

BULK AND MASTER METERS

- I. **PURPOSE:** The City of Richmond Department of Public Utilities (“DPU”) is aware that building owners (“Owners”) may request DPU to modify its gas distribution system serving customers with bulk and master meters. Generally there are two reasons for such requests – to meet compliance requirements or to allow tenants to be responsible for paying for gas they consume. The modifications requested may include moving or installing additional gas services and extending mains. This Policy is to ensure that all DPU customers are provided gas services in a safe, economic and consistent manner with no negative financial impact to existing gas customers. (Although this Policy is intended primarily for existing multi-family residential projects, it also applies to bulk and master meter customers). This regulation is authorized by Section 106-32 of the Code of the City of Richmond, Virginia which authorizes the Director to make reasonable rules and regulations as deemed necessary to ensure the proper management, conduct, operation and control of the City of Richmond gas utility.

- II. **DOWNSTREAM WORK:** DPU will perform no work downstream of a bulk or master meter. DPU will provide a list of currently qualified contractors who perform downstream work upon request.

- III. **CONVERSION OF BULK AND MASTER METER PROJECTS TO INDIVIDUAL METERS:**
 - A. **Procedure:**
 - i) After an initial request from the Owner, a DPU team consisting of individuals from DPU Energy Services, DPU Technical Services and DPU Gas Operations will meet with the Owner on-site to discuss the Owner’s request.
 - ii) Following the on-site meeting, the Owner may request DPU to convert the Owner’s bulk or master meter project to individual meters by submitting a written request to DPU Energy Services, signed by the Owner or the Owner’s authorized representative, and including the following:
 - a) A complete and up-to-date utility site plan, including a depiction of existing gas meter locations and associated gas loads;
 - b) Requested locations of new or relocated meter locations with associated gas loads. All requested gas meter locations and specifications are subject to DPU’s approval.
 - iii) If the Owner’s written request for conversion is complete, DPU Energy Services will forward to DPU Technical Services a Main Extension Evaluation Sheet with all project information.
 - iv) DPU Technical Services will develop a project plan with a cost estimate and forward the proposal to DPU Energy Services.

BULK AND MASTER METERS

- v) DPU Energy Services will meet with the Owner to discuss the scope and estimated cost of work to be performed.
- vi) If the Owner decides to move forward with the project, DPU Energy Services will draft and forward to the Owner a proposed contract that includes the following:
 - a) A description of the project.
 - b) The total estimated cost of the project Aid in Construction including the estimated feet and sizes of mains and services, the number of meters, and the required delivery pressure.
 - c) The Owner's agreement to be responsible for all actual costs incurred by DPU in the work on the project. (If the actual cost to do the work is less than, or greater than, the estimated cost, DPU shall adjust the applicable amount charged the Owner accordingly.)
 - d) DPU will endeavor to bill the Owner for the incurred costs within sixty (60) days following:
 - 1. Completion of all DPU work; or,
 - 2. The Owner's written request to DPU to halt the installation.
 - e) The Owner, at its cost, shall have all on-site utilities marked by a professional utility locating firm.
 - f) The Owner's agreement to provide adequate performance security as established by DPU, if requested.
 - g) A notice that the Owner's failure to complete the installation within two years will result in abandonment of any unused gas lines, and possible other costs and penalties; and that subsequent activation of the unused lines will involve additional cost.
 - h) The Owner's agreement to notify tenants that they will need to apply for gas service.
 - i) The Owner's agreement to provide DPU with a Transitional Service Authorization Form signed by the Owner.

B. Approval:

- i) Each Project will be reviewed and subject to the approval of the DPU Division of Energy Services Manager.
- ii) Projects costing more than \$50,000 (or current signing authority level) shall be subject to the approval of the DPU Energy Services Manager and the DPU Controller, and must be countersigned by the Director of DPU.

BULK AND MASTER METERS

- iii) DPU will not release DPU Technical Services to design the project, or commence any construction work until the Owner has provided DPU with all necessary written approvals, assurances, and commitments, including, but not limited to, the signed contract, evidence of any necessary performance security, and the signed Transitional Service Authorization Form.

IV. BULK AND MASTER METER SYSTEM RENEWAL

- A. In the event DPU selects a bulk or master meter complex for gas renewal, DPU's Energy Services group will notify the affected Owner of DPU's plans to renew gas mains and services and may offer the Owner an opportunity to convert from a master meter system to individual meters during the renewal.
- B. Energy Services will request an on-site meeting with the Owner to explain the scope of work to be performed. If the Owner indicates interest in possible conversion to individual meters, DPU Energy Services will request DPU Technical Services to provide a detailed project cost estimate of the conversion project. DPU Energy Services then will conduct a project evaluation that includes all costs to convert to individual meters. If it is not cost effective for DPU as part of the renewal project to replace a bulk or master meter with individual meters, DPU Energy Services will advise the Owner of the estimated additional cost to change to individual meter service. In such an event, the Owner may request that DPU convert the bulk or master meter to individual meters pursuant to Section III herein.
- C. If the Owner chooses not to convert its property to individual meters at the time of a renewal, the Owner shall be charged all costs DPU may incur to convert the applicable property to individual meters in the future.

V. REQUESTS FOR DPU TO ASSUME OWNERSHIP OF BULK AND MASTER METER SYSTEMS

- A. The City of Richmond will not assume any responsibility for any gas piping not installed and maintained by DPU unless the City is adequately compensated for the cost to bring such a system up to compliance with U. S. Department of Transportation and other applicable requirements.
- B. **Procedure:**
 - i) An Owner may request DPU in writing to analyze assumption of DPU ownership of the Owner's bulk or master meter system. The Owner shall address such a written request to DPU Energy Services and provide the following information:
 - a) A complete and up to date utility site plan, depicting:
 - 1. Existing gas meter locations and associated gas loads;
 - 2. Main and service locations, materials, and dates of installation; and,
 - 3. MAOP and Maximum Operating Pressure.

BULK AND MASTER METERS

- b) Locations of anticipated new or relocated meters with associated gas loads.
- c) Copies of U. S. Department of Transportation required records including:
 - 1. Leak Survey;
 - 2. Corrosion control inspections; and,
 - 3. Valve and regulator maintenance records;

C. Approval Process:

- i) DPU Energy Services will forward to Technical Services an Evaluation Sheet with all project information Owner has provided.
- ii) DPU Energy Services will forward to DPU Gas Operations records of the applicable existing infrastructure and associated inspections.
- iii) Once forwarded by DPU Technical Services, in conjunction with DPU Gas Operations, DPU Energy Services will forward the Owner a project plan with a cost estimate. The cost estimate will include:
 - a) Estimated cost to extend the main to service the bulk or master meter location, if needed;
 - b) Estimated cost to investigate unknown or undocumented infrastructure (test holes, for example);
 - c) Estimated cost to perform remedial inspections to ensure U. S. Department of Transportation compliance (e.g., completion of leak surveys or corrosion surveys); and
 - d) Estimated cost to perform maintenance activities required to bring the system into compliance (e.g., anode, rectifier, and tracing wire installation).
- iv) DPU Energy Services will meet with the Owner to discuss the scope and estimated cost of work to be performed.
- v) If the Owner decides to move forward with the project, DPU Energy Services will draft and forward to the Owner a proposed contract that includes the following:
 - a) The Owner's agreement to be responsible for all actual costs incurred by DPU in the work on the project. (If the actual cost to do the work is less than, or greater than, the estimated cost, DPU shall adjust the applicable amount charged the Owner accordingly.)
 - b) An estimate of the number of feet of mains and services, number of meters, gas pressure delivered.
 - c) The Owner's approval of the project preconstruction plans.

BULK AND MASTER METERS

- d) The Owner, at its cost, shall have all on-site utilities marked by a professional utility locating firm.
- e) The Owner's agreement to provide adequate performance security as established by DPU, if requested.
- f) The Owner's agreement to grant the City any needed easements.
- g) A notice that the Owner's failure to complete the installation within two years will result in abandonment of any unused gas lines, and possible other costs and penalties; and that subsequent activation of the unused lines will impose additional cost on the Owner.
- h) The Owner's agreement to notify tenants that they will need to apply for gas service.
- i) The Owner's agreement to provide DPU with a Transitional Service Authorization Form signed by the Owner.
- j) Prior to the start of final design, Owner will return an executed contract with a check for Contribution in Aid to Construction.
- k) Prior to construction, the Owner agrees to participate with DPU Energy Services, DPU Gas and Light, and DPU Customer Services in a preconstruction meeting to discuss the project including the anticipated start and completion dates.
- l) Within sixty (60) days after the completion of project, DPU will endeavor either to invoice the Owner for any construction costs incurred in excess of the Owner's Aid in Construction contribution, or refund any amount for which the Owner's Aid in Construction contribution was greater than the actual costs.

VI. **EXCEPTIONS:** The DPU Director may approve a case-specific exception to any requirement of this regulation for good cause shown, by setting forth the exception and the basis for the exception, in writing.

This regulation shall be effective July 1, 2012, and at that time shall supersede all conflicting City of Richmond Department of Public Utilities rules, regulations, and policies.

Approved: _____

Robert C. Steidel, Director of Public Utilities, City of Richmond

Date: _____

6 January 2017