

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY FRONTIER)	CASE NO.
GAS, LLC FOR APPROVAL OF MODIFICATION)	2016-00132
OF AMR AND PIPELINE REPLACEMENT)	
PROGRAMS, SURCHARGES AND TARIFFS TO)	
INCLUDE THE FORMER PUBLIC GAS SYSTEM)	

ORDER

On May 25, 2016, Kentucky Frontier Gas, LLC ("Frontier") tendered for filing an application for approval of modifications to its Automated Meter Reading and Pipeline Replacement Programs and associated surcharges and tariffs in order to expand the scope of the programs to include the system and customers of Public Gas Company, which was recently acquired by Frontier.¹ Frontier requested, pursuant to 807 KAR 5:001(22), a waiver from certain filing requirements and subparts of 807 KAR 5:001.

On June 6, 2016, the Commission issued its Order granting Frontier's requests for deviation from the filing requirements contained in 807 KAR 5:001, Sections 16(4)(g)-(j), 16(4)(l-n), 16(4)(r), and 16(4)(u). With regard to 807 KAR 5:001, Section 16(4)(k), which requires an independent auditor's annual opinion report, with any written communication which indicates existence of material weakness in internal controls, the Commission found that the limited nature of the revenue impact of the tariff, which

¹ Case No. 2015-00299, *Joint Application of Kentucky Frontier Gas, LLC and Public Gas Company for Approval of Transfer and Acquisition of Assets and Financing* (Ky. PSC Nov. 24, 2015).

Frontier cited in support of its request, was not sufficient reason to grant a deviation from this filing requirement and denied its request for waiver.

On June 8, 2016, Frontier filed a response to the Commission's Order of June 6, 2016, in which it renewed its request to deviate from the filing requirements of 807 KAR 5:001, Section 16(4)(k), clarifying that it does not have an independent auditor's report and has never had one prepared for Frontier or for any system which it has acquired. For that reason, and because the time and expense involved in the preparation of such an audit report would be significant, according to Frontier, it again requests a deviation from the filing requirement and asks that its application be accepted for filing.

The Commission finds that with Frontier's response of June 8, 2016, which offered information and reasonable support for its request for deviation which it omitted from its filing of May 25, 2016, Frontier has shown good cause to permit it to deviate from the filing requirements of 807 KAR 5:001, Section 16(4)(k).

IT IS HEREBY ORDERED that:

1. Frontier's request for deviation from the filing requirements of 807 KAR 5:001, Section 16(4)(k), is granted.
2. Frontier's application in this matter is accepted for filing as of June 8, 2016.

By the Commission

ENTERED ^M
JUN 15 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:

David D. Grumold

Acting Executive Director

Case No. 2016-00132

*Honorable John N Hughes
Attorney at Law
124 West Todd Street
Frankfort, KENTUCKY 40601

*Kentucky Frontier Gas, LLC
4891 Independence Street, Suite 200
Wheat Ridge, CO 80033