## Terms and Conditions Gas Main Extension Rules

- 1. Company will extend its gas distribution mains at its own expense for a distance of one hundred (100) feet to each bona-fide applicant who agrees in writing to take service within one (1) year after the extension is completed and who has a suitable Customer's Service Line installed and ready for connection provided the following criteria are met:
  - a. The existing main is of sufficient capacity to properly supply the additional customer(s);
  - The customer(s) contracts to use gas on a continuous basis for one (1) year or more;
     and
  - c. The potential consumption and revenue will be of such amount and permanence as to warrant the capital expenditures involved to make the investment economically feasible.
- 2. Company shall provide to Non-Residential Customer requesting permanent service a line extension in excess of one hundred (100) feet per Customer to the extent that the cost of such line extension does not exceed five (5) times the Customer's estimated annual net revenue, where "net revenue" is defined as the customer's total revenue (excluding franchise fees and school taxes) less gas supply costs (i.e., the Gas Supply Cost Component of the Company's rates). In such cases, Company shall require the Customer to provide a guarantee of the estimated annual net revenue not less than five years, after taking into consideration any ramping up of the customer's demand and energy.
- 3. Company will extend its gas mains in excess of the above distance provided the applicant for service advances to Company an amount equal to the estimated cost of such excess portion of the extension. Company shall have the right to determine the length of the extension and to specify the pipe size and location of the extension, as well as the timing of its construction.
- 4. Where funds were advanced in accordance with paragraph 3 for extensions into developed residential neighborhoods and notwithstanding paragraph 1, any customer that subsequently connects to the main during a ten-year period from the effective date of the main extension contract shall advance to Company a pro rata share of the cost of the extension over 100 feet per connected customer.
- 5. For each new year-round customer connected to an extension in accordance with paragraph 4, Company will refund to the previous applicant(s) who advanced funds an amount equal to the difference between the refundable amount advanced and the amount of the advance so determined for the new applicant.
- 6. Company will extend its gas mains to serve a proposed real estate subdivision provided the applicant for such extension advances to Company an amount equal to the estimated cost of the total extension. Company shall have the right to determine the length of the extension and to specify the pipe size and the location of the extension, as well as the timing of its construction.
- 7. For each new year-round customer actually connected to the extension within a ten-year period following the effective date of the gas main extension contract, but not to extensions or laterals therefrom, Company will refund to applicant(s) who advanced funds in accordance with paragraph 6 above an amount equal to 100 times the average unit cost per foot of extension advanced by such applicant(s); provided that such refunds shall not exceed, in the aggregate, the amount originally advanced to Company.

CANCELLED

DATE OF ISSUE:

May 14, 2019

DATE EFFECTIVE

July 1, 2021
Effective with Service Rendered

On And After May 1, 2019

KENTUCKY PUBLIC

**ISSUED BY:** 

/s/Robert McConny Vice President State Regulation and Rates

Louisville, Kentucky

Issued by Authority of an Order of the Public Service Commission in Case No. 2018-00295 dated April 30, 2019

**KENTUCKY**PUBLIC SERVICE COMMISSION

Gwen R. Pinson Executive Director

Showen R. Punso

**EFFECTIVE** 

5/1/2019

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

N N N N N N N N T

\_

ı

Т

т

1

## Terms and Conditions **Gas Main Extension Rules**

- 8. Company will install at its own expense, subject to paragraph 1 above, a service pipe of suitable capacity extending from its gas main to the gas meter serving Customer, beyond which point all necessary piping shall be installed by and at the expense of Customer.
  - Τ Т
- 9. Company will install at its own expense the necessary meter together with the regulator required to convert from medium pressure to service pressure. When a high pressure gas line is tapped to serve a customer or group of customers, Company may charge the customer or customers for the estimated installed cost of the tap, any regulation equipment, piping, and any other equipment or facilities determined by Company, in its sole discretion, to be necessary to provide such service consistent with good operating practice.
- 10. In the event Company is required to make a further extension of its mains to serve a customer, Company reserves the right to tap any extension constructed under these rules and to make connections from such additional extensions without application of the refunds referred to in paragraph 5 or 7 above.
- 11. The title to all extensions herein provided for, together with all necessary rights-of-way, Т permits and easements, shall be and remain in Company.
- 12. Company shall not be obligated to make service connections or to extend its gas mains in cases where such extensions or connections, in the sole judgment of Company would be infeasible, impractical, or contrary to good operating practice, or where such extensions are not in accordance with the terms of the applicable rate schedule.
- 13. A Customer may request the installation of an Excess Flow Valve (EFV) pursuant to Federal Pipeline Hazardous Materials Safety Administration regulation 49 CFR 192.383. All EFV installations requested by Customer shall be at the Customer's sole expense. The Company and Customer shall mutually agree upon the timing of such installation with regard to any necessary permitting that may be required. The Customer requesting the installation of an excess flow valve shall be responsible for the actual total cost of such installation and the Company shall provide Customer with a written estimated cost of such installation prior to performing the installation. A deposit of fifty (50) percent of the estimated cost of installation shall be required prior to the commencement of the installation. The balance of the actual cost of installation shall be due upon completion.

The Company shall not be required to install an EFV if one or more of the following conditions is present:

- a. The service line does not operate at a pressure of 10 psig or greater throughout the year;
- b. Company has prior experience with contaminants in the gas stream that could interfere with the excess flow valve's operation or cause loss of service to a customer;
- c. The excess flow valve could interfere with necessary maintenance and operation activities;
- d. An excess flow valve meeting applicable performance standards is not commercially
- e. Gas deliveries on the line exceed 1,000 cubic feet per hour.

CANCELLED

DATE OF ISSUE:

May 14, 2019

July 1, 2021

DATE EFFECTIVE: Effective with Service Rendered

n And After May 1, 2019

**ISSUED BY:** 

KENTUCKY PUBLIC /s/ Robert M. Conroy, Vice President State Regulation and Males

Louisville, Kentucky

Issued by Authority of an Order of the Public Service Commission in Case No. 2018-00295 dated April 30, 2019

**KENTUCKY** PUBLIC SERVICE COMMISSION

Gwen R. Pinson

**Executive Director** 

**EFFECTIVE** 

wen R. Punso

5/1/2019

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