

**Goss  
Samford**

ATTORNEYS AT LAW | PLLC

**L. Allyson Honaker**  
allyson@gossamfordlaw.com  
(859) 368-7740

April 18, 2019

RECEIVED

APR 18 2019

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 the Response to Staff's Initial Requests for Information 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.

Sincerely,



L. Allyson Honaker

Enclosures

**RECEIVED**

**APR 18 2019**

**PUBLIC SERVICE  
COMMISSION**

**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF:**

<b>APPLICATION OF APACHE GAS</b>	)	
<b>TRANSMISSION COMPANY, INC., ANNUAL</b>	)	<b>CASE NO.</b>
<b>PIPELINE REPLACEMENT SURCHARGE RATES</b>	)	<b>2019-00032</b>
<b>BEGINNING WITH MAY 1, 2019 BILLING CYCLE</b>	)	

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**APACHE GAS TRANSMISSION COMPANY INC.'S RESPONSE TO COMMISSION  
STAFF'S FIRST REQUEST FOR INFORMATION**

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**Filed April 18, 2019**

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

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


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**VERIFICATION OF DAVID THOMAS SHIREY, JR.**

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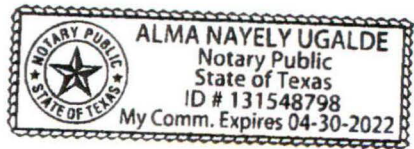
**STATE OF TEXAS**            )  
  )  
**COUNTY OF HUNT**         )

David Thomas Shirey, Jr., President of Apache Gas Transmission Company, Inc., being duly sworn, states that he has prepared certain of the following responses to the data requests issued by Commission Staff on April 12, 2019 in the above-referenced case and that the matters and things set forth in his responses are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

  
\_\_\_\_\_  
David Thomas Shirey, Jr.

Subscribed and sworn to before me on this 18 day of April, 2019.

Alma Ugalde  
NOTARY PUBLIC, Notary # 131548798  
Commission expiration: 4/30/2022



**Apache Gas Transmission Company, Inc.**

**Case No. 2019-00032**

**Commission Staff's First Request for Information issued on April 12, 2019**

1. Explain if the Marrowbone pipeline replacement cost will be aggregated into the total pipeline replacement project (PRP) surcharge amount or if Apache will have to get another loan to cover the cost associated with the additional project.

**Response:**

At this time, Apache is uncertain whether an additional loan will be needed to cover the amount of the Marrowbone Creek pipeline replacement. The final loan that was approved in the original PRP filing is set to close on May 8-10. Once that loan is closed and the larger project that was included in the original PRP is completed, Apache will be better able to determine what amount, if any, Apache would need to obtain a loan for.

Apache has been escrowing the PRP amounts and has not had to pay the debt service for the larger loan since it has not closed yet, so there has been some accumulation in the escrow account. Once the larger project is complete and Apache can see if it comes in over or under the estimated amount, Apache will be better able to determine whether or not additional monies will be needed for the PRP.

Apache does not wish to raise the PRP surcharge amount of this time. In Apache's next annual filing, Apache will be better equipped to make the determination if an additional loan is needed and if so, what amount would need to be collected through the PRP surcharge to cover the additional debt service.

**Apache Gas Transmission Company, Inc.**  
**Case No. 2019-00032**  
**Commission Staff's First Request for Information issued on April 12, 2019**

2. Provide all amounts paid to date and supporting invoices for the Marrowbone Creek project.

**Response:** Please see attached.

# Apache Gas Transmission Company, Inc Pipeline Replacement

Cost to Repair the Marrowbone Creek crossing damage December 31, 2018 through April 10, 2019

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Martin Contracting _emergency temporary repair	paid	14,033.00
Stotts Construction Co. Inc. directional bore under the river	paid	18,500.00
Consolidated Pipe & Supply _2' SDR 11 Gas Pipe 500'	paid	790.50
Potters Ace Hardware	not paid	11.64
Browns Suppy	paid	326.76
Smith Lawn Care - for property damage repair	not paid	302.10
Tri County Electric (setting two poles, guide wires, earth anchors etc.)	paid	1,330.00
200' of 6" SDR 11 Black (Current price of \$7.73 per foot but, was taken from inventory purchased in 2018)	paid	1,546.00
Burkesville Gas Co_Invoice - (151 holiday, overtime and night hours. Discounted rate of \$27 per hour. Tariff rate is \$42 per hour)	not paid	5,724.00
<b>Total</b>		<b>42,564.00</b>

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**BURKESVILLE GAS COMPANY, INC.**

PO Box 861  
Greenville, TX 75403 US  
903-268-5122  
dtshireyll@gmail.com

**Invoice**

**BILL TO**

Apache Gas Transmission Company,  
Inc.  
P. O. Box 861  
Greenville, TX 75403

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
1199	02/01/2019	\$5,724.00	03/03/2019	Net 30	

DATE	ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
04/17/2019	<b>Contract Labor</b>	Labor for outside svc from 12-31-18 to 4-10-19	212	27.00	5,724.00

Work performed on December 31, 2018 through April 10, 2019 relating to the Marrowbone Creek crossing natural gas line repair.

**BALANCE DUE**

**\$5,724.00**

# Statement

## Brown Supply Co. LTD.

P.O. Box 400  
242 North Main St.  
Burkesville, KY 42717  
Phone: (270)864-3400

Statement Date: 02/25/19

Total Due **326.75**

BURKESVILLE GAS  
PO BOX 861  
GREENVILLE, TX 75403

Amount Enclosed

PH:(270)864-9400  
FAX:

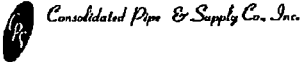
Customer No.: 5396

Page 1

Current Terms: 1 NET 10TH

Invoice Date	Invoice No.	Due Date	Reference	Invoice Amount	Invoice Balance
12/31/18	1060367	01/10/19		488.40	247.45
01/03/19	1060485	02/10/19		56.90	56.90
01/30/19	1062194	02/10/19		18.69	18.69
02/25/19	1063652	02/25/19	Finance Charge	3.71	3.71
<i>Pay via Bill Pay 3-19-19</i>					
Current	1-28	29-60	61-90	Over 90	Total Due
0.00	79.30	247.45	0.00	0.00	<b>326.75</b>





265 THOROUGHbred DRIVE  
FERGUSON KY 42533

INVOICE DATE  
12/31/2018

Item 2  
Page 5 of 14  
Witness: David Thomas Shirey  
INVOICE NUMBER  
2284528-000-000

PAGE  
1 OF 1

Fax / Email Copy

SOLD TO:

Account No.

SHIP TO:

BURKESVILLE GAS CO  
P O BOX 69

BURKESVILLE GAS CO  
P O BOX 69

BURKESVILLE

KY 42717-0069

BURKESVILLE KY 42717

JOB:

Customer Order No.				Terms of Sale		Ship Via		
PREPAID				NET 30		OUR TRUCK 3992		
F.O.B. SHIPPING POINT				Ship Date		Ship From		
				12/31/2018		CPS-SOMERSET		
Line	Ordered	Shipped	Back Ordered	Product No.	Description	Unit Price	Per	Amount
1	1000.0	1000.0		208331	2 DRISPLX SDR11 PE2708 6500 GAS PIPE 500	120.00	CFT	1200.00
2	1	1			DELIVERY FEE	150.00	EA	150.00
					STATE SALES TAX - KENTUCKY			81.00
500' Pipe            600.00 Delivery            150.00 Sales Tax            40.50 <hr/> 790.50								
This Sale is Governed by Consolidated Pipe & Supply's terms & conditions of sale found at www.Consolidatedpipe.com							Invoice Amount	1,431.00

REMIT TO: DEPT. 3147 P.O. BOX 2153 BIRMINGHAM, AL. 35287-3147  
INVCSEF



Invoice #19030

**BILL TO:**  
Burkesville Gas Company  
PO Box 69  
Burkesville, KY 42717

ATTENTION: **Tom Shirey**  
[dtshireyll@gmail.com](mailto:dtshireyll@gmail.com)

DATE
17-Jan-19

MC Job Number
19200

DESCRIPTION	QTY	RATE	TOTAL
Emergency Gas Leak Repair Burkesville, KY December 31 2018 to January 1 2019			
1. Martin Contracting supplied all labor and materials to install a gas bypass to reestablish service to the City of Burkesville.	LS		\$14,033.00
<b>Payment Due Upon Receipt</b>			

TOTAL \$14,033.00

**POTTER'S ACE HOME CENTER**

228 KEEN STREET  
 BURKESVILLE, KY 42717  
 (270) 864-4322  
 www.pottersace.com



**INVOICE**

Item 2  
 Page 7 of 14  
 WITNESS: David Thomas Shirey  
 INVOICE NUMBER  
 274792  
 INVOICE DATE  
 03/20/19  
 13:06 PM  
 78226

TO: BURKESVILLE GAS CO.  
 119 UPPER RIVER ST.  
 P.O. BOX 69  
 BURKESVILLE, KY 42717

ACE The Helpful Place.  
 "Like" Us on Facebook  
 www.facebook.com/pottersace  
 Get Coupons & Special Deals

RECEIVED BY David

ORDER DATE	ACCOUNT NO.	CUSTOMER P.O. NO.	SALESMAN #	STORE	TYPE OF SALE	TERMS	
03/20/19	[REDACTED]		FLUTY	17	A/R CHARGE	A/R CHARGE	
QUANTITY	UOM	ITEM	DESCRIPTION			UNIT PRICE	AMOUNT
3.16	EA	GSP	SEEDS, FERTILIZERS, POTATOE			1.890	5.98
1.00	EA	STRAW	BALE STRAW			5.000	5.00
SUB-TOTAL						TAX	NET
10.98						.66	11.64

ALL GOODS RETURNED MUST BE ACCOMPANIED BY THIS INVOICE

THE MAXIMUM LEGAL INTEREST PENALTY WILL BE CHARGED ON ALL ACCOUNTS OVER 10 DAYS PAST DATE OF INVOICE. ACCEPTANCE OF GOODS ACKNOWLEDGES UNDERSTANDING THAT PURCHASER SHALL PAY ALL COLLECTION COST AND ATTORNEYS FEES IF FULL BALANCE IS NOT PAID WITHIN 30 DAYS FROM DATE OF INVOICE. SELLER DISCLAIMS ALL WARRANTIES EXPRESS OR IMPLIED. THIS DISCLAIMER IN NO WAY AFFECTS THE MANUFACTURERS WARRANTY IF ANY. 1 1/2% PER MONTH FINANCE CHARGE AFTER MATURITY (30 DAYS NET). BUYER GRANTS SELLER A SECURITY INTEREST IN THE GOODS DESCRIBED ABOVE TO SECURE PAYMENT OF THE BALANCE DUE ON THIS INVOICE.



STATEMENT

**POTTER'S ACE HOME CENTER**  
 228 KEEN STREET  
 BURKESVILLE, KY 42717  
 (270) 864-4322 • www.pottersace.com

DATE	ACCOUNT NUMBER
032719	756570

Witness: David Thomas Shirey

DATE	Item 2	ACCOUNT NUMBER
032719		756570

**POTTER'S ACE HOME CENTER**  
 228 KEEN STREET  
 BURKESVILLE, KY 42717

BURKESVILLE GAS CO.  
 119 UPPER RIVER ST.  
 P.O. BOX 69  
 BURKESVILLE, KY 42717

BURKESVILLE GAS

**PLEASE RETURN  
 THIS PORTION WITH  
 YOUR PAYMENT**

INVOICE			TRANSACTION TYPE	PAYMENTS AND ADJUSTMENTS			AMOUNT DUE	INVOICE NUMBER	AMOUNT DUE	
MO	DAY	NUMBER		AMOUNT	MO	DAY				AMOUNT
			BEGINING BALANCE				326.23	BEGIN	326.23	
0320		274792	11.64				11.64	274792	11.64	
0327			4.89	CURRENT SERVICE CHARGES			4.89	999998	4.89	
ANY QUESTIONS PLEASE CALL SUZIE AT 931-879-5823 EXT 1014 PLEASE PAY BALANCE DUE										
							BALANCE DUE >	342.76	BALANCE DUE >	342.76

**KENTUCKY LABOR LAW POSTER SERVICE**  
 1303 US HWY. 127 S. SUITE 402, PMB 116  
 FRANKFORT, KY 40601-4385  
**PLEASE RESPOND BY APRIL 26**



# RENEWAL NOTICE

Call **502-565-2102**  
 for **quickest renewal**

**To:**

<b>Notice Date</b>	2019-04E
<b>Key Code</b>	A13126816318

W2-01942916

Burkesville Gas Co. Inc.  
 PO Box 69  
 Burkesville, KY 42717-0069

**New Child Labor Law and Wage  
 Discrimination!  
 Effective June 2018**



**RENEWAL ALERT!** Please be advised that Labor Law posting notices are frequently being amended, potentially making the posters your company purchased from us on **Feb 1 2018** out of date with current Labor Law posting requirements. Return this renewal notice with your payment by **April 26th** to **Save 11%** and receive a **\$10.00** discount off the regular price of the newly revised **2019** State and Federal Labor Law posters.

Qty	Description	Total
1	Complete Set(s) of <b>2019</b> State & Federal Posters	\$ 89.50
	<b>11%</b> Discount by April 26	- \$ 10.00
	Shipping	<b>FREE</b>
	<b>TOTAL BY April 26</b>	\$ 79.50
	<b>TOTAL AFTER April 26</b>	\$ 89.50

The Kentucky Labor Law Poster Service is a non-governmental organization providing mandatory workplace posters and does not have a contract with any government agency. Certain posters may also be available free from the issuing governmental agencies.

**Please Respond By: April 26, 2019**



Keycode	A13126816318
<b>TOTAL BY APR. 26</b>	\$ 79.50
<b>TOTAL AFTER APR. 26</b>	\$ 89.50
Shipping	<b>FREE</b>
Amount Enclosed	\$

Call **502-565-2102** for **quickest renewal**  
**PLEASE INCLUDE KEYCODE ON YOUR CHECK**

**PAY BY CREDIT CARD**

We accept Visa, MasterCard, Discover, and American Express

Account Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Exp. Date \_\_\_\_/\_\_\_\_

Signature \_\_\_\_\_

Fax credit card orders to **888-442-4144**

**PAY BY CHECK OR MONEY ORDER**

**MAKE CHECKS PAYABLE TO:**



**KENTUCKY LABOR LAW POSTER SERVICE**  
 1303 US HWY. 127 S. SUITE 402, PMB 116  
 FRANKFORT, KY 40601-4385



# DICKSON

Environmental Monitoring + Compliance Experts

930 South Westwood Avenue  
Addison, IL 60101

2019-03-26

BURKESVILLE GAS COMPANY  
119 UPPER RIVER ST PO BOX 69  
BURKESVILLE, KY 42717

Thank you for your continued business with The Dickson Company. The Dickson Company recently reviewed its internal controls and procedures, including processes in place for sales and use tax requirements. Based on this review, it was determined that sales tax may apply on certain sales made to your company (beginning March 2016 to present) unless The Dickson Company is provided with a valid exemption certificate from you. It is The Dickson Company's intention to ensure that we have a valid exemption certificate on file from you or that the applicable sales and use tax due on our sales to you is paid to state/local tax agencies.

If you are claiming an exemption from sales tax in any of the states listed below\*, please send us an exemption certificate no later than **May 1, 2019**. If we do not have a completed exemption form for you on file, subsequent billings may include sales tax as applicable.

\*STATES: AZ, CA, CT, DISTRICT OF COLUMBIA, FL, HI, IN, KS, KY, LA, MA, MI, MN, NC, NJ, NM, NY, OH, OK, PA, RI, TN, TX, WA

Below is a direct link to the Dickson Company exemption certificate manager administered by Avalara Inc. Please fill in the required fields and follow the instructions provided on the site to submit the certificate. The data will be entered through a secure site and the information is used for the exemption certificate purposes only.

**To submit an exemption certificate, please click the link below or use the following request code on the CertExpress Website:**

**Link:** <https://app.certexpress.com?r=YS-99-Sf-dB>  
**CertExpress Website:** <https://app.certexpress.com>  
**Request Code:** YS-99-Sf-dB

Please contact Avalara directly with questions regarding submission of any tax exempt certificates at 206-826-2252. You may also submit certificates via email [dickson@certcapture.com](mailto:dickson@certcapture.com) or fax (206)962-3646.

Mailing Address:  
The Dickson Company  
c/o Avalara Inc  
512 S. Mangum Street  
Suite 100  
Durham, NC 27701

We are happy to help answer any additional questions you may have, but also advise you to consult your tax advisor on this matter.

Your assistance is greatly appreciated.

Sincerely,  
Dickson Company



Smith Lawn Care  
 PO Box 221  
 Burkesville, KY  
 42717

DATE	INVOICE #
3/28/2019	3519

BILL TO
Burkesville Gas

DUE D...
4/27/2019

ITEM	DESCRIPTION	AMOUNT
labor and equipment	03-27-19 leveled dirt, tilled and sewed seed on property in marrowbone.	285.00T
Please put invoice number on check, Thank You for your business. Questions call 270-406-0287		<b>Subtotal</b> 285.00
		<b>6% Tax</b> 17.10
		<b>Total</b> 302.10

**Burkesville Farm Supply**

219 Glasgow Rd                      March 26, 2019  
BURKESVILLE, KY                      10:52 AM  
42717-8793  
(270) 864-9292

---

Receipt: Rlrc  
Ticket: Burkesville Gas Co.

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<b>Minimum Rental</b>	<b>\$50.00</b>
<b>Fescue Ky 31 95%</b>	<b>\$80.00</b>
<b>Clover Kenlan Red , Certified</b>	<b>\$110.00</b>

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Subtotal	\$240.00
Sales Tax	\$0.00

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<b>Total</b>	<b>\$240.00</b>
Other Payment Types	\$240.00



# Invoice

STOTTS CONSTRUCTION CO INC  
 203 BURKESVILLE STREET, STE 101  
 P O BOX 1689  
 COLUMBIA KY 42728

Date	Invoice #
1/15/2019	2605

Bill To
BURKESVILLE GAS COMPANY 119 UPPER RIVER STREET P O BOX 69 BURKESVILLE, KY 42717

P.O. No.	Terms	Project
Tom - Proposal	Net 30	MARROWBONE, KY CREEK DIR BORE

Quantity	Description	Rate	Amount
185	LF - 6" Marrowbone Creek Rock Directional Bore & Pulling Pipe	100.00	18,500.00
	1/2 of invoice is due in 30 days (\$9,250.00)		
	1/2 of invoice is due in 60 days (\$9,250.00)		

Thank you for your business!!!!!!		<b>Total</b>	\$18,500.00
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Invoice

TRI COUNTY EMC  
405 COLLEGE ST  
P.O. BOX 40  
LAFAYETTE, TN 37083-0040

DATE	CUSTOMER	INVOICE #
01/03/19	2861	10016545

BILL TO
BURKESVILLE GAS P.O. BOX 861 GREENVILLE, TX 75403

SHIP TO

PO NBR	SHIP DATE	SHIP VIA	POE	DUE DATE
				02/18/19

QUANTITY	DESCRIPTION	UOM	UNIT PRICE	AMOUNT
	THE BELOW CHARGES ARE FOR THE WORK COMPLETED AT MARROWBONE PARK.			
1.00	LABOR-MARROWBONE PARK		480.60	480.60
1.00	LABOR-MARROWBONE PARK		480.60	480.60
3.00	TC 5207		20.00	60.00
25.00	TC 6312		.58	14.50
2.00	ANCHOR 12" SCREW		60.26	120.52
2.00	ANCHOR ROD 3/4IN X 7' TWIN EYE		22.99	45.98
2.00	CLAMPS GUY 3 BOLT		4.95	9.90
4.00	GUY GRIPS 3/8 IN		2.77	11.08
2.00	GUY ATTACHMENTS LARGE		4.93	9.86
2.00	BOLTS THIMBLE EYE		4.15	8.30
200.00	GUY WIRE 3/8 IN		.36	72.00
	PLEASE INCLUDE THE INVOICE NUMBER ON YOUR PAYMENT.			
	Sales Tax			16.66
	Total Invoice Amount			1,330.00

**Apache Gas Transmission Company, Inc.**  
**Case No. 2019-00032**  
**Commission Staff's First Request for Information issued on April 12, 2019**

3. Refer to Case No. 2018-00106. Exhibit A estimates that the annual PRP revenue has a times coverage of 1.02 for debt service. Provide an explanation of how the current PRP revenue will cover the current debt service and the Marrowbone estimated costs of \$41,090.50.

**Response:**

Please see the response to Request 1 above. At this time, Apache is uncertain the amount, if any, that will need to be borrowed to cover the Marrowbone Creek replacement. With the next annual filing to set new PRP rates, Apache will have more certainty on the amount needed. If the PRP projects are completed at an earlier date than the annual filing is due, and any additional amounts are determined to be needed, Apache will make an earlier filing with the Commission.