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PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT
FILING OF KENTUCKY FRONTIER GAS, LLC

Case No.
2017-00159

KENTUCKY FRONTIER GAS, LLC'S RESPONSES
TO THE COMMISSION'S FIRST REQUEST FOR INFORMATION

APRIL 17, 2017

Kentucky Frontier Gas, LLC ("Frontier") provides the following responses to the Commission's data request.

Submitted by:
Dennis R. Horner
4891 Independence St.
Suite 200
Wheat Ridge, CO 80033
Kentucky Frontier Gas, LLC

KENTUCKY FRONTIER GAS, LLC'S RESPONSES
TO THE COMMISSION'S FIRST REQUEST FOR INFORMATION

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CERTIFICATION

DECLARATION OF DENNIS HORNER

I, Dennis Horner, am a representative of Kentucky Frontier Gas, LLC and the preparer of the responses in the referenced matter. The facts set forth therein are true and correct to the best of my knowledge, information and belief.

Pursuant to KRS 523.020-040, I certify under penalty of false swearing that the foregoing is true and correct.

Dated this 17th day of April, 2017

A handwritten signature in blue ink that reads "Dennis Horner". The signature is written in a cursive style and is positioned above a solid horizontal line.

Dennis Horner

Kentucky Frontier Gas, LLC

DATA REQUEST 1

Refer to the cover letter of the Application.

- a. Provide details supporting the referenced improvement in the Belfry system Lost and Unaccounted for gas "(L&U)" projections, as well as the history of L&U improvement in that portion of Frontier's system.
- b. Provide details concerning the Pipeline Replacement Program budget overruns.
- c. Provide a discussion of the likelihood that Frontier's system-wide L&U will be reduced to 5 percent or below by the end of this year.

Witness: Horner

RESPONSE:

- (a) Approximately 8,000 feet of steel pipe was replaced with plastic pipe in the Belfry system during the 2016 construction season. This has resulted in a slight L&U improvement. The Belfry 2016/2017 heating season (October through February) L&U was reduced by 4,200 MCF compared to the Belfry 2015/2016 heating season.
- (b) KFG's spent \$118,682 on the 2016 PRP. KFG's 2016 cost recovery through the PRP program was \$53,486. This resulted in a \$65,196 overrun of KFG's PRP budget.
- (c) Frontier's system-wide L&U will not be reduced to 5 percent or below by the end of this year. Pipe replacement will primarily be in the Belfry system for the remainder of 2017. Frontier has revised its estimate for system-wide L&U to 10% by the end of 2017.

DATA REQUEST 2

Refer to Schedule II. Confirm that Nytis (Auxier) rate should be \$2.4682 instead of \$3.053.

Witness: Horner

RESPONSE:

The Nytis contract price for Auxier gas supply is 100% of TCo First of the Month (FOM), or \$3.0853. The Nytis contract price for Sigma gas supply is 80% of TCo FOM, or \$2.4682.