

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CHARLES E. HARDIN, JR., INDIVIDUALLY AND	)	
CHARLES E. HARDIN, JR., MAGOFFIN	)	
COUNTY JUDGE EXECUTIVE O/B/O THE	)	
MAGOFFIN FISCAL COURT AND	)	CASE NO.
CONSUMERS OF MAGOFFIN COUNTY	)	2014-00038
RECEIVING NATURAL GAS SERVICES FROM	)	
KENTUCKY FRONTIER GAS, LLC	)	
	)	
COMPLAINANTS	)	
V.	)	
	)	
KENTUCKY FRONTIER GAS, LLC	)	
	)	
DEFENDANT	)	

ORDER

On February 19, 2014, Charles E. Hardin, Jr., individually and as the judge-executive of Magoffin County, Kentucky (“Complainants”) filed a formal Complaint against Kentucky Frontier Gas, LLC (“Frontier”) alleging that Frontier had repeatedly failed to provide an adequate supply of natural gas to meet the demands of its customers/consumers in Magoffin County and had failed to present or implement a reasonable solution to correct this annual winter problem.

On February 27, 2014, the Commission issued an Order to Frontier requiring it to answer the Complaint or otherwise satisfy the issues raised in the Complaint. Frontier filed its Answer to the Complaint on March 10, 2014. In its Answer, Frontier stated that the extreme weather pattern of the winter of 2013-2014 caused record demand for natural gas, while at the same time, local producers failed to meet their previous years’

gas supply. Both factors combined to create the gas shortages. Frontier further stated that it had been diligent in its efforts to maintain an adequate supply of natural gas, but that the unforeseen conditions of 2014 made its preparations inadequate.

On June 3, 2014, the Commission issued a procedural schedule, and on July 14, 2014, both Frontier and Complainants responded to requests for information. On August 18, 2014, the Complainants filed a request for an Informal Conference to discuss Frontier's plans for resolving gas-shortage problems affecting its customers in Magoffin County and to attempt to resolve the case without a full evidentiary hearing.

On August 27, 2014, an informal conference was conducted at the Commission's Offices in Frankfort, Kentucky. Complainants voiced concern over Frontier's inability to meet the increased demand for natural gas during the 2013-2014 heating season and the gas outages that occurred during periods of subzero temperatures. Frontier discussed its plan for reconfiguring its compressor station at its connection to the Jefferson Gas, LLC ("Jefferson") system to allow Frontier to accept a supply of gas from Jefferson to meet increased demands and ensure a reliable supply of natural gas. The parties also discussed the need for better communication between Frontier and Magoffin County officials during gas shortages and outages. Specifically, there was discussion of Magoffin County's emergency notification system, which could be used to let Frontier's customers know when gas shortages occur and when Frontier anticipates service will be re-established.

The parties agreed to work together to memorialize a process to be used by Frontier and the Magoffin County judge-executive's office to better communicate with



each other and with Frontier's customers in Magoffin County using phone calls, e-mails, and text messages.

On October 6, 2014, Frontier submitted an executed Memorandum of Understanding ("MOU") and a motion to dismiss the Complaint as satisfied. Counsel for Frontier stated that the motion to dismiss had been provided to counsel for Complainants, who had indicated no objection to dismissal of the action. On October 10, 2014, Complainants also submitted a copy of the executed MOU and further stated that it was a step in the right direction, with communication being the primary goal. Complainants also stated that Magoffin County's alert notification system will allow both parties to respond to incidents more effectively.

Having reviewed the record, including the MOU between the parties, and being otherwise sufficiently advised, the Commission finds that the motion for dismissal of the complaint should be granted.

IT IS THEREFORE ORDERED that:

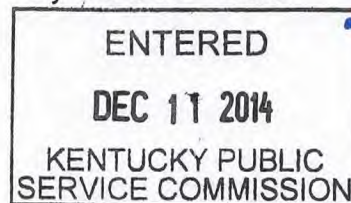
1. The February 19, 2014 complaint as filed by the Complainants is dismissed as satisfied.
2. Within ten days of the date of this Order, Frontier shall provide to the Commission its planned schedule for reconfiguring its compressor station at its connection to the Jefferson system, which will allow Frontier to accept a supply of gas from Jefferson to meet its increased demands.
3. Within ten days of completion of the reconfiguration of its compressor station at its connection to the Jefferson system, Frontier shall notify the Commission.

4. The Executive Director is delegated authority to grant reasonable extensions of time for the filing of any documents required by this Order upon Frontier's showing of good cause for such extension.

5. Any documents filed pursuant to ordering paragraphs 2 and 3 of this Order shall reference the number of this case and shall be retained in the utility's general correspondence file.

6. This matter is closed and shall be removed from the Commission's docket.

By the Commission



ATTEST:

  
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Executive Director

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