

Municipal Gas Utility of the City of Cedar Falls, Iowa
Service Policy
September 2016

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GENERAL

When natural gas service has been requested from the Municipal Gas Utility of Cedar Falls hereafter known as the Utility, and such service is provided, the owner of the property shall be considered as having expressed his or her consent to be bound by the regulations and requirements contained herein this natural gas policy.

CODES AND REGULATIONS

It is the policy of the Utility to operate the natural gas system with the highest degree of care for the safety of the public and utility employees. To ensure the care and safety needed for a natural gas system, the Pipeline and Hazardous Materials Safety Administration (PHMSA) section of the U.S. Department of Transportation sets rules and regulations that are used for design, construction, maintenance, and operation of the gas system. The standards herein are supplementary to, and are not intended to conflict with the rate schedules of the Utility, PHMSA rules and regulations, and such state, country and other governing authorities' laws, codes, ordinances, orders, and statutes as may be enforced within the city and area to which Utility provides natural gas service.

IOWA UTILITIES BOARD REGULATION

The Utility will follow the rules and standards of the Iowa Utilities Board, when applicable, regarding service and utility policies. In the event any conflict between the Utility's policy and Iowa Utilities Board regulations, the Iowa Utilities Board requirements shall prevail.

CHARACTER OF SUPPLY

The Utility will supply natural gas with a heating value of approximately 1,000 BTU per cubic foot. A standard average pressure of seven inches of water column will be available at the outlet side of the meter set so as to provide safe, efficient appliance operation. Higher pressures can be served subject to system availability and approval by the Utility.

UTILITY ACCESS TO CUSTOMER PROPERTY

By accepting gas service, the customer agrees to allow Utility authorized personnel access to the customer's property and/or buildings in the event of an emergency. The Utility will provide notice as the situation warrants.

INTERRUPTIONS AND LIABILITY

The Utility will use reasonable diligence to supply steady and continuous service, but does not guarantee its service against irregularities or interruption. The Utility shall not be considered in default of its service agreement with the customer and will not otherwise be liable for any damages incurred by any irregularity or interruption of gas service. The Utility shall not be considered in default of its service agreement and will not otherwise be liable due to failure of the Utility to perform any obligations if prevented from fulfilling such obligation by reason of delivery delays, breakdowns of or damage to facilities, acts of God or public enemy or any cause beyond the control of the Utility.

GAS RATES

All customers of the Utility will be placed on a firm gas rate adopted by the Board of Trustees of the Municipal Gas Utility unless the customer qualifies for, and requests, service under other rates which may be in effect at the time. The gas rates may be changed at the discretion of the Board of Trustees of the Municipal Gas Utility.

All gas sold shall be on the basis of meter measurement, except for temporary service installations where the load is constant and the consumption may be readily computed and provided for in the Utility's rate manual. Wherever practical, consumption of gas within the Utility itself or by administrative units associated with it shall be metered.

GAS MAIN EXTENSION ROUTES

All customers requesting gas main extension must furnish one print to the Utility of the property or platted area in question. The customer must also furnish easements to the Utility or assist the Utility in securing easement rights when it becomes necessary to cross private property with gas mains. All gas main extensions will be constructed by the

Utility or its contractor along existing improved public roads, streets, alleys, or a route selected by the Utility. Gas mains will normally be installed in the south and/or east parking of street right-of-ways. The length of any main extension shall be considered as the distance from the nearest existing gas main and continuing across the customer's property to the farthest lot line.

The Utility will construct and finance a gas main extension only if it is deemed in the best interest of the Utility as determined by the Utility.

All gas main extensions and revenue there from shall remain the property of the Utility. The Utility reserves the right to maintain, repair, and replace the gas mains.

GAS MAIN EXTENSION COSTS

The Utility will extend a gas main up to 100-feet without cost to an applying customer for a residential, commercial, or industrial property provided the applying customer will use gas as the primary heating source for an existing building or a building under construction. An additional extension may be made at the Utility's expense if determined by the Utility to be beneficial to the Utility. If the distance of the main extension exceeds 100-feet, the customer will be required to make a refundable investment equal to the estimated cost of the additional footage as determined by the Utility. No interest will be paid by the Utility on the refundable investment. See Return of Refundable Investment section for more information.

The cost estimate of construction and revenue to be derived from the main extension will be calculated by the Utility. Installation will be subject to availability of natural gas.

Gas main extensions will only be constructed in the spring, summer, and fall or when the ground is free of frost. When construction is requested by the customer during the winter months or when frost is in the ground and it is deemed possible by the Utility, the customer must agree to pay any and all additional costs necessary for cold weather construction.

GAS MAIN EXTENSIONS TO SUBDIVISIONS

Whenever an extension of the Utility's gas mains is necessary to serve a platted subdivision, the gas main extension will include the entire subdivision. Prior to the construction of the extension, a refundable investment must be made by the developer and/or property owners(s) in the subdivision.

The refundable investment will be equal to the entire estimated cost to serve the subdivision with gas mains; less credit for any gas heating customers that have applied for gas service. No interest will be paid on the refundable investment by the Utility. The credit is computed by using the estimated cost per foot for the gas main extension, multiplied by 100 feet, multiplied by the number of properties that have applied for gas heating service.

The refundable investment will include the cost of all gas distribution mains that are necessary to bring gas to the subdivision. The Utility will determine the size of the gas distribution main required to serve the subdivision. If it is deemed in the best interest of the Utility to install a larger size gas distribution main than the subdivision requires, the Utility will pay the difference in estimated cost.

The cost estimate of construction and revenue to be derived from the main extension will be calculated by the Utility. Installation will be subject to availability of natural gas.

RETURN OF REFUNDABLE INVESTMENT

A refundable investment is subject to return without interest in the following manner:

As additional permanent gas heating customers are connected to the subdivision gas mains, the Utility will, each calendar year quarter, refund to the original customer or developer who paid the refundable investment an amount not to exceed 100-feet, multiplied by the original estimated cost per foot of gas main for the extension, multiplied by the number of new additional permanent gas heating customers in the subdivision. At no time shall total refunds exceed the original investment.

The refunding period shall be in effect for ten years from the date the gas main was installed. If the Utility is unable to provide gas service to new customers during this ten-year period, the time period length may be extended as determined by the Utility.

GAS SERVICE OUTSIDE CITY LIMITS

Gas service may be provided to customers outside the City limits at the discretion of the Utility and as permitted by appropriate regulatory agencies.

GAS SERVICE LINE INSTALLATION, OWNERSHIP AND COSTS

The Utility or its contractor will install a gas service line of adequate size for the first 100-feet beyond the property line or to the nearest point of the building, whichever is less, at no charge to primary gas heating customers. The gas service including the piping, fittings, shut-off, regulator and meter are owned and maintained by the Utility. Charges for service in excess of the 100-feet will be billed to the customer at the actual cost per foot. For customers other than primary gas heating customers, the Utility will install a gas service to the nearest point of the building with the customer paying for the length of the service line from the property line to the building. Installation of the gas service cannot begin until the finished grade has been established and dirt has been backfilled around the foundation. The owner or contractor must complete a Location Gas Service form and an Agreement for Utilization of Gas Service form with the Utility before the gas service line can be installed.

GAS SERVICE FOR SUPPLEMENTAL HEATING

Customers requesting gas only as a backup fuel supply for heating or for fireplace(s) will be required to pay the actual cost for the entire length of the service from the gas main to the building.

RESALE OF SERVICE

The natural gas service supplied by the Utility is for the exclusive use of the customer on the premises to which such service is delivered by the Utility. Utility will not supply gas service to a customer for resale by the customer with the exception of State certified

compressed natural gas (CNG) fuel dispensing facilities. However, a master-metered customer may assess tenants, lessees or other persons to whom ultimately the gas is distributed by an allocation procedure, provided the master-metered customer does not receive more than needed to pay the master-metered bill. Utility will supply and maintain only the one master meter in such an instance.

GAS SERVICE TO MOBILE HOMES

A mobile home may be served with natural gas subject to the approval of the Utility. Approval will be contingent upon the safe installation of all gas appliances and heating equipment.

METER INSTALLATIONS

The Utility will furnish, own, install, and maintain all meters and regulators required to supply the approved pressure and volume to the customer. The customer or the customer's installer shall connect the building piping on the outlet side of the meter set, where the customer takes over ownership of the gas supply and piping and equipment. If any pressure regulators are required on the outlet side of the meter (except for measurement purposes), they shall be furnished and installed by the customer or customer's installer.

All new gas service installations shall have meters installed outside, along the front of the building or around either front corner within three feet of the front of the building at a location agreed upon by the Utility and customer or developer. All costs for meter installations, relocation, or rearrangement due to building additions, remodeling, residing, or customer request will be billed to the customer. Only Utility personnel are permitted to remove & install meters.

MULTIPLE DWELLINGS

A multiple dwelling is any structure containing two or more separate living units. A separate living unit is defined as one containing separate, permanent kitchen facilities. Firm gas service will not be available to a multiple dwelling structure through a single

meter (master metering), except where permitted by the Utility or Iowa Utilities Board rules, with such service billed under the applicable Utility rate schedule.

All gas meter locations for multiple dwelling structures must be approved by the Utility.

METER TESTING

An established program of meter testing or meter replacement will be conducted by the Utility, varying according to the rated meter capacity. A customer may request a special meter test at any time, however the Utility reserves the right to issue a nominal charge for the meter test.

INSTALLATION OF GAS APPLIANCES AND PIPING

All installations of gas appliances and piping in buildings must pass inspection by the Utility and conform to City of Cedar Falls and Utility requirements including the NFPA 54 Code with Utility amendments.

GAS LEAKS

If you smell gas or you have a gas emergency please call the Utility's Gas Emergency Line at 319-268-5340 or 911 from a neighbor's home or cell phone when safely outside the gas odor area.

CUSTOMER REQUEST FOR SHUTOFF

Request by a customer or a customer's contractor for a service shutdown (with exception of an emergency) must be made 24 hours prior to actual shutdown.

Grading or excavation work should not be started until an underground facilities location has been completed. Forty-eight hours prior to any trenching or excavation work in excess of 12 inches, the customer is required to call Iowa One Call at 811. The customer shall indicate where and when the digging will occur and provide the name and phone number of the individual to be contacted by the Utilities.