

Main Extension and Yard Line Policy

Effective: March 1, 1993

**ENTEX LOUISIANA DIVISION
MAIN EXTENSION AND
YARD LINE POLICY**

GENERAL PROVISIONS

The purpose of the Main Extension Policy is to provide gas service to prospective gas customers at the lowest possible cost to the prospective customer as well as to existing customers and to maintain an adequate return for the Company. It is the responsibility of the Louisiana Public Service Commission to determine from time to time the adequacy of the Company's overall earnings. Should the earnings be more than adequate, the Commission can order a reduction in gas rates. Should the Company's earnings be less than adequate, the Company must prove its needs to the Commission before an upward rate adjustment can be made.

Company will extend mains to serve prospective customers in accordance with the following policy, provided sufficient revenues can be anticipated from customers which may be served from such extension to provide the company an adequate return on investment. Company shall not be required to extend mains when such extension will not provide an adequate return.

The rate schedule applicable to all customers to be served from each new main extension shall be the same rate schedule applicable to the customers being served from the main to which the new extension is connected.

The amount of refund of a Main Extension Deposit for each additional customer connected to an extension is stated. No Main Extension Deposit shall be refunded after a period of five years, and all refunds will be made in accordance with the terms of the Gas Main Extension Contract (Form 27-0801 Rev. 9-88) attached. The applicant or applicants will not be required to make a Main Extension Deposit of \$50 or less. If a substantial Main Extension Deposit is required, a bond from an acceptable surety may be posted in lieu of a cash deposit.

Main Extensions shall not be made to existing facilities unless an adequate supply of gas with suitable pressure is available.

Main Extension and Yard Line Policy

DEFINITIONS

"**Mains**" - piping located in public right of ways and easements which convey gas to service lines and other mains.

"**Service Lines**" - convey gas from mains to the consumer's property line.

"**Yard Lines**" - convey gas from property line to the consumer's meter.

"**Residential**" - single family and duplex structures excluding manufactured housing as defined below.

"**Manufactured Housing**" - structures which are designed and constructed to be relocated (ie. mobile homes or trailers).

"**Commercial**" - structures not covered above.

"**Affordable Gas Home**" - gas water heating and gas central comfort heating (gas heating used as a supplemental or standby heat source does not qualify).

"**Affordable Gas Home Plus**" - gas water heating, gas central comfort heating, cooking and gas dryer stub (gas heating used as a supplemental or standby heat source does not qualify).

RESIDENTIAL MAIN EXTENSIONS

1. The company will extend 100 feet of main per residential Affordable Gas Home customer at no charge. Unless otherwise required by franchise, the company will extend 50 feet of main at no charge to individual manufactured homes with Affordable Gas Home load.

2. Main extensions in excess of the allowed footage will require a deposit under the Gas Main Extension Contract. The deposit is determined by multiplying the total main extension footage, less the allowed footage, by the company's rate per foot for 2" main as filed with the Public Service Commission. Currently the rate is \$3.00* per foot. The Gas Main Extension Contract provides for a refund of \$300 for each additional residential Affordable Gas Home customer connected along the extension during its 5 year term, provided however, the total amount refunded shall never exceed the total deposit amount. With company approval, a collateralized agreement may be used in lieu of a cash deposit.

3. Planned residential developments may be served under the Predevelopment Gas Main Extension Contract, when approved by the company.

Main Extension and Yard Line Policy

Page 3

RESIDENTIAL SERVICE LINES AND YARD LINES

1. Less than Affordable Gas Home Load - \$50* for the service line and no charge for first 100 feet of yard line, provided gas water heating is used, as a minimum. (50 feet for manufactured housing).
2. Affordable Gas Home Load - No charge for the service line and no charge for the first 100 feet of yard line (50 feet for manufactured housing). Yard line in excess of 100 feet will be run at \$2.25* per foot.
3. Affordable Gas Home Plus - No charge for the service line and no charge for the first 100 feet of yard line (50 feet for manufactured housing). Yard line in excess of 100 feet will be run at \$2.25* per foot.

COMMERCIAL

1. The Company will extend 100 feet of main per commercial base load customer at no charge.
2. An Economic Feasibility Study will be prepared on all commercial main extensions in excess of the allowed footage of 100 feet per customer. Applicable charges will be determined from this study.
3. Residential main, service line, and yard line rates will be applicable to commercial provided the main and service/yard line sizes do not exceed 2" and 1" respectively.

MISCELLANEOUS

1. Standby, testing, and second meter service may be provided based on company's recovery of actual costs incurred to provide such service.
2. A charge of \$250 will be required for a consumer requiring more than 4 oz. delivery pressure when their annual consumption is estimated, by the company, to be less than 500 MCF. If the consumer's actual annual consumption exceeds 500 MCF during the first or second year, the \$250 will be refunded.
3. Conversions from master meter systems to individual meters, or visa versa, for the consumer's convenience may be completed based on company's recovery of actual costs as per established policy.
4. Extension of mains, service lines, and yard lines to apartments (more than duplex) and manufactured housing parks are covered under the commercial policy.

Main Extension and Yard Line Policy

Page 4

5. An additional charge will be made on main extensions requiring boring or breakage and repair of concrete or asphalt.
6. Company shall retain title to all gas distribution mains, service lines, and yard lines up to and including the meters.
7. Natural gas service shall be provided to all consumers under company's General Rules and Regulations as filed with the Public Service Commission.

*As filed with the Public Service Commission and subject to change.

Effective: March 1, 1993