Gas Division Service Procedures
(July 2021)
I. SCOPE

The provisions of the Gas Division Rules and Regulations ("Rules and Regulations") and these Gas Division Service Procedures ("Service Procedures") shall apply to every person now or hereafter receiving gas service from KUB, and the acceptance of gas service shall constitute the customer's, user's, and if a different person, owner's agreement to be bound by the Rules and Regulations and these Service Procedures, provided however, that nothing contained in the Rules and Regulations and/or these Service Procedures shall affect or prejudice any rights of KUB under any existing contract, actual or implied, nor release or discharge any existing obligation to KUB.

All provisions of the Rules and Regulations and these Service Procedures affecting health and safety, including (without limitation) all provisions relating to inspection, general safety precautions for utilization, operation and maintenance of KUB's gas system (including but not limited to Pre-Qualified Gas Contractor requirements as required by the Code of Federal Regulations (CFR) for the Federal Department of Transportation), and rules governing installations, are for the guidance and benefit of customers, users, and if a different person, owners, and KUB shall not be responsible for the health and safety thereof, but KUB reserves the right, in its discretion, to refuse to furnish gas service, or to terminate gas service, where the customer, user, and if a different person, owner fails to comply therewith.

If any clause, sentence, paragraph, section or part of the Rules and Regulations, these Service Procedures or KUB’s Gas Division Rate Schedules (“Rate Schedules”) shall be declared invalid or unconstitutional, it shall not affect the validity of the remaining parts of the Rules and Regulations, Service Procedures or Rate Schedules.

KUB’s Rules and Regulations, Service Procedures and Rate Schedules shall be applied without regard to race, color, age, religion, sex, or national origin. These Service Procedures shall become effective on the date they are adopted by the President and CEO of KUB.

II. DEFINITIONS

The terms used in these Service Procedures shall have the same meanings as set forth in the Rules and Regulations of which the Rules and Regulations are incorporated herein by reference, unless these Service Procedures clearly indicate a different intention.

Wherever the context shall require, words used herein in the singular shall include the plural, words used in the plural shall include the singular, words used in the masculine shall include the feminine, and words used in the feminine shall include the masculine.
Board shall mean the KUB Board of Commissioners, as appointed from time to time by the Mayor and City Council of the City of Knoxville, Tennessee.

Chief Executive Officer or President and CEO shall mean the President and Chief Executive Officer of the Knoxville Utilities Board.

Chief Operating Officer or COO shall mean the Chief Operating Officer of the Knoxville Utilities Board. The COO, subject to the supervision of the CEO, shall administer, implement, and enforce the provisions of the Rules and Regulations.

City shall mean the City of Knoxville, Tennessee.

Commercial and industrial use shall mean all uses with the exception of domestic use as defined in the Rules and Regulations.

Contribution in Aid of Construction (CIAC) shall mean a payment required of the customer for the extension of KUB’s gas system.

Customer shall mean any person who receives gas service from KUB under either an express or implied contract requiring such person to pay KUB for such service. The term shall also include illicit users of gas service from KUB.

Domestic use of the gas system shall be defined and limited to single-family, multifamily, apartment or other dwelling unit or dwelling unit equivalent connecting to KUB’s gas system and used for residential purposes only.

Dwelling unit shall mean any structure occupied by one or more persons of a single family for residential purposes. Apartment buildings and other structures occupied by more than one family shall be considered multiple dwelling units.

Fee is any amount levied that is: (1) infrequent in nature, and/or (2) generally not consumption based, and/or (3) set at the discretion of management of KUB as authorized by the Board, but does not include a rate.

Fuel line shall mean the line from the outlet of the meter center to the equipment utilizing gas on the customer’s, user’s, and if a different person, owner’s premises.

Gas distribution main shall mean the principal or major pipe in the gas system conveying gas to gas service lines for distribution.

Gas Division or division shall mean the part of the KUB system having charge of the physical operation and financial oversight of KUB’s gas system.

Gas service line shall mean the pipe, which leads from the gas distribution main to the shut-off cock; it does not include the metering equipment. The gas service line shall be operated and maintained by KUB.
Gas system shall mean all components for distributing and receiving gas, including but not limited to gas distribution mains, gas service lines, and metering equipment.

Gas and/or gas service means natural gas made available for consumption by KUB for its customers, users, and if a different person, owner for domestic, commercial and/or industrial use by delivering or distributing natural gas via the KUB gas system.

Knoxville Utilities Board, or KUB, shall mean the Knoxville Utilities Board of the City of Knoxville, Tennessee, or, as the context requires, the management of KUB, its contractors or agents.

Metering equipment shall mean the meter and all associated gas equipment such as meter connections, pressure regulators, piping, shut-off cocks, valves, gauges, and vents (collectively, the meter center).

Person shall mean any individual, partnership, firm, company, association, society, corporation, limited liability company, trust, estate, governmental entity, or any other legal entity, or its legal representatives, agents, or assigns. This definition includes all federal, state and local governmental entities and shall also include illicit users of gas service from KUB.

Point of Delivery shall mean the point at the outlet of the meter center, unless otherwise designated by KUB.

Pre-qualified gas contractor shall mean any contractor employee performing work on the KUB gas system in any of the covered functions set forth in the applicable parts of 49 Code of Federal Regulations (CFR) for the Federal Department of Transportation and/or KUB’s Operator Qualification Program, provided such contractor employee is in a drug and alcohol testing program that meets the Pipeline and Hazardous Materials Safety Administration (PHMSA) regulations, and such contractor employee is in compliance with the Operator Qualification Standard in 49 Code of Federal Regulations.

Premises shall mean any structure, group of structures, or property, whether occupied or unoccupied, operated as a single business, enterprise, or dwelling unit, but shall not include more than one dwelling unit.

Private gas system is any gas system owned and maintained by the customer, whose operation is regulated by entities other than KUB including but not limited to the applicable Tennessee state regulatory authority and the Federal Department of Transportation. The gas use of a private gas system shall be master metered by KUB at a central location.

Rate is any quantitative value used to determine an amount levied on a customer directly related to the provision and/or consumption of gas typically associated with utility usage, as set forth in a Gas Division Rate Schedule adopted by the Board.
Rules and Regulations means the rules and regulations adopted by the Board governing the operation and use of KUB’s gas system.

Service Procedures means those governing procedures set forth in a document or document(s) adopted by the President and CEO implementing the Rules and Regulations for the KUB gas system and outlining the guidelines necessary to oversee the daily operation of KUB’s gas system.

Standards and specifications shall mean a set of processes or procedures regarding certain aspects of the KUB gas system, which may be in effect from time to time, but may not be included in the Service Procedures.

User shall mean any premise having a connection to the KUB gas system or having access thereto. The term shall include illicit users of gas service from KUB.

III. REVISIONS

These Service Procedures may be amended, supplemented, or otherwise changed from time to time without notice with prior approval by the President and CEO. Such changes, when effective, shall have the same force as the other currently effective Service Procedures.

IV. CONFLICT

In addition to the Rules and Regulations, the following documents, listed in order of precedence, are hereby made a part of all contracts, and are enforceable through all contracts, actual and implied, for customers, users, and if a different person, owners receiving gas service from KUB and apply to all gas services received by customers, users, and if a different person, owners, whether the service is based upon contract, agreement, signed application or otherwise:

i. the Gas Division Rate Schedules;
ii. the Rules and Regulations as may be amended from time to time; and
iii. these Service Procedures.

In the event of a conflict between the documents listed above, the order of precedence shall govern.
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1. APPLICATIONS AND CONTRACTS FOR GAS SERVICE

1.1 GENERAL REQUIREMENTS FOR GAS SERVICE

1.1.1 A formal application for either original or additional gas service shall be made prior to connection or meter installation orders being issued and work being performed. This process may include the signing of the applicable standard customer contract, applying for service through KUB’s website, or applying for service by contacting KUB’s Customer Service Department. This should be done in advance of the date service is expected.

1.1.2 The use of gas by a customer, user, and if a different person, owner shall implicitly bind the customer, user, and if a different person, owner by the terms of the applicable standard contract form, the Rules and Regulations, the Rate Schedules and these Service Procedures, even though not actually signed by the customer, user, and if a different person, owner.

1.1.3 As a condition precedent to providing any gas service, the furnishing of which requires an investment by KUB, KUB shall have the right to require a person applying for service to sign a minimum bill contract, to make an advance deposit, to make a contribution in aid of construction (CIAC) or any combination thereof in such amount and for such period of time as is reasonably necessary to support said investment as determined by KUB, in its sole discretion.

1.1.4 If, for any reason, the customer, after signing a contract for gas service, does not take the gas service by reason of not occupying the premises or otherwise, the customer shall reimburse KUB for the expense incurred by reason of its endeavor to provide said gas service.

1.1.5 The receipt by KUB of a person’s application for gas service, regardless of whether or not accompanied by a deposit, shall not obligate KUB to render the gas service for which applied. If the gas service applied for cannot be supplied in accordance with KUB’s Rules and Regulations, these Service Procedures, and general practice, the liability of KUB to the person for not providing such gas service shall be limited to the return of any deposit made with KUB by such person.

1.1.6 Whenever an application is made for gas service to a premises with respect to which KUB knows there is a dispute as to the ownership or the right of occupancy and one or more of the claimants attempts to
prevent such service being furnished, KUB reserves the right, at its sole discretion, to adopt either one of the following two alternative courses:

(a) To treat the applicant in actual possession of the premises to be served as being entitled to such service, irrespective of the rights or claims of other persons.

(b) To withhold service, pending a judicial or other settlement of the rights of the various claimants.

1.1.7 KUB shall make available gas service to a customer by means consistent with good engineering practices and technical feasibility and in accordance with these Service Procedures and the Rules and Regulations. Gas service shall be made available to the customer based on i) uniform application of an economic analysis of the customer’s value to KUB and ii) the technical feasibility of providing such gas service, with any cost of such gas service in excess of the customer’s value to KUB being deemed a CIAC. KUB may, in its sole discretion, extend gas service to encourage economic development in accordance with the Rules and Regulations. KUB shall retain title, operate and maintain all KUB gas system facilities in accordance with the Rules and Regulations.

1.1.8 KUB will install, in a location which KUB will determine, a gas service line from the gas distribution main to the shut-off cock. The customer shall pay KUB the applicable service line installation fee as directed in Appendix A.

1.1.9 The gas service line shall be operated and maintained by KUB. Any maintenance of the gas service line shall be performed by KUB or its pre-qualified gas contractor who is qualified to perform the specific task under KUB’s Operator Qualification Program. The metering equipment shall be the property of KUB and be maintained by KUB even though it is located on the customer’s, user’s, and if a different person, owner’s premise.

1.1.10 The customer, user, and if a different person, owner is responsible for trimming and/or removing any impeding vegetation (including but not limited to any tree) prior to installation of gas service.

1.2 SERVICE AND EXTENSIONS

1.2.1 KUB shall make available gas service to a customer by means deemed consistent with good engineering practices and in accordance with the Rules and Regulations and these Service Procedures.

Gas service shall be provided to the customer based on technical feasibility and economic analysis, uniformly applied, of the customer’s value to KUB, with any cost of such gas service in excess of the customer’s value being deemed a CIAC for such gas service. KUB may,
in its sole discretion and in accordance with the *Rules and Regulations*, promote economic development by extending its *gas system* when it is determined to be in *KUB’s* best interest to do so by *KUB*.

1.2.2 *Gas service* is normally limited to 1,000 British Thermal Units (BTUs) per cubic foot of heat content and approximately 0.6 specific gravity referred to as air, and at a nominal pressure of seven inches water column above atmosphere. *KUB* reserves the right to adjust the total heating value of *gas* as determined by the chromatograph located at the pipeline's transmission system, or located so as to measure the heating value of the *gas* delivered into *KUB’s* distribution system, or any other method, at *KUB’s* sole discretion. *KUB* reserves the right to furnish substitute or supplemental *gas* of different heat content and/or specific gravity either in the event of emergencies or for other reasons. Pressure specified herein is nominal pressure and *KUB* does not guarantee actual pressure.

1.2.3 For *gas service* at other than standard pressure, other than base delivery pressure, the *customer* shall confer with *KUB* regarding the type of *gas service* required. *KUB* will respond to the *customer* of its ability to meet such special requirements. The *customer* shall pay the cost of any special installation, which is made to meet the *customer’s* particular requirements for *gas service* at other than standard pressure. Nothing herein shall obligate *KUB* to provide such special service. The unit volume of measured *gas*, for the purposes of measurement, shall be corrected for temperature and pressure. The temperature of the *gas* passing through the meters shall be determined at *KUB’s* sole discretion by a temperature transducer, electronic temperature recording device, a recording thermometer, or any other method of gathering the temperature of *gas*, so installed that it may properly record the temperature of the *gas* flowing through the meters. The pressure of delivered *gas* shall be determined at *KUB’s* sole discretion either by a recording device at the *metering equipment* location or by calculating the equivalent cubic foot of *gas* at the delivered pressure, using an assumed average atmospheric pressure adjustment of a quarter pound base delivery pressure measured as 0.25 pounds per square inch and assumed atmospheric pressure of 14.25 pounds per square inch (14.50 pounds per square inch absolute base pressure). Adjustments to delivery pressure are also subject to a review of the atmospheric pressure measurement of the area.

1.2.4 Extensions of *KUB’s gas system* shall be offered by means deemed consistent with good engineering practices, the *Rules and Regulations*, and in accordance with these *Service Procedures*. *KUB gas system* extensions shall be provided based on technical feasibility. The financial investment *KUB* will make, if any, toward an extension of the *KUB gas system* will be equitably determined by *KUB*, at its sole discretion. In making such determination, *KUB* shall consider the total capital cost, anticipated revenues, estimated expenses associated with the
extension, availability of adequate capacity in the *KUB gas system* and any other economic factors *KUB* may deem appropriate under the circumstances. Unless otherwise agreed upon in writing, payment of any required *CIAC* or advance for construction shall be made prior to construction of the extension. *KUB* may enter into, at its sole discretion, a contingent refund agreement with the *person*. The refund credit, based on terms set forth in the agreement, will be calculated based on the economic value to *KUB*. The refund credit shall not exceed the amount of the advance for construction and shall be calculated based on *customers* added directly to the extension. Types of extensions include, but are not limited to, the following:

- a) individual residences,
- b) residential subdivisions,
- c) residential apartment buildings,
- d) residential condominiums,
- e) multiple housing units,
- f) mobile home parks,
- g) commercial buildings and/or commercial *customers*,
- h) industrial buildings and/or industrial *customers*, and
- i) business and industrial parks.

1.2.5 In accordance with the *Rules and Regulations* and these *Service Procedures*, *KUB* shall own and maintain all gas facilities furnished or installed by *KUB* up to the *point of delivery*.

1.3 **CUSTOMER’S PIPING AND APPLIANCES - STANDARDS**

1.3.1 All gas piping or equipment beyond the *point of delivery*, including but not limited to the *fuel line*, shall be owned and maintained at the expense of the individual property owner. In the case of new service installations or replacement or change of existing installations, all such piping and appliances shall be installed in accordance with the ordinances of the *City*, if located within the corporate limits of the *City*, or in accordance with the requirements of the applicable governing jurisdiction, such as Knox County or the Town of Farragut, if located outside the corporate limits of the *City*.

1.3.2 By furnishing *gas service* to a *customer*, *KUB* assumes no responsibility for ensuring that the *customer’s* piping and/or appliance installations comply with the requirements set forth herein.

1.4 **CHANGE IN SERVICE REQUIREMENTS**

At *KUB*’s sole discretion, *KUB* will modify the capacity of the same type service to accommodate changes in load. *KUB*’s investment, if any, toward a change in *customer’s* capacity will be based on economic feasibility to *KUB*. 
2. **UTILITY DEPOSITS**

2.1 The customer shall deposit with KUB such reasonable sums of money as may be required by KUB as continuing security for the performance of the obligations contracted for by the customer and failure to make such deposit upon demand of KUB will give KUB the right to declare the contract, whether the contract is actual or implied, forfeited and to refuse or to terminate gas service.

The required deposit amount for gas service is set forth in Appendix A – Gas Deposits, Charges, and Fees.

2.2 For residential customers, KUB’s deposit requirement amount shall not exceed twice the highest monthly bill (actual or estimated) as averaged for all residential gas customers. At KUB’s discretion, the deposit requirement may be waived for new or existing residential customers based on the customer’s credit score.

At KUB’s discretion (primarily in cases of hardship), if a deposit is required, KUB may authorize residential customers to pay the utility deposit in multiple installment payments; however, the actual number of installment payments authorized will be at KUB’s sole discretion.

Once a residential deposit has been established, it will be held by KUB for a period of time until the customer achieves 18 months of consecutive payments without carrying a past due balance or being turned off for non-payment of bill. At that point, KUB may refund the deposit amount (including any earned interest) by crediting the customer’s current bill.

2.3 Non-residential customers, in lieu of providing a monetary security deposit as set forth in Section 2.1, may provide another form of security if (1) the customer, at the customer’s expense, participates in and retains eligibility in a KUB-approved utility insurance program, until service to such customer is terminated, or (2) the customer, at the customer’s expense, furnishes KUB, and maintains in full force and effect until service to such customer is terminated, a certificate of deposit assignment, a bank letter of credit, or a surety bond guaranteeing the payment of all the obligations to KUB for utility or other services furnished by KUB, the form of which bond or letter of credit shall be approved by KUB and the provisions of which bond or letter of credit shall comply with the requirements hereinafter stated. The surety bond or letter of credit shall be signed by the customer as principal and by a responsible corporate surety company authorized to do and doing a general surety business in Tennessee. The sum of said monetary security, utility insurance, certificate of deposit, bond or bank letter of credit shall not exceed two times the larger of the following amounts: (a) the highest monthly bill the customer incurred for utility services furnished by KUB during the preceding twelve-month period, or (b) the highest monthly bill for such utility services as reasonably estimated by KUB’s authorized representative for the ensuing twelve-month period, and shall be no less than $300. The surety company shall have no right to terminate its liability without giving KUB thirty (30) days prior written notice of its election to do so, and such termination shall not limit or otherwise affect the surety company’s liability to KUB for utility services.
furnished to the customer prior to the effective date of such termination. Periodically, customer accounts may be reviewed and additional security may be required as deemed necessary by KUB.

At KUB’s discretion, if a deposit is required, KUB may authorize non-residential customers to pay the utility deposit in multiple installment payments; however, the actual number of installment payments authorized and the timing of such payments will be at KUB’s sole discretion.

Non-residential customer deposits are held for the life of the account and are refunded only upon termination of the service and account.

2.4 Upon termination of the gas service, the deposit (including any earned interest) may be applied by KUB against any utility obligations of the customer to KUB, regardless of whether such obligations arose in connection with gas service or otherwise. Any part of the deposit which is not so applied will be refunded to the customer upon request. Prior to the termination of the gas service, the customer shall have no right to require that the deposit or any part thereof be applied to the payment of any obligation of the customer to KUB.

However, if the customer is involved in any bankruptcy, receivership, or other proceeding, and if the customer has any unpaid charges for utility service, the payment or collection of which is delayed, barred in whole or in part, or otherwise affected by such proceeding, the deposit may be applied by KUB to the payment of such charges. If the deposit is insufficient to pay all such charges, the deposit shall be applied to the payment of the charges in the order in which they were incurred, beginning with the oldest, unless KUB elects to apply the deposit in a different order of payment.

2.5 No deposit shall be transferable, assignable, or otherwise encumbered by the customer.

2.6 Except as otherwise provided herein, simple interest shall be paid on all customers’ monetary deposits given as security for the payment of charges for gas service furnished, with said interest payment based upon the applicable interest rate as determined by KUB. No interest will be paid on the deposit unless continuous gas service is rendered for a period of at least six months, and no interest shall be paid on a deposit for any period or periods of time during which gas service is not being rendered.

Interest will be paid on customer deposits to be adjusted annually, effective as of January 1. The rate of interest to be paid shall be adjusted annually, effective as of each January 1 for the entire calendar year, using a floating interest rate determined by taking the mean average of all 26-week United States Treasury Bill rates offered during the previous calendar year, minus .0025. If at any time the calculation falls below .0025, the interest rate for the entire calendar year will be 0%.
2.7 The deposit balance (including earned interest) as well as the adequacy of such deposit shall be subject to review by KUB and upon request by the customer.

3. **POINT OF DELIVERY**

3.1 The point of delivery for gas service shall be the point at the outlet of the meter center, unless otherwise designated by KUB.

3.2 The location of KUB's metering equipment on the customer's, user's, and if a different person, owner's property shall not change the location of the point of delivery. All piping and equipment beyond the point of delivery shall be owned and maintained by the customer, user, and if a different person, owner unless otherwise agreed to in writing by KUB. KUB shall not be liable for any injury to persons or property on account of any defect or negligence in the installation, maintenance, or use of the customer's, user's, and if a different person, owner's equipment beyond the point of delivery.

3.3 **SINGLE POINT OF DELIVERY**

3.3.1 The charges under the Gas Division Rate Schedules are based upon the supply of gas service through a single gas service line and meter location.

3.3.2 At KUB's sole discretion, separate gas services for the same customer at a common location shall be permitted, provided said separate gas services do not conflict with the applicable Gas Code and are metered and billed separately. This type of gas service may be approved only in writing by KUB.

4. **INTERCONNECTIONS**

4.1 No interconnection of any kind shall be permitted between KUB's gas system and any gas or other fuel supply from any other source, nor shall any gas or other fuel supply from any other source be permitted to migrate into KUB's gas system, unless approved in writing by the Senior Vice President of Operations or the President and CEO and an authorized representative of the gas supplier. Additionally, KUB will require technical information, including but not limited to manufacturer drawings, equipment layout, and details concerning the transfer switching apparatus, in regard to the interconnection or gas backup system. KUB reserves the right to alter or modify the requesting party's plans to address safety concerns or KUB's gas system integrity.

5. **INSPECTIONS**

5.1 KUB shall have the right, but shall not be obligated, to inspect any installation before gas is introduced or at any later time. KUB reserves the right to refuse or
terminate a connection to any gas service that is not in accordance with applicable gas codes, or which is not in accordance with any contract (actual or implied), the Rules and Regulations, these Service Procedures, or other requirements of KUB. Any failure to exercise this right shall not render KUB liable or responsible for any loss or damage resulting from defects in the installations, piping, or appliances, or from violation of the applicable gas codes, or the provisions of any contract, whether actual or implied, or from accidents which may occur upon the customer’s, user’s, and if a different person, owner’s premises.

5.2 KUB shall not be obligated to connect, reconnect, or render gas service to buildings or premises not approved for gas service until such time as approval for gas service has been rendered by the City, if located within the corporate limits of the City, Knox County or the Town of Farragut, if located outside the corporate limits of the City with the duty of issuing such approval.

5.3 Construction work on KUB’s gas system shall at all times be subject to inspection by KUB to ensure that the work conforms to KUB’s standards and specifications. No approval or inspection by KUB hereunder shall relieve a KUB pre-qualified gas contractor or a person who contracted with a KUB pre-qualified gas contractor of any liability for work performed on the KUB gas system.

6. RIGHT OF ACCESS

KUB shall be granted access to the customer’s, user’s, and if a different person, owner’s premises at all times for the purpose of:

1. Reading meters;
2. Installing, testing, inspecting, repairing, operating, maintaining, removing, and replacing any KUB gas system component;
3. Clearing hazards away from KUB’s gas system;
4. Inspecting and operating the customer’s, user’s, and if a different person, owner’s gas piping and equipment;
5. Inspecting the premises; and
6. Providing notifications

in order to determine that KUB’s Rules and Regulations and/or these Service Procedures implementing the Rules and Regulations, the regulations of the Federal Department of Transportation, and the regulations and requirements of the applicable Tennessee state regulatory authority are being complied with and to ensure compliance with applicable federal, state, and local law(s) and regulation(s).

In the event KUB needs to gain access to its gas system and the customer, user, and if a different person, owner has built a fence, planted landscaping, etc. that blocks KUB access that requires KUB to remove the barrier(s) to gain access to its gas system, KUB will not be required to repair/replace customer, user, and if a different person, owner property.
KUB reserves the right to refuse or terminate utility service where the customer, user, and if a different person, owner fails to comply with the right of access as described above. In addition, if a current customer fails to comply with the right of access as described above, KUB reserves the right to terminate said service by whatever means necessary with all costs borne by the customer.

7. BILLING

7.1 Bills may be paid at a KUB business office, by mail, at any KUB-authorized payment kiosk, or online via KUB’s website. Payments made on or before the past due date may be paid at any branch bank or other authorized payment location with which KUB has arrangements to receive such payments.

7.2 The bill is due when it is received. The past due date for payment of the bill shall be not less than 15 days from the date the bill is mailed.

7.3 Payments made after the past due date will be subject to a late fee. If the past due date falls on a day when KUB business offices are closed, the following business day will become the past due date. The late fee amount is set forth in Appendix A – Gas Deposits, Charges, and Fees. The late fee charged shall not exceed five percent (5%) for any portion of the bill paid after the net payment period.

7.4 In order to help customers budget their monthly bills, a budget payment plan is available to qualified residential customers and verified non-profit commercial customers. Full information concerning this plan is available upon request.

7.5 In the event bills are not paid on or before the past due date, gas service may be terminated in accordance with Section 9.1 and not resumed until all bills are paid. KUB shall not be liable for damages due to the termination of service at any time after the due date, even though payment of such bills be made on the same day either before or after gas service is actually terminated.

7.6 Failure to receive a bill will not release a customer from payment obligation, nor extend the due date.

7.7 KUB shall not be obligated to make adjustments of any bills disputed by the customer unless within ninety (90) days after the questioned bill is paid, the customer files with KUB a written objection to said bill specifying the basis for the desired adjustment. Any adjustments to a customer’s bill will be in accordance with state law.

7.8 Except as may otherwise be provided in Section 9.1, KUB shall be under no obligation to extend the past due date because the customer disputes the amount of the bill or liability for the bill. The customer shall have the right to pay any disputed bill under protest provided the customer at the time of payment gives KUB written notice that the payment is being made under protest together with a written statement of the grounds upon which the customer questions the correctness of the bill; and any such payment thus made under protest shall not
be considered a voluntary payment provided the customer files suit to recover the questioned payment within ninety (90) days after such payment under protest is made.

7.9 **ESTIMATED BILL**

7.9.1 *KUB* reserves the right to render an estimated bill to the customer on the basis of the best information available if any of the following occur:
   a) *KUB* or its agents are unable to obtain access to the meter during regular business hours;
   b) An error occurs in the computation of the service bill;
   c) *KUB* elects to read meters less frequently than each month to reduce meter reading expense.

7.9.2 If a subsequent meter reading shows that the estimated bill was based on an erroneous estimate of consumption, *KUB* may, at its sole option, either adjust the estimated bill to correct the estimate or make a compensated adjustment in a later bill, if such adjustment is deemed necessary by *KUB*.

7.10 **BILLING – MEASUREMENT OF CONSUMPTION**

7.10.1 All gas furnished by *KUB* shall be billed in therms or dekatherms. The number of cubic feet of gas furnished, as metered or estimated, shall be multiplied by the heating value per cubic foot to be determined as hereinafter provided.

7.10.2 The heating value per cubic foot shall be expressed in BTUs. Rounding shall be at the discretion of *KUB*, but shall be applied uniformly and consistently.

7.10.3 The calculation of heating value per cubic foot shall be determined from information provided by the interstate pipeline directly connecting to *KUB’s gas system*, or if unavailable from such pipeline, then from such other sources as *KUB* deems applicable.

7.10.4 The heating value per cubic foot shall be calculated on an annual basis or more frequently if determined necessary by *KUB* in its sole discretion.

7.10.5 When calculated on an annual basis, the average heating value per cubic foot will be determined based on gas distributed by *KUB* during the applicable calendar year. The heating value calculated shall be effective on February 1 of the year following the calendar year on which the calculation is based.

7.10.6 When calculated on a basis other than annually, the period on which the calculation is determined and the period on which the calculation is
applied shall be of similar length. The calculation shall be applied in a timely manner.

8. **RATES AND CHARGES**

8.1 All gas furnished by KUB shall be furnished at the applicable rates in effect at the time and as adopted by proper resolutions of the Board.

8.2 It is mandatory for the customer to notify KUB in writing of any change in use or condition that will effect a change in rate classification. In some cases, a written contract may be required.

8.3 In the event the customer does not give KUB notice of change in use or condition that will effect a change in rate classification, then KUB shall not be liable to the customer for any overcharges due to a failure of the customer to notify KUB of the changed conditions. In case the customer has so changed the conditions under which service is being used as to place the customer on a rate higher than the rate originally applied to the customer, the customer shall pay the difference in the two rates for the period of time during which the customer has been served at a lower rate than the rate properly applicable to the customer’s service.

If quantity or use of gas for any customer should change to such an extent that customer no longer complies with the availability clause of the Gas Division Rate Schedule under which customer is being served or becomes qualified under the availability clause of another Rate Schedule, then the customer shall be changed to the applicable Rate Schedule. At KUB’s sole discretion, certain customers may be required to execute a written contract to affect a change in rate classification and/or a change to the applicable Rate Schedule.

8.4 Should KUB determine that any customer, user, and if a different person, owner is not being served under the proper Rate Schedule applicable to the customer’s, user’s, and if a different person, owner’s condition, KUB may likewise apply the proper Rate Schedule when facts justifying the change are brought to the attention of KUB.

8.5 If, after a gas service contract has been automatically extended and the customer requests and KUB agrees to change the customer’s rate to correspond with the customer’s new gas requirements prior to the anniversary date of the expiration of the contract, KUB shall have the right to bill the customer for all costs involved in any changes in the metering equipment.

9. **TERMINATION AND RECONNECTION OF SERVICE**

9.1 **TERMINATION OF SERVICE BY KUB**
9.1.1 If the *customer* does not make full payment by the past due date of the utility bill, the bill shall become delinquent. If the *customer* fails to make payment, or notify *KUB* of a disputed bill or make suitable payment arrangements, *KUB* will proceed with the following termination schedule:

(a) *KUB* will include a termination of service notice to the *customer* on the next billing provided to the *customer* (by either the United States Postal Service or via electronic notification if the *customer* has chosen electronic or paperless billing). The notice shall explain the *customer’s* rights and remedies and offer an opportunity for the *customer* to dispute the reason for the termination.

(b) A *KUB* representative will deliver a notice to the *premises* of the *customer* on the expiration date contained in the aforementioned termination notice giving the *customer* a one (1) day termination notice. If this collection effort proves unsuccessful, at *KUB’s* sole discretion, the service may be terminated immediately.

9.1.2 Special counseling is available to *customers* who are experiencing hardship or have emergency circumstances. *Customers* relying on life-sustaining medical equipment at their *premises* should apply for *KUB’s* Medical Priority Program. *Customers* who have applied for and been accepted into *KUB’s* Medical Priority Program may be, to the extent possible, afforded special consideration and additional notification prior to any termination of service due to non-payment of the bill.

9.1.3 Such right to terminate *gas service* shall apply to all *gas service* received through a single service, even though more than one *person* is furnished *gas service* therefrom, and even though the delinquency or violation is limited to only one such *customer*.

9.1.4 Termination of *gas service* by *KUB* for any causes stated in the *Rules and Regulations* and these *Service Procedures* shall not release the *customer*, *user*, and if a different *person*, owner from liability for *gas service* already received or from liability for payments that thereafter become due under the minimum bill provisions or other provisions of the *customer’s* contract, whether the contract is actual or implied.

9.1.5 *KUB* shall have the right to refuse to render *gas service* to any applicant whenever the applicant or any member of the household, company or firm to which such *gas service* is to be furnished, is in default in the payment of any obligation to *KUB* or has theretofore had utility service terminated because of a violation of the *Rules and Regulations* or these *Service Procedures*.

9.1.6 If *KUB* should for any reason begin to render *gas service* to an applicant to whom *KUB* has a good and valid reason for refusing to render such *gas service*, *KUB* shall have the right to terminate such *gas service* at
any time after such gas service is begun, even though the customer does nothing to justify the termination of gas service during the time such gas service is being rendered.

9.1.7 KUB monitors weather conditions on a daily basis. Sources monitored may include the National Oceanic and Atmospheric Administration (NOAA), the National Weather Service (NWS), or local weather sources. In the event of extreme weather conditions, residential termination of gas services for non-payment of the bill may be temporarily suspended until the expiration of extreme weather condition advisories and/or warnings.

9.1.7.1 As a general guideline, KUB may consider extreme heat-related weather conditions to include NOAA/NWS Excessive Heat Warnings/Advisories or when local temperatures are forecast to be above 92° Fahrenheit.

9.1.7.2 As a general guideline, KUB may consider extreme cold-related weather conditions to include NOAA/NWS Winter Storm Warnings or when local temperatures are forecast to be below 32° Fahrenheit.

9.2 TERMINATION OF SERVICE BY CUSTOMER

9.2.1 Customers who have fulfilled their contract terms and wish to terminate gas service must give at least one (1) business day notice to the effect, unless the contract specifies otherwise. Notice to terminate gas service prior to expiration of contract term will not relieve customer from any minimum or guaranteed payment under contract or applicable Rate Schedule.

9.2.2 Under no circumstances will the continuance or termination of gas service be used as a means of forcing the occupant of premises to surrender possession thereof.

9.2.3 When gas service is being furnished to an occupant of premises under a contract not in the occupant's name, KUB reserves the right to impose the following conditions on the right of the customer to terminate gas service under such a contract:

(a) Written notice of the customer's desire for such gas service to be terminated may be required; KUB shall have the right to continue such gas service for a period not to exceed ten (10) days after receipt of such written notice, during which time the customer shall be responsible to KUB for all charges for such gas service. If KUB should continue gas service after such ten-day period subsequent to the receipt of the customer's written notice to terminate gas service, the customer shall not be responsible to KUB for charges for any gas service furnished after the expiration of such ten-day period.
(b) During such ten-day period, or thereafter, the occupant of premises to which gas service has been ordered terminated by a customer other than such occupant may be allowed by KUB to enter into a contract (actual or implied) for gas service in the occupant's own name, upon the occupant's complying with the Rules and Regulations and these Service Procedures with respect to a new application for gas service.

9.3 LIABILITY FOR FAILURE TO TERMINATE A SERVICE

9.3.1 KUB's liability shall be limited to the forfeiture of the right to charge a customer for gas that is not used but is received from a gas service line if, after receipt of at least ten days' written notice to terminate a gas service, KUB has failed to terminate such gas service.

9.3.2 Except to the extent stated above, KUB shall not be liable for any loss or damage resulting from a failure to terminate gas service. Customer shall rely exclusively on privately owned valves rather than on KUB terminating gas service.

10. INTERRUPTION OF SERVICE

10.1 In connection with the construction, operation, maintenance, repair, and extension of KUB's gas system, gas supply may be shut off without notice, when necessary or desirable as determined by KUB; each customer, user, and if a different person, owner must be prepared for such emergencies. KUB shall not be held liable for any damages from such interruption of gas service or for damages from the resumption of gas service without notice after any such interruption.

10.2 Customer, user, and if a different person, owner shall notify KUB immediately should the gas service be unsatisfactory for any reason, or should there be any defects, trouble, or accidents affecting the supply of gas. Such notice, if verbal, should be confirmed in writing.

10.3 KUB shall not be liable for personal injuries, including but not limited to death, or for any damages to equipment or property (real or personal) beyond the point of delivery, which may be caused by interruptions of gas service, or by fluctuations in pressure on KUB's gas system. The customer, user, and if a different person, owner shall be responsible for protecting the service from pressure fluctuations by installing automatic safety pilot lights, pressure regulators, and other protective devices after the point of delivery.

10.4 KUB will endeavor to furnish continuous gas service, and to maintain reasonably constant pressure, but KUB does not guarantee to any customer, user, and if a different person, owner any fixed pressure or continuous gas service.
11. RESTRICTED USE OF GAS

11.1 In the event of an emergency or other condition causing a shortage in the amount of gas for KUB to meet the demands on its gas system, KUB may, by a method deemed equitable by KUB, fix the amount of gas to be made available for use by customers and/or may otherwise restrict the time and purpose of gas use by customers. A time of gas shortage within the meaning of these Service Procedures shall be deemed to exist whenever the actual use or the reasonably anticipated use of gas in any day or other period of time exceeds the quantity of gas KUB can obtain or reasonably expects to obtain for such day or such other period of time.

11.2 When practical, the following priorities shall be observed when KUB finds it necessary or desirable to restrict the use of gas, with the highest priority of use listed first and subsequent uses following in descending order.

11.2.1 Firm gas for residential uses, health care institutional use with overnight patient care, and, if applicable, emergency shelters.

11.2.2 Firm gas for nonresidential use with not more than 1,500 therms consumption in any monthly billing period during all such billing periods for the 24 months previous to the curtailment.

11.2.3 Firm gas for nonresidential use with more than 1,500 therms consumption and not more than 15,000 therms consumption in any monthly billing period during all billing periods for the 24 months previous to the curtailment, and except gas-fired boilers as specified below in 11.2.5.

11.2.4 Firm gas for minimum gas requirements to protect plant facilities and inventories when the outside temperature is below freezing, and associated pilot usage necessary for plant protection heating equipment for all subsequent priorities for firm gas.

11.2.5 Firm gas for nonresidential gas-fired boilers having over 500,000 BTU/hr input rating and that are equipped with a blower which provides all air for combustion to the boiler and total usage has been more than 1,500 therms but not more than 15,000 therms in any monthly billing period during all billing periods for the 24 months previous to the curtailment.

11.2.6 Firm gas for nonresidential uses with more than 15,000 therms consumption in any monthly billing period during all billing periods for the 24 months previous to the curtailment.

11.2.7 All interruptible gas.

11.3 The priorities specified herein may be superseded by any different priorities issued by the local, state, or federal government.
11.4 If a customer fails to comply with such restriction or curtailment, KUB may take such remedial action, as it deems appropriate under the circumstances including but not limited to temporarily terminating gas service or charging additional amounts because of the excess use of gas. If for any reason the exact amount of such excess usage cannot be determined, KUB reserves the right to estimate the amount of excess usage from the best information available.

12. RELOCATION OF AND CHANGES TO KUB’S FACILITIES

12.1 When a customer or owner desires to change the location of KUB’s facilities and equipment on the customer’s or owner’s property in order to receive gas service, the customer or owner shall provide adequate easement rights as required by KUB for KUB’s facilities. No applicant for gas service shall be entitled to such service until KUB has been furnished, at no cost to KUB, such indefeasible easement rights for such facilities at a location acceptable to KUB.

All persons having any interest in the property where such facilities of KUB are located shall be conclusively presumed to have agreed to the construction and continued maintenance of such facilities if at any time after the use thereof begins a continuous period of twelve months elapses during which no effort is made by the customer or by any person having an interest in such property to have such facilities removed or relocated.

12.2 Any person wishing to have KUB’s facilities relocated for their convenience shall be entitled to have the facilities relocated only if (1) an easement for a suitable substitute location acceptable to KUB is provided at no cost to KUB, and (2) satisfactory arrangements are made with KUB for all expenses for any relocation work to be paid to KUB. Until arrangements acceptable to KUB are made for providing gas service to the premises served by such facilities, no person shall have the right to require KUB to remove any such facilities even though the facilities are not in active use at the time. Neither the customer nor any other person shall do anything on the property where such facilities are located, or allow any use thereof, which will endanger said facilities or which will create a hazard by reason of the location or use of such facilities.

12.2.1 When a public right-of-way is changed for the benefit of private interests and KUB’s gas system must be adjusted to accommodate said change, the cost of such adjustments shall be paid in advance on a non-refundable basis by the requesting parties.

12.3 Any customer or owner whose premises do not extend to a public street right-of-way or other public right-of-way from which gas service can be safely and economically provided shall be responsible for providing and maintaining, without cost to KUB, an easement for KUB’s gas facilities between the customer’s or owner’s premises and the public right-of-way from which such gas service is to be or is being provided. Such customer or owner shall also be responsible for providing and maintaining all gas facilities beyond the point of delivery, which
facilities are not owned by KUB. This rule applies to all customers or owners present and future, including without limitation those occupying apartments, office buildings, condominiums, shopping centers, parks, projects, developments, subdivisions, and other similar land uses.

13. METERS

13.1 All meters and metering equipment installed by KUB shall remain the property of KUB unless otherwise agreed in writing by KUB.

13.2 KUB will install and maintain adequate metering equipment to measure the gas used in accordance with the applicable Rate Schedule.

13.3 When metering changes are made for the customer’s, user’s, and if a different person, owner’s convenience, the customer, user, and if a different person, owner shall pay the estimated costs of making changes in metering equipment location, combining two or more metering equipment installations, or separating a single installation into two or more metering equipment installations. Any necessary changes in the customer’s, user’s, and if a different person, owner’s piping and equipment shall be completed by the customer, user, and if a different person, owner before any changes are made by KUB.

13.4 In large commercial and industrial installations, the metering equipment installation shall be in accordance with any special agreements made relative to the service rendered.

13.5 Multi-meter centers shall be installed for gas service provided to townhouses and multi-unit structures including but not limited to apartments, condominiums, and mobile home parks. Multi-meter centers shall have permanent identification for each meter. The person developing the property shall furnish KUB with a floor plan and/or a site plan showing the identification of all units and the configuration of the multi-meter center. The person shall pay KUB the cost of making changes in KUB’s records for any changes subsequently made to the property.

13.6 KUB will, at its own expense, make periodic tests and inspections of its metering equipment in order to maintain a high standard of accuracy. KUB will make additional tests or inspection of its metering equipment at the request of the customer. If such tests show that the metering equipment is accurate within two percent (2%), slow or fast, no adjustment will be made in the customer’s bill and customer will be charged the cost of making such test. In case the test shows the metering equipment to be in excess of two percent (2%), fast or slow, an adjustment will be made in the customer’s bill for such reasonable period of time prior to the date of such test, as determined by KUB in its sole discretion, and the cost of making test will be borne by KUB.

14. METER TAMPERING

14.1 Tamper means “to rearrange, injure, alter, interfere with, or otherwise prevent from performing a normal or customary function.” With respect to the provision of gas service, no one shall perform the following specified acts with the intent to
obtain utility services without paying the full charge, or with the intent to enable another person to do so, or with the intent to deprive the utility of its full lawful charges for utility services: (1) diversion of gas service, (2) preventing any gas meter or other device used in determining the charge for gas service from accurately performing its measuring function by tampering or by any other means, (3) tampering with any property owned by or used by KUB to provide gas service, and (4) connecting or reconnecting with property owned or used by KUB to provide gas service without the authorization or consent of KUB.

14.2 No one shall do anything which will in any way interfere with or prevent the proper registration of a meter. No one shall tamper with or work on a gas metering equipment without the written permission of KUB. No one shall install any pipe or device which will cause gas to pass through or around a meter without the passage of such gas being registered fully by the meter.

14.3 All metering equipment will be sealed by KUB for protection. No one, except authorized and qualified KUB employees, KUB pre-qualified gas contractors, or agents, shall cut, break, or otherwise remove a KUB seal on meters or metering equipment.

14.4 KUB will assess Revenue Protection and Recovery Charges against any person who tampers with or damages any KUB gas system component, including but not limited to gas meters or any device used to measure gas provided to a premise. Any such charges shall be set forth in Appendix A to these Service Procedures.

The assessment of Revenue Protection and Recovery Charges pursuant to this subsection shall not preclude KUB from exercising any other right or pursuing any other remedy available by state law, specifically including but not limited to the remedies provided under T.C.A. § 65-35-101 et seq.

14.5 In the absence of an identifiable customer, the owner of any premises may be presumed to be the customer of such premises for purposes of these Service Procedures and KUB’s remedies for meter tampering.

15. METERING EQUIPMENT LOCATIONS

15.1 KUB approval of metering equipment location(s) shall be obtained before the installation of any piping (e.g. fuel line, etc.).

15.2 The customer or owner of the premises shall provide a suitable location, satisfactory to KUB, for all metering equipment.

15.3 Metering equipment shall not be placed in a location that will subject it to undue exposure to heat, dampness, dust, dirt, accidental damage or severe vibration. The customer or owner shall provide adequate protection from pedestrian or vehicular traffic for the metering equipment as per KUB’s standards and specifications and discretion.
15.4 *Metering equipment* must be located outside of buildings in areas that are easily accessible for inspection, reading, maintenance, repair and removal. *Metering equipment* shall be installed with a minimum clearance of three feet (3') from electrical or ignition sources, windows, vents, etc., which could pose a safety hazard. *Metering equipment* for apartments, offices, and other places of business may be installed inside of buildings in areas that are deemed suitable by *KUB* and the applicable governing authority and are easily accessible during all normal business hours.

15.5 When two or more meters are to be installed at one *premise*, such as an office building or apartment building, the meters shall be grouped in one common place, accessible at all times during normal business hours. The expense of installing such multi-meter centers, except for the immediate connections from the meter to the meter manifold, shall be borne by the *customer* or owner.

15.6 Except with the written approval of *KUB*, all *metering equipment* shall be located immediately adjacent to the point where the *gas service line* enters the building. In no event shall any portion of the *gas service line* inside the building be concealed in walls or otherwise nor shall any *metering equipment* be located above the first or ground floor.

15.7 Meters found to be located in positions not in conformity with the foregoing requirements shall be moved, at the expense of the *customer* or owner, to locations which do conform, when:

(a) The *premises* on which the *metering equipment* is located is undergoing major structural alterations involving changes in the *gas piping*; and

(b) The *customer* or owner desires the meter to be relocated for their convenience; and

(c) Changes are made to the *premises* which make the *metering equipment* inaccessible or unable to vent properly; and

(d) A *customer, user*, and if a different *person*, owner is found to be preventing or avoiding proper registration by the meter.

*KUB* reserves the right to move a meter, at its own expense, to a more accessible location despite the fact *KUB* may have previously approved the location that is no longer desired by *KUB*.

16. RESPONSIBILITY FOR VIOLATION OF RULES AND REGULATIONS AND SERVICE PROCEDURES

16.1 Where *KUB* furnishes *gas service* to a *customer*, such *customer* shall be responsible to *KUB* for all violations of the *Rules and Regulations*, these *Service Procedures* and the *Rate Schedules* of *KUB*, which occur on the *premises* served or in connection with such *gas service*. Personal participation by the
customer in any such violations shall not be necessary to impose such personal responsibility on the customer.

17. UNAUTHORIZED USE OR INTERFERE WITH GAS SUPPLY

17.1 No person shall operate any of KUB’s valves or any of KUB’s gas system without permission, qualification, or authority from KUB.

18. RESPONSIBILITY FOR KUB’S PROPERTY

18.1 All meters, meter connections, shut-off cocks, pressure regulators, and other equipment deemed to be owned by KUB shall be and remain the property of KUB. The customer, user, and if a different person, owner shall provide a space for and exercise proper care to protect any KUB property located on their premises. In the event of loss or damage to KUB’s property, the cost of necessary repairs or replacements shall be paid by the responsible party. The customer is also responsible for any protection of the metering equipment (e.g. bollards, fencing, etc.) as deemed necessary by KUB to prevent damage by vehicular or pedestrian traffic.

18.2 No person shall perform excavation without a valid TN811 locate request ticket. The Tennessee Underground Utility Damage Prevention Act specifies the requirements for safe digging and other work near utilities.

19. USE OF GAS SYSTEM ASSETS

19.1 The use of any physical assets of KUB’s gas system, including but not limited to rents of space within KUB facilities, shall be granted solely through written authorization of KUB. Compensation to KUB for the use of such physical assets shall be governed through a written agreement with such person or based on charges and fees, as set forth in Appendix A, whichever is applicable.

20. GAS SCHEDULE OF CHARGES AND FEES

20.1 The Rules and Regulations, as approved by the Board, delegate to KUB the authority to establish charges and fees for the operation of the Gas Division to the President and CEO of KUB. A listing of applicable charges and fees will be attached to these Service Procedures, and will be updated as necessary to reflect changes in business practices and economic factors. All changes to charges and fees will be approved by the President and CEO.

21. CONTRACT REQUIREMENTS

21.1 KUB may require contracts for gas service. Contract requirements for gas service provided under the Rate Schedule will be updated as necessary to reflect changes in business practices, economic factors, and the adoption of new and/or revised Rate Schedules by the Board.
22. NOTICE OF TROUBLE

22.1 Customer, user, and if a different person, owner shall notify KUB immediately should the gas service be unsatisfactory for any reason, or should there be any defects, trouble, or accidents affecting the supply of gas. Such notice, if verbal, should be confirmed in writing.

23. RESALE SERVICE

23.1 No person shall resell gas from KUB’s gas system without KUB’s express written permission.

24. COMMUNICATION OF INFORMATION

24.1 KUB informs customers about rates and service practice policies by making such information available upon customer’s application for service, at any time upon request of a customer, by providing this information on the KUB website (http://www.kub.org), and/or via other methods of communication.

When KUB initiates retail rate actions, KUB communicates via public statement issued through print media and/or via electronic media in order to reach the majority of customers in the KUB service territory. For example, retail rate actions initiated by KUB are publicly communicated via meetings of the KUB Board of Commissioners, as well as being documented in Board meeting agendas, minutes, and/or videos available on the KUB website.

Upon a customer’s request, KUB will make available the customer’s usage data for the prior 12 month period. By logging into their accounts on KUB’s website, customers can at any time view the detailed usage data for the prior 12 months of service. Furthermore, upon request by the customer, the detailed information may be provided to the customer via other media.
APPENDIX A - GAS DEPOSITS, CHARGES AND FEES

UTILITY DEPOSIT

Residential - $300 per premise (any combination of electric, gas, water and wastewater).

Non-Residential – per Section 2 of these Service Procedures, minimum $300.

Utility deposits for residential customers are refundable per Section 2 of these Service Procedures.

NONREFUNDABLE CHARGES AND FEES

All charges and fees listed below in this Appendix are nonrefundable, unless otherwise determined by KUB in its sole discretion.

LATE FEES

Bills will be rendered on a regular billing cycle. In the event a current bill is not paid by the specified due date, an additional five percent (5%) shall apply to any unpaid amount of the bill.

COLLECTION FEES

In the event a Customer’s utility account, which shall include but not be limited to bills for utility consumption, plus charges, fees, and civil penalties provided for herein and in the Gas Rules and Regulations, is overdue and enters the collection process, the Customer will bear the cost of collection-related expenses, including but not limited to collection agency fees and reasonable attorney fees, as applicable.

KUB reserves the right, at its sole discretion, to waive the cost of collection-related expenses, including but not limited to collection agency fees and reasonable attorney fees, as applicable.

PULSE METERING CHARGES

<table>
<thead>
<tr>
<th>Service</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial installation charge</td>
<td>$90.00</td>
</tr>
<tr>
<td>Annual charge per meter</td>
<td>$120.00</td>
</tr>
</tbody>
</table>

SERVICE ORDER CHARGES AND FEES

Connection fees (any combination electric, gas, and/or water)

<table>
<thead>
<tr>
<th>Type</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential – Business hours</td>
<td>$35.00</td>
</tr>
<tr>
<td>Commercial and Industrial - Business hours</td>
<td>$45.00</td>
</tr>
</tbody>
</table>
Residential – Non-business hours or same day request ......................$60.00
Commercial and Industrial - Non-business hours or same day request ..........................................................$65.00
Multiple trips..........................................................................................................................$40.00
Reconnection fees (any combination electric, gas, and/or water)
Residential – Business hours..........................................................$40.00
Commercial and Industrial - Business hours.............................................$50.00
Residential – Non-business hours ........................................................$80.00
Commercial and Industrial – Non-business hours ................................$90.00
Multiple trips...........................................................................................$40.00
Returned payment fee............................................................................$25.00
Service line installation
  Service line riser less than 2" …………………………………not less than $200.00*
  Service line riser 2" and larger……………………….not less than $300.00*
  Customer trenched service line installation………………not less than $100.00*

  *Charges may be more than the minimum amount stated above due to additional costs related to long-side services or other factors necessary to provide service to the customer. Also, different charges may apply for customer-trenched installations as noted.

Excess Flow Valve (EFV) installation . . . . . . . . . . . . . . . . not less than $500.00**

  **The minimum charge listed above is for EFV installations on existing gas service lines. Charges in excess of the minimum amount may be incurred for additional costs related to asphalt/concrete cuts, difficult work site conditions or atypical circumstances.

Easy Connect Program appliance installation . . . . . refer to program guidelines

REVENUE PROTECTION AND RECOVERY CHARGES

  Tamper Fee (per event)…………………………….………………………………..$375.00
  Seal Tamper (alter, cut, or remove meter seal)………………………………..$50.00
  Condemn at Main ………………………………………………………………….$1295.00 (disconnect service line from KUB main)
Damages to Equipment ........................................................................................................Yes
Cost of materials (*metering equipment*, regulator, gas riser, gas inlet valve, lock, etc.)

Estimated Usage ................................................................................................................Yes

In addition to the above charges, *KUB* may also assess any damages as determined by a court of appropriate jurisdiction (see Section 14.4).