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February 28, 2019

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PUBLIC SERVICE COMMISSION

Via Hand-Delivery

Ms. Gwen R. Pinson **Executive Director** Kentucky Public Service Commission P.O. Box 615 211 Sower Boulevard Frankfort, KY 40602

> Re: In the Matter of Application of Apache Gas Transmission Company, Inc., Annual Pipeline Replacement Program Filing to Approve New Pipeline Replacement Surcharge Rates Beginning With May 1, 2019 Billing Cycle – Case No. 2019-00032

Dear Ms. Pinson:

Please find enclosed for filing and original and ten (10) copies of a Motion for Expedited Decision of Apache Gas Transmission Company, Inc. Please return a file-stamped copy to me.

Please do not hesitate to contact me if you have any questions.

Enclosures

COMMONWEALTH OF KENTUCKY

FEB 2 8 2019

BEFORE THE PUBLIC SERVICE COMMISSION PUBLIC SERVICE

PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF APACHE GAS TRANSMISSION)	
COMPANY, INC., ANNUAL PIPELINE REPLACEMENT)	
PROGRAM FILING TO APPROVE NEW PIPELINE)	CASE NO.
REPLACEMENT SURCHARGE RATES BEGINNING)	2019-00032
WITH MAY 1, 2019 BILLING CYCLE)	

MOTION FOR EXPEDITED DECISION TO ALLOW PAYMENT OF EMERGENCY REPAIR COSTS

Comes now Apache Gas Transmission Company, Inc. ("Apache") by counsel, and moves the Commission to approve the inclusion of the Marrowbone Creek project in the Pipeline Replacement Program ("PRP") so that Apache can use the PRP proceeds to pay for emergency repairs to preserve Apache's main pipeline following a washout at the Marrowbone Creek crossing. As grounds for this motion Apache states as follows:

On January 18, 2019, Apache filed its annual filing for the PRP. In that filing, Apache requested approval from the Commission to add the Marrowbone Creek pipeline project to the PRP. This project was an emergency project resulting from a main pipeline break that crossed Marrowbone Creek. Apache noted in the annual filing that it would have to begin work immediately to put into place the permanent service since have the temporary service lines should not remain in place for a long period of time. This would cause safety concerns. As a result of that break, and the need to get permanent service restored to the town as quickly as possible, Apache has had to incur costs associated with the temporary service along with the steps necessary

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¹ See Annual Filing p. 2.

to have permanent service lines installed. The invoices from the contractors which had to be used for this work have become due. Without inclusion of the emergency pipeline replacement in the Company's PRP, these costs will have to be paid from the current operating revenues, which are revenues normally held to operate during the summer months which have less gas sales and therefore less revenue. In other words, spending cash reserves now will place Apache in a precarious financial condition in a few months. The situation is exacerbated by what has been a relatively mild winter.

To prevent a future financial crisis, Apache requests that the Commission approve the inclusion of the Marrowbone Creek project as quickly as possible so that funds from the PRP escrow account can be used to pay the remaining amounts owed to contractors as well as to reimburse the operating funds used to pay contractors so that a financial hardship will not be created on Apache. Apache is not seeking an increase in the amount of the PRP surcharge at this time.

WHEREFORE, for the reasons set forth herein, Apache respectfully moves the Commission to approve the inclusion of the main pipeline crossing at Marrowbone Creek replacement in the PRP and allow Apache to use PRP revenues to pay the costs of emergency repairs.

Respectfully submitted,

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