

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	CASE NO.
FRONTIER GAS, LLC FOR APPROVAL OF)	2021-00466
FINANCING)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO KENTUCKY FRONTIER GAS, LLC

Kentucky Frontier Gas, LLC (Kentucky Frontier), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested is due on January 24, 2022. The Commission directs Kentucky Frontier to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made, and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

Kentucky Frontier shall make timely amendment to any prior response if Kentucky Frontier obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Kentucky Frontier fails or refuses to furnish all or part of the requested information, Kentucky Frontier shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. 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 request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Kentucky Frontier shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Application, paragraph 4.

a. Explain whether or not Kentucky Frontier evaluated leasing the service trucks.

b. Kentucky Frontier states that the utility expects to finance \$125,000.

Refer to the Application, paragraph 17. Kentucky Frontier states that it is requesting an order approving the financing of approximately \$140,000. Reconcile these two amounts.

2. Refer to the Application, Exhibit 2-1, KFG_balsheet092021.pdf. For each long-term liability listed for account 224, provide the case number for which the loan received Commission approval, and if approval was not received, provide an explanation as to why Commission approval was not sought.

3. For each vehicle in Kentucky Frontier's fleet, provide the following:
 - a. Make, model, and year.
 - b. Mileage.
 - c. Annual amount spent on maintenance for the past three years.
 - d. The type of maintenance required for each vehicle for the past three years.
 - e. The employee that is assigned to the service truck.
4. Provide a list of all full time and part time employees.
5. Explain whether or not a vehicle is part of an employee's compensation package. If so, provide the policy and procedures regarding the benefit.
6. Kentucky Frontier has requested that the Commission approve financing for one service truck in Case No. 2018-00010,² two service trucks in Case No. 2019-00046,³ three service trucks in Case No. 2019-00379,⁴ three service trucks in Case No. 2020-00400,⁵ and three service trucks in this proceeding. Additionally, according to the balance sheet supplied in Exhibit 2-1 of the Application, Kentucky Frontier also has loans for a 2016 Toyota Tacoma and 2017 Toyota Tacoma. Provide support as to why Kentucky Frontier needs 14 service vehicles in a span of approximately six years.

² Case No. 2018-00010, *Application of Kentucky Frontier Gas, LLC for Approval of Financing* (Ky. PSC Feb. 28, 2018).

³ Case No. 2019-00046, *Application of Kentucky Frontier Gas, LLC for Approval of Financing* (Ky. PSC Apr. 12, 2019).

⁴ Case No. 2019-00379, *Application of Kentucky Frontier Gas, LLC for Approval of Financing* (Ky. PSC Dec. 11, 2019).

⁵ Case No. 2020-00400, *Electronic Application of Kentucky Frontier Gas, LLC for Approval of Financing* (Ky. PSC Feb. 11, 2021).

7. Kentucky Frontier currently owns 100 percent of the common stock of Auxier Road Gas Company, Inc (Auxier Road)⁶ and Kentucky Frontier operates Auxier Road under contract.⁷

a. Provide a copy of the existing contract between Kentucky Frontier and Auxier Road.

b. Explain if the 11 service trucks identified in Item 6 and the three service trucks that Kentucky Frontier proposes to purchase in this instant case will be used by Auxier Road.

c. If the response to Item 7.b. is yes, explain how Auxier Road reimburses Kentucky Frontier for their use.

8. Provide a schedule in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible showing Kentucky Frontier's operating ratio for calendar years 2018, 2019, and 2020. The operating ratio calculations should exclude gas service revenues and gas purchases that are recovered through Kentucky Frontier's Gas Cost Recovery mechanism. Include all calculations, assumptions, and workpapers used by Kentucky Frontier in its response.

⁶ *Annual Report of Kentucky Frontier Gas, LLC to the Public Service Commission for the Calendar Year Ended December 31, 2020* at 10.

⁷ See Case No. 2017-00263, *Electronic Application of Kentucky Frontier Gas, LLC for Alternative Rate Adjustment* (Ky. PSC Dec. 22, 2017).



Linda C. Bridwell, PE
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED JAN 13 2022

cc: Parties of Record

Case No. 2021-00466

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

*Kim Crisp
Kentucky Frontier Gas, LLC
2963 KY RT 321
P. O. Box 408
Prestonsburg, KY 41653

*Kentucky Frontier Gas, LLC
111 W 2nd Street
Glenwood Springs, CO 81601

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