



Delta Natural Gas Company, Inc.

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March 23, 2005



MAR 25 2005
GENERAL COUNSEL /
PSC

Mr. Jason Bentley
Kentucky Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, KY 40602-0615

Case No. 2005-00100

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MAR 25 2005

PUBLIC SERVICE
COMMISSION

Dear Mr. Bentley:

The Corbin Housing Authority has asked that Delta Natural Gas Company, Inc. consider acquiring their gas operations facilities including the main line, service lines, meter stands, regulators and meters.

These facilities are located within their property boundaries and in most cases, located at the rear of the housing units away from any streets and curbs. As best as can be determined, the piping systems were installed in the mid to late 1960s with coated steel pipe with the service lines welded straight into the side of the main line with no means of a positive shut off. It is our understanding that the Corbin Housing Authority does not have to comply with Commission Regulation 807 KAR 5:022, Section 9 (17)(a)(1) as they are not a utility operator.

We request an opinion of counsel from the Kentucky Public Service Commission confirming that in the event Delta acquired these facilities, we would not be required to install curb boxes, curb stops or positive shut offs since there are no streets or curbs in the immediate area of the piping facility. There are service valves preceding the meters at each housing unit as well as a valve on the main line where it enters their property boundary and in some cases, main line sectionalizing valves that could be operated to shut down the piping system in case of an emergency.

Please contact me at 859-744-6171 ext. 164 or e-mail jhall@deltagas.com should you have any questions or need additional information.

Sincerely,

John F. Hall

Vice President – Finance, Secretary and Treasurer

cc: Glenn Jennings
Johnny Caudill
Gerald Baker