

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|                                       |   |                     |
|---------------------------------------|---|---------------------|
| HOLLY CREEK PRODUCTION CORP.          | ) |                     |
|                                       | ) |                     |
| COMPLAINANT                           | ) |                     |
|                                       | ) |                     |
| V.                                    | ) | CASE NO. 2003-00012 |
|                                       | ) |                     |
| JEFFERSON GAS TRANSMISSION CO., INC.) | ) |                     |
|                                       | ) |                     |
| DEFENDANT                             | ) |                     |

COMMISSION STAFF S NOTICE OF INFORMAL CONFERENCE  
AND FIRST DATA REQUEST

Pursuant to 807 KAR 5:001, Section 4(4), Commission Staff requests that Holly Creek Production Corp. ( Holly Creek ) and Jefferson Gas Transmission Co., Inc. ( Jefferson ) appear for an informal conference on March 11, 2003 at 9:30 a.m., Eastern Standard Time, in Conference Room 1 of the Commission s offices at 211 Sower Boulevard, Frankfort Kentucky.

Pursuant to 807 KAR 5:001, Jefferson and Holly Creek are requested to file with the Commission the original and four copies of the following information, with a copy to all parties of record. The information requested herein is due to be filed on or before March 3, 2003. 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.

Jefferson should respond to the following data requests:

1. Jefferson shall furnish two copies of United States Geological Survey ( USGS ) topographical maps marked to show its complete gas production and pipeline facilities accurately located and identified thereon. The topographical maps shall be either original or true-scale photographic reproductions of USGS 7.5-minute series maps at a scale of 1 inch equals 2000 feet. For clarity, sections of the maps may be photographically enlarged in scale to show needed detail. To the extent that Jefferson has knowledge thereof, each map shall also be marked to identify and locate Columbia Gas Transmission Company s ( TCO ) facilities in the geographical area contained on the map.

2. Refer to the letter from James M. Mooney attached to Jefferson s answer to the Commission s Order of January 23, 2003. Mr. Mooney states that he expected Jefferson s transportation rate to be in excess of \$1.00 per Mcf. Provide the analysis that supports this price, including any workpapers.

3. Refer to page 3, Paragraph 8(c) and (d) of Jefferson s answer. Given the circumstances, describe what Jefferson believes would be required of it and TCO to arrange a contract with TCO for transportation on the KZ line.

Holly Creek should respond to the following data requests:

1. Holly Creek shall furnish two copies of United States Geological Survey ( USGS ) topographical maps marked to show its complete gas production and pipeline facilities accurately located and identified thereon. The topographical maps shall be either original or true-scale photographic reproductions of USGS 7.5-minute series maps at a scale of 1 inch equals 2000 feet. For clarity, sections of the maps may be

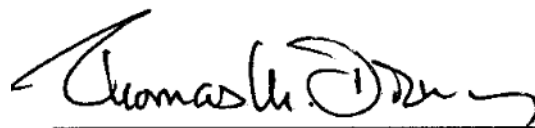
photographically enlarged in scale to show needed detail. To the extent that Holly Creek has knowledge thereof, each map shall also be marked to identify and locate Columbia Gas Transmission Company's facilities in the geographical area contained on the map.

2. What is the average daily volume of natural gas that Holly Creek is able to deliver during the winter season to Jefferson?

3. Refer to page 2 of Jefferson's answer to the Commission's Order of January 23, 2003. Jefferson states that the Contract for Gas Gathering and Delivery Through Gathering Facilities into TCO ( Proposed Contract ) is not an agreement that has been executed or proposed by Jefferson or its parent, Kentucky Energy Development. Explain the relevance of the contract to Holly Creek's complaint.

4. Refer to page 5, Article VI, 5.1 of the Proposed Contract. Provide the basis for the proposed gathering fee of \$.30 per Mcf.

5. Provide any analysis performed by or for Holly Creek that determines a reasonable rate for transportation service on Jefferson's system.



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

DATED February 18, 2003

cc: Parties of Record