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March 19, 2014

Ms. L. Joan Miller
Richardsville Gas Company, Inc.
110 E. Campbell Lane
P.O. Box 9675
Bowling Green, KY 42102

Re: Case No. 2014-00066

Dear Ms. Miller:

The enclosed electronic mail messages are being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the message content, please do so within five days of receipt of this letter. If you have any questions, please contact Jonathan Beyer, Staff Attorney, at 502/782-2581.

Sincerely,

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

Jeff Derouen
Executive Director

Attachment

cc: Case File – Case No. 2014-00066

Shaw, Jeff S (PSC)

From: joanmiller@twc.com
Sent: Monday, January 20, 2014 11:51 AM
To: Shaw, Jeff S (PSC)
Subject: Re: Rate increase request

I am in the process of getting your information together. As far as a check return fee, I do not have any record that I suggested any figure. We currently charge for our other company what the bank charges our account if any plus a \$25.00 paperwork fee. As far as disconnect, personal collection. or reconnect fees I suggested a \$50.00 per each service applicable. With our other company we have a flat \$80.00 anytime we have to send a technician out. We have never charged interest on late bills at Richardsville Gas but with our other company we were told by CPA that 1.5 is the maximum allowable. That was my reasoning for that percentage. I am comfortable with whatever the commission decides of that fee. I am working on a drawing of the meter and chart layout and will email to you by the end of the day. Understand I am not a draftsman not am I an artist but I will have all necessary information just not to scale. Thanks

Joan

----- "Shaw wrote:

> Mrs. Miller,

>

> I wanted to tell you that the Commission staff members assigned to your case met with the Commissioners early this week to discuss Richardsville's situation. The staff was instructed by the Commissioners to proceed with completing the rate application for Richardsville Gas. I believe our work on the application is nearly complete and that I should be able to send it to you next week.

>

> I have a question related to preparing the application – can you provide a more thorough and technical description of the pressure monitoring and charting device you referred to in one of the expense summaries you provided earlier? A more detailed description will be helpful in explaining and supporting why it is needed.

>

> I also need to point out something that I was not aware of. Quite recently, the Commissioners have been expressing concerns about proposed increases in various fees and charges proposed by utilities, specifically, charges like the Collection Charge and Reconnection Charge you had included in your letter to Leah Faulkner. Leah made me aware of this a few days ago and said that it would probably be a good idea to propose \$50 for those charges instead of \$100. She also reminded me, based on the Commissioners' decision last summer in a case involving another relatively small gas utility, that they would be more likely to accept a flat amount for a Returned Check Charge rather than an amount that is in addition to what the banks charge. At this point, the highest Returned Check Charge that has been approved is \$30.00. If you can verify the amount of the fee you are charged by the bank(s) and provide the amount of time and labor cost required to go through the process of collecting on bad checks, we can use that as support for a proposed charge. Finally, the Commission will look more favorably on a late payment fee that is stated as a single percentage rather than on a per month and annual basis. In your letter, you had used 1.5% per month or 18% annually. You may have taken that from my saying that proposals of that sort had been made in cases in the past. Most of the gas and electric utilities regulated by the Commission have a late charge of either 5% or 10%. If you will, please indicate which of those you prefer be used in the rate application.

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> As soon as I hear from you the staff can complete its review of the application documents and I can forward them to you.

>

> Sincerely,

>

> Jeff Shaw

> Policy & Research Consultant