

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WESTERN KENTUCKY)
GAS UTILITY CORPORATION AND TEXAS)
AMERICAN ENERGY CORPORATION FOR) CASE NO. 10063
APPROVAL OF THE TRANSFER OF OWNERSHIP)
AND CONTROL OF WESTERN KENTUCKY GAS)
UTILITY CORPORATION TO ENERGAS COMPANY)

O R D E R

IT IS ORDERED that Western Kentucky Gas Utility Corporation ("Western Kentucky Gas") shall file an original and 12 copies of the following information with this Commission, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to insure that it is legible. Where information requested herein has been provided along with the original application, in the format requested herein, reference may be made to the specific location of said information in responding to this information request. When applicable, the information requested herein should be provided for total company operations and jurisdictional operations, separately. The information requested herein is due no

later than November 27, 1987. If the information cannot be provided by this date, you should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission.

Information Request No. 1

1. Provide copies of any additional documents in the possession of Energas Company ("Energas") and Western Kentucky Gas related to the transfer of stock that would be helpful to the Commission in processing this case.

2. Provide the proposed journal entries to be made on the books of Western Kentucky Gas to record the transfer of stock.

3. Provide a projected closing balance sheet for Western Kentucky Gas prior to the transfer of stock and a projected beginning balance sheet subsequent to the transfer.

4. Provide a narrative description of all contemplated plans to be implemented by Energas affecting the finances of Western Kentucky Gas.

5. a. Provide a narrative description of all ongoing transactions to occur between Energas and Western Kentucky Gas.

b. For each transaction, state the annual cost to Western Kentucky Gas and explain how this cost was determined.

c. For each item listed in b. above, state the proposed rate-making treatment to be accorded.

6. State the amount and proposed rate-making treatment for any periodic allocation of corporate expenses by Energas to Western Kentucky Gas.

7. State whether the rates of Western Kentucky Gas will need to be adjusted for the sole purpose of yielding an adequate return on Energas' investment.

8. State and explain any contemplated change in the rates of Western Kentucky Gas.

9. State and explain any contemplated changes in gas procurement practices affecting Western Kentucky Gas under Energas' ownership.

10. Briefly explain why the purchase price of \$61,500,000 is considered to be reasonable and explain any potential impact upon the customers of Western Kentucky Gas.

11. State any contemplated changes in management and other staffing under Energas' ownership. Also, provide the resumes of all additional personnel to be added at the management level.

Done at Frankfort, Kentucky, this 13th day of November, 1987.

PUBLIC SERVICE COMMISSION

Richard D. Hamer, Jr.
For the Commission

ATTEST:

Executive Director