



United States Department of the Interior

NATIONAL PARK SERVICE

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CONTRACTING OFFICE

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IN REPLY REFER TO:

S72 (2623)

Date: September 1, 2006

Memorandum

To: Director, Facility Management Division
Associate Directors of Administration (Attn: Contracting/Procurement Personnel)
Harpers Ferry Administration (Attn: Contracting/Procurement Personnel)
Denver Service Center Administration (Attn: Contracting/Procurement Personnel)

From: Chief, Contracting Office

Subject: Revision #1 to the Standard Operating Procedures for Public Utility Tariff
Contracting

The following change is made to the subject document, dated November 25, 2003. The change clarifies that the SOP does not apply to construction contracts that includes utility connection installation, and that advance payments to utilities are not authorized.

Accordingly, delete the third paragraph of the SOP in its entirety and replace it with the following:

"This SOP applies to all public utility contract actions, whether oral or written, without regard to dollar value or customer location (i.e., park, regional office, service center).

This SOP does not apply to:

- (1) Requirements for temporary connections or service that occur during construction projects. Such temporary connections or service are the responsibility of the general contractor.
- (2) A contractor who is already working under an existing construction contract. Such a contractor can enter into a contract directly (as part of that contract) to install necessary utility connections. If the contractor does this, it is as if it is a subcontract for the prime. The requirements of FAR Part 41 do not apply to the contract between the contractor and utility. The government has no privity of contract with the utility company in these circumstances.

"In accordance with 41 U.S.C. Section 255 and case law, NPS cannot make advance payments for extension or connection of public utilities for Government buildings or installations."

This change will be formally incorporated into the SOP in its next re-write.

Any questions regarding this change can be directed to Lenny Spakow, at 303-969-2353, or myself, at 303-987-6714.

/ s /

Heidi M. Ernst