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May 30, 2008

Sallye Branham  
Auxier Road Gas Company, Inc.  
P. O. Box 785  
Prestonsburg, KY 41653

RE: Case No 2008-00156  
Filing Deficiencies

The Commission staff has reviewed your initial filing in response to our filing deficiency letter in the above case. This letter is to advise that your application remains deficient of the following item(s).

1. Filing deficiencies pursuant to 807 KAR 5:001:

Section 8(1) 807 KAR 5:001: Section 8(1) All applications must be by petition in writing. The petition must set forth the full name and post office address of applicant and must contain fully the facts on which the application is based, with a request for the order, authorization, permission or certificate desired and a reference to the particular provision of law requiring or providing for same.

Section 8(3) 807 KAR 5:001: Section 8(3) If applicant is a corporation, a certified copy of its Articles of Incorporation and all amendments thereto, if any, shall be annexed to the application. If applicant's Articles of Incorporation and amendments thereto, if any, have already been filed with the Commission in some prior proceeding, it will be sufficient if this fact is stated in the application and reference is made to the style and case number of the prior proceeding.

MB/rs

2. Filing deficiencies pursuant to 807 KAR 5:011:

Section 10(1)(a) 807 KAR 5:011: Section 10(1)(a) - Cost justification for each rate change proposed.

Section 10(1)(a) 807 KAR 5:011: Section 10(1)(a) - Full description of the equipment item(s) or the service(s) for which the rate change is proposed.

Section 10(1)(b) 807 KAR 5:011: Section 10(1)(b) Statement by utility confirming that copy of filing was simultaneously sent to the Attorney General (Attorney General has 10 days to notify PSC if he requests a hearing.)

Section 10(1)(d) 807 KAR 5:011: Section 10(1)(d) Impact statement identifying group of customers (both existing and potential) affected by proposed change.

Section 10(1)(e) 807 KAR 5:011: Section 10(1)(e) Income statement and balance sheet for a recent 12-month period.

Section 10(2) 807 KAR 5:011: Section 10(2) If the additional revenue to be generated from the proposed tariff revisions exceeds by five (5) percent the total revenues provided by all miscellaneous and non-recurring charges for a recent twelve (12) month period, the utility must file, in addition to the information set out in subsection (1)(a) of this section, the following: An absorption test showing that the additional net income generated by the tariff filing will not result in an increase in the rate of return (or other applicable valuation methods) to a level greater than that allowed in the most recent rate case. Any general rate increases received during the twelve (12) month period must be annualized. Any significant cost changes may be included but must be documented as part of the filing.

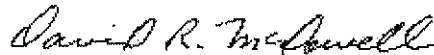
Section 8, 9(2) 807 KAR 5:011: Section 8, 9(2) Is copy of public notice included?

3. Filing deficiencies pursuant to KRS 278.180

KRS 278.180 Has 30 days' notice been given to the Commission? (No effective date means no notice given and this is acceptable.)

Please furnish 10 copies of this information within 10 days of the date of this letter. If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,



David R. McDowell  
Division of Filings

MB/rs