

**Tariff Pages
Legislative Format**

9.03 MAIN EXTENSIONS**RESIDENTIAL MAIN EXTENSIONS**

Main extensions ~~estimated to cost under \$3,000 per residence~~ are subject to the allowances described below. A cash contribution in aid of construction will be required in advance of construction from the applicant for any costs exceeding the allowance. A contribution does not extend any ownership rights to the applicant. In the case of an expanding market area, the Company may make main extensions without requiring any contribution in aid of construction.

The Company will provide an allowance ~~for a of \$645 per~~ residence to extend a main if the customer installs both a gas space and water heater. The allowance will be calculated using the following formula:

$$\frac{(NC + EC) \times .50 \times .57}{}$$

Where:	NC =	Average cost of adding a new customer.
	EC =	Average net cost of existing customers.
	.50 =	The percent of cost sharing between the new customer and the existing customer.
	.57 =	The main cost as a percent of average cost of adding a new customer.

Otherwise, the Company will determine a lesser allowance in accordance with projected usage and Company policies.

If the cost of the main exceeds the allowance, the applicant will pay to the Company a refundable cash contribution in aid of construction equal to the difference between the cost and the allowance.

If a main is extended for the purpose of serving more than one residence, the total allowance will be the combined allowance of the residences to be served. All residences to be served under this section must initiate the receipt of gas service within two years following completion of the main extension or an additional non-refundable default payment will be required of the applicant for each residence not initiating service. The default payment will be the amount of the original allowance plus interest calculated using the Company's pre-tax allowed rate of return.

The applicant may qualify for a waiver of a portion of this default payment if gas service is initiated to additional residences in the third year following completion of the main extension.

FIRM COMMERCIAL MAIN EXTENSIONS

The Company will extend a main at no cost to the applicant if the cost does not exceed that determined by the following allowance formula:

$$2.5((T \times N) + BSF)$$

Where:	T =	Estimated annual usage in Dth
	N =	Non-gas-cost rate component in \$/Dth
	BSF =	Total yearly Basic Service Fee

If the main extension cost exceeds the allowed cost, the applicant will pay to the Company a cash contribution in aid of construction equal to the difference between the cost and the allowance.

Commercial customers to be served under this section must initiate the receipt of gas service within two years following completion of the main extension or a non-refundable default payment will be required of the applicant, which may be in addition to any previous contribution. The default payment required will be the amount of the originally calculated construction costs, less any previous contribution in aid of construction plus interest calculated using the Company's pre-tax allowed rate of return.

The applicant may qualify for a waiver of a portion of this default payment if gas service is initiated in the third year following completion of the main extension and additional usage (other than that originally estimated) is demonstrated. The waiver amount will be that portion of the default payment covered by the allowance above.

OTHER MAIN EXTENSIONS

Interruptible and industrial customer main extensions, residential main extensions estimated to cost \$3,000 or more per premises, main extensions direct from the Company's high-pressure main lines and other main extensions not specifically covered elsewhere in this section will be made at the option of the Company and subject to terms and conditions that are based on Company policies and agreed upon between the Company and the applicant. Unless otherwise provided in the main extension contract, the general terms and conditions of this section will be applicable.

MAIN EXTENSION COSTS

The costs for extending a main shall include, but are not limited to the following: pipe; trenching; asphalt and cement cuts; asphalt and cement replacement; fill and compaction; rights-of-way costs; permit fees; use of special equipment and facilities; accelerated work schedules, special crews or overtime wages to meet the applicant's request; or difficult construction problems due to rock, frost, etc. The customer will be given written notice of the main extension costs in excess of the allowance, which shall be due and payable prior to commencement of construction. If excess costs are incurred after commencement of construction, the costs will be paid by the customer.

REFUNDS

The Company will refund a portion of a customer's main extension contribution if additional customers connect service lines directly from the main extension within five years after completion of construction of the main extension. If more than one customer contributes to the cost of the main

extension, the Company will pay a refund to each contributor, proportionately to his or her original contribution. The refund will be a sum equal to the total allowance of the additional customers as defined in this section as of the date of the main extension agreement.

Refunds will generally be made within two years following the commencement of service to such additional customer(s), as verified by the Company. Refunds provided to any contributor will not exceed the contribution made by the contributor. Contributions shall not bear interest, and no interest shall be added to the contribution in determining the maximum refund which will be made. Refunds shall not be available after the expiration of five years from the date of completion of installation of the main extension. The Company shall have the right to offset any refunds due the customer under this section against any sums due the Company from the customer.

DEFERRED PAYMENT OF CASH CONTRIBUTIONS IN AID OF CONSTRUCTION

The Company may, at its option, offer to defer payment of cash contributions in aid of construction. Where the terms and conditions of the main extension agreement include deferred payment of the costs for the main extension and other facilities necessary to provide service, periodic payments, payable over a period not to exceed five years, shall be established in an amount that will:

- (1) Provide sufficient contribution to recoup the total deferred main extension cost incurred by the Company, and
- (2) Provide revenue to the Company during the deferral period equal to that which would be allowed in rates for a like amount of investment in Utility Plant.

TEMPORARY SERVICE

Main extensions that, in the judgment of the Company, are for gas service of a temporary nature will be made only at the discretion of the Company. If the main is extended, applicant will pay in advance for the cost of installing the main and for removing the main or making it inoperable at the termination of service.

EFFECT OF PREVIOUS DEFAULT

The Company shall have no obligation to construct a main extension or enter into a contract to construct a main extension when the customer is in default in its obligations to the Company for gas service under an existing agreement to construct facilities or for making contributions or connecting load to a previously constructed main extension.

COMPANY'S FACILITIES

The main extension and all other facilities constructed by the Company for the purpose of rendering service to the customer shall at all times be and remain solely the property of the Company.



The Company may utilize its facilities to render service to other customers as it sees fit without liability of any kind to the customer.

MAIN EXTENSION RIGHT-OF-WAY

Any main extension is subject to the right-of-way requirements itemized in § 7.05.

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9.04 SERVICE LINE EXTENSIONS

Subject to the following, the Company will provide and install a service line to any applicant whose premises are along the route of any main and abut on the street occupied by a main. Extension of mains will be made subject to the provisions of § 9.03. An allowance will be applied to the cost of construction as described below. A cash contribution in aid of construction will be required from the applicant, in advance of construction, for any cost exceeding the allowance.

CONDITIONS

Each applicant for a service line will grant to the Company permission to go upon the applicant's premises to install, inspect, maintain, service and repair the service lines. In addition, the applicant must make no changes or alterations to the service line; must accept responsibility to safeguard the service lines from damage; must not construct or permit to be constructed any building or other improvement (excepting landscaping, walks and driveways) over or across the service line; and must immediately notify the Company of any defect or leak in the pipe. Applicant must pay any costs incurred for damage, repair, or relocation due to the failure or refusal of the applicant to perform all obligations expressly stated, and the Company will not be liable in any way for applicant's non-performance of those obligations.

INDIVIDUALLY METERED RESIDENTIAL DWELLINGS

The Company will provide an allowance to install a service line as [calculated using the following formula and as](#) shown in the table below.

$$\frac{(NC + EC) \times .50 \times .43}{1}$$

Where: $NC =$ [Average cost of adding a new customer.](#)
 $EC =$ [Average net cost of existing customers.](#)
 $.50 =$ [The percent of cost sharing between the new customer and the existing customer.](#)
 $.43 =$ [The service line and meter cost as a percent of average cost of adding a new customer.](#)

If the customer does not install both a gas space and water heater, the Company will determine a lesser allowance in accordance with projected usage and Company policies. The Company may determine an additional allowance if the customer installs additional gas appliances, ~~as set forth in~~ [the table below:](#)

Description	Allowance
Space and Water Heater	Formula Allowance less \$100\$405
Dryer	\$50
Range	\$50

The service line will be installed along the shortest distance from the main to the meter-set location determined by the Company. Should the applicant desire a different meter-set location, the applicant will pay a non-refundable cash contribution in aid of construction equal to the excess cost.

Should the service line cost from the property line to the Company's determined meter-set location exceed the allowance, the applicant will pay a non-refundable cash contribution in aid of construction equal to the costs that exceed the above allowances.

The residence to be served must be receiving gas service within two years following completion of the service line or a non refundable default payment will be required. The default payment will be the installed cost of the service line plus interest calculated using the Company's pre-tax allowed return for two years less any original contribution in aid of construction. In a multiple unit dwelling, each unit is entitled to its allowance.

The applicant may qualify for a waiver of a portion of this default payment if gas service is initiated in the third year following completion of the service line extension and at least two additional appliances, other than those originally contracted for, are installed. The waiver amount will be that portion of the default payment covered by the allowance in the table above.

TEMPORARY SERVICE

Service lines which in the judgment of the Company are for gas service of a temporary nature will be installed only at the discretion of the Company. If the service line is installed, the applicant will pay in advance for the cost of installing the service line and removing the service line, or making it inoperable at the termination of service.

OTHER SERVICE LINES

Service lines not specifically covered in this section will be made under terms and conditions agreed upon between the Company and the applicant.

SERVICE LINE COSTS

The cost of a typical service line includes, but is not limited to, the cost and installation of the pipe, meter and regulator.

EXCESS CONSTRUCTION COSTS

If the installation of a service line will entail excess costs, the applicant will pay the Company a non-refundable cash contribution in aid of construction in the amount of these costs. Excess costs may include, but are not limited to, the following: right-of-way costs; permit fees; use of special equipment and facilities; accelerated work schedules, special crews or overtime wages to meet the applicant's request; or difficult construction problems due to rock, frost, etc. If excess costs are



required, the customer will be given a written estimate of such charges and the amount will be due and payable prior to commencement of construction. If excess costs are incurred after commencement of construction, the costs will be paid by the customer.

DEFERRED PAYMENT OF CASH CONTRIBUTIONS IN AID OF CONSTRUCTION

Deferred payment of cash contributions for service lines may be offered according to the same terms described for main extensions in § 9.03.

EFFECT OF PREVIOUS DEFAULT

The Company shall have no obligation to construct a service line or enter into a contract to construct a service line when the customer is in default in its obligations to the Company for gas service under an existing agreement to construct facilities.

COMPANY'S FACILITIES

The service line and all other facilities constructed by the Company for the purpose of rendering service to the customer shall at all times be and remain solely the property of the Company. The Company may utilize its facilities to render service to other customers as it sees fit without liability of any kind to the customer.

SERVICE LINE EXTENSION RIGHT-OF-WAY

Any service line extension is subject to the right-of-way requirements itemized in § 7.05.

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