

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF NATURAL GAS)	
SERVICES, LLC FOR INITIAL RULES,)	CASE NO.
REGULATIONS AND RATES FOR FURNISHING)	2021-00390
GAS SERVICE PURSUANT TO KRS 278.485)	

COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION
TO NATURAL GAS SERVICES, LLC

Natural Gas Services, LLC (Natural Gas Services), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested is due on February 1, 2022. The Commission directs Natural Gas Services to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made, and shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Natural Gas Services shall make timely amendment to any prior response if Natural Gas Services obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Natural Gas Services fails or refuses to furnish all or part of the requested information, Natural Gas Services shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Natural Gas Services shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to Natural Gas Services' response to Commission Staff's Second Request for Information (Staff's Second Request), Item 2(e). Confirm that the service trip fee will only be charged for a trip made to collect delinquent bills or terminate service. If not confirmed, explain why not.

2. Refer to Natural Gas Services' response to Staff's Second Request, Item 5. Confirm that Natural Gas Services would not bill a customer for estimated usage solely based on the customer's meter not registering any usage. If not confirmed, please explain.

3. For each non-recurring charge included in the proposed tariff, indicate the amount of round-trip mileage that will be travelled by Natural Gas Service personnel to perform each service.

4. For each non-recurring charge included in the proposed tariff, state whether Natural Gas Services is able to provide an estimate of the number of times it expects to assess the charge. If so, provide the expected number of charges for each along with an estimate of total revenue to be derived from non-recurring charges.

5. Refer to Natural Gas Services' response to Staff's Second Request, Item 8. In order to convert gas pricing from dollars per MMBtu to Mcf, provide the heat content of gas that is delivered to farm tap customers.

6. Refer to Natural Gas Services' response to Staff's Second Request, Item 9(a).

a. Given that the estimated customer usage is based on historical usage of customers who were not charged for the gas they used, state whether Natural Gas Services believes that actual usage will be lower when customers are required to pay for gas.

b. State whether Natural Gas Services considered a more typical rate design including a monthly customer charge along with a volumetric charge for Mcf consumed, as an alternative to the rate design it proposed which includes a minimum bill.

7. Refer to Natural Gas Services' response to Commission Staff's First Request for Information (Staff's First Request), Item 9(i) and Natural Gas Services' response to Staff's Second Request, Item 11.

a. Provide a summary of the assignments and acquisitions that resulted in Natural Gas Services' becoming the entity to service the taps that are the subject of this proceeding. Include when and from whom the taps were acquired.

b. Provide Natural Gas Services' incorporation date, and state how long Natural Gas Services has been serving the customers associated with these taps.

8. Refer to Natural Gas Services' response to Staff's Second Request, Item 12. Provide the lease agreements for the 78 customers with free gas. If the lease agreements are the same for all 78 customers, then only provide a single copy.

9. Refer to Natural Gas Services' response to Staff's Second Request, Item 14.

a. Provide a corporate structure chart that depicts and explains Natural Gas Services relationship to Hay Exploration, Inc. (Hay Exploration) and the common ownership the two share.

b. Explain how Natural Gas Services and Hay Exploration are not considered an affiliate under KRS 278.010(18) and (19).

10. Refer to Natural Gas Services' response to Staff's First Request, Item 11. Explain how it is possible that there may be more free gas users who are presently unknown.

11. Refer to Natural Gas Services' response to Staff's First Request, Item 12. Provide the basis for Natural Gas Services' belief that existing farm taps have been extended or divided to provide service to more than one customer per farm tap. Include supporting documentation.

12. Refer to Natural Gas Services' response to Staff's First Request, Item 13 and refer to the Application, unlisted page number 3.

- a. Confirm if Natural Gas Services provides service in Johnson County.
- b. Provide a list of the Kentucky counties that Natural Gas Serves provide its farm tap service in.

13. Refer to Natural Gas Services' response to Staff's First Request, Item 14 regarding the replaced meters.

- a. Explain why Natural Gas Service decided to replace these meters.
- b. Explain if Natural Gas Service charged its customers for the replacement of those meters.
- c. Provide the costs associated with the already replaced meters.
- d. Explain how Natural Gas Services covered the cost of the replaced meters and how Natural Gas Service plans to recover the cost of future replaced meters.

14. Refer to Natural Gas Services' response to Staff's First Request, Item 19 and Natural Gas Services' response to Staff's Second Request, Item 17. Provide the tariff sheets that include Natural Gas Services' proposed provisions regarding the odorization of the service line.



Linda C. Bridwell, PE
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DATED JAN 19 2022

cc: Parties of Record

Case No. 2021-00390

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