

P.S.C. Ky. No. ....

Cancels P.S.C. Ky. No. ....

Case no 91-163

OF

Rates, Rules and Regulations for Furnishing

Natural Gas

C  
5/23/2006

AT

Zebulon Gas Assoc, Inc

P.O. Box 610

Pikeville, Ky. 41502

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

JUN 18 1999

Filed with PUBLIC SERVICE COMMISSION OF  
KENTUCKY

PURSUANT TO 807 KAR 5.011,  
SECTION 9 (1)

BY: Stephan D. Bell  
SECRETARY OF THE COMMISSION

ISSUED June 18, 1999

EFFECTIVE June 18, 1999

ISSUED BY Zebulon Gas Assoc, Inc.  
(Name of Utility)

BY HATHER SHORNE

P.O. Box 610  
Pikeville, Ky. 41502

For Entire area served  
Community, Town or City

P.S.C. NO. 1

Original SHEET NO. \_\_\_\_\_

CANCELLING P.S.C. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Zebulon Gas Association  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

				RATE PER UNIT		
Applies to: All customers served						
Rates, monthly:				Base rate	Gas cost	Rate per unit (Mcf)
First	0 to 1 Mcf	Minimum bill	\$8.00	6.56	\$14.56	
All over	1 Mcf		\$7.00	6.56	\$13.56	

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5/23/2006

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
DEC 01 2001  
PURSUANT TO 807 KAR 5.011,  
SECTION 9(1)  
BY: Stephan Bue  
SECRETARY OF THE COMMISSION

DATE OF ISSUE NOVEMBER 1, 2001

DATE EFFECTIVE December 1, 2001

ISSUED BY MARK G. ENDERLE  
Name of Officer

TITLE TREASURER, JEFFERSON GAS  
TRANSMISSION COMPANY, FOR ZEBULON GAS  
ASSOCIATION, PURSUANT TO OPERATING  
AGREEMENT DATED 10/9/01

Issued by authority of an Order of the Public Service Commission of Kentucky  
in Case No. \_\_\_\_\_ dated \_\_\_\_\_

FOR Entire area served

P.S.C. KY. NO. 1

Original SHEET NO. 1

CANCELLING P.S.C. KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Zebulon Gas Association

**RULES AND REGULATIONS**

**PURCHASED GAS COST ADJUSTMENT CLAUSE**

Determination of GCR

The Company shall file a quarterly report with the Commission which shall contain an updated Gas Cost Recovery Rate (GCR) and shall be filed at least thirty (30) days prior to the beginning of each calendar quarter. The GCR shall become effective for billing for service rendered on or after the first day of each calendar quarter.

The Gas Cost Recovery Rate is comprised of:

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1. The expected gas cost component (EGC) on a dollar-per-Mcf basis, which represents the average expected cost of purchased gas.
2. The Actual Cost Adjustment (ACA), on a dollar-per-Mcf basis, compensates for over- or under-collection of gas cost resulting from differences between expected gas cost and the actual cost of gas. For purposes of determining the GCR, the ACA for the application period and for the three (3) preceding calendar quarters. This may also be used to compensate for any over or under recoveries remaining from previous actual and/or refund adjustments after a 12 month period.
3. The supplier refund adjustment (RA) on a dollar-per-Mcf basis which reflects the refunds received from suppliers during the reporting period plus interest at a rate equal to one ~~percent~~ <sup>percentage</sup> of one percent below the average 90-day commercial paper rate for the twelve-month period. In the event of any large or unusual refunds, the Company may apply to the Public Service Commission for the right to depart from the refund procedure herein set forth.

PUBLIC SERVICE COMMISSION  
 OF KENTUCKY  
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 PURSUANT TO 807 KAR 5.011,  
 SECTION 9 (1)  
 BY: Stephan D. Bell  
 SECRETARY OF THE COMMISSION

DATE OF ISSUE October 30, 2001  
MONTH DATE YEAR

DATE EFFECTIVE December 1, 2001  
MONTH DAY YEAR

ISSUED BY Mark G. Enderle, Treasurer, Jefferson Gas Transmission Company, per 10/9/01 operating agreement  
 NAME OF OFFICER TITLE ADDRESS

FOR Entire area served

P.S.C. KY. NO. 1

Original SHEET NO. 2

CANCELLING P.S.C. KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Zebulon Gas Association

**RULES AND REGULATIONS**

Billing

The gas cost recovery rate to be applied to bills of customers shall equal the sum of the following components:

$$GCR = EGC + RA + ACA$$

The GCR will be added to or subtracted from the tariff rates prescribed by the Commission Order on the Company's latest general rate case and will be included in the tariff rates stated on each applicable rate sheet within this tariff.

Definitions

For the purposes of this tariff:

- a. "Average Expected Cost" is the cost of purchased gas which results from the application of supplier rates currently in effect, or reasonably expected to be in effect during the calendar quarter, on purchased volumes for the most recently available twelve-month period, divided by the corresponding sales volume.
  - (1) Prior to the system being replaced, in the event that line loss exceeds 15 percent, purchased volumes for the twelve-month period shall be calculated as: sales volumes divided by .85.
  - (2) After the system is replaced, in the event that line loss exceeds 5 percent, purchased volumes for the twelve-month period shall be calculated as: sales volumes divided by .95.

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Where the calculations require the use of volumes used during a given period, and those volumes did not exist for a particular source for the entire period, or the Company expects the volumes to change substantially, the Company may make appropriate adjustments to its calculations. Any adjustments of this type shall be described in the quarterly Gas Cost Recovery Report.

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SECTION 9(1)  
BY: Stephen D. Bell  
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DATE OF ISSUE	DATE EFFECTIVE
MONTH _____ DATE _____ YEAR _____	MONTH _____ DAY _____ YEAR _____
ISSUED BY <u>Mark G. Enderle, Treasurer, Jefferson Gas Transmission Company, per 10/9/01 operating agreement</u>	
NAME OF OFFICER	TITLE ADDRESS

FOR Entire area served

P.S.C. KY. NO. 1

Original SHEET NO. 3

CANCELLING P.S.C. KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Zebulon Gas Association

**RULES AND REGULATIONS**

- b. "GCR" means the quarterly updated gas cost recovery rate and is the sum of the expected gas cost component plus the supplier refund adjustment plus the actual cost adjustment; i.e.,  $GCR = EGC + RA + ACA$ .
- c. "Calendar Quarters" means each of the four three-month periods of (1) December, January, and February; (2) March, April, and May; (3) June, July, and August; (4) September, October, and November.
- d. "Reporting Period" means the three-month accounting period that ended approximately sixty (60) days prior to the filing date of the updated gas cost recovery rates, i.e., the calendar quarters ended February 28, May 31, August 30, and November 30 of each year.

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Interim Gas Cost Adjustment

The Company may apply to the Public Service Commission for an interim PGA in addition to the quarterly GCA should any significant change in supplier rates occur.

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OF KENTUCKY  
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PURSUANT TO 807 KAR 5.011,  
SECTION 9(1)

BY: Stephan D. Bell  
SECRETARY OF THE COMMISSION

DATE OF ISSUE \_\_\_\_\_  
MONTH DATE YEAR

DATE EFFECTIVE \_\_\_\_\_  
MONTH DAY YEAR

ISSUED BY Mark G. Enderle, Treasurer, Jefferson Gas Transmission Company, per 10/9/01 operating agreement  
NAME OF OFFICER TITLE ADDRESS

FOR Entire Area Served  
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. 4

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

Zebulon Gas Association  
(Name of Utility)

**RULES AND REGULATIONS**

**Customer Deposits**

Where actual usage data is available, the deposit shall be calculated as two-twelfths of the customer's average bill for the most recent 12 month period. If actual usage data is not available, the deposit shall be based on two-twelfths of the average annual bills of similar customers and premises in the system. If the deposit is based on the average bills of similar customers, in no event shall the deposit exceed \$100.

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*5/23/2006*

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

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PURSUANT TO 807 KAR  
SECTION 9(1)

*Stephan B.*  
SECRETARY OF THE COM.

DATE OF ISSUE \_\_\_\_\_  
Month / Date / Year

DATE EFFECTIVE \_\_\_\_\_  
Month / Date / Year

ISSUED BY MARK G. ENDERLE  
(Authorized Utility Representative)

TITLE TREASURER, JEFFERSON GAS TRANSMISSION COMPANY,  
PER 10/9/01 OPERATING AGREEMENT

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

FOR Entire area served

P.S.C. KY. NO. 1

Original SHEET NO. 5

CANCELLING P.S.C. KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Zebulon Gas Association

**RULES AND REGULATIONS**

**Discontinuance of Service**

The Company may refuse or discontinue service to an applicant or customer for the following reasons:

For noncompliance with its rules and regulations, the regulations of the Energy Regulatory Commission or state, municipal and Federal codes applying to such service. The Company shall make an effort to induce compliance, however after ten (10) days written notice service will be denied if compliance is not forthcoming.

When a dangerous condition is found to exist, service will be denied without notice. The customer or applicant will be notified of the corrective action to be taken.

When reasonable access to premises is denied the company to carry out its responsibilities, a fifteen (15) day notice will be given prior to termination of service.

For fraudulent or illegal use of service.

For nonpayment of bills. A ten (10) day written notice shall be mailed to the customer after termination which shall not occur sooner than the twenty-seventh (27th) day after the mailing date of the original bill. A residential customer may, prior to discontinuance, present a written certificate from a health official that discontinuance of service on the affected premises will result in aggravation of an existing illness or infirmity. The Company will notify the customer in writing the address of any state and Federal programs designed to aid in payment of bills and that service will be terminated in thirty (30) days in absence of payment of all amounts due as stated in prior billings.

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*5/23/2006*

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DEC 11 2001  
BY: *Stephan*  
SECRETARY OF THE COMMISSION

DATE OF ISSUE	DATE EFFECTIVE		
MONTH	DATE	YEAR	MONTH DAY YEAR
ISSUED BY	NAME OF OFFICER	TITLE	ADDRESS
	Mark G. Enderle, Treasurer, Jefferson Gas Transmission Company, per 10/9/01 operating agreement		

Zebulon Gas Association

FOR Entire area served

P.S.C. KY. NO. 1

Original SHEET NO. 6

CANCELLING P.S.C. KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

**RULES AND REGULATIONS**

**Service Lines**

The Company will install, own, operate and maintain the service line at the premises of residential and commercial customers. Any customer accepting service shall be deemed to have granted the Company an easement across his property for such service.

When the length of the service pipe required between the property line and the meter is 100 feet or less, the Company will assess no charge for the service pipe installation. When the length of the service pipe required between the property line and the meter exceeds 100 feet, the Company may require the applicant to contribute toward the cost of the service line installation for costs relating to the additional distance. Contributions by customers toward the Company's cost of furnishing and installing service lines in accordance with this section are non-refundable.

In the event the Company is required to undertake any excavation on a customer's property in connection with the repair, maintenance, or replacement of a service line, the Company shall make reasonable efforts to restore the property to its original condition pursuant to generally accepted utility standards for such construction operations.

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**Meters and Equipment**

The Company will furnish, install, and maintain at its expense the necessary meter, meter stand (including meter riser), regulator and connections that will be located at or near the main service connection, property line or near the building, at the discretion or judgement of the Company. Suitable site of location for the meter, meter stand (including meter riser), regulator and connections shall be provided by the customer and the title to this equipment shall remain in the Company with the right to install, operate, maintain and remove same and no charge shall be made by the customer for the use of the premises as occupied or used.

PUBLIC SERVICE COMMISSION  
OF KY

**Protection of the Company's Property**

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All meters, piping and other appliances and equipment furnished by and at the expense of the Company, which may at any time be in or on the customer's premises shall, unless otherwise expressly provided herein, be and remain the property of the Company and the customer shall protect such property from loss or damage and no one who is not an agent of the Company shall be permitted to remove such property or to tamper with or damage same.

PURSUANT TO 8  
SECTION  
SECRETARY OF THE COMMISSION

DATE OF ISSUE	DATE EFFECTIVE
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ISSUED BY <u>Mark G. Enderle, Treasurer, Jefferson Gas Transmission Company, per 10/9/01 operating agreement</u>	
NAME OF OFFICER	TITLE ADDRESS



FOR Entire area served

P.S.C. KY. NO. 1

Original SHEET NO. 7

CANCELLING P.S.C. KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Zebulon Gas Association

**RULES AND REGULATIONS**

**Budget Billing**

The purpose of this optional plan is to permit any customer the opportunity to equalize payment of natural gas bills rendered during a year.

This plan is available to any customer at his request under the following conditions:

A customer shall request budget billing and begin payments thereunder on the bill rendered for August deliveries (September billing).

Upon request by the customer, the company will calculate the budget amount based on past usage at current rates, inform and secure from the customer his or her acceptance of the budget amount.

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*5/23/2001*

No customer in arrears shall be eligible for the budget plan until all past due amounts are paid or otherwise satisfied.

The budget amount may be adjusted to reflect increased rates.

The budget balance and the actual bill will be shown on each billing.

A budget customer shall be a twelve (12) month customer.

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The budget amount shall be the previous twelve (12) month billing divided by eleven (11).

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The billings in the months of July and August shall be "catch up" billings during which any balance or overpayment will be adjusted so that the September billing balance is zero.

PUBLIC SERVICE COMMISSION  
SECTION 11,  
BY: *Stephan*  
SECRETARY OF THE COMMISSION

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DATE EFFECTIVE  
MONTH \_\_\_\_\_ DAY \_\_\_\_\_ YEAR \_\_\_\_\_

ISSUED BY Mark G. Enderle, Treasurer, Jefferson Gas Transmission Company, per 10/9/01 operating agreement  
NAME OF OFFICER TITLE ADDRESS

Zebulon Gas Association

FOR Entire area served

P.S.C. KY. NO. 1

Original SHEET NO. 8

CANCELLING P.S.C. KY NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

**RULES AND REGULATIONS**

**Special Charges**

The following special charges shall be applied uniformly throughout the area served by Zebulon Gas Association and yield only enough revenue to pay the expenses incurred in rendering the service, in accordance with 807 KAR 5:006.

**Turn-on charge** A turn-on charge of \$55.00 will be assessed for a new service turn-on, seasonal turn-on, reconnection service, or temporary service.

**Special meter reading charge** This charge of \$15.00 will be assessed when a customer requests that a meter be reread, and the second reading shows the original reading was correct.

**Late payment penalty** A penalty of 10% will be assessed if a customer fails to pay a bill by the due date shown on the customer's bill. The penalty shall be assessed only once on any bill for rendered services. Additional penalty charges shall not be assessed on unpaid charges.

**Meter test charge** If a test of a meter's accuracy is requested by a customer, the customer will be required to pay the vendor for the meter test if the meter is not more than two percent (2%) fast.

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*5/23/2006*

PUBLIC SERVICE COMMISSION  
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BY: Stephan Bell  
SECRETARY OF THE COMMISSION

DATE OF ISSUE **October 30, 2001**  
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DATE EFFECTIVE **December 1, 2001**  
MONTH DAY YEAR

ISSUED BY Mark G. Enderle, Treasurer, Jefferson Gas Transmission Company, per 10/9/01 operating agreement  
NAME OF OFFICER TITLE ADDRESS