

RATE DGS

DISTRIBUTED GENERATION SERVICE

AVAILABILITY

Available in the Company's entire service territory to customers who enter into a service agreement that identifies, among other provisions, facilities that are required to serve distributed generation installations. The facilities contemplated hereunder include, but are not limited to, the equipment necessary to accommodate non-standard system pressure. The Company reserves the right to decline requests to initiate or continue service whenever, in the Company's judgment, rendering the service would be detrimental to the operation of the Company's system or its ability to supply gas to customers receiving service under the provisions of Rates RS, GS, and FT-L.

CHARACTER OF SERVICE

The service provided under this tariff schedule is firm, on-demand, delivery service.

NET MONTHLY BILL

In addition to the provisions of the applicable firm transportation tariff, the following monthly charges shall apply for billing purposes.

Administrative Charge

A charge of \$25.00 per month shall be assessed for each account to which this service applies.

Monthly Capacity Reservation Charge

The customer shall pay, except when the installation is operating according to the service agreement, a monthly amount equal to the level of contract capacity stated in the service agreement, times the capacity reservation charge per CCF. The level of contract capacity is the customer's estimate of the maximum hourly load in CCF that the installation will require when operating as intended. The capacity reservation charge equals the delivery charge stated in the applicable firm transportation service tariff. The minimum monthly capacity reservation charge shall be \$2.00 per installation.

Facilities Charge

The customer shall pay the amount specified in the service agreement.

Delivery Charge

All deliveries, as determined by the Company, shall be billed under the provisions of the applicable firm transportation service tariff.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly bill, which is the Net Monthly Bill plus five percent (5%), is due and payable.

TERMS AND CONDITIONS

The customer shall enter into a written service agreement with the Company which specifies the type of service(s) required, operational requirements, the facilities necessary to accommodate the type of service, and the level of capacity required by customer. The customer and the Company will mutually agree upon the level of contract capacity.

An additional meter shall be installed to separately measure the service hereunder.

The cost of facilities, as described in the service agreement, shall be paid by the customer.

The customer shall have contracted for such interstate pipeline services, including, but not limited to, firm transportation and no-notice delivery services, that are sufficient to satisfy the installation's planned operating schedule.

Changes in the level of contract capacity may be requested annually by the customer, on the anniversary date of the service agreement. Such requests shall be made at least thirty (30) days in advance of the anniversary date.

The term of contract shall be five years.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission as provided by law.