acquired by Columbias

P.S.C. Ky. No. \_2 Cancels P.S.C. Ky. No. \_1\_

THE INLAND GAS COMPANY, INC.

OF

ASHLAND, KENTUCKY

Rates, Rules and Regulations for Selling

Natural Gas

In The

Commonwealth of Kentucky

Filed with PUBLIC SERVICE COMMISSION OF

KENTUCKY

ISSUED: September 13, 1990

EFFECTIVE: October 13, 1990

ISSUED BY: THE INLAND GAS COMPANY, INC.

BY: R. N. Tullis Vice President OF KENTUCKY EFFECTIVE

UCT 1 3 1990

PURSUANT TO 807 KAR 5:011, SECTION 9 (1) BY: MELTIC STIMUSSION MANAGER

C12-92

P.S.C. Ky. No. 2 Original Sheet No. 1 Cancelling P.S.C. Ky. No. 1 Original Sheet No. 1

THE INLAND GAS COMPANY, INC.

#### CLASSIFICATION OF SERVICE

Direct sales service is provided to small commercial and industrial customers pursuant to special gas sales agreements. A copy of said agreement is attached hereto.

The base rate for service hereunder is \$5.42 per Mcf applicable to all customers served under this rate schedule. Such base rate shall be subject to change each month in accordance with the price adjustment provision of the sales agreement.

In the event that Inland makes an adjustment to the aforementioned base rate, Inland will notify the Commission by letter indicating the amount of each rate change.

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

OCT 1 3 1990

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

BY: PUBLIC SERVICE COMMISSION MANAGER

C12-92

DATE OF ISSUE: September 13, 1990 DATE EFFECTIVE: October 13, 1990

Issued By: <u>R. N. Tullis Vice President Ashland, Kentucky</u> Name of Officer Title Address

P.S.C. Ky. No. 2 Original Sheet No. 2 Cancelling P.S.C. Ky. No. 1 Original Sheet No. 2

THE INLAND GAS COMPANY, INC.

shall govern the prov:	ons of the special gas sales agreements iding of any and all sales services. ent is attached hereto.
	•
	PUBLIC SERVICE COMMISSION
	OF KENTUCKY EFFECTIVE
	OCT 1 3 1990
	PURSUANT TO 807 KAR 5:011,
	BY: thore falle
	PUBLIC SERVICE COMMISSION MANAGER

Issued By: <u>R. N. Tullis Vice President Ashland, Kentucky</u> Name of Officer Title Address

#### GAS SALES AGREEMENT

THIS AGREEMENT made and entered into as of by and between THE INLAND GAS COMPANY, INC. ("Seller"), and ("Buyer").

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

**SECTION 1: GAS TO BE SOLD.** Seller hereby agrees to sell and Buyer hereby agrees to purchase and to receive firm natural gas service for its facility located in Ashland, Kentucky, a contracted demand of \_\_\_\_\_\_ Mcf or dekatherms<sup>1</sup> of natural gas per day.

**SECTION 2: PRICE.** Buyer agrees to pay, for all gas delivered to Buyer by Seller each calendar month, at the rate of \$ per Mcf, or at Seller's option per dekatherm. Said price shall be subject to the Price Adjustment, Tax Adjustment and penalty provisions set forth in this SECTION 2.

Minimum Monthly Bill. The minimum monthly bill for each billing month shall be equal to the applicable rate for that month multiplied by the contract demand for one day.

Price Adjustment. In order that the parties hereto may receive protection against the fluctuations in the cost of gas during the term of this Agreement, the parties agree that:

(a) Seller's rate per Mcf or dekatherm set forth above 22 23 in this SECTION 2 shall be adjusted, effective the first day of 24 each month, to reflect the current spot price of natural gas as published each month in Inside FERC's Gas Market Report for gas 25 26 delivered to Columbia Gulf Transmission Corporation at Rayne, 27 Louisiana, plus transportation to Leach, Kentucky. The applicable spot price of gas is identified in said report as the index price 28 29 and shall be the price effective on the first day of the applicable billing month for gas produced from wells owned by Seller. The 30 price shall further be adjusted, as necessary, by the actual cost 31 delivered to Inland of any supplemental gas supply required to be 32 purchased from other sources, such as Tennessee Gas Pipeline 33 34 Company, to meet customer demands.

(b) Seller's stated rate in this SECTION 2 includes the currently effective transportation charge (including the base charge, Gas Research Institute surcharge, FERC Annual Charge Adjustment surcharge and fuel cost) of Columbia Culf Transmission for gas transported from Rayne, Louisiana, to Leacher Kentucky, Siend shall be adjusted from time to time to reflect any Efficience change in said transportation charge.

42 (c) Seller's stated rate in this SECTION, 2 includes 43 s0.5131 per Mcf as approved by the Federal Energy Regulatory 44 Commission (FERC) attributable to the recovery Regulator buy-

SECTION 9 (1),

<sup>1</sup>dekatherm means one million (1,000,000)<sup>Y</sup>: BELETIC SERVICE COMMISSION MANAGER

1

1

2

3

45

6

7

8

9

10

11

12

13 14

15

16

17

18

19

20

21

45

down and buy-out costs billed to Seller by Tennessee Gas Pipeline Company (Tennessee) under FERC Docket RP86-191, et al. The parties further agree that this component part of the rate shall be adjusted upon Seller's receipt of approval from the FERC for a different charge.

1 2

3

4

5

6

7

8

9

10

11

12 13

14

15

16

17

18 19

20

21 22

23

24

25

26

27 28

29

30

31 32

33

34

35

36

37

38

39

40

41

42

43

45

47

48

49

0

51

52

Seller's rate as stated in this SECTION 2 shall be (d) adjusted to reflect any changes in the demand charges (D1 & D2) billed to Seller by Tennessee under Tennessee's CD-2 Rate Schedule.

(e) In addition to (a), (b), (c) and (d) above, Seller's rate as stated in this SECTION 2 shall be adjusted to reflect any other change in present or future charge(s) billed to Seller by Tennessee which are related to the Gas Purchase Agreement between Tennessee and Seller.

Tax Adjustment. In addition to the Price Adjustment referred to above, Buyer shall reimburse Seller in an amount equal to the amount of any sales, transaction, occupation, service, production, severance, gathering, transmission, export or excise tax, assessment, fee or other exaction levied, assessed or fixed by the United States or the State of Kentucky or any other state or governmental authority, and any tax, assessment, exaction, or fee of a similar nature or equivalent in effect (not including excess profits, capital stock, franchise or income, general property taxes), in addition to or greater than those being levied, assessed or fixed at the date of this Agreement, if any, on, measured by, in respect of, or applicable to the natural gas to be delivered by Seller to Buyer under this Agreement and for which seller may be liable during any month of the term hereof, either directly or indirectly through any obligation to reimburse others and for which Seller may be liable during any month of the term hereof, either directly or indirectly through any obligation to reimburse others and which has not been included in determining the currently effective rate in this SECTION 2. Such reimbursement shall be included as a separate item or items in the bills to be rendered monthly by Seller to Buyer for gas sold under this Agreement. In the event all or any part of any such tax liability of Seller is not determined or is not reasonably determinable so as to be included in such monthly bills for gas, then the amount of such reimbursement required in respect of such tax liability not determined or reasonably determinable shall be set forth for all months in any calendar year in a statement to be rendered by Seller to Buyer by April 1 of the following year, and Buyer shall pay the amount due pursuant to such statement on or before May 1 of such following year.

year. PUBLIC SERVICE COMMISSION Penalty Provision. If Buyer should take GRI KENTUCKY, under 44 this Agreement and without Seller's advance approvation of gas more than two percent (2 %) in excess of Seller's currently 46 effective contracted demand obligation to said UBuyler 1991 should take, during periods of curtailment, any excess volume over Buyer's such period, PURSUANT NO8000008 5:04 all allotment for curtailment SECTION 9 (1), constitute unauthorized overrun volume.

Buyer shall pay to Seller a penalty of Ten Dollars (\$10.00) for each Mcf of gas constituting put aut to the manager un Clar

2



18

19

20

21

22

23 24

25

26

1 volume taken by Buyer, which penalty shall be paid to Seller by 2 Buyer together with and in addition to charges payable by Buyer 3 hereunder and under said Agreement between the parties for the 4 month in which said unauthorized overrun volume was taken; 5 provided, however, that Seller shall have the right, without obligation, to waive any penalty for unauthorized overrun volume 6 7 if in the day or period when the penalty was incurred, deliveries 8 to other of Seller's customers were not adversely affected by the 9 taking of said unauthorized overrun volume and if Seller's pipeline 10 operations were not impaired thereby.

The payment of a penalty for unauthorized overrun volume shall not under any circumstances be considered as giving any such customer the right to take unauthorized overrun volume nor shall such payment be considered as a substitute for any other remedies available to Seller or any other of Seller's customers against the offending customer for failure to respect its obligations to adhere to the provisions of its Agreement with Seller.

The foregoing penalty provisions shall be subject to orders of any regulatory body having jurisdiction.

SECTION 3: TERM. This Agreement shall become effective

, 19 , and shall continue in effect until cancelled by either party upon sixty (60) days written notice to the other party. If during the term of this sales agreement Buyer elects transportation service in lieu of sales service, this sales agreement shall terminate upon the effective date of the commencement of transportation service.

27 <u>SECTION 4: DELIVERY POINT.</u> The delivery point shall be at Buyer's facility location at

29SECTION 5: DELIVERY PRESSURE.The delivery pressure of the30gas delivered hereunder shall not be less thanpsig.

SECTION 6: OUALITY. The gas delivered hereunder shall be of 31 32 commercial quality containing no more than one (1) grain of 33 hydrogen sulfide nor more than twenty (20) grains of total sulfur one hundred (100) cubic feet. The natural gas so delivered 34 per shall contain an average total heating value for any twelve (12) 35 month period of not less than one thousand (1000) British thermal 36 37 units per cubic foot, provided however, that Buyer shall not be requirestryice concessions hereunder having a heating value of less 38 than ninekenuddeed and sixty-seven (967) British thermal units per 39 40 cubic forfeective

41 SECTION 1990 MEASUREMENT. (a) The gas volumetric measurement base shall be one (1) cubic foot of gas at a pressure base of 14.73 42 psigsond a tore base of 60 degrees F. The sales unit shall 43 44 be one SECONSAR (1),1,000) cubic feet at base conditions measured in accordance with boole's and Charles' Laws and applicable deviation 45 the rest shall the commission same as under varying pressures. The flowing 46 temperature and specific gravity shall be assumed to be 60 47 gas

1 degrees F and 0.600, respectively. However, applicable adjustments 2 will be made in computing gas volumes if Seller elects to make determination of actual temperature and/or gravity of the gas 3 4 passing through the meter(s).

5 The thermal measurement base shall be (b) the product of one (1) cubic foot of gas defined in (a) above and the 6 7 heat content, on a dry basis of the gas. The heat content shall be that as determined (a) by the weighted average heat content of the 8 9 gas received by and reported to Seller from Tennessee Gas Pipeline 10 Company and Columbia Gas Transmission Corporation or (b) by Seller should Seller elect to install its own calorimeter. In the event 12 that the price is invoiced on a thermal billing concept, the sales 13 unit shall be one (1) dekatherm.

11

14

15

16

17 18

19

20

21

22

SECTION 8: BILLING AND PAYMENT. Bills will be rendered by Seller, on or before the fifth (5th) day of each month, for all gas delivered to Buyer during the previous month and are payable on or before the fifteenth (15th) day of the month in which they are rendered.

Should Buyer fail to pay all the amount due of any bill when such an amount is due, interest on the unpaid portion of the bill shall accumulate at the prevailing FERC interest rate until paid.

23 SECTION 9: FORCE MAJEURE. Neither Seller nor Buyer shall be 24 damage to the other for liable in any act, omission or 25 circumstances occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, 26 27 insurrections, riots, landslides, lightning, earthquakes, fires, storms, floods, washouts, civil disturbances, explosions, breakage 28 29 or accidents to machinery or pipelines, temporary failure of gas 30 supply, curtailment of gas supply, act of any government, any 31 governmental regulation or law, either local, state or national, or any other cause, whether of the kind herein numerated, or 32 otherwise, not within the control of the party claiming suspension 33 34 and which by the exercise of due diligence such party is unable to 35 prevent or overcome.

In the event it becomes necessary 36 SECTION 10: CURTAILMENT. 37 for Seller to curtail deliveries because of Seller's lack of adequate gas supply, such curtailment shall be in accordance with 38 Seller's currently effective Curtailment PPUBLIC SERVICEDCOMMISSIONE 39 revision thereto, on file with and approved by the Of CANTLOKYEnergy 40 Regulatory Commission or any other agency having juriselletion. 41

SECTION 11: ASSIGNMENT. Neither this contract Garlany Portion 42 of the gas to be delivered hereunder shall be assigned by Buyer 43 without written consent of the Seller which Constant Shant S 44 SECTION 9 (1), unreasonably withheld. 45 till

xkon BY: . SECTION 12: NOTICES. Any notice which either sested beamson we wave 46 may desire to give to the other under this Agreement shall be 47

Δ



addressed to Seller at Post Office Box 1180, Ashland, Kentucky 1 2 41105-1180, and to Buyer at

Routine communications, including monthly statements and payments, 3 shall be considered as duly delivered when mailed by first class 4 mail, postage prepaid. Routine communications by telephone between 5 6 Seller and Buyer shall be considered as duly delivered without confirmation by mail. 7

8 SECTION 13: PREVIOUS CONTRACTS. This Agreement cancels and supersedes, as of the effective date hereof, all previous 9 agreements between the parties hereto. Furthermore, this Agreement 10 shall inure to the benefit of and be binding upon the successors 11 and assigns of the parties hereto. 12 13

The parties have accordingly and duly executed this Agreement.

BY:

WITNESS: 14

17

#### THE INLAND GAS COMPANY, INC.

15	
16	

Vice President - Seller

BY:

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

OCT 1 3 1990

PURSUANT TO 807 KAR 5:011, SECTION 9 (1), Ko. BY: PUBLIC SERVICE COMMISSION MANAGER

12.92





### RECEIVED

SEP 18 9 36 AN '92

PUBLIC SERVICE COMMISSION

September 17, 1992

Mr. Lee M. MacCracken Executive Director Public Service Commission 730 Schenkel Lane P. O. Box 615 Frankfort, Kentucky 40602 RECENTE

(SEP'1 8 1992

RESEARCH DIVISI

Dear Mr. MacCracken:

Pursuant to its tariff submitted to the Public Service Commission (Commission) on September 13, 1990, The Inland Gas Company, Inc. (Inland), hereby notifies the Commission that the rate to be charged for gas serivce to its direct sale small industrial and commercial customers during the month of September 1992 will be \$5.4280 per Mcf. This adjustment is in accordance with the price adjustment provision of the sales agreement submitted as part of Inland's tariff.

The original and five (5) copies of this letter are submitted herewith. Please return one (1) acknowledged copy to me for my files.

Respectfully, freed

R. N. Tullis

Enclosure

C12.92





RECEIVED

RECEIVED

AUG 1 1 1992

Aug || || 16 AM '92

P.S.C. RESEARCH DIVISION

PUBLIC SERVICE COMMISSION

August 10, 1992

Mr. Lee M. MacCracken Executive Director Public Service Commission 730 Schenkel Lane P. O. Box 615 Frankfort, Kentucky 40602

Dear Mr. MacCracken:

Pursuant to its tariff submitted to the Public Service Commission (Commission) on September 13, 1990, The Inland Gas Company, Inc. (Inland), hereby notifies the Commission that the rate to be charged for gas service to its direct sale small industrial and commercial customers during the month of August 1992 will be \$5.3101 per Mcf. This adjustment is in accordance with the price adjustment provision of the sales agreement submitted as part of Inland's tariff.

The original and five (5) copies of this letter are submitted herewith. Please return one (1) acknowledged copy to me for my files.

Respectfully,

R. N. Tullis

Enclosure

C 11-92





RECEIVED JULID 8 59 MM '92 PUBLIC SERVICE JULY 8, 1992

Mr. Lee M. MacCracken Executive Director Public Service Commission 730 Schenkel Lane P. O. Box 615 Frankfort, Kentucky 40602 RECEIVED

JUL 1 3 1992

P.S.C. RESEARCH DIVISION

Dear Mr. MacCracken:

Pursuant to its tariff submitted to the Public Service Commission (Commission) on September 13, 1990, The Inland Gas Company, Inc. (Inland), hereby notifies the Commission that the rate to be charged for gas service to its direct sale small industrial and commercial customers during the month of July 1992 will be \$5.3958 per Mcf. This adjustment is in accordance with the price adjustment provision of the sales agreement submitted as part of Inland's tariff.

The original and five (5) copies of this letter are submitted herewith. Please return one (1) acknowledged copy to me for my files.

Respectfully,

, ee 1

R. N. Tullis

Enclosures

**INLAND GAS** 



R. N. Tullis Vice President RECEIVED

RECEIVED)

JUN 0 8 1992

P.S.C. RESEARCH DIVISION

JUN 8 1992 PUBLIC SERVICE COMMISSION

June 5, 1992

Mr. Lee M. MacCracken Executive Director Public Service Commission 730 Schenkel Lane P. O. Box 615 Frankfort, Kentucky 40602

Dear Mr. MacCracken:

Pursuant to its tariff submitted to the Public Service Commission (Commission) on September 13, 1990, The Inland Gas Company, Inc. (Inland), hereby notifies the Commission that the rate to be charged for gas service to its direct sale small industrial and commercial customers during the month of June 1992 will be \$5.6926 per Mcf. This adjustment is in accordance with the price adjustment provision of the sales agreement submitted as part of Inland's tariff.

The original and five (5) copies of this letter are submitted herewith. Please return one (1) acknowledged copy to me for my files.

Respectfully,

R. N. Tullis

Enclosure





# RECEIVED

MAY 1 4 1992

RECEIVED

P.S.C. RESEARCH DIVISION

May 14 10 26 AN 92

PUBLIC SERVICE

May 13, 1992

Mr. Lee M. MacCracken Executive Director Public Service Commission 730 Schenkel Lane P. O. Box 615 Frankfort, Kentucky 40602

Dear Mr. MacCracken:

Pursuant to its tariff submitted to the Public Service Commission (Commission) on September 13, 1990, The Inland Gas Company, Inc. (Inland), hereby notifies the Commission that the rate to be charged for gas service to its direct sale small industrial and commercial customers during the month of May 1992 will be \$5.5029 per Mcf. This adjustment is in accordance with the price adjustment provision of the sales agreement submitted as part of Inland's tariff.

The original and five (5) copies of this letter are submitted herewith. Please return one (1) acknowledged copy to me for my files.

Respectfully,

R. N. Tullis

Attachment



c 6.93





### RECEIVED

APR 8 8 09 AM '92

PUBLIC SERVICE

RECEIVED

APR 8 1992

P.S.C. RESEARCH DIVISION

April 7, 1992

Mr. Lee M. MacCracken Executive Director Public Service Commission 730 Schenkel Lane P. O. Box 615 Frankfort, Kentucky 40602

Dear Mr. MacCracken:

Pursuant to its tariff submitted to the Public Service Commission (Commission) on September 13, 1990, The Inland Gas Company, Inc. (Inland), hereby notifies the Commission that the rate to be charged for gas service to its direct sale small industrial and commercial customers during the month of April 1992 will be \$5.2554 per Mcf. This adjustment is in accordance with the price adjustment provision of the sales agreement submitted as part of Inland's tariff.

The original and five (5) copies of this letter are submitted herewith. Please return one (1) acknowledged copy to me for my files.

Respectfully, oon

R. N. Tullis

Enclosures

05.92





RECEIVED

MAR 1 1 1992

P.S.C. RESEARCH DIVISION RECEIVED

Mar 11 8 52 AM '92

COMMISSION

c4.92

Mr. Lee M. MacCracken Executive Director Public Service Commission 730 Schenkel Lane P. O. Box 615 Frankfort, Kentucky 40602

Dear Mr. MacCracken:

Pursuant to its tariff submitted to the Public Service Commission (Commission) on September 13, 1990, The Inland Gas Company, Inc. (Inland), hereby notifies the Commission that the rate to be charged for gas service to its direct sale small industrial and commercial customers during the month of March 1992 will be \$5.0507 per Mcf. This adjustment is in accordance with the price adjustment provision of the sales agreement submitted as part of Inland's tariff.

The original and five (5) copies of this letter are submitted herewith. Please return one (1) acknowledged copy to me for my files.

Respectfully,

R. N. Tullis

Enclosure





#### RECEIVED

#### FEB 1 2 1992

P.S.C. RESEARCH DIVISION

February 11, 1992

### RECEIVED

FEB 1 2 1992

PUBLIC SERVICE COMMISSION

Executive Director Public Service Commission 730 Schenkel Lane P. O. Box 615 Frankfort, Kentucky 40602

Dear Mr. MacCracken:

Mr. Lee M. MacCracken

Pursuant to its tariff submitted to the Public Service Commission (Commission) on September 13, 1990, The Inland Gas Company, Inc. (Inland), hereby notifies the Commission that the rate to be charged for gas service to its direct sale small industrial and commercial customers during the month of February 1992 will be \$4.8279 per Mcf. This adjustment is in accordance with the price adjustment provision of the sales agreement submitted as part of Inland's tariff.

The original and five (5) copies of this letter are submitted herewith. Please return one (1) acknowledged copy to me for my files.

Respectfully, , per

R. N. Tullis

Attachment

C<sup>3.92</sup>

**INLAND GAS** 

R. N. Tullis

Vice President



RECEIVED

JAN 14 1992

PUBLIC SERVICE COMMISSION

53-19 RECEIVED

JAN 1 4 1992

P.S.C. **RESEARCH DIVISION** 

January 13, 1992

Mr. Lee M. MacCracken Executive Director Public Service Commission 730 Schenkel Lane P. O. Box 615 Frankfort, Kentucky 40602

Dear Mr. MacCracken:

Pursuant to its tariff submitted to the Public Service Commission (Commission) on September 13, 1990, The Inland Gas Company, Inc. (Inland), hereby notifies the Commission that the rate to be charged for gas service to its direct sale small industrial and commercial customers during the month of January 1992 will be \$5.4551 per Mcf. This adjustment is in accordance with the price adjustment provision of the sales agreement submitted as part of Inland's tariff.

The original and five (5) copies of this letter are submitted herewith. Please return one (1) acknowledged copy to me for my files. 1-14-92

Respectfully,

R. N. Tullis

Attachment

e 2.92

LB

**INLAND GAS** 



R. N. Tullis Vice President

#### RECEIVED

DEC 1 1 1991

P.S.C. RESEARCH DIVISION

December 9, 1991

## RECEIVED

DEC 1 1 1991

PUBLIC SERVICE COMMISSION

Mr. Lee M. MacCracken Executive Director Public Service Commission 730 Schenkel Lane P. O. Box 615 Frankfort, Kentucky 40602

Dear Mr. MacCracken:

Pursuant to its tariff submitted to the Public Service Commission (Commission) on September 13, 1990, The Inland Gas Company, Inc. (Inland), hereby notifies the Commission that the rate to be charged for gas service to its direct sale small industrial and commercial customers during the month of December 1991 will be \$5.8589 per Mcf. This adjustment is in accordance with the price adjustment provision of the sales agreement submitted as part of Inland's tariff.

The original and five (5) copies of this letter are submitted herewith. Please return one (1) acknowledged copy to me for my files.

Respectfully,

R. N. Tullis

Enclosures

c1-92