

## BUSINESS PROCEDURE

<b>EVERSOURCE</b>	SUBJECT	NUMBER
	ELECTRICAL DISTRIBUTION TO NEW RESIDENTIAL DEVELOPMENTS	NB-21
DATE REVISED June 2017	DATE EFFECTIVE May 1, 2018	ISSUED BY Director-Distribution Engineering

### PURPOSE

To set forth a policy and procedure that will result in uniform system responses to requests for overhead (OH) or conduit system (CS) electric distribution systems to residential developments.

### SCOPE

Applies to all new residential developments in the EVERSOURCE service area in CT where each dwelling unit is to be individually metered (except developments within a designated underground system area). Residential developments include residential subdivisions, condominiums and apartment buildings (less than four stories), planned area developments, property that is or has previously been subdivided for the purpose of establishing individual or multiple building lots, and, in general, any individual or multi-dwelling construction approved by the proper authority of the municipality.

### POLICY

#### A. General

1. The Company will extend electric distribution within new residential developments and along improved municipal roads with single-phase OH facilities at no cost to the customer. The Company will extend electric distribution along unimproved town roads when the developer, customer or municipality has met the following conditions:
  - a. The municipal 'taking line' has been indicated by survey stakes or other reasonable marking. Distribution poles will be placed in locations that will not be in conflict with future improvements such as roadway widening or sidewalk installation.
  - b. A minimum ten foot buffer has been cleared of trees or other impediments to the installation of distribution poles, anchors and wires.
2. The Company shall collect a contribution when a CS electric distribution system will be supplied. The contribution will be for the added cost of a CS distribution system versus the equivalent OH system (differential charge), plus any associated CIAC tax liability. The contribution shall apply to all CS extensions whether from existing OH or DB/CS distribution. The CIAC tax liability includes both cash and non-cash contributions. The contribution and any CIAC tax liability must be paid prior to the Company beginning construction.
3. In cases where the Company decides, based on engineering design considerations, to extend electric distribution with three-phase facilities, construction estimates, for the purpose of determining customer charges, shall be based on single-phase construction.
4. In cases where the customer requests a three-phase extension for the purpose of serving three-phase equipment, refer to Policy NB-12 for determination of customer charges. Construction estimates, for the purpose of determining customer charges, shall be based on three-phase construction.

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5. Whenever possible NB-2 will be used to derive the construction estimates or customer contribution. For more complex applications or when required construction includes items not listed in NB-2, the charges will be computed by alternate means. For CS developments that exceed or will exceed 26 lots an additional charge will be assessed for installing a second riser to accommodate loop-feed construction.
6. Extensions on existing or proposed roadways leading to the residential development shall be OH construction. If the customer requests or the municipality requires CS and the Company agrees that CS is appropriate for that location, the extension leading to the residential development shall be designed and installed with potential tap points and transformer locations. The developer shall be responsible for the CS installation and the associated differential charges outside of the development, including all applicable cash and non-cash CIAC tax liability.
7. If any excess trips are required of Company crews to install or repair the distribution system due to the customer's request or action or inaction, the Company reserves the right to charge the customer for the cost of such trips, in addition to the payment prior to construction.

### B. Customer Contributions

Contributions are calculated as shown in Exhibit NB-21-A.

1. Subdivisions: For subdivisions, the basis for calculation of charges shall be the number of lots shown on the town approved plot plan. The average lot frontage used for the differential charges of a CS distribution system will be the sum of the lengths of all lot property frontages abutting the proposed rights-of-way and the lengths of all property frontage for open spaces within the subdivision abutting proposed rights-of-way, divided by the number of approved lots. Lots served from existing distribution shall not be included in the calculations. Reference Exhibit NB-21-B
2. Backlots: Extensions on an individual lot, exceeding the standard service (single span of OH secondary) will be treated as private property extensions. However, when an easement is obtained on a single lot to serve an adjacent lot(s), the customer contribution for CS will be computed on the basis of the average lot frontage charge where the easement length divided by the number of lots is considered the average frontage. Reference Exhibit NB-21-C
3. Apartments/Condominiums: For extensions on an individual lot for multiple metered units, the customer contribution for CS will be computed on the basis of the length of the easement obtained divided by the number of service locations. Reference Exhibit NB-21-D
4. Planned Area Developments: For multiple single meter units on one lot, the customer contribution for CS will be computed on the basis of the length of the easement obtained divided by the number of metered services. Reference Exhibit NB-21-E

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5. Prices used to compute contributions and factors used to compute CIAC tax liability are subject to change. All price quotations will be valid for 90 days. A written statement to this effect will be part of every quotation.

C. Responsibilities of the Customer

1. OH DISTRIBUTION

All tree trimming, tree removal and blasting required for the extension of OH distribution facilities along existing and proposed roads and on private property will be provided by the customer at the customer's expense.

2. CS DISTRIBUTION - SUBDIVISIONS

All tree removal, trenching, blasting, conduit, concrete products, road crossings, backfill with material complying with Company specifications and other restoration for the extension of CS distribution facilities along proposed town roads and on private property shall be provided by the customer. The customer will supply and install "warning" tape in the trench 12" above the conduit.

3. CS DISTRIBUTION - CONDOMINIUMS, APARTMENTS AND OTHER PRIVATE PROPERTY

All tree removal, trenching, blasting, conduit, concrete products, road crossings, backfill with material complying with Company specifications and other restoration for the extension of CS distribution facilities on private property shall be provided by the customer. The customer will supply and install "warning" tape in the trench 12" above the conduit.

4. DISTRIBUTION EASEMENTS

When required by the Company, it is the responsibility of the customer to supply, at no cost to the Company, a permanent distribution easement.

D. Streetlights

1. WHERE OH DISTRIBUTION IS TO BE INSTALLED:

Streetlights, upon request, will be provided in accordance NB-200 and EVERSOURCE Rate 116. An agreement prior to construction is not required. If streetlights are to be installed, owned and maintained by the municipality, NB-208 and EVERSOURCE Rate 117 will apply, and the customer will be directed to make the arrangements directly with the municipality.

2. WHERE CS DISTRIBUTION IS TO BE INSTALLED:

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Streetlights, upon request, will be provided along existing or proposed town roads or along a private roadway within the distribution easement area in accordance with NB-200; Street and Security Lighting. To coordinate the installation of the conduit and concrete structures, a written agreement on streetlight layout should be reached between the Company and the customer (the customer is responsible for obtaining written municipal approval, as required) before construction of the distribution system begins. All customer contributions will be in accordance with NB-200 and EVERSOURCE Rate 116. If streetlighting is to be installed, owned and maintained by the municipality, NB-208 and EVERSOURCE Rate 117 will apply, and the customer will be directed to make the arrangements directly with the municipality.

### PROCEDURE

- A. Developers will be required to provide appropriate information regarding a request for extension of distribution facilities into a new residential development. The request will include a copy of the plan as approved by the appropriate municipal authority.
- B. The Company will develop a proposed distribution system layout and any estimated OH or CS costs required by this policy, using the methodology shown in Exhibit NB-21-A, Computation of Customer Contribution for New Residential Developments. Refer also to examples provided in Exhibits NB-21-B, C, and D, and E.
- C. Standard letters shall be used to communicate arrangements with and collect contributions from the customer. Any modifications to these letters required for special situations must be approved by the Business Policies Administrator.  
  
Residential Distribution Agreement Letter - Exhibit NB-21-F
- D. The work shall not be scheduled until receipt of the signed agreement letter and any customer payment, in addition to any required easements or permits.
- E. Payment collected from the customer shall be promptly forwarded to the Company Business Office. Instructions should be provided to the Business Office for crediting the payment to the proper accounts, including the work order number, the work request number, and the activity number established for installation of the distribution system. Account numbers are listed in the blank column of the miscellaneous payment record.

Contributions: Work Order, Activity Number, 14393 (in the blank column)

CIAC tax liability: Cash CIAC: 1864W (in the blank column)

Non-cash CIAC: 1864N (in the blank column)

**Note the distinction between 1864W and 1864N**

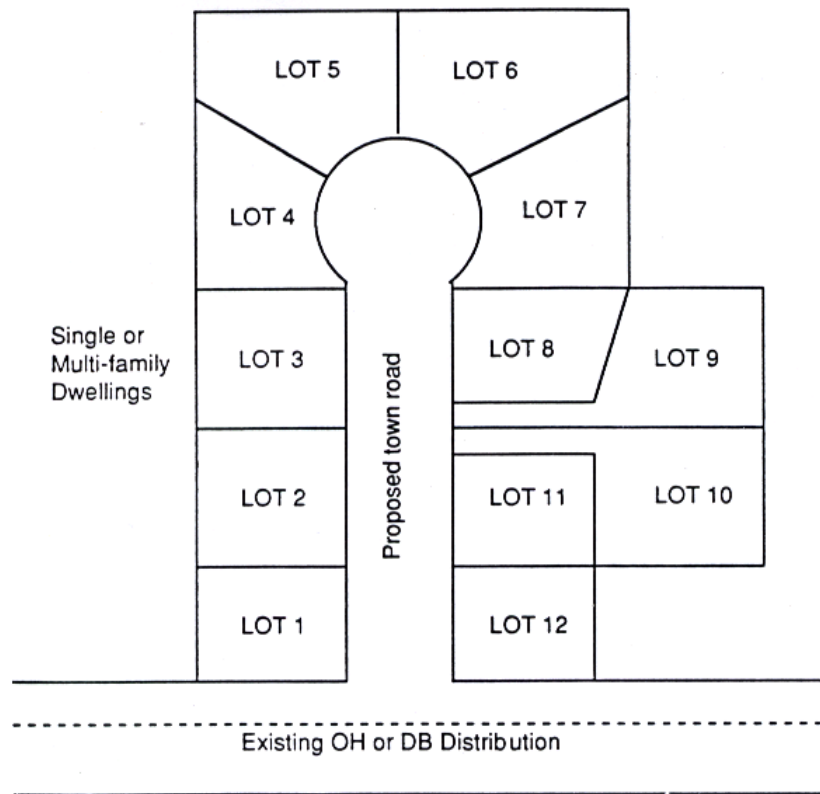
COMPUTATION OF CUSTOMER PAYMENT  
FOR NEW RESIDENTIAL DEVELOPMENTS

The customer contribution is to be calculated as follows:

<u>Nonrefundable Contribution (if CS is to be installed)</u>	
# of Lots _____ x \$ _____ per Lot	= \$ _____ (A)
Tax Liability [(A) x (tax liability factor - 1.00)]	= \$ _____ (B)
Non-cash Tax Liability	
[(value of customer contributed plant) x (tax liability factor - 1.00)]	= \$ _____ (C)
Total Nonrefundable Contribution [(A) + (B) + (C)]	= \$ _____ (D)

**SUBDIVISION EXAMPLE**

**CS Distribution Request**



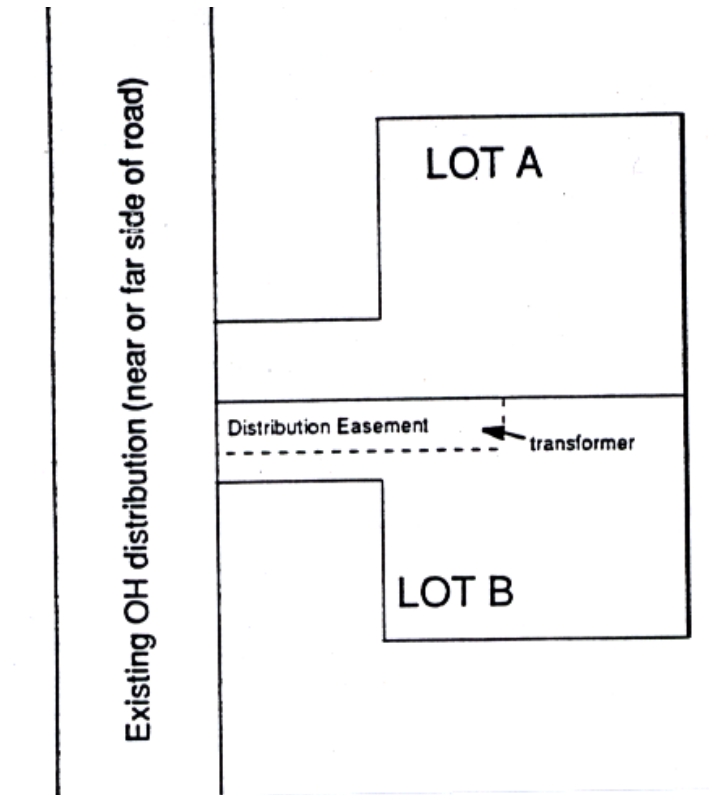
Assume the average lot frontage to be 150 feet.

Differential Charge = 12 lots x \$307 per lot (based on average lot frontage)....	=	\$3,684
Tax Liability = 13% of \$3,828 .....	=	\$479
Non-cash Tax Liability = 13% of \$1,500 .....	=	<u>\$195</u>
Total Customer Contribution.....	=	\$4,358

**UNIT CHARGES ARE FOR ILLUSTRATIVE PURPOSES ONLY.  
USE CURRENT NB-2 VALUES AND THE CURRENT TAX LIABILITY  
FACTOR WHEN PERFORMING ESTIMATES.**

**DOUBLE BACKLOT EXAMPLE**

**CS Distribution Extension Request**



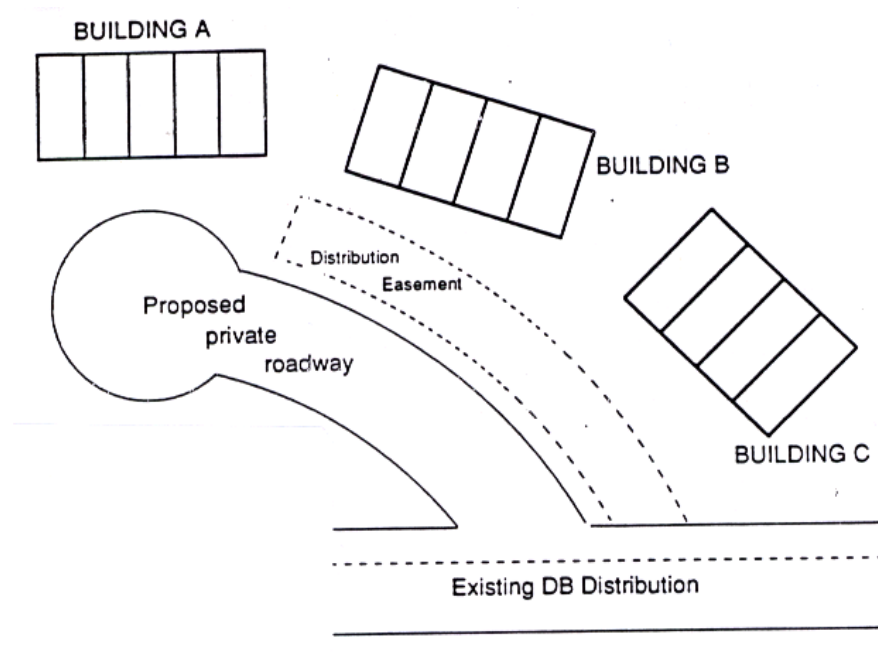
Assume the easement is 300 feet. Divide 300 by 2 lots for an average lot frontage of 150 feet.

Differential Charge = 2 lots x \$307 per lot (based on average lot frontage)....	=	\$614
Tax Liability = 13% of \$614.....	=	\$80
Non-cash Tax Liability = 13% of \$160 .....	=	<u>\$16</u>
Total Customer Contribution.....	=	\$710

**UNIT CHARGES ARE FOR ILLUSTRATIVE PURPOSES ONLY.  
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FACTOR WHEN PERFORMING ESTIMATES.**

**APARTMENT/CONDOMINIUM EXAMPLE**  
 (on a single parcel of private property)

**CS Distribution Extension Request**



Assume the easement is 600 feet. Divide 600 by 3 services for an average lot frontage of 200 feet.

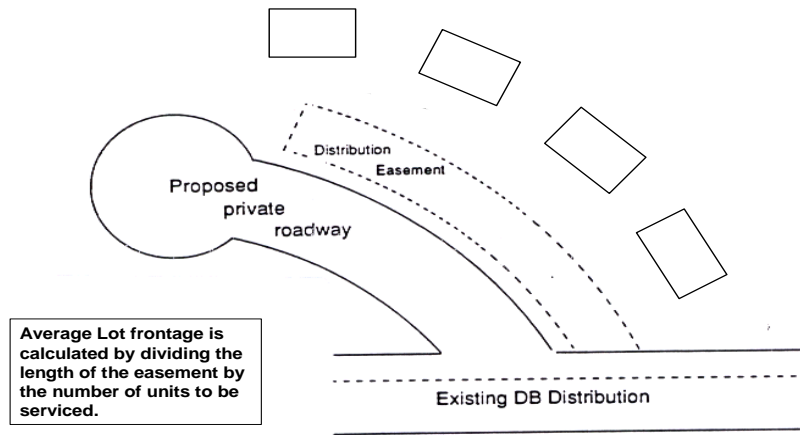
Differential Charge = 3 services x \$316 per lot (based on average lot frontage).	=	\$948
Tax Liability = 13% of \$ 948.....	=	\$123
Tax Liability for Customer-Installed Plant = 13% of \$900).....	=	<u>\$117</u>
Total Customer Contribution.....	=	\$1,188

**UNIT CHARGES ARE FOR ILLUSTRATIVE PURPOSES ONLY.  
 USE CURRENT NB-2 VALUES AND THE CURRENT TAX LIABILITY  
 FACTOR WHEN PERFORMING ESTIMATES.**



**PLANNED AREA DEVELOPMENT EXAMPLE**

**Individual Units on a Single Land Parcel**



Assume the easement is 600 feet. Divide 600 by 4 services for an average lot frontage of 150 feet.

Differential Charge = 4 services x \$307 per lot (based on average lot frontage).	=	\$1,228
Tax Liability = 13% of \$1,228 .....	=	\$160
Tax Liability for Customer-Installed Plant = 13% of \$1,000).....	=	\$130
Total Customer Contribution.....	=	\$1,518

**UNIT CHARGES ARE FOR ILLUSTRATIVE PURPOSES ONLY.  
USE CURRENT NB-2 VALUES AND THE CURRENT TAX LIABILITY  
FACTOR WHEN PERFORMING ESTIMATES.**

OH DISTRIBUTION AGREEMENT LETTER  
NEW RESIDENTIAL DEVELOPMENTS

Note: An "\*" at the beginning of a sentence or paragraph indicates that the text that follows is optional, as the situation warrants.

\* \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear \_\_\_\_\_:

This agreement sets forth the conditions for providing overhead (OH) electric distribution and services for your development, known as (name) \_\_\_\_\_,  
(street) \_\_\_\_\_,  
(town) \_\_\_\_\_, (state) \_\_\_\_\_. It will be necessary for you to make a payment of \$ \_\_\_\_\_ before the work is started. This amount is calculated as shown in the attachment to this agreement.

All tree trimming, tree removal and blasting required for the extension of the distribution facilities will be provided by you.

There will be no additional charge for installation of the overhead service conductors between the overhead distribution facilities and the designated meter locations as long as the service does not require an intermediate pole on private property, except for road clearance purposes. There will be additional charges for temporary service connections, for poles set on private property that are not required for road clearance purposes and for additional length of conductors required.

\*It is your responsibility to supply, at no cost to the Company, a permanent distribution easement. No facilities will be installed until all required easement and supporting documents have been recorded with the Town Clerk.

The terms of this Agreement will remain firm until (90 days from now). After that date this agreement may, at the option of the Company, be reconfirmed in writing by the Company if you so request, or may be re-negotiated reflecting any new costs or policy changes.

Kindly sign the original copy and return it to me with your check. Retain the second copy for your files.

Very truly yours,

\_\_\_\_\_

Attachment

ACCEPTED BY \_\_\_\_\_

TITLE \_\_\_\_\_

NAME OF FIRM \_\_\_\_\_ DATE \_\_\_\_\_

ADDRESS OF FIRM \_\_\_\_\_ WITNESS \_\_\_\_\_

ATTACHMENT TO CS DISTRIBUTION AGREEMENT LETTER

(date)\_\_\_\_\_

(development name)\_\_\_\_\_  
(street)\_\_\_\_\_  
(town)\_\_\_\_\_(state)\_\_\_\_\_

CALCULATION OF CONTRIBUTION

- 1. Payment equal to the differential charge for the conduit system distribution system (vs. an equivalent overhead system) = \$\_\_\_\_\_
- 2. Payment equal to the Company's tax liability (\_\_\_\_\_% of the sum of the above) = \$\_\_\_\_\_
- 3. Payment equal to the Company's tax liability for Customer-Installed Plant = \$\_\_\_\_\_
- 4. Total Nonrefundable Contribution (Item 1 + 2 + 3) = \$\_\_\_\_\_

CS DISTRIBUTION AGREEMENT LETTER  
NEW RESIDENTIAL DEVELOPMENTS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear \_\_\_\_\_:

This agreement sets forth the conditions for providing conduit system (CS) electric distribution for your development, known as (name) \_\_\_\_\_, (street) \_\_\_\_\_, (town) \_\_\_\_\_, (state) \_\_\_\_\_. It will be necessary for you to make a total payment of \$ \_\_\_\_\_ before the work is started. This amount is calculated as shown in the attachments to this agreement.

All tree removal, trenching, road crossings, blasting, conduit, concrete products, backfill with material complying with Company specifications and other restoration for the installation of the conduit system electric service conductors on existing and proposed town roads or on private property will be provided by you.

We will provide and install all conductors, including those between the conduit system distribution facilities and the designated meter locations. We will terminate the service conductors in your outdoor meter socket. There will be additional charges for temporary service connections and for additional length of conductors required, payable at the time of the request.

It is your responsibility to supply, at no cost to the Company, a permanent distribution easement. No facilities will be installed until the required easement and supporting documents have been filed with the Town Clerk.

In order that streetlight facilities may be installed together with the distribution system, a written agreement on streetlight layout must be reached between the Company and you before construction begins. You are responsible for obtaining written municipal approval.

The terms of this agreement will remain firm until (90 days from now). After that date this agreement may, at the option of the Company, be reconfirmed in writing by the Company if you so request, or may be re-negotiated reflecting any new costs or policy changes.

Kindly sign the original copy and return it to me with your check. Retain the second copy for your files.

Very truly yours,  
\_\_\_\_\_

ACCEPTED BY \_\_\_\_\_

TITLE \_\_\_\_\_

NAME OF FIRM \_\_\_\_\_

ADDRESS OF FIRM \_\_\_\_\_

DATE \_\_\_\_\_

WITNESS \_\_\_\_\_