Case No. 2020-00375



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VIA TARIFF FILING SYSTEM

October 29, 2020

Mr. Jeff D. Cline Kentucky Public Service Commission Filings Branch 211 Sower Blvd Frankfort, KY 40601

Re: Tariff Filing ID. TFS2020-____

Dear Mr. Cline:

Enclosed please find the following contract to which Duke Energy Kentucky, Inc. is a party:

• Agreement for Sub-Metering with Skypoint Condominium Owners Association, Inc.

The original will be filed with the Commission within 30 days of the lifting of the current state of emergency.

Feel free to contact me should you have any questions. Thank you for your assistance with this matter.

Very Truly Yours,

Mina Suelun

Minna Sunderman

EMS Enclosure

Written Consent for Sub-Metering

This written Consent (Agreement) is entered into this <u>27</u>th day of <u>October</u> between Duke Energy Kentucky, Inc (Duke Energy Kentucky or the Company), a public utility engaged in the business of providing gas and electric service in the Commonwealth of Kentucky and <u>Skypoint (Ondormanum</u>, (Customer) whose premises is located at 120 Main, Newport, Kentucky 40171 (Premises), is or will be a natural gas customer of Duke Energy Kentucky.

WITTNESSETH:

WHEREAS, Duke Energy Kentucky provides natural gas service within Boone, Bracken, Campbell, Gallatin, Grant, Kenton, and Pendleton Counties in accordance with rates, terms, and conditions contained within its tariff, KY.P.S.C. Gas No. 2 (Tariff), approved by the Kentucky Public Service Commission (Commission), and as may be amended from time to time.

WHEREAS, Fourth Revised Sheet No. 21, page 2 of 4 of the Tariff provides that "Service is for Customer's use only and under no circumstances may Customer or Customer's agent or any other individual, association or corporation install meters for the purpose of reselling or otherwise disposing of service supplied to Customer."

WHEREAS, the Premises is a two-story building that was formerly operated as a nursing home that has been converted to a multi-unit apartment/condominium complex.

WHEREAS, the Premises currently has a single natural gas service installed and maintained by Duke Energy Kentucky that serves the entire building.

WHEREAS, installing separate natural gas service and meters for each unit is cost prohibitive for Customer.

WHEREAS, Customer desires to install sub-metering, behind Duke Energy Kentucky's metering equipment in order to allocate natural gas usage within the building to those unit owners or tenants using natural gas at the Premises (each an Occupant and collectively the Occupants).

NOW THEREFORE, in consideration of the mutual agreements herein contained, the parties agree as follows (Consent Agreement):

1) Sub-Metering of Natural Gas Service:

a. Customer understands that the installation of sub-metering is in violation of Duke Energy Kentucky's tariff, specifically, KY.P.S.C. Gas No. 2, Fourth Revised Sheet No. 21, as approved by the Commission; and

b. Customer agrees and affirms that the installation of the sub-metering is solely for the purpose of allocation of Duke Energy Kentucky's monthly gas charges to the Customer to the Occupants that are using natural gas; and

c. Customer agrees that if it chooses to install sub-meters and provide sub-metering services, such installation will occur in accordance with applicable building codes and rules and regulations and Customer will promptly notify Duke Energy Kentucky in accordance with the Company's Third Revised Sheet No. 22 and apply for an inspection and test prior to operating such sub-meters;

d. Customer agrees that if it chooses to install sub-meters and provide sub-metering billing services, it will not charge its Occupants any more than the pro-rated amount of Duke Energy Kentucky's total monthly natural gas bill and will, under no circumstances, mark-up, resell, or assess any other fee, or charge or otherwise profit on its Occupants billings related to the allocation of natural gas service; and

e. Customer understands that assigning any fee, charge, or including any mark-up or otherwise profiting on the resale of natural gas to Occupants would be in violation of Duke Energy Kentucky's Tariff, and may result in disconnection of natural gas service to the Premises, or potential action by the Commission; and

f. Customer acknowledges that Duke Energy Kentucky's facilities used in supplying service to Customer have limited capacity and shall give notice to Duke Energy Kentucky and obtain Duke Energy Kentucky's consent before making any material changes or increases in natural gas consumption, including, but not limited to installation of additional natural gas consuming units and installation of additional sub-metering devices.

2) <u>Responsibility of Natural Gas Bills</u>: Customer acknowledges that, notwithstanding any sub-metering it installs, Customer alone is responsible for paying the total monthly natural gas service charges assessed by Duke Energy Kentucky pursuant to its Tariff, as may be amended from time to time; and

3) System Maintenance:

a. Customer agrees that, during times of routine maintenance of Duke Energy Kentucky's natural gas delivery system, during system outages, or in the event of an emergency, Duke Energy Kentucky may disconnect the Company-owned meter and service to the Premises, thereby disconnecting service to the entire Premise. Any repairs necessary to the Premises' natural gas piping and sub-metering infrastructure beyond Duke Energy Kentucky's natural gas meter will be the sole responsibility of Customer or the individual Occupant, and not Duke Energy Kentucky. The Customer further understands and agrees that before Duke Energy Kentucky will restore service to the Premises following an outage, Customer will provide and allow representatives of Duke Energy Kentucky to have immediate access to each sub-meter for testing and inspection if

deemed necessary by Duke Energy Kentucky. This is necessary to ensure that it is safe for service to be restored; and

b. Customer agrees that Duke Energy Kentucky is not responsible for the installation, operation, or maintenance of any sub-meters or sub-metering services installed or performed at the Premises, as such sub-metering is done solely by the Customer for its own benefit and that of the Occupants of the Premises. Sub-meters and any sub-metering service will not be maintained or installed in the future by Duke Energy Kentucky; and

c. The Customer shall be responsible for compliance with any and all applicable federal and state regulations regarding the interior natural gas services at the Premises, which may include, but is not limited to, any and all maintenance, inspections, testing, and repairs to the natural gas tab meters and sub-metering services that have been or will be installed beyond Duke Energy Kentucky's equipment; and,

4) <u>Release and Indemnification</u>:

a. The Customer agrees and understands Duke Energy Kentucky is a supplier of natural gas delivered to the point of connection of Duke Energy Kentucky's natural gas delivery system to its meter at the Premises. Duke Energy Kentucky shall not be liability for and shall be protected and held harmless for any injury or damage to the occupants of the Premises or their property or third persons resulting from the presence, use or abuse of natural gas on the Premises or resulting from any defects related to the interior piping and installation of sub-meters at the Premises and unrelated to Duke Energy Kentucky's provision of natural gas service to Customer. Customer expressly acknowledges that its sub-metering and billing of Occupants is done at Customer's own risk and that Duke Energy Kentucky is not responsible for any metering or allocation errors Customer may make to its Occupants and will release, indemnify and hold Duke

Energy Kentucky harmless for any claims that may be raised related to Customer's installation and operation of sub-meters or providing billing services; and

b. Duke Energy Kentucky shall not be liable for any loss or damage resulting from interruption, reduction, delay or failure of the interior piping or sub-metering provided and maintained by Customer to the occupants of the Premises.

c. Customer agrees it will indemnify and hold Duke Energy Kentucky harmless regarding any claims that may arise due to the installation, existence or operation of sub-metering, or Customer's decision to provide sub-metering and billing allocation services at the Premises; and

d. None of the provisions in this Agreement establishes precedent for any other issue and neither Duke Energy Kentucky nor the Customer shall be bound by any part of this Agreement in any future proceeding, except that this Agreement may be used to enforce the terms set forth herein. Neither party shall be precluded or estopped from raising any issue, claim, or defense, therein by reason of the execution of this Agreement.

5) <u>Permits</u>: Customer shall obtain or cause to be obtained any and all necessary permits, certificates or other governmental or regulatory approvals necessary for the installation of sub-meters and provision of sub-metering services, if any.

6) <u>Maintenance of Records</u>: Customer agrees that it will maintain detailed and adequate records of any allocations of Duke Energy Kentucky's monthly natural gas bills among Occupants at the Premises and provide such information to the Company immediately upon request. Customer agrees to maintain its records for a minimum of three-years. Customer further agrees that it will cooperate with Duke Energy Kentucky in any potential investigation by the

Commission related to Customer's submetering and allocation of natural gas charges to Occupants at the Premises; and

7) Duke Energy Kentucky Consent: Based upon Customer's commitments in this Agreement, Duke Energy Kentucky consents to the installation of the sub-metering equipment and agrees not to disconnect the natural gas service at the Premises solely as a result of the existence of sub-metering of natural gas service. For avoidance of doubt, Duke Energy Kentucky reserves the right to disconnect natural gas service at the Premises in accordance with Kentucky Administrative Regulations and the Company's Tariff, including but not limited to, safety concerns, tampering, any resale of natural gas service by Customer for a profit, and non-payment of bills by Customer. This Consent Agreement is in accordance with Duke Energy Kentucky's Tariff, and in the event of any conflict between this Consent Agreement and the Company's Tariff, the Tariff shall control. This Consent Agreement shall at all times be subject to changes or modifications as the Commission may, from time to time, direct in the exercise of its authority; and,

 <u>Term</u>: This Agreement shall continue from month to month for so long as Customer operates sub-metering or closes its account with Duke Energy Kentucky or cancels as provided herein.

9) <u>Cancellation</u>: The privilege of sub-metering of natural gas service may be revoked by Duke Energy Kentucky and this Agreement may be terminated for such causes as contained herein, and as set forth in Duke Energy Kentucky's Tariff as well as in accordance with applicable Kentucky Administrative Regulations.

10) <u>Assignment</u>: Customer agrees not to resell any natural gas to any person, firm or corporation outside of the Premises, and this Agreement is not assignable or transferrable without the written consent of Duke Energy Kentucky.

Approvals: This Agreement may be subject to approval by the Commission. The
Parties agree to cooperate in obtaining any necessary regulatory approvals.

- Having read the above-described terms and conditions, this Consent Agreement is hereby accepted and agreed to:

Duke Energy Kentucky, Inc:

By: Re 1. Wai

Title: SUP + Chief Operations Natural Cas Date: 10/28/2010

(CUSTOMER) By: El. Q. Hrom PRESIDENT Title: Skypoint CONDODWARDS ASSOCIATION, Date: 10/27/2020