TERMS AND CONDITIONS

Line Extension Plan

H. UNDERGROUND EXTENSIONS (continued)

- 2) Customer shall provide any required trenching and backfilling or at Company's discretion be required to deposit with Company a non-refundable amount determined by a unit charge of \$8.54 per aggregate lot front-foot along all streets contiguous to the lots to be served through an underground extension.
- 3) The Customer may be required to advance to the Company the Company's full estimated cost of construction of an underground electric distribution extension. Where Customer is required to provide trenching and backfilling, advance will be the Company's full estimate cost of construction. Where Customer is required to deposit with the Company a nonrefundable advance in place of trenching and backfilling, advance will be determined by a unit charge of \$21.21 per aggregate lot front-foot along all streets contiquous to the lots to be served through an underground extension.
- 4) Each year for ten (10) years Company shall refund to Customer an amount determined as follows:
 - a. Where customer is required to provide trenching and backfilling, a refund of \$5,000 for each customer connected during that year.
 - b. Where customer is required to provide a non-refundable advance, 500 times the difference in the unit charge advance amount in 3) and the non-refundable unit charge advance in 2) for each customer connected during that year
- 5) In no case shall the refunds provided for herein exceed the amounts deposited less any non-refundable charges applicable to the project nor shall any refund be made after a ten-vear refund period ends.

High Density Subdivisions

KENTUCKY PUBLIC 1) A high density residential subdivision is defined as building complexes consisting of two COMMISSION or more buildings each not more than three stories above grade and each designed for five (5) or more family occupancy.

2) Customer shall provide any required trenching and backfilling or at Company's discretion be required to deposit with Company a non-refundable amount for the additional cost of the underground extension (including all associated facilities) over the cost of an overhead extension of equivalent capacity.

3) The Customer may be required to advance to the Company the Company's full estimated cost of construction of an underground electric distribution extension.

DATE OF ISSUE: January 31, 2013

DATE EFFECTIVE: December 31, 2012

ISSUED BY: /s/ Lonnie E. Bellar, Vice President

State Regulation and Rates Lexington, Kentucky

KENTUCKY PUBLIC SERVICE COMMISSION

> JEFF R. DEROUEN EXECUTIVE DIRECTOR

1/4/2013

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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