

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In the Matter of:

**AN INVESTIGATION OF MIKE LITTLE)
GAS COMPANY, INC., MIKI THOMPSON,)
WINNIE GREER, AND DANIEL GREER,)
INDIVIDUALLY AND AS OFFICERS OF)
THE UTILITY, FOR ALLEGED VIOLATIONS)
OF COMMISSION ORDERS AND SAFETY)
VIOLATIONS PURSUANT TO KRS 278.990)
AND KRS 278.992)**

CASE NO. 2007-00107

RESPONSE TO ORDER

COMES NOW Mike Little Gas Company, Inc. (Mike Little), a Kentucky corporation, pursuant to Order by the Public Service Commission, dated the 27th day of March, 2007, makes and files its response to the allegations or violations and the Utility Inspection Report dated January 2, 2007:

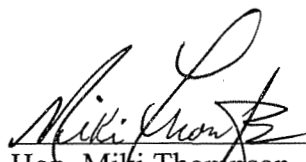
Mike Little asserts an affirmative defense to the allegations contained in the Utility Inspection Report and states the following:

1. That Mike Little was and has been under an agreement to sell the gas company to Frontier Gas.
2. That said transfer of Mike Little has been approved by the Public Service Commission.
3. Since the time of said approval, Mike Little has anticipated a complete transfer of its facilities.

4. It has been the understanding that upon said transfer, Frontier Gas was to bring Mike Little into compliance with federal pipeline safety laws, 49 U.S.C. § 60101, et seq., and the regulations of 49 CFR 189-199, pursuant to KRS 278.992(1).
5. Additionally, in Case No. 1999-00267, the Commission granted Mike Little an extension of time until October 1, 2005, to replace certain steel pipe.
6. It was anticipated that the transfer of Mike Little would occur prior to the scheduled time to complete the replacement of steel pipe as set forth in the Commission's Order.
7. That Frontier Gas was made aware of the scheduled pipeline replacement deadlines and was prepared to comply, however, due to an unanticipated delay in the transfer of Mike Little, the replacement did not occur.
8. The monies set aside for the replacement of the steel pipe are available for the replacement of the steel pipe.
9. That since the Commission's Order of March 27, 2007, Mike Little has made arrangements with Frontier Gas to bring Mike Little into compliance and to abate all violations listed in the Utility Inspection Report.
10. That since the Commission's Order of March 27, 2007, Mike Little is making arrangements to replace the remaining steel pipe as set forth in Case No. 1999-00267.

WHEREFORE, Mike Little respectfully requests that due to the special circumstances described herein, the Commission grant Mike Little time to abate the violations set forth in the Utility Inspection Report and to replace the steel pipe, additionally, Mike Little requests that the Commission suspend any fine which could be imposed due to the allegations in the

Commission's current Order.



Hon. Miki Thompson, President
Mike Little Gas Company, Inc.

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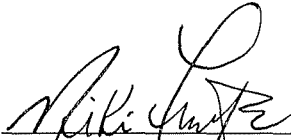
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CERTIFICATE OF SERVICE

This is to certify that I have served a true and exact copy of the foregoing *RESPONSE TO ORDER* by facsimile to 502-564-3460 and by ~~U. S. Mail postage prepaid~~ *hand-delivery* to the following:

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
502-564-3460

Dated this the 30th day of April, 2007.



Hon. Miki Thompson, President
Mike Little Gas Company, Inc.