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**Terms and Conditions**

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(Continued From Sheet No. 39.5)

EXTENSION OF DISTRIBUTION SYSTEM:

\* **Gas Main Extension.**

The Company will extend its gas main along a street, highway, or other right-of-way to a point adjacent to the property line of any Customer, or improved lots within a subdivision, subject to the following conditions and to the special rules for gas main extensions and service pipe installations set forth elsewhere in these terms and conditions:

(a) **Deposits.**

The Customer may be required to deposit with the Company, in advance, an amount of money equal to the Company's estimated cost of the required extension, computed at the Company's estimated average cost for the current year, minus the estimated average cost of an extension of 100 feet of low pressure main or 200 feet of high pressure main, as the case may be. Where two or more Customers are to be served from the extension, the total amount to be deposited may be apportioned among the number of Customers.

Where an extension of main is required for service to lots under development within a subdivision, the Subdivider may be required to deposit with the Company, in advance, an amount of money equal to the Company's estimated cost of the required extension computed at the Company's estimated average cost for the current year. In such cases, the Subdivider shall grant or cause to be granted to the Company the right for the installation, operation and maintenance of the gas main and any related facilities.

(b) **Refunds.**

The Company shall make refunds, not to exceed the amount of the original deposit, for a period not to exceed 120 months from the date the required extension is completed, by paying to the depositor or depositors an amount equal to the Company's estimated cost, at the time of the original deposit, of constructing an extension of 100 feet of low pressure main or 200 feet of high pressure main, as the case may be, for each additional Customer who connects and takes service from or through the original extension.

Refunds for the connection of additional Customers shall be payable once a year when a review is made by the Company or upon notification from a depositor that a qualified Customer is receiving service and upon confirmation by the Company. In the case of two or more depositors, the refund on account of an additional Customer may be apportioned among the depositors. The Company shall cease to make refunds at the expiration of the 10-year period and if there is any portion of the deposit then unrefunded it shall be retained by the Company.

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**(c) General.**

Facilities will not be provided hereunder for any uneconomic extension, temporary business or business of doubtful permanency. For the purposes hereof, the term "uneconomic" shall mean any case where expected revenues make it doubtful that a reasonable return would be derived from the required investment. In such cases, the Customer or Subdivider may provide an additional deposit, over and above that provided for above, to make the required extension economic, as determined by the Company; provided, however, that this section shall not operate to deprive any Customer of their right to 100 feet of low pressure main, or 200 feet of high pressure main, as the case may be.

The above provisions are effective in lieu of those contained in Section 501.600, sub-paragraph (c)(1)(C), and Section 501.610 sub-paragraph (b)(1)(C), of the Illinois Commerce Commission's 83 Illinois Administrative Code.

**\* Gas Service Pipe.**

The Company will furnish, install, own and maintain a gas service pipe from its main, located adjacent to the Customer's premises to the nearest mutually agreeable point of gas delivery adjacent to the Customer's building or, in the case of indoor meters in accordance with 83 Illinois Administrative Code Section 501.110 subparagraph (b), immediately within the Customer's building. The service pipe installation shall be subject to the following provisions and to the special rules for gas main extensions and gas service pipe installations set forth elsewhere in these terms and conditions:

- (a) For residential and small non-residential Customers (Meter Class A.), for firm gas service, the Company will install, at its expense, the service pipe between the Company's main and the Customer's property line, and up to 60 feet of service pipe located on the Customer's premises. Any additional service pipe required on the Customer's premises will be installed by the Company at the Company's estimated average installed cost per foot or time and material (T&M) required, as shown below:

Pipe Size	Charges Per Foot			
	First 60 Feet	Next 90 Feet	Next 200 Feet	All Over 350 Feet
All 1/2 inch PE	No Charge	\$ 5.89	\$ 4.71	T&M
1 inch PE (Residential)	No Charge	\$ 8.09	\$ 5.55	T&M
1 inch PE (Non-Residential)	No Charge	\$ 12.28	\$ 8.03	T&M
All 2 inch PE	No Charge	\$ 29.31	T&M	T&M
All Steel	No Charge	T&M	T&M	T&M

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For services larger than 2 inches and for 2 inch steel services, charges will be computed based on time and material required for the portion over 60 feet.

- \* The Company will install up to 350 feet of gas service pipe without charge on the premises of not-for-profit schools, colleges, universities, hospitals, churches and other premises used solely for religious purposes, and governmental agencies, provided that the gas service supplied by the Company is used for substantially all space heating requirements of such customers. For services longer than 350 feet, charges will be computed based on time and material required for the portion over 350 feet.
- (b) For all non-residential Customers with a meter class other than A, the Company will analyze the project's estimated cost and revenue to determine if it provides an adequate return. If it is determined by the Company that said project will not provide an adequate return, Customer may be required to pay, in advance, an amount adequate to meet such return.
- (c) For temporary service, the Customer shall pay the Company's cost of installing and removing the entire service pipe.
- (d) The Customer shall pay for any estimated additional construction expense occasioned by any abnormal obstruction.
- (e) If a change in the point of delivery or location of the service pipe is requested by the Customer and approved by the Company, the change will be made by the Company at the Customer's expense.
- (f) If the service pipe becomes inadequate to supply increases in the Customer's firm gas load and the cost of enlarging the service pipe is justified by increased revenue from the Customer, the Company will enlarge the service pipe at its expense. Any such enlargement of service pipe for temporary gas load will be made by the Company at the Customer's expense.

**\* Temporary Gas Service.**

When the Customer will make only temporary use of gas service, the Customer shall pay to the Company in advance the estimated cost to the Company of furnishing, installing, and removing such facilities as the Company may provide for such temporary service.

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**Special Rules for Gas Main Extensions and Service Pipe Installations.**

In addition to the conditions and provisions set forth above, the following special rules for gas main extensions and gas service pipe installations shall apply:

- (1) The subdivider, developer, or property owner(s) at their cost shall furnish the Company with the following:
  - (A) preliminary approved plats and title restrictions or covenants;
  - (B) preliminary approved site or plot plans showing locations of all existing and proposed buildings, water mains, sewer tiles, paved areas, and any other obstacles that are or will be below grade. The preliminary approved site or plot should also include the preliminary approved lot numbering system and preliminary approved apartment numbers, where applicable; and
  - (C) all easements as the Company may require, and in a form acceptable to the Company, for the installation, operation and maintenance of its facilities.
  
- (2) The Company will not begin installation of facilities until agreements between the Company and the affected subdivider, developer, or property owner(s) setting forth the obligations and liabilities of the parties have been obtained. The agreements shall include the Company's estimates of all payments, reimbursements, and deposits, if any, to be made by the subdivider, developer, or property owner(s) and timing to complete the installation. Arrangements satisfactory to the Company with regard to payments, reimbursements, and deposits, if any, shall be made prior to the commencement of the installation of such facilities. The arrangements can include, but are not limited to, payment of estimates in advance of the installation, minimum monthly contributions, and credit or collateral agreements.
  
- (3) Before the Company begins to install its facilities, the subdivider, developer, or property owner(s) at their cost shall:
  - (A) remove obstructions caused by the subdivider, developer or property owner(s) from the Company's gas main construction route and from the area to be used for installation of gas services and to provide access to the area for the Company's equipment;
  - (B) provide visible lot pins or stakes in all lot corners adjacent to the easement areas at such intervals as may be designated by the Company;
  - (C) provide grades for the construction area which shall not be more than four inches above or below the final grade;
  - \* (D) notify the Company sufficiently in advance of construction to permit proper coordination of construction with other utilities involved; and
  - (E) install sleeves for mains at road crossings according to the Company's construction specifications.
  
- (4) In the event of a change in grade levels, buildings, structures, foundations, walls, or other changes that would affect the cover of gas mains or services, the subdivider, developer or property owner(s) shall notify the Company prior to the change and shall pay the Company its cost of moving or replacing its facilities to accommodate the change.

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- (5) The point of delivery to each premises shall be approved by the Company. The subdivider, developer or property owner(s) shall be responsible for the installation, maintenance, and replacement at their cost of all facilities on the Customer's side of the meter.
- (6) If costs are incurred by the Company over and above the estimate for reasonable installation costs, the subdivider, developer, or property owner(s) shall pay to the Company the additional costs. Such additional costs may be attributable to, but not be limited to, the following causes:
- (A) Engineering, rock excavation or boring, tree clearing, inaccessible terrain, safety or legal problems, obstructions and hindrances, including those caused by crossing streets and alleys.
  - (B) Rearrangement of facilities caused by subdivider, developer, or property owner(s), facilities of other utilities wheresoever located, or Customer's requirements for gas distribution systems which are different or more elaborate than the Company's standard distribution system.
- (7) For new installations, the trench backfill shall consist of the original soil. When the Company performs maintenance and repair work in existing areas, the Company shall replace and repair the lawn to as near the original state as possible after work has been completed.
- \* (8) Due to winter construction conditions and their attendant costs, the Company may not always be able to perform gas main construction work during the period from November 15 through March 15 as efficiently as it would during other times of the year. If the Company is scheduled to perform or is in the process of performing gas main construction work at the request of a Customer/Subdivider during this period and encounters winter construction conditions that demonstrably increase the Company's costs to perform such work while such conditions persist, the Company may notify the Customer/Subdivider of such conditions and provide the Customer/Subdivider an option to request in writing that the Company undertake or continue such work while such conditions persist. If, but only if, the Customer/Subdivider provides the Company a written request to undertake or continue such work while such winter construction conditions persist and the Company determines it is able to safely perform such construction work during this time period, the Customer/Subdivider shall pay the Company for the estimated fully distributed cost of the incremental activities required to perform such work while such winter construction conditions persist. If, under such circumstances, the Customer/Subdivider does not provide the Company with a written request to undertake or continue such work while winter construction conditions persist, the Company may elect to delay or suspend such work until the winter construction conditions have abated. The estimated cost of such incremental activities shall not be taken into account by the Company in the calculation of any deposit and the payment of such charges by the Customer/Subdivider to the Company shall not be subject to refund. Winter construction conditions may include, but are not limited to, frost, freezing and thawing, snow conditions and adverse temperatures, and the incremental activities that may result in increased costs to the Company under such conditions may include, but are not limited to, incremental transportation and labor expenses, incremental or premium charges from contractors and vendors and other categories of construction expenses that tend to increase as a consequence of winter construction conditions.

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- (9) If, at the written request of the Customer/Subdivider, the Company is able to perform boring to install gas mains under obstructions which were not removed according to Section (3) (A) above, the Customer/Subdivider shall pay the Company for the fully distributed cost of any such boring activities. Such boring expenses shall not be taken into account by the Company in the calculation of any deposit and the payment of such boring expenses by the Customer/Subdivider to the Company shall not be subject to refund. Obstructions may include, but are not limited to, un-sleeved road crossings or driveway aprons, landscaped parkways or other landscaping, fences, gates, walls, ponds, streams, parking lots and other physical or temporary structures or obstructions.
- (10) If, at the written request of the Customer/Subdivider, the Company is able to perform construction work outside of normal business hours, the Customer/Subdivider shall pay the Company for the estimated fully distributed cost to perform such construction work outside of normal working hours. Such incremental construction expenses shall not be taken into account by the Company in the calculation of any deposit and the payment of such charges by the Customer/Subdivider to the Company shall not be subject to refund.

\* **Metering.**

The Company will furnish, install, and maintain all metering equipment necessary for measuring and billing the gas supplied. Measurements resulting from or generated automatically by the Company's metering equipment, shall not provide notice to the Company or otherwise constitute actual or constructive knowledge on the part of the Company, that a dangerous condition is present on a Customer's premises.

The gas service supplied to the Customer under any rate shall be measured at a single point of delivery. Unless otherwise specified by the rate, where more than one point of delivery is required by the Customer, each point will be metered separately and billed as a separate account. A point of delivery is the outlet side of the metering installation on the Customer's premises.

The Customer shall provide a suitable space for the metering equipment which shall be readily accessible to employees of the Company for reading, testing, inspecting, or exchanging such metering equipment, and, when required, shall maintain a temperature of not less than 40° Fahrenheit in such space. Customer shall also permit Company access to Customer telephone lines for purpose of telemetering Customer's gas usage.

Meter tests and any billing adjustment for metering error shall be made in accordance with 83 Illinois Administrative Code Part 501.

**Customer Payment for Additional or Revised Facilities.**

When, for existing non-residential Customers, additional or revised mains or other facilities (excluding service, meter, and regulator) are required to accommodate additional gas loads in excess of 50 therms per hour, the Company will make such changes or revisions, but will charge the Customer for that portion of the costs, exceeding 200 feet of free main, which is not economically feasible. The cost shall be considered not economically feasible where expected incremental revenues make it doubtful that a reasonable return, defined as being the rate of return allowed in the Company's most recent rate order, will be delivered from the required investment. In such cases, the Customer will provide a contribution, deposit, or some other form of contractual agreement, subject to Company approval, to make the required additional or revised facilities economically feasible.

When additional or revised mains or other facilities are required solely to accommodate requests for pressure higher than available and for the Customer's convenience, the Company may make such revisions at the Customer's expense, subject to operating considerations and economically available alternatives.

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