

Kansas Gas Service, a Division of ONE Gas, Inc.

SCHEDULE EDG

All Rate Areas

Replacing Sheets 1-2, In Part

No supplement or separate understanding shall modify the tariff as shown herein.

Sheet 1 of 2

Economic Development Rider - Gas

Purpose

The purpose of this Economic Development Rider is to encourage industrial, commercial and military development in Kansas. These activities will attract capital investment to the State, diversify the Company’s customer base and create jobs.

Availability

Service under this rider is available to customers qualified to receive service under Company's rate schedules (STk, STt, LVTK, and LVTt).

Applicable

Upon election by a customer and acceptance by Company, this rider is applicable to new large volume customers and to the added consumption of existing customers who have been served under the general service or large volume rate schedules, or rate schedules superseded by the large volume rate schedules, for the twelve months prior to customer's election of this rider (the base period).

Upon prior written approval by Company, all sales or transportation volumes delivered to a new customer shall be considered qualified volumes, provided the customer’s annual usage exceeds 25,000 Mcf, with respect to the incentive provisions of this rider. For an existing customer, qualified volumes shall be the sales or transportation volumes delivered during each contract year in excess of the base period volumes, provided the customer's annual natural gas requirement in each contract year exceeds the base period requirement by at least 25,000 Mcf, with respect to the incentive provisions of this rider.

All requests for service under this rider shall be considered by Company; however, in no event shall any provision of this rider apply to a customer's consumption for a period prior to the date Company accepts the customer's application hereunder. If a qualifying customer's use of natural gas subsequently becomes insufficient to meet the requirements of this rider or Company's rate schedules for large volume customers, the incentive provisions contained herein shall cease and the customer shall be served under the applicable rate schedule for such reduced requirements. The availability of this rider shall be limited to customers not involved in selling or providing goods and services directly to the general public.

Incentive Provisions

The contract for service hereunder shall begin on the first day of the next billing period following Company approval of a customer's application and shall continue for a period of five years. Customers receiving service under this rider shall be billed at the standard rates and charges as adjusted by the following incentive provisions:

1. **Rate Discount:** With respect to the qualified volumes, the volumetric charge for transportation shall have a maximum discount of 50% during the first contract year, 40% during the second contract year, 30% during the third contract year, 20% during the fourth contract year, and 10% during the fifth contract year. After the fifth contract year, this incentive provision shall cease.

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Effective:	January 1, 2017	
By:	/S/ David N. Dittmore, Director – Regulatory Affairs	

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Sheet 2 of 2

Economic Development Rider - Gas

- 2. **Local Service Facilities:** Company shall require a contribution in aid of construction for facilities installed to serve a customer if Company's analysis of expected revenues from the new or expanded load on an ongoing basis, calculated at the discounted rates and charges, is determined to be insufficient to justify the investment in the facilities.

The total dollar amount of the incentives provided under this rider shall not exceed one percent (1%) of Company's jurisdictional gross revenues during each calendar year, provided; however, Company shall have the right at any time and for good cause shown to seek a modification of this limitation upon application to the Commission

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