

**City of Williams, Arizona  
Line Extension Policy**

**Effective September 25, 2015**

**Preamble:**

This statement sets forth the City of Williams ("the City") general policy on Line Extensions, which will apply in most instances. The City reserves its right to negotiate other arrangements, by contract with customers or others, as deemed necessary or proper by the City as the result of special or exigent circumstances.

**1. "Line Extension" and "Extension Customer" Definition**

A Line Extension is defined as an increase in the size and/or length of the City's existing electrical facilities required to serve a new load for one or more customers within the City's service area and includes, but is not limited to, lines, poles, conduit, cable, switch cabinets, vaults, pull boxes, transformers and meters. Line Extensions, which may require improvements to the City's backbone system, are necessary to provide electrical service to new and existing homes, farms, businesses, industries, and other service requests within the City's service area. The term "Backbone Facilities" generally refers to improvements the City must make to those parts of its existing system or the addition of new facilities, not directly associated with a Line Extension, that are needed to provide capacity for the Line Extension or to maintain system reliability. New customers and additional customers requiring additional service and necessitating a Line Extension are defined herein, individually or collectively, as the Extension Customer. For each Line Extension, the City shall, in its sole discretion, identify and define the relevant "Extension Customer." All Line Extensions are subject to engineering and financial feasibility analysis by the City or its subcontractor and are evaluated consistent with efficient business practices to provide reliable service to the Extension Customer. The capital costs of Line Extensions are borne by the Extension Customer and may include charges by third parties who may be contracted by the City to perform certain design and/or construction services relevant to the Line Extension. This Line Extension Policy is subject to revisions as may be approved and adopted by the City of Williams City Council from time to time. Upon completion of construction of any Line Extension, the City shall be the sole owner of any and all Line Extension facilities up to and including the metering equipment, unless other written arrangements are agreed to by the City and the Extension Customer.

**2. Conditions for Construction**

A. When an extension of City electrical facilities is to be installed on State, County, or City right-of-way, or on Federal lands pursuant to permits from a government agency suitable in the opinion of the City, the City or its assigned subcontractor shall physically construct all such facilities.

B. When an extension of City electrical facilities is to be constructed on private property or right-of-way not under the jurisdiction of a government agency, the Extension Customer or its designee shall acquire and grant to the City and its subcontractor a right-of-way easement necessary and suitable in the sole discretion of the City, and shall, at the City's or subcontractor's request, provide any clearing, trenching, backfilling, etc. for the installation of

City facilities subject to the City's or its subcontractor's specifications and inspections by City or its subcontractor's personnel.

C. The Line Extension shall generally commence at the terminating point or a tap point on the City's present electric facilities. Line Extensions may also include improvements to existing Backbone Facilities to meet the Extension Customer's new load requirement. The City or its subcontractor reserves the right to determine the voltage and phase of service to be constructed as well as the service route and service entrance location.

D. The costs to install facilities in addition to those supplied by the City, as set forth below, shall be estimated by the City or its subcontractor and submitted to the Extension Customer. As a condition of service, the Extension Customer shall pay the City the estimated costs prior to commencement of any electric facility construction, unless otherwise provided herein. At the completion of the Line Extension, the Extension Customer will be credited or billed for the difference between the actual Line Extension costs and the estimated Line Extension costs.

E. All other matters affecting or concerning the provision of electrical service shall be in compliance with the City's policy or by action of the City of Williams City Council.

### **3. Type of Construction**

Overhead or underground construction may be installed, and the City in its sole discretion shall determine the type that is most suitable, unless otherwise mandated by City or County ordinance or other applicable rule or regulation.

### **4. Line Extension Application Process**

Before a Line Extension is provided by the City, the following processes must be completed:

- A. The Extension Customer must execute a Work Order Estimate Authorization with the City and pay a design deposit to City or its subcontractor, which deposit will vary depending on the type of Line Extension being performed. The City or its subcontractor will provide the Extension Customer with the applicable formula and costs supporting the design deposit based upon the specifics and type of development that will be sought by Extension Customer to utilize the Line Extension.
- B. Upon receiving the design deposit, the City's subcontractor will provide a design for the Line Extension and a construction cost estimate which will include the cost of extending service together with the costs of any Backbone Facilities that may, in the City's or its subcontractor's discretion, be required. The time to complete the design and construction estimate will depend on the complexity of the Line Extension, the availability of survey and other necessary data, and the work load of the City or its subcontractor. Requested changes to the design provided by the City or its subcontractor may require an additional deposit payment by the Extension Customer.
- C. The Extension Customer must execute a Construction Authorization Agreement with the City's subcontractor and provide any right-of-way easements, including land surveys, the City or its subcontractor deems necessary in order to extend its facilities.

- D. Full payment in the amount of the construction cost estimate and any required easements must be received by the City before any construction work will be scheduled or special equipment needed for the Line Extension is ordered.

**5. Payment of Cost of Installing Facilities**

The Extension Customer shall pay all the costs of a Line Extension based upon the category of customer into which the Extension Customer is classified. The City, through its current subcontractor, Arizona Public Service Company ("APS"), determines costs of installation of facilities to be installed according to the schedule of charges filed by APS with the Arizona Corporation Commission. The City hereby incorporates the current version of APS's Schedule 3, pertaining to line extension charges and cost, as amended from time to time by APS as the schedule of the City for the costs of installing line extension facilities.