

## §§ 1724.22–1724.29 [Reserved]

**Subpart C—Engineering Services****§ 1724.30 Borrowers' requirements—engineering services.**

The provisions of this section apply to all borrower electric system facilities regardless of the source of financing.

(a) Each borrower shall select one or more qualified persons to perform the engineering services involved in the planning, design, and construction management of the system.

(b) Each borrower shall retain or employ one or more qualified engineers to inspect and certify all new construction in accordance with § 1724.32. The engineer must not be the borrower's manager.

(c) The selection of the engineer is not subject to RUS approval unless specifically required by RUS on a case by case basis. Engineer's qualification information need not be submitted to RUS unless specifically requested by RUS on a case by case basis.

(d) The engineer's duties are specified under the Engineering Services Contract and under part 1726 of this chapter. The borrower shall ensure that the engineer executes all certificates and other instruments pertaining to the engineering details required by RUS.

(e) Additional requirements related to appropriate seismic safety measures are contained in part 1792, subpart C, of this chapter, Seismic Safety of Federally Assisted New Building Construction.

(f) If the facilities are RUS financed, the borrower shall submit or require the engineer to submit one copy of each construction progress report to RUS upon RUS' request.

**§ 1724.31 Engineering services contracts.**

The provisions of this section apply only to RUS financed electric system facilities.

(a) RUS contract forms for engineering services shall be used. Reasonable modifications or additions to the terms and conditions in the RUS contract form may be made to define the exact services needed for a specific undertaking. Any such modifications or ad-

ditions shall not relieve the engineer or the borrower of the basic responsibilities required by the RUS contract form, and shall not alter any terms and conditions required by law. All substantive changes to the RUS contract form shall be approved by RUS prior to execution of the contract.

(b) RUS Form 236, Engineering Service Contract—Electric System Design and Construction, shall be used for all distribution, transmission, substation, and communications and control facilities. These contracts are not subject to RUS approval and need not be submitted to RUS unless specifically requested by RUS on a case by case basis.

(c) RUS Form 211, Engineering Service Contract for the Design and Construction of a Generating Plant, shall be used for all new generating units and repowering of existing units. These contracts require RUS approval.

(d) Any amendments to RUS approved engineering services contracts require RUS approval.

(e) *Closeout*. Upon completion of all services and obligations required under each engineering services contract, including, but not limited to, submission of final documents, the borrower must closeout the contract. The borrower shall obtain from the engineer a completed final statement of engineering fees, which must be supported by detailed information as appropriate. RUS Form 234, Final Statement of Engineering Fee, may be used. All computations of the compensation shall be made in accordance with the terms of the engineering services contract. Closeout documents need not be submitted to RUS unless specifically requested by RUS on a case by case basis.

**§ 1724.32 Inspection and certification of work order construction.**

The provisions of this section apply to all borrower electric system facilities regardless of the source of financing.

(a) The borrower shall ensure that all field inspection and related services are performed within 6 months of the completion of construction, and are performed by a licensed engineer, except that a subordinate of the licensed engineer may make the inspection,

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provided the following conditions are met:

(1) The inspection by the subordinate is satisfactory to the borrower;

(2) This practice is acceptable under applicable requirements of the States in which the facilities are located;

(3) The subordinate is experienced in making such inspections;

(4) The name of the person making the inspection is included in the certification; and

(5) The licensed engineer signs such certification which appears on the inventory of work orders.

(b) The inspection shall include a representative and sufficient amount of construction listed on each RUS Form 219, Inventory of Work Orders (or comparable form), being inspected to assure the engineer that the construction is acceptable. Each work order that was field inspected shall be indicated on RUS Form 219 (or comparable form.) The inspection services shall include, but not be limited to, the following:

(1) Determination that construction conforms to RUS specifications and standards and to the requirements of the National Electrical Safety Code (NESC), State codes, and local codes;

(2) Determination that the staking sheets or as-built drawings represent the construction completed and inspected;

(3) Preparation of a list of construction clean-up notes and staking sheet discrepancies to be furnished to the owner to permit correction of construction, staking sheets, other records, and work order inventories;

(4) Reinspection of construction corrected as a result of the engineer's report;

(5) Noting, initialing, and dating the staking or structure sheets or as-built drawings and noting the corresponding work order entry for line construction; and

(6) Noting, initialing, and dating the as-built drawings or sketches for generating plants, substations, and other major facilities.

(c) *Certification.* (1) The following certification must appear on all inventories of work orders:

I hereby certify that sufficient inspection has been made of the construction reported by this inventory to give me reasonable as-

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surance that the construction complies with applicable specifications and standards and meets appropriate code requirements as to strength and safety. This certification is in accordance with acceptable engineering practice.

(2) A certification must also include the name of the inspector, name of the firm, signature of the licensed engineer, the engineer's State license number, and the date of signature.

### §§ 1724.33–1724.39 [Reserved]

## Subpart D—Electric System Planning

### § 1724.40 General.

Borrowers shall have ongoing, integrated planning to determine their short-term and long-term needs for plant additions, improvements, replacements, and retirements for their electric systems. The primary components of the planning system consist of long-range engineering plans and construction work plans. Long-range engineering plans identify plant investments required over a long-range period, 10 years or more. Construction work plans specify and document plant requirements for a shorter term, 2 to 4 years. Long-range engineering plans and construction work plans shall be in accordance with part 1710, subpart F, of this chapter. See also RUS Bulletins 1724D–101A, Electric System Long-Range Planning Guide, and 1724D–101B, System Planning Guide, Construction Work Plans, for additional guidance. These bulletins are available from Program Development and Regulatory Analysis, Rural Utilities Service, U.S. Department of Agriculture, Stop 1522, 1400 Independence Ave., SW., Washington, DC 20250–1522.

### §§ 1724.41–1724.49 [Reserved]

## Subpart E—Electric System Design

### § 1724.50 Compliance with National Electrical Safety Code (NESC).

The provisions of this section apply to all borrower electric system facilities regardless of the source of financing.

(a) A borrower shall ensure that its electric system, including all electric