

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN APPLICATION OF THE UNION LIGHT,)
HEAT AND POWER COMPANY FOR AUTHORITY) CASE NO.
TO DEVIATE FROM COMMISSION REGULATION) 10136
807 KAR 5:022, SECTION 9(17)(a)2)

O R D E R

On January 18, 1988, The Union Light, Heat and Power Company ("ULH&P") filed an application with the Commission requesting modification of its gas service regulation. Said request proposed authority to ULH&P to install the gas service pipe extending from the point of delivery to the inlet of the meter connection at no charge to the customer whose premises were previously heated through consumption of a nonregulated energy source.

The Commission will treat this application as requesting authority to deviate from the provisions of Commission regulation 807 KAR 5:022, Section 9(17)(a)2. Additional information is needed for an adequate and proper consideration of this deviation by ULH&P.

IT IS THEREFORE ORDERED that ULH&P shall file an original and five copies of the following information with the Commission with a copy to all parties of record no later than March 1, 1988:

1. Define the nonregulated energy that was stated in your application for the modification of your gas service regulation in Exhibit 1.

2. With reference to Exhibit 1, the proposed modifying language, define the intended meaning of "existing" (i.e., existing as of what date).

3. Elaborate in extensive detail on all criteria that would have to be met in order to qualify for free installation under this provision.

4. Clarify if the following cases are considered part of your request in connecting the service line at the company's expense:

a. A structure previously heated by portable appliances consuming different sources of energy.

b. A structure heated by solar energy.

c. A structure which had been consuming regulated fuel but changed to nonregulated fuel.

d. An owner of a structure wishing to change the source of fuel to natural gas.

e. A structure heated by propane gas.

f. A new home with a kerosene heater as its only heating source.

g. A mobile home consuming nonregulated fuel.

5. Is there a limited length of pipe that ULH&P considers in this request?

6. Is ULH&P proposing ownership of the service line but implying that the customer will be responsible for the maintenance of the line? Define the scope of maintenance required to be carried out by the customer. Does it include replacement of the line?

7. Does ULH&P consider the authority of right-of-way through the customer property in case of the service line ownership?

8. Who currently owns and maintains the curb boxes and curb stops of service lines connected to ULH&P main gas lines?

9. Does ULH&P inspect the repaired gas leaks performed by fitters not in the employ of the company?

10. With reference to Exhibit 3 of the application, provide the calculations, studies, reports and workpapers that support the following:

a. Estimated number of customer conversions - 135.

b. Hookup cost - \$450.

c. Customer Representatives - \$10,800.

d. 120 Mcf per customer usage.

e. Estimated revenue factor - \$1.391 per Mcf.

11. Provide complete details of all criteria that would have to be met in order to qualify for free installation under this provision.

12. Provide a copy of the final Order and the applicable tariff pages wherein Cincinnati Gas & Electric underwent a similar modification of its gas service regulations.

13. The new customers who consume nonregulated fuel were distinguished from the general population of your customers. Do you not consider your application to be viewed as an act of discrimination?

14. In reference to your implementing a policy to install gas service lines without charge to new customers using non-regulated fuel, confirm the following:


a. The program has no additional expense to the existing customers.

b. None of the expenses of the installation performed between January 1, 1987, and August 19, 1987, to the 75 Kentucky customers on said program are or will be in a future rate case.

c. The average cost of installation of the service lines in (b) above was \$400.

Done at Frankfort, Kentucky, this 18th day of February, 1988.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Executive Director