



Steven L. Beshear  
Governor

Leonard K. Peters  
Secretary  
Energy and Environment Cabinet

Commonwealth of Kentucky  
**Public Service Commission**  
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David L. Armstrong  
Chairman

James W. Gardner  
Vice Chairman

April 2, 2012

## PARTIES OF RECORD

Re: Case No. 2011-00513

Attached is a copy of the memorandum which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the informal conference memorandum, please do so within five days of receipt of this letter. If you have any questions, please contact Virginia Gregg at 502-564-3940, Extension 407.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen".

Jeff Derouen  
Executive Director

VG/kar  
Attachment

**INTRA-AGENCY MEMORANDUM**  
**KENTUCKY PUBLIC SERVICE COMMISSION**

**TO:** Case File  
**FROM:** Virginia Gregg, Staff Attorney  
**DATE:** April 2, 2012  
**RE:** Informal Conference  
Case No. 2011-00513

APPLICATION OF KENTUCKY FRONTIER GAS COMPANY, LLC FOR  
APPROVAL OF ADJUSTMENT OF FARM TAP RATES

On March 28, 2012, Commission Staff held an informal conference to obtain clarification regarding several issues in the above matter. A list of attendees is attached to this memorandum.

There was a discussion regarding Kentucky Frontier Gas Company, LLC's ("KY Frontier") ratio of the cost to serve farm tap customers to the cost it incurs to serve all customers (including both farm tap and distribution customers), the lack of a provision for income tax expense in the determination of KY Frontier's proposed farm tap revenue requirement, the rate paid by free gas customers for the gas consumed in excess of their gas usage allotment and the addition of a Gas Cost Adjustment tariff for KY Frontier's farm tap systems. The conference was then adjourned.

Attachment: Sign-In Sheet

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY FRONTIER GAS ) CASE NO.  
COMPANY, LLC FOR APPROVAL OF ) 2011-00513  
ADJUSTMENT OF FARM TAP RATES )

March 28, 2012

Please sign in:

| NAME                           | REPRESENTING             |
|--------------------------------|--------------------------|
| <i>Jack Hylton</i>             | <i>KFG</i>               |
| <i>Steve Shute</i>             | <i>"</i>                 |
| <i>Bob Oxford</i>              | <i>"</i>                 |
| <i>Harry Dick</i>              | <i>"</i>                 |
| <i>Dennis Hornen</i>           | <i>"</i>                 |
| <i>Margaret Bontraw Bastow</i> | <i>"</i>                 |
| <i>Leah Faulkner</i>           | <i>PSC FA</i>            |
| <i>Jeff Shaw</i>               | <i>PSC FA</i>            |
| <i>Virginia Gregg</i>          | <i>PSC - legal</i>       |
| <i>Harry W. Glover</i>         | <i>PSC - ENGINEERING</i> |
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