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)

<u>O R D E R</u>

On April 28, 2003, Holly Creek Production Corp. (Holly Creek) filed a motion to compel responses from Jefferson Gas Transmission Co., Inc. (Jefferson Gas) to the data request served upon Jefferson Gas by Holly Creek pursuant to the Commission s procedural Order of March 24, 2003. Jefferson Gas filed its responses on May 5, 2003. Holly Creek now states that Jefferson Gas refused to respond to many of Holly Creek s discovery requests. Jefferson Gas states that, despite having been subject to an undue burden, it has answered all requests except those that it considers irrelevant.

Holly Creek uses certain numbered underlined requests in its motion to compel discovery. The Commission will refer to that framework in its ruling on the motion. The Commission notes that in an informal conference held on May 6, 2003, pursuant to the procedural schedule filed herein, it was determined that Holly Creek s <u>Request No. 2</u> is now considered answered and is no longer at issue for purposes of the motion to compel.

The Commission found in its Order of March 24, 2003 that the status of the Red Line must be resolved prior to resolving any other issues in this matter.

On May 7, 2003, Holly Creek filed a motion to modify the procedural schedule as set forth in the March 24, 2003 Order. This motion is based upon information from the May 6, 2003 informal conference. Holly Creek's grounds are that even if the Commission were to order discovery of the information as requested herein, Jefferson Gas could not comply before the hearing date of May 15, 2003. However, if Jefferson Gas is, in fact, able to supply the information as compelled herein on or before May 12, 2003, the Commission finds no reason to continue the hearing at this time. If Jefferson Gas notifies the Commission that it cannot supply the information by that date, the hearing should be continued.

The Commission, having considered the record herein and being sufficiently advised, finds that:

1. The changes or improvements to the Red Line that may be necessary to transport Holly Creek's gas would be relevant to the requirements of KRS 278.506, if transportation is authorized, and not to the issue contained in our Order of March 24, 2003. The motion of Holly Creek to compel Jefferson Gas to respond to its <u>Request No. 1</u> should be denied.

2. Jefferson Gas states that the names of its affiliates are public record in Case No. 2003-00374.¹ To the extent that Jefferson Gas or any of its affiliates now have or have had transport agreements to transport any gas using the Red Line or the

¹ Case No. 2002-00374, Joint Application of Public Gas Company and Kentucky Energy Development, LLC.

Yellow Line, <u>Request No. 3</u> should be granted and Jefferson Gas should furnish the requested documents.

3. The construction, operation, and expansion, if any, of the Red Line is relevant to the present issue. The motion of Holly Creek to compel a response to its <u>Request No. 4</u> should be granted, but should be limited to a period of 5 years from the filing of this action, and should include the interconnection with the Yellow Line.

4. The motion of Holly Creek to compel a response to its <u>Request No. 5</u> should be denied.

5. The motion of Holly Creek to compel responses to <u>Request Nos. 6-15</u> should be denied. The requests contained in those questions would be relevant to the requirements of KRS 278.506, if transportation is authorized, and not to the issue contained in our Order of March 24, 2003.

IT IS THEREFORE ORDERED that:

1. The motion of Holly Creek to compel discovery responses from Jefferson Gas is granted in part and denied in part.

2. Jefferson Gas shall file its responses consistent with the findings contained in this Order on or before May 12, 2003.

3. Jefferson Gas shall advise the Commission on or before May 12, 2003 if it is unable to furnish the discovery as ordered herein. If so advised, the hearing will be continued pending further Orders of the Commission.

-3-

Done at Frankfort, Kentucky, this 8th day of May, 2003.

By the Commission

ATTEST:

Thomas Dom **Executive Director**