

**B&S OIL & GAS COMPANY  
PO BOX 155  
HAROLD, KY 41635  
606 478-5264**

December 16, 2021

Public Service Commission  
Linda C. Bridwell  
Executive Director  
PO Box 615  
211 Sower Boulevard  
Frankfort, KY 40602-0615

Re: B&S Oil & Gas Company  
Farm Tap Tariff Application

Dear Ms. Bridwell,

I am writing on behalf of B&S Oil & Gas Company to submit an application for a Farm Tap Tariff pursuant to KRS 278.485. B&S owns 10 gas wells located in Floyd County, Kentucky and would like to provide access to Natural Gas in accordance with KRS 278.485.

Please find my application for a Farm Tap Tariff pursuant to KRS 278.485 and application form for new customers pursuant to 807 KAR 5:026, Section 3, attached.

Should there be any questions or additional information needed, please do not hesitate to contact me by cell at (606) 477-5264 or [budrife@gmail.com](mailto:budrife@gmail.com).

Sincerely,

A handwritten signature in black ink, appearing to read 'Bud Rife', with a long horizontal line extending to the right.

Bud Rife  
B&S OIL & GAS COMPANY  
PO Box 155  
Harold, KY 41635  
Telephone: (606) 478-5264  
email: [budrife@gmail.com](mailto:budrife@gmail.com)

**B&S OIL & GAS COMPANY  
P.O. BOX 155  
HAROLD, KY 41635  
TELEPHONE: (606) 478-5264  
EMAIL: budrife@gmail.com  
APPLICATION FOR GAS SERVICE**

APPLICANT NAME: \_\_\_\_\_

SPOUSE NAME: \_\_\_\_\_

SERVICE ADDRESS: \_\_\_\_\_

MAILING ADDRESS: \_\_\_\_\_

HOME PHONE \_\_\_\_\_ CELL PHONE \_\_\_\_\_

If you are renting, please list landlord name and phone number. \_\_\_\_\_

\_\_\_\_\_

List the purpose and appliances for which gas is requested (example, stove, water heater, furnace, space heater): \_\_\_\_\_

\_\_\_\_\_

Please provide the name and address of the contractor who will install your gas line: \_\_\_\_\_

\_\_\_\_\_

APPLICANT SIGNATURE: \_\_\_\_\_

DATE OF APPLICATION: \_\_\_\_\_ DEPOSIT PAID \_\_\_\_\_

**\*By signing this application for service, the applicant agrees that he/she has received, read, and will follow B&S terms and conditions. Retain the terms and conditions attached for your records.**

*Thank You!!*

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**B&S OIL & GAS COMPANY**

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**OF**

PO BOX 155  
HAROLD, KY 41635  
(606) 478-5264

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**RATES – CHARGES – RULES – REGULATIONS**

**FOR FURNISHING  
NATURAL GAS TO FARM TAP CUSTOMERS  
IN**

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**FLOYD COUNTY, KENTUCKY**

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**FILED WITH THE**

**PUBLIC SERVICE COMMISSION  
OF KENTUCKY**

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DATE OF ISSUE: December 16, 2021

DATE EFFECTIVE: January 20, 2022

ISSUED BY: /s/ Bud Rife

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. \_\_\_\_\_

DATED \_\_\_\_\_

AREA: Floyd County  
PSC KY NO. 1  
SHEET NO. 2  
B & S Oil & Gas Company  
Harold, Kentucky

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SHEET NO. 3  
B & S Oil & Gas Company  
Harold, Kentucky

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**CUSTOMER SERVICE CHARGE**

RATE FOR ALL CUSTOMERS OF B&S OIL & GAS COMPANY:

	<u>Rate</u>
Customer Charge	\$15.05
Calculation:	
Meter Reading – (3 hrs./month)	36 hours per year
Callouts, Well Maintenance, etc. (40 hrs./month)	480 hours per year
Total Hours:	516 hours per year
Labor Cost Per MCF:	
516 hrs. x \$35.00/hr.	\$18,060.00
Usage (12-month average)	1200
Customer Service Charge	\$15.05

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**GAS PRICE CALCULATION**

GAS PRICE FOR ALL CUSTOMERS OF B&S OIL & GAS COMPANY:

12 Month NYMEX Strip (for 2022, Schedule 1)	\$3.944/DTH
BTU Conversion (B&S)	\$1.357
	( $\$3.944 \times \$1.357$ )
	\$5.352
Administrative Personnel Cost (Schedule 2)	\$2.92
Postage and Office Supplies (Schedule 3)	\$1.85
Total gas price per MCF ( $\$5.352 + \$2.92 + \$1.85$ )	\$10.12

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**SCHEDULE 1 – 12 MONTH NYMEX STRIP PRICES**

Jan 2022	\$4.258
Feb 2022	\$4.188
Mar 2022	\$4.014
Apr 2022	\$3.786
May 2022	\$3.756
June 2022	\$3.791
July 2022	\$3.838
Aug 2022	\$3.851
Sep 2022	\$3.838
Oct 2022	\$3.875
Nov 2022	\$3.971
<u>Dec 2022</u>	<u>\$4.158</u>
<b>Average</b>	<b>\$3.944</b>

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**SCHEDULE 2 – ADMINISTRATIVE PERSONNEL COST**

Calculation:

Preparing and Reviewing Bills	50 hours per month
Processing cash receipts	<u>50</u> hours per month
Total hours	100
Personnel Cost per MCF	
100 hours x \$35.00/hr.	\$3500.00
Usage (estimated 12-month average)	1200
Price per MCF: (\$3500.00 divided by 1200)	\$2.92

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**SCHEDULE 3 – POSTAGE AND OFFICE SUPPLIES**

Calculation:

\$.55 Per Customer Bill Postage (20 customers)	\$ 11.00 per Month
\$5.00 Per Customer Office Supplies (29 customers)	<u>\$100.00 per Month</u>
Total:	\$111.00 per Month
Average MCF usage:	60 MCF per Month
Cost per MCF (\$111.00 divided by 60)	\$1.85

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**OTHER CHARGES AND CUSTOMER DEPOSITS**

Farm Tap Fee	\$150.00 for farm tap.
Reconnection Fee	\$25.00 to restore service due to disconnection or termination for non-payment.
Disconnect Fee	\$20.00 customer requested disconnect.
Returned Check Charge	\$30.00 for check returned for insufficient funds.
Service Trip Charge	\$25.00 for any trip made to collect delinquent bill or terminate service.
Late Payment Charge	10% of the current monthly charges.
Reread Meter Charge	\$20.00 to reread meter.

**Residential and Commercial Farm Tap Customer Deposit**

A deposit of two-twelfths of the estimated annual bill is required for all new customers. The deposit will be returned upon disconnection of service less any monies owed.

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**SERVICE RULES, REGULATIONS AND CONDITIONS FOR SERVICE**

**A. PUBLIC SERVICE COMMISSION OF KENTUCKY RULES AND REGULATIONS**

All gas service rendered by (B&S) will be in accordance with KRS 278.485 and all applicable rules and regulations established by the Public Service Commission of Kentucky (PSC of Kentucky).

**B. COMPANY (B&S) TERMS AND CONDITIONS**

All gas service rendered by the 10 wells owned by B&S shall be in accordance with the terms and conditions set forth in this Application for Gas Service, in addition to PSC of Kentucky rules and regulations.

**C. REFUSAL OF SERVICE**

B&S reserves the right to refuse or to defer full service to an applicant where the existing mains are inadequate to serve the applicants requirements without adversely affecting the service to the customers already connected and being served.

**D. APPLICATION FOR GAS SERVICE**

B&S will require applicants to complete and sign an Application for Gas Service Pursuant to 807 KAR 5:026, Section 3, before service is supplied. The use of natural gas service constitutes an agreement under which the Customer receives natural gas service and agrees to pay the Company therefore in accordance with the applicable Tariff, and agrees to comply with the Rules and Regulations established by the PSC of Kentucky and the terms and conditions of the company (B&S). The company may refuse service to any customer who fails to comply with the Rules, Regulations, Terms, and Conditions of B&S. B&S will not furnish service to any applicant who owes the company any past due amount for service at any location, until all such indebtedness is paid in full.

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**SERVICE RULES, REGULATIONS AND CONDITIONS FOR SERVICE**

**E. MONTHLY BILLS**

Bills for gas service will be rendered monthly. The meters shall be read at the end of each month (as nearly as may be practicable every thirty days), and bills will be due by the 20<sup>th</sup> of the following month. The timing of the meter cycle is selected by B&S.

B&S will exercise all reasonable means to assure accurate computation of all bills for natural gas service. If billing errors occur, the Company shall refund to Customer the amount of any overcharge and shall have the right to collect the amount of any undercharge due to the billing errors.

If an initial or final bill is for a period less than the monthly billing period described above, the billing will include the monthly minimum charge plus actual gas usage since the prior meter reading.

**F. GENERAL PROVISIONS**

B&S shall have the right to enter upon the premises of the Customer to read, repair, change or remove the meter or inspect regulators and shall also have the right to reclaim any of the property of B&S which may be on the premises.

Where the service facilities or other equipment have been tampered with, resulting in Improper measurement of the service supplied; the Customer shall be required to pay for such gas service as B&S may estimate from available information to have been used but not registered by B&S's meter, and in addition thereto, shall be required to bear all costs incurred by B&S for investigations and inspections.

No agent or employee of B&S has the authority to make any promise, agreement, or Representation inconsistent with this provision, and no such promise, agreement or representation shall bind B&S unless in writing and signed by an executive officer thereof.

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