

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY FRONTIER)	CASE NO.
GAS, LLC FOR APPROVAL OF MODIFICATION)	2016-00132
OF AMR AND PIPELINE REPLACEMENT)	
PROGRAMS, SURCHARGES AND TARIFFS TO)	
INCLUDE THE FORMER PUBLIC GAS SYSTEM)	

ORDER

On May 25, 2016, Kentucky Frontier Gas, LLC (“Frontier”) tendered for filing an application for approval of modifications to its Automated Meter Reading and Pipeline Replacement Programs and associated surcharges and tariffs in order to expand the scope of the programs to include the system and customers of Public Gas Company, which was recently acquired by Frontier.¹ Frontier requested, pursuant to 807 KAR 5:001(22), a waiver from certain filing requirements and subparts of 807 KAR 5:001.

The Commission finds that Frontier has shown good cause to permit it to deviate from the filing requirements of 807 KAR 5:001, Sections 16(4)(g)-(j), 16(4)(l-n), 16(4)(r), and 16(4)(u), due to the limited nature of its proposed tariff and the revenue neutral impact on its earnings; therefore, Frontier’s request for a waiver from these filing requirements should be granted.

However, with regard to Frontier’s request for a waiver from 807 KAR 5:001, Section 16(4)(k), which requires an independent auditor's annual opinion report, with any written communication which indicates existence of material weakness in internal

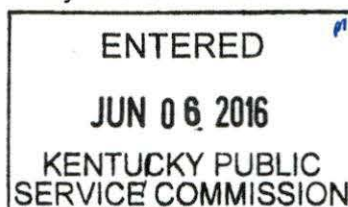
¹ Case No. 2015-00299, *Joint Application of Kentucky Frontier Gas, LLC and Public Gas Company for Approval of Transfer and Acquisition of Assets and Financing* (Ky. PSC Nov. 24, 2015).

controls, the Commission finds that the limited nature of the revenue impact of the tariff is not sufficient reason to grant a deviation from this filing requirement and that Frontier's request for waiver should be denied.

IT IS HEREBY ORDERED that:

1. Frontier's request for deviation from the filing requirements of 807 KAR 5:001, Sections 16(4)(g)-(j), 16(4)(l-n), 16(4)(r), and 16(4)(u), is granted.
2. Frontier's request for deviation from the filing requirements of 807 KAR 5:001, Section 16(4)(k), is denied.
3. Frontier's application in this matter shall not be accepted for filing until it has cured its deficiency pursuant to 807 KAR 5:001, Section 16(4)(k), which requires an independent auditor's annual opinion report, with any written communication which indicates existence of material weakness in internal controls.

By the Commission



ATTEST:


Acting Executive Director

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

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