

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF JOHN ALLEN, JR., DAVID D.)	
ALLEN, ROBERT ALLEN, STEPHEN R. ALLEN,)	
MARY A. LESLIE, AND JUDITH MCCREARY FOR)	CASE NO. 2000-028
APPROVAL OF THE SALE OF THE STOCK OF)	
MOUNTAIN UTILITIES, INC. TO PAINTSVILLE)	
UTILITIES)	

ORDER

IT IS ORDERED that John Allen, Jr., David D. Allen, Robert Allen, Stephen R. Allen, Mary A. Leslie, and Judith McCreary ("the Applicants"), Mountain Utilities, Inc. ("Mountain"), and the Paintsville Utilities Commission shall file the original and 8 copies of the following information with the Commission within 14 days of this Order, with a copy to all parties of record. Each copy of the information 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 ensure its legibility. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this Order.

1. Provide the "Enterprise Funds Uniform Financial Information Report" that Paintsville Utilities Commission (or the city of Paintsville, Kentucky) submitted to the Kentucky Department of Local Government for the fiscal year ending June 30, 1999.

2. Provide for the Paintsville Utilities Commission for the calendar year ending December 31, 1999:

- a. Balance sheet.
- b. Income Statement.

3. a. State the number of persons that the Paintsville Utilities Commission employs.

b. For each person employed, identify that person's position and responsibilities.

4. a. How many employees does Mountain employ?

b. (1) Does the Paintsville Utilities Commission intend to retain these employees after the proposed transfer of stock is completed?

(2) If yes, state the number of employees to be retained and identify each employee's position.

5. a. Will the acquisition of Mountain require the Paintsville Utilities Commission to hire additional employees?

b. If yes, state the number of employees who must be hired and their job positions.

6. What changes, if any, does the Paintsville Utilities Commission propose to make in the manner that Mountain's currently operates?

7. How long has the Paintsville Utilities Commission been providing natural gas service?

8. a. Identify the firm(s) that provide natural gas to the Paintsville Utilities Commission.

b. For each firm identified in Item 8(a), state the term of the contract and how many years remain on that contract.

9. What are the rates that the Paintsville Utilities Commission presently charges its customers for natural gas service?

10. a. Upon acquiring all of Mountain's outstanding stock, does the Paintsville Utilities Commission intend to continue to operate Mountain as a separate entity?

b. If no, what are the Paintsville Utilities Commission's plans for merging Mountain's operations with its own operations?

11. What changes, if any, does the Paintsville Utilities Commission intend to make to Mountain's rate structure during first year after assuming control over Mountain's operations?

12. In the "Annual Report of Mountain Utilities, Inc. for the Year Ended December 31, 1998," Mountain Utilities reported that its four major shareholders were: Toby True (5 shares), John Allen, Jr. (3.5 shares), David D. Allen (3.5 shares) and Mary A. Leslie (3.5 shares). These shareholders and the amounts of their holdings differ from those listed in the "Stock Purchase Agreement." Explain the discrepancy.

Done at Frankfort, Kentucky, this 1st day of March, 2000.

By the Commission

ATTEST:

Executive Director