

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT PETITION OF MIKE LITTLE GAS  
COMPANY, INC. AND PEOPLE'S GAS  
COMPANY, INC. FOR THE TRANSFER OF  
GAS TRANSMISSION FACILITIES AND  
JOINT MOTION FOR RELIEF FROM  
COMPLIANCE SCHEDULE

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CASE NO.  
2001-027

FIRST DATA REQUEST OF COMMISSION STAFF  
TO MIKE LITTLE GAS COMPANY, INC.

Mike Little Gas Company, Inc. ("Mike Little"), pursuant to 807 KAR 5:001, is to file with the Commission the original and eight copies of the following information, with a copy to all parties of record. The information requested herein is due on or before March 20, 2001. Include with each response the name of the person who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible.

In Case No. 99-267,<sup>1</sup> Mike Little filed with the Commission on October 4, 1999, its compliance schedule, titled "Supplemental Response," in which it outlined its Phelps system and pipeline replacement. Mike Little stated the majority of that pipe, which will be replaced by insertion, is 3-inch. Mike Little stated it planned to start immediately to replace pipeline and to contract out other line replacement and that a realistic

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<sup>1</sup> Case No. 99-267, Investigation into Alleged Violations of 807 KAR 5:022, Sections 10(8); 10(9); 13(17)g; 14(12); 14(13); 14(21); 14(21)b; 14(23); and 14(25) and 49 CRF 192.463; 192.465; 192.625(f); 192.721; 192.739; 192.743; and, 192.747.

completion goal was no later than the fall of 2001. In a letter to the Commission dated July 28, 2000, Mike Little reported that it had received bids on the pipeline replacement project, with construction scheduled to begin July 1, 2000. However, the successful contractor had health problems. Accordingly, Mike Little was attempting to find another contractor for the job and said it would keep the Commission informed.

1. Provide a map for the Phelps portion of Mike Little. Mark the steel portion of the pipeline scheduled to be replaced as stated in the "Supplemental Response."

2. What is the current maximum operating pressure ("MAOP") of the Phelps gas distribution system, and what will be the MAOP of the system after the scheduled repairs?

3. Provide the latest inspection report and leak survey for the Phelps system.

4. In reference to the Supplemental Response in Case No. 99-267 dated October 4, 1999,

a. What is the diameter of the plastic line that will be inserted into the 3-inch steel pipeline?

b. Are the 22,000 feet of service lines referenced therein owned by Phelps or are they customers' service lines? Explain in detail.

c. Will the steel service lines be replaced? If yes, provide any negotiations or agreements with the customers about the replacement costs and replacement schedule.

5. In the letter of July 28, 2000, Mike Little said it had received bids on the project. Provide any signed contract or agreement with the construction contractor for

this proposed work. What were the cost estimates used to obtain the bids for replacing the pipeline and other facilities on the Phelps system?

6. Is there any contract with anyone for the construction of the pipeline replacement? If so, provide a copy of that contract.

7. If number 6 above applies:

a. Has that contractor been certified to install plastic pipe?

b. Provide a copy of the certification.

c. Have the welders who are to do the work been certified to weld on steel gas lines?

8. Provide a copy of the sale agreement including all terms and conditions of the sale between Mike Little and People's Gas Company, Inc. ("People's") for the transfer of the Phelps facilities.

9. Explain how the purchase price of the Phelps system was determined. Provide the cost support for the purchase price.

10. Provide the volume of sales in Mcf to Phelps' customers for 1999 and 2000.

11. Provide the number of customers for the Phelps system for 1999 and 2000.

12. Provide the revenue from the Phelps system for 1999 and 2000.

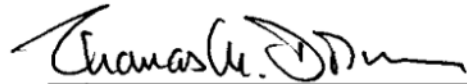
13. The 1999 balance sheet of Mike Little shows that Mike Little had total assets of \$490,696 and accumulated depreciation of \$372,060 at the end of the year. For the year 2000 or most recent calendar year available:

a. Provide a detailed schedule based on the uniform system of accounts, which shows the original cost of the assets that are included in the Phelps system and accumulated depreciation.

b. Provide an operating statement for Phelps, based on the Annual Report form that shows the portion of revenues and expenses of Mike Little that are attributable to the Phelps system. The statement should reflect the same period as the schedule of assets and depreciation as noted in (a).

c. Provide a pro forma balance sheet of Mike Little showing the balance in all accounts before and after the transfer.

14. Provide the journal entries that will be used to record the sale of the assets from Mike Little to People's.



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Thomas M. Dorman  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
P. O. Box 615  
Frankfort, Kentucky 40602

DATED 3/8/2001

cc: All Parties