

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BETHANY CHRISTIAN MISSION CENTER, INC.)	
)	
COMPLAINANT)	
)	
v.)	CASE NO. 98-282
)	
HOLLY CREEK PRODUCTION CORPORATION)	
)	
DEFENDANT)	

O R D E R

IT IS HEREBY ORDERED that Holly Creek Production Corporation ("Holly Creek") shall file the original and four (4) copies of the following information with the Commission with a copy to Complainant no later than 15 days from the date of this Order:

1. Any work orders or other documentation of work performed at Bethany Christian Mission Center ("Bethany Christian Mission") by or on behalf of Holly Creek from January 1, 1993 to the present.
2. Any documentation and/or report relevant to the meter examination performed on December 13, 1997, by Holly Creek as described in a letter (attached hereto as Attachment 1) dated December 22, 1997, from Carleton Beh, President of Holly Creek, to Doug Allen. Such documentation should include, if possible, the data or facts upon which Holly Creek relies in claiming a measuring error of 14.54%.

3. Any regularly kept records or logs maintained by Holly Creek from January 1, 1993 to present, including any records of the gas pressure readings at the monitoring point nearest Bethany Christian Mission during that period.

4. All billing records relevant to Bethany Christian Mission from January 1993 to present.

5. The rates Bethany Christian Mission has been charged for service from January 1, 1993 to present.

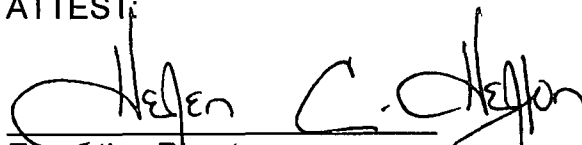
Done at Frankfort, Kentucky, this 15th day of July, 1998.

PUBLIC SERVICE COMMISSION



For the Commission

ATTEST:



Executive Director

HOLLY CREEK PRODUCTION CORPORATION
840 Insurance Exchange Building
505 5th Avenue
Des Moines, Iowa 50309
Phone: 515-288-2152

December 22, 1997

Bethany Christian Mission Center
Bethany, KY 41313
Attn: Mr. Doug Allen

Dear Mr. Allen:

Pursuant to your inquiry we have checked the metering facilities through which Holly Creek Production Corporation serves your Center and wish to report to you our findings. The meter is fronted by a 10 psi to 100 psi adjustable regulator. The meter itself is an American Meter 2300 and contained a non compensating index which was set at 20 psi. On December 13, 1997 we had the meter examined by our meter man and it was determined that we were measuring the gas to your detriment 14.54%. This error was caused by our field personnel working with you to decrease the incoming line pressure at the regulator which allowed us to better serve you with a supply of gas during the heavy usage periods. We do not know the exact time or date in which this adjustment was made but as we talked it must have been during the extremely cold period during the first few months of 1996.

Our billing records indicate that we provided you with 4,731.4 mcf during the twelve billing periods of 1996 and have supplied you with 3,649.6 mcf during the twelve billing periods of 1997. In dollars these billing periods show \$25,312.99 for 1996 and \$19,525.36 for the twelve billing periods of 1997. As of today, December 22, 1997, there remains unpaid the amount of \$3,716.03 which is included in the amount of \$19,525.36 referred to above.

To correct this situation we have taken the following actions. We have had the meter checked as to it's accuracy and the results of this test indicates the meter is working properly within the allowed differences. The actual tests show a deviation of 1.6%. We have placed pressure guages on both the income side and the discharge side of the meter and have set the regulator to 10 psi. We have replaced the non-compensationg index with a 10 psi index and the metering system is now in balance.

As you know we have given your Center and that of our other farmtap customers a preference during the extreme months of usage even to the point of shutting in our system so that all gas will be served to these customers and no gas would be sold to our wholesale customer, Jefferson Gas Transmission Company. This attempted reduction in our regulator is evidence of this intention. To make you whole we will give you a credit equal to our best judgment

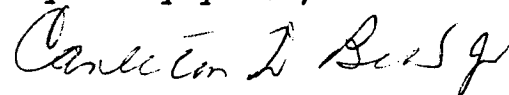
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based on your usage during 1996 and 1997 of 14.54% of your bill for 1/2 of the usage during 1996 and all of your usage during 1997. This would amount to \$12,656.49 of purchases during 1996 and \$19,525.36 during 1997. The sum of these purchases equals \$32,181.85. The rebate amount will equal 14.54% of these amounts or \$4,679.24. We will apply this rebate to your current balance of \$3,716.03 and will credit the overage of \$963.21 to the billing in January 1998.

We are very sorry for this overbilling which was caused by our field personnel's desire to serve your needs but which failed to realize that by reducing the income pressures of our lines the non-compensation index also needed to be adjusted or replaced.

If you agree with this adjustment please indicate your acceptance by signing the copy of this letter and returning one copy to our office.

Very truly yours,



Carleton D. Beh, Jr.
President

The above rebate is accepted by Bethany Christian Mission Center this _____ day of December 1997.

Doug Allen, Superintendent