. The amount of the payment for the pro rata portion of the previous extension will be calculated based on the formula set forth in the Recovery Agreement executed with the original **Developer** or landowner. Entry into a Recovery Agreement with City Utilities shall be optional for the original **Developer** or landowner.

o) For all **Developer** Installed Extensions, the **Developer** shall, at their own expense, provide staking in accordance with the staking requirements provided by City Utilities.

p) The **Developer** shall reimburse City Utilities for all cost, damage, and expense incurred by City Utilities which results from the relocation, adjustment, or repair of any City Utilities property occasioned by (1) any change in the plan incorporated in the contract for utility service, other than a change required by City Utilities or (2) any act of the **Developer**, their contractors, or their subcontractors.

q) The **Developer** shall warrant that all **Developer** Installed Extensions and services shall be free from defects in materials and workmanship for a period of one year from the date that the extension or service is conveyed to City Utilities (“Warranty Period”). The **Developer** shall also warrant that, during the Warranty Period, the installation of the extension or service shall not result in any damage to property of City Utilities or third parties including, without limitation, cracks or holes in pavement or subsidence of soil.

r) **Developer** shall provide or require its contractors to provide General Liability Insurance endorsed to include \$1,000,000 Products Liability/Completed Operations and other insurance as City Utilities may determine appropriate.



APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

s) If the **Developer** breaches any of the warranties set forth in Section III.A.5.q), City Utilities shall notify the **Developer** in writing. The **Developer** shall have 10 days from the date of the notice to repair all defects and damage specified in the notice. If the **Developer** fails to do so, then City Utilities may repair the defect or damage and recover the cost of repair from the **Developer**. City Utilities shall determine the costs of repair in accordance with its standard methods and generally accepted accounting principles. Nothing herein shall limit any other remedies that City Utilities might have.

t) The **Developer** shall indemnify, defend, and hold harmless City Utilities, the Board of Public Utilities of Springfield, Missouri, the City of Springfield, Missouri, their agents, directors, officers, Board members, and employees (collectively, “City Utilities”), from and against all claims, damages, losses, and expenses, including attorney’s fees, arising out of the **Developer**-installed extension or service and which is caused by the negligent or wrongful acts or omissions of the **Developer**, their contractors, subcontractors, suppliers, or anyone for whose acts or omissions any of them may be liable. In cases of concurring fault, each party shall bear its share of the loss. This indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the **Developer** under workers’ compensation acts, disability benefit acts, or other employee benefit acts. Nothing contained herein shall be considered a waiver by City Utilities of the defenses of sovereign immunity, official immunity, or the public duty doctrine. This indemnification agreement shall survive termination or expiration of the **Developer** Installed Extension Contract.

u) When a **Developer** requests the extension of water mains to a development outside the city limits of Springfield, Missouri, the **Developer** must sign an Irrevocable Petition and Consent to Annexation into the City of Springfield, Missouri. City Utilities and the City of Springfield must approve the form of the Irrevocable Petition and Consent to Annexation and its terms and conditions. The Irrevocable Petition and Consent to Annexation must be recorded in the appropriate Recorder’s office and must be a covenant running with the land, so that it will bind succeeding owners, their heirs, legal representatives, successors and assigns. It shall remain in effect until the City of Springfield annexes the development. Extensions in areas already located in other cities are exempt from this requirement. If the property is already subject to an Irrevocable Petition and Consent to Annexation per a previous agreement with the City of Springfield or other municipality, this requirement will not be necessary.



APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

v) Upon construction being completed and accepted by City Utilities, and prior to any applicable reimbursements, all right, title, and interest therein of the **Developer**, and any easement indentures shall be conveyed to City Utilities, free of lien or other encumbrance. **Developer** shall complete all conveyance within 90 days after completion.

w) City Utilities shall reimburse the **Developer** any applicable reimbursements after the **Developer** has fulfilled all obligations under the **Developer** Installed Contract and this Extension Policy. City Utilities shall reimburse the **Developer** based upon as-built quantities and shall not make partial reimbursements.

B. Policies Specifically for Electric Extensions

1. Extension Feasibility Analysis

a) An extension feasibility analysis shall be performed in accordance with Schedule C for all electric extensions except commercial and industrial subdivisions. This analysis will determine the cost to the **Customer/Developer** (if any) for the extension. All applicable electric line extensions and services will be evaluated based on a ten-year payback period.

b) Commercial and industrial subdivision electric costs will be shared between each lot or project within the subdivision, and will be included in the extension feasibility analysis for each lot or project.

2. Overhead Electric Extensions

a) All overhead electric extensions shall be designed and constructed by City Utilities.

3. Underground Electric Extensions

a) City Utilities shall not be required to extend its electric distribution system underground, but may elect to do so at the request of a **Customer** or **Developer**.



APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

b) All electric conductors installed underground shall be installed in conduit, as specified by City Utilities. The **Developer** shall be responsible for installation of all conduit.

c) The point of delivery is the point where the electrical distribution facilities installed, owned, and maintained by City Utilities connect with the underground electric service, which must be installed, owned, and maintained by the **Customer** at their sole expense. The point of delivery shall be determined by City Utilities.

d) City Utilities will serve all new mobile homes or new trailers in parks with underground electric services. (This applies only to non-temporary services.)

4. Street Lighting

a) See Outdoor Lighting Policy.

C. Policies Specifically for Water Extensions

1. Water Main Extensions to Undeveloped or Unserved Parcels

a) Where water main extensions are to be installed by the **Developer** and the extension, as designed or required by City Utilities, calls for looping of a main or connection of a main to an adjacent main for service reliability and connection requires crossing of unserved or undeveloped parcels, the **Developer** is responsible for extension. However, if requested, City Utilities will enter into a recovery agreement prepared by City Utilities with the owner or **Developer**, to assist in the collection of a pro rata share of the cost of such facilities from the owner of such unserved or undeveloped lands at the time of connection to the main. City Utilities will refund such cost to the owner or **Developer**, less administrative fees, agreed to at the time of signing the Recovery Agreement.

b) In locations where main extensions and service connections could be installed simultaneously, such as new subdivisions, the **Developer** may install the service connection for 1” diameter services and smaller as the main extension is constructed. There will be a charge for a **Developer** installed water service, as set forth in the Schedule of Charges.



APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

2. Water Extensions to Existing Subdivisions or Neighborhoods

a) It is the intent of this section to allow City Utilities to meet the needs of **Customers** who require or desire an extension of the City Utilities water system due to the endangerment of their health, safety, or welfare caused by unacceptable water quality or loss of an existing water supply at the **Customer's** property. It is not the intent of this policy to extend water to undeveloped tracts of land. The General Manager, or their designee, shall determine the applicability of any request for this type of extension.

b) City Utilities will administer this policy only in subdivisions or neighborhoods, where at least 67% of the lots or tracts of record have houses in existence at the time of application. Upon determining that substantial interest exists for a water extension in the subject area, City Utilities will proceed with engineering, including preparation of a cost estimate. When budget funds are available, City Utilities will then proceed with the installation after payment and authorization have been received from all **Customers** who wish to participate. In lieu of payment in advance, each initial participating **Customer** shall be allowed to pay the required costs (including main extension and service installation) in equal monthly installment payments over a twenty-four-month period. Construction shall not begin until each participant has paid their full share or first installment payment.

c) The cost per lot or parcel will be determined by the total cost for the main extension divided by the number of lots or parcels in the area served by the proposed extension, subject to the assessment cap (see Schedule A).

d) If any property owner, either current or future, requests a service connection to the water main after installation, the requester will pay for a share of the main based upon the costs in Paragraph c) above. With City Utilities approval the requester may enter into an assessment agreement that allows the requester to pay the pro rata share of the extension similar to Paragraph b) above. The price will be the same as the price at the time the main was installed.

e) The cost of the main extension does not include the cost of the water service connection (see Schedule B).



APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

3. Fire Hydrants

a) Fire hydrants will be included in the water main extension and included in the costs of such extension. Fire hydrant locations shall be determined by City Utilities. This includes fire hydrants on offsite extensions installed to reach the development.

b) Private fire connections for fire protection purposes (hydrants, sprinklers, etc.) may be provided by City Utilities (see Schedule B). City Utilities will not install, own, or maintain new fire loops around private buildings or facilities.

4. Water Services

a) City Utilities will install a water service from City Utilities' water distribution main to the meter location at the property to be served. Charges for the installation of the water services shall be as provided for in Schedule B.

b) At the **Developer's** option, they may install the 1-inch or 2-inch water service using City Utilities standard materials. **Developer** shall supply all materials and pay all fees per Schedule B prior to construction. City Utilities will inspect each service installation.

c) The service connection to the distribution system in new subdivisions and light commercial applications with a connection size up to and including 1-inch in diameter may include the use of dual water meters located in a single valve pit, with site specific approval required of City Utilities.

d) The **Developer** may install the fire service for the development per design drawings supplied by City Utilities. **Developer** shall supply all materials and pay all fees per Schedule B prior to construction. City Utilities will inspect each fire service installation.

APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

e) Backflow prevention is required for all domestic water services used solely for non-residential purposes. All backflow assemblies must meet the Missouri DNR requirements 10 CSR 60-11.010. All new non-residential **Customers** will have a backflow prevention device installed as close as practical to the service entrance of the building. All new white-box infills/strip shopping centers shall have a reduced pressure principle backflow prevention assembly on the customer service line(s) that serve that facility. All buildings that fall in the category of Class I Backflow Hazards shall also have a reduced pressure principle backflow prevention assembly on the customer service line. See DNR list for Class I Backflow Hazards. All other buildings will require a double check valve assembly backflow device. All non-residential facilities modifying or adding any piping to their plumbing system shall install a backflow prevention device in accordance with the building usage.

f) Backflow prevention is required for all fire service connections, and backflow prevention devices shall be located at the point of entrance to the building of the underground fire service line if the total distance from the prevention device to the point of connection to City Utilities' water main is 300 feet or less. If the underground fire service line exceeds 300 feet, the backflow prevention device shall be located adjacent to the point of connection, or as approved by City Utilities. Location of backflow prevention devices shall be such that ready access for service and testing is achieved.

D. Policies Specifically for Natural Gas Extensions

1. Extension Feasibility Analysis

a) An extension feasibility analysis shall be performed in accordance with Schedule C for all natural gas extensions except for commercial and industrial subdivisions. This analysis will determine the cost to the **Customer/Developer** (if any) for the extension. All applicable natural gas extensions and services will be evaluated based on a ten-year payback period.

b) Where natural gas would be installed by the **Developer**, City Utilities will reimburse the **Developer** for the cost of the extension pursuant to Section III.A.5.d), and subject to the extension feasibility analysis.

APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

c) Where natural gas extensions are to be installed by the **Developer** and the extension, as designed or required by City Utilities, calls for looping of main or connection of main to adjacent main for service reliability and connection requires crossing of un-served or undeveloped parcels, the **Developer** is responsible for extension, subject to the extension feasibility analysis. However, if requested, City Utilities will enter into a Recovery Agreement with the owner or **Developer**, to assist in the collection of a pro rata share of the excess cost of such facilities from the owner of such un-served or undeveloped lands at the time of connection to the main. City Utilities will refund such cost to the owner or **Developer**, less administrative fees, agreed to at the time of signing the Recovery Agreement.

d) Where natural gas would be installed by the **Developer** in a commercial or industrial subdivision City Utilities will reimburse the **Developer** for the cost of the extension pursuant to Section III.A.5.d). This amount will be shared between each lot or project within the subdivision, and will be included in the extension feasibility analysis for each lot or project.

2. Natural Gas Services

a) City Utilities will install a natural gas service line from City Utilities' natural gas distribution system main to the meter location at the property to be served. Charges for the installation of the natural gas service line shall be as provided for in Schedule B and subject to Extension Feasibility Analysis.

b) At the **Developer's** option, they may employ a contractor to install a natural gas service. The contractor must be a qualified natural gas contractor as determined by City Utilities. The **Developer** shall supply all service materials from main tap to the riser valve. City Utilities will inspect all **Developer** installed natural gas service line installations. Charges for **Developer** installed natural gas service lines shall be provided for in Schedule B.



APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

IV. RESOURCES

- A. Policy 5.08 – Outdoor Lighting Policy
- B. Policy 6.00 – Community Economic Development Policy
- C. Policy 4.28 – Easement Acquisition Policy
- D. Schedule A – Schedule of Charges for Extensions (attached)
- E. Schedule B – Schedule of Charges for Utility Services (attached)
- F. Schedule C – Extension Feasibility Analysis (attached)
- G. Schedule D – Sample Net Distribution Operation Margins (attached)

Legal Approval: _____

Name:

Board Approval: _____

Name:



APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

V. SCHEDULE A
SCHEDULE OF CHARGES FOR EXTENSIONS

A. Applicability: The following values of charges are applicable to electric, natural gas, and water extensions made to serve new customers.

1. Electric Extensions

a. Single-phase and three-phase, overhead & underground Subject to extension feasibility analysis.

b. Engineering and Inspection charge for Developer installed conduit....\$1.15 per trench foot

(The minimum charge for Engineering and Inspection will be \$100.)

2. Joint Trench Natural Gas and Water Main Extensions

a. Natural gas pipe two inches or greater in nominal diameter or water pipe two inches or greater in nominal diameter:

i. CU InstalledEstimated Cost

ii. Developer InstalledDeveloper’s Cost

iii. Natural Gas Portion of Joint TrenchSubject to extension feasibility analysis

b. Engineering and Inspection charge for Developer installed work\$8.95 per foot

(The minimum charge for Engineering and Inspection will be \$100.)

3. Natural Gas Extensions

a. Natural gas pipe two inches or greater in nominal diameter:

iv. CU InstalledSubject to extension feasibility analysis

v. Developer InstalledSubject to extension feasibility analysis

b. Engineering and Inspection charge for Developer installed work\$2.90 per foot



CU Policy 5.11 – Extension Policy

APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

(The minimum charge for Engineering and Inspection will be \$100.)

c. Natural gas main welding and tapping:

- i. Any size main or material typeSubject to Extension Feasibility Analysis

4. Water Extensions

a. Water pipe two inches or greater in nominal diameter:

- i. CU Installed Estimated cost
- ii. CU Installed per Section III.C Estimated cost up to \$5,000 per lot
- iii. Developer InstalledDeveloper’s Cost

b. Engineering and Inspection charge for Developer installed work\$8.00 per foot
(The minimum charge for Engineering and Inspection will be \$100.)

c. Water main tapping, based on size of new main being extended:

- i. 2-inch and smaller water main tap\$130
- ii. 4-inch through 12-inch water main tap\$690

5. Additional Charges

In addition to the above charges, when, at the customer’s request, CU must install mains under adverse or unusual conditions (e.g., without limitation, at more than a normal depth, under paved areas, where trenchless installations are required, etc.), the customer shall be responsible for and pay the estimated additional cost of installing the main caused by the adverse or unusual conditions as determined by CU.



APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

VI. SCHEDULE B
SCHEDULE OF CHARGES FOR UTILITY SERVICES

A. Applicability: The following charges are applicable to new electric, natural gas, and water services.

1. Electric Service

a. Single-phase power requirements

- i. Overhead..... No charge
- ii. Underground Service Connection No charge
(The customer provides the service line.)

b. Three-phase power requirements

- i. Overhead..... No charge
- ii. Underground Service Connection No charge
(The customer provides the service line.)

c. Temporary service

- i. Single-phase.....\$125
(Charge is for a single trip to connect to a correctly installed temporary pole. Customer may be billed for any additional work.)
- ii. Three-phase.....\$200

2. Natural Gas Service

a. CU Installed

- i. One to four family residential, any size..... Subject to Extension Feasibility Analysis
- ii. Non-residential service..... Subject to Extension Feasibility Analysis

b. Customer Installed

- i. One to four family residential, any size..... Subject to Extension Feasibility Analysis
(Customer to supply all materials. CU to supply meter header.)
- ii. Non-residential service..... Subject to Extension Feasibility Analysis
(Customer to supply all service material. CU will supply meter header at estimated cost to customer subject to Extension Feasibility Analysis.)



CU Policy 5.11 – Extension Policy

APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

c. Gas service retirement at customer request.....No charge

3. Water Service

a. CU Installed

- i. Residential 1-inch nominal diameter single water service\$1,160
- ii. Residential 1-inch nominal diameter dual water service, per meter).....\$740
- iii. Commercial 1-inch or larger nominal diameter water service..... Estimated cost

b. Developer Installed 1- or 2-inch water service, installed with water main extension....\$200
(Developer supplies all materials, taps main.)

c. Developer Installed 1-inch dual water service, installed with water main extension ..\$400
(Developer supplies all materials, taps main.)

d. Customer Installed *(Customer supplies all materials. No additional tapping fees charged)*

- i. Residential 1-inch nominal diameter water service
 - a. Single.....\$465
 - b. Dual\$665
- ii. Commercial 1-inch nominal diameter water service\$870
(Dual meters not allowed on commercial services)
- iii. Commercial 2-inch nominal diameter water service..... \$1,250

e. Water service retirement at customer's requestNo charge

f. CU fire hydrant installation Estimated cost

g. Private fire connection installed by CU Estimated cost

h. Private fire connection installed by customer..... Estimated cost
(Customer supplies all material. No charge if installed with a main extension)

4. Additional Charges

In addition to the above charges, when, at the customer's request, CU must install services under adverse or unusual conditions (e.g., without limitation, at more than a normal depth, under paved areas, where trenchless installations are required, etc.), the customer shall be responsible for and pay the estimated additional cost of installing the service caused by the adverse or unusual conditions as determined by CU.

APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

VII. SCHEDULE C

EXTENSION FEASIBILITY ANALYSIS

A. The economic feasibility of electric or gas distribution extensions will be determined using economic assumptions as follows.

1. Cost: All City Utilities costs associated with the electric or gas extension and/or service for a particular project or development.

2. Net Distribution Operation Margin: Distribution margins for specific services are a consequence of rate schedules adopted by City Council, based upon portions of rates intended to support distribution operations. Actual margins applicable to projects will be provided by the Director – Pricing and Forecasting. For general applications, per-unit margins which can be applied for most extensions as an initial estimate can be found in Schedule D

3. Payback Period: It is preferable to obtain the shortest payback period as possible; however, at current and anticipated interest rates, projects should have a payback period no longer than as specified in this section.

For all applicable Line Extensions, Developments and Services

Payback Period \leq 10 years

4. Economic Feasibility: The project shall be considered to meet the economic feasibility test if the payback period is less than the period specified in this section:

$$\frac{\text{Project Cost}}{\text{Net Distribution Operation Margin (annual)}} \leq \text{Payback Period (Years)}$$

5. Example 1: ABC Manufacturing is building a new facility within Springfield city limits. It requires an electric extension costing City Utilities \$40,000, with relocation costs of \$5,000. It will be configured with a single 3-Phase meter and it is estimated they will use 800,000 kWh annually. Is the project economically feasible?

APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

Average Annual Energy	800,000 kWh
Net Distribution Operation Margin per kWh	<u>x \$0.0087</u>
Annual Variable Net Distribution Operation Margin	\$6,960 +
Annual Flat Net Distribution Operation Margin (\$29.87 * 12).....	\$358.44
Electric Extension	\$40,000
Relocation.....	\$ 5,000
Total Project Cost	\$45,000
Annual Net Distribution Operation Margin	<u>÷\$7,318.44</u>
Payback Period	6.15years < 10 yrs

This project appears to be economically feasible and, assuming some longevity to the customer's operations, will generate positive cash flows to support utility distribution.

6. Example 2: XYZ Developer is building a new residential subdivision outside of Springfield city limits. It is a 50-lot subdivision, requiring an electric extension that is estimated to cost City Utilities \$220,000. It is estimated each home within the subdivision will use 10,000 kWh annually. Is the project economically feasible?

Average Annual Energy per Home.....	10,000 kWh
Number of Lots	<u>x 50 Lots</u>
Average Annual Energy for Subdivision	500,000 kWh
Net Distribution Operation Margin per kWh.....	<u>x \$0.0091</u>
Annual Variable Net Distribution Operation Margin	\$4,550+
Annual Flat Net Distribution Operation Margin (50 * \$8.39 * 12)	\$5,034
Total Electric Extension Cost	\$220,000
Annual Net Distribution Operation Margin	<u>÷ \$9,584</u>
Payback Period	22.95years > 10 yrs

This project does not appear to be economically feasible. In order to make this project economically feasible, the developer will pay City Utilities the difference between City Utilities' upfront cost and its 10-year projected revenue.

Annual Net Distribution Operation Margin	\$9,584
10 years.....	<u>x 10</u>
10-year Revenue Projection.....	\$95,840
Total Electric Extension Cost	\$220,000

APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

20-year Revenue Projection.....	- <u>\$95,840</u>
Developer Payment to City Utilities	\$124,160

7. Example 3: An existing Homeowner’s Association is considering switching from propane to natural gas to serve the 10 homes within their neighborhood which lies outside the Springfield city limits. The estimated cost to provide a gas main extension and gas services to all 10 homes is \$25,000. It is estimated each home will use 780 therms annually. Is the project economically feasible?

Average Annual Usage per Home.....	780 Therm
Number of Lots	<u>x 10 Lots</u>
Average Annual Usage for Subdivision	7800 Therm
Net Distribution Operation Margin per Therm	<u>x \$0.1804</u>
Annual Variable Net Distribution Operation Margin	\$1,407+
Annual Flat Net Distribution Operation Margin (10 * \$11.98 * 12)	\$1,438
Total Cost	\$25,000
Annual Net Distribution Operation Margin	<u>÷ \$2,845</u>
Payback Period	8.79 years < 10 yrs

This project appears to be economically feasible and, given it is an established residential development, it is likely to generate positive cash flows beyond the depreciable life of the distribution assets.



APPROVED BY: BOARD OF PUBLIC UTILITIES

DATE ISSUED: 04/30/1987

DATE LAST REVIEWED: 12/02/2021

DATE REVISED: 12/02/2021

TARGET REVIEW DATE: 12/01/2023

CONTACT: DEVELOPER SERVICES

VIII. SCHEDULE D
SAMPLE NET DISTRIBUTION OPERATION MARGINS

I. Variable Net Distribution Operation Margin (Per Unit)

Utility	Units	Inside City	Outside City
Electric	\$ / kWh	\$ 0.0087	\$ 0.0091
Gas	\$ / therms	\$ 0.1640	\$ 0.1804

II. Flat Net Distribution Operation Margin (Each New Service)

Utility	Service Type	Inside City	Outside City
Electric	Residential	\$ 7.99	\$ 8.39
	Nonresidential - GL	\$ 13.63	\$ 14.31
	Nonresidential - GP	\$ 29.87	\$ 31.36
	Nonresidential - LGP	\$ 107.60	\$ 112.98
Gas	Residential	\$ 10.89	\$ 11.98
	Nonresidential	\$ 14.45	\$ 15.89