

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY	)	CASE NO.
FRONTIER GAS, LLC FOR A DECLARATORY	)	2025-00042
ORDER ON FREE GAS	)	

ORDER

On February 19, 2025, Kentucky Frontier Gas, LLC (Kentucky Frontier) filed an application for a declaratory order, pursuant to 807 KAR 5:001, Section 19 finding that Kentucky Frontier does not have to honor contracts for gas users receiving “free gas” without meters or customer status on a portion of the Fontain-Williams Gas Gathering System, LLC (FWGGS) pipeline.

Pursuant to 807 KAR 5:001, Section 19 (1), an applicant may request a declaratory order with respect to, among other things, the jurisdiction of the Commission or the meaning and scope of an order or administrative regulation of the commission or provision of KRS Chapter 278. An application for a declaratory order filed pursuant to 807 KAR 5:001, Section 19 must contain a complete, accurate, and concise statement of the facts upon which the application is based; identify all statutes, administrative regulations, and orders to which the application relates; and state the applicant's proposed resolution or conclusion.¹ While 807 KAR 5:001, Section 19, contemplates that

¹ 807 KAR 5:001, Section 19(2).

a declaratory order may be issued based on the application and any responses,² the Commission may establish a procedural schedule and conduct discovery to ensure a complete record.³ The Commission may also “direct that a copy of the application for a declaratory order be served on a person who may be affected by the application.”⁴

Here, the Commission finds that additional information is necessary to develop the record and determine the appropriate resolution of Kentucky Frontier’s application. The Commission finds that a procedural schedule should be established to review Kentucky Frontier’s request for a Declaratory Order to facilitate the orderly development of the record. The procedural schedule is attached as Appendix A to this Order.

The Commission also finds that Kentucky Frontier should file on or before the date set forth in the procedural schedule, its responses to Commission Staff’s First Request for Information, attached to this Order as Appendix B, and should respond to any future requests for information propounded by Commission Staff by the date or dates set forth on any such requests.

Pursuant to 807 KAR 5:001 Section 19(3), the Commission finds that Kentucky Frontier should provide notice of this application to those potentially affected, on or before November 26, 2025, by sending a copy of Kentucky Frontier’s application and this order via first class mail and by certified mail, return receipt requested to each owner of property

² See 807 KAR 5:001, Section 19(7) (“The commission may dispose of an application for a declaratory order solely on the basis of the written submissions filed.”); *see also* 807 KAR 5:001, Section 19(4) and (5) (contemplating that responses and replies to an application for a declaratory order will be filed within 21 days and seven days, respectively).

³ See 807 KAR 5:001, Section 19(8) (“The commission may take any action necessary to ensure a complete record, to include holding oral arguments on the application and requiring the production of additional documents and materials and may extend the time for the filing of a reply or response under this section.”).

⁴ See 807 KAR 5:001, Section 19(3).

on or over which any portion of the FWGGS pipeline is located that receives gas from the FWGGS pipeline.⁵ Such notice should be sent to the address of the property owner on file with the local Property Value Administration.

Kentucky Frontier or any party to this proceeding may request a formal hearing pursuant to the procedural schedule. Any hearing scheduled in this matter shall be held on the designated day or days and continued until called from the bench by the presiding officer. Pursuant to 807 KAR 5:001, Section 2, if the hearing is not concluded on the designated day, the hearing may be continued upon verbal announcement by the presiding officer. A verbal announcement made by the presiding officer shall be proper notice of the continued hearing. Hearings are held in the Richard Raff Hearing Room at the offices of the Public Service Commission at 211 Sower Boulevard, Frankfort, Kentucky. Witnesses who sponsor schedules, testimony, or responses to requests for information are expected to participate in person at a hearing.

IT IS THEREFORE ORDERED that:

1. Parties to this matter shall comply with the procedural schedule set forth in Appendix A to this Order.
2. On or before the date set forth in the procedural schedule, Kentucky Frontier shall file its responses to the Commission Staff's First Request for Information, attached to this Order as Appendix B.

⁵ This should not be construed as preventing Kentucky Frontier from providing notice to additional persons, especially if it expects that discovery is likely to identify additional gas users whose rates will be materially affected by an order granting the application.

3. Kentucky Frontier and any other parties to this matter shall respond to any additional requests for information propounded by Commission Staff, whether identified on the procedural schedule or otherwise, as provided in those requests.

4. Unless otherwise ordered by the Commission, the procedures set forth in 807 KAR 5:001, Section 8, related to service and electronic filing of papers shall be followed in this proceeding.

5. Unless a party granted leave to intervene states its objection to the use of electronic filing procedures in a motion for intervention, the party shall:

a. Be deemed to have consented to the use of electronic filing procedures and the service of all papers, including Orders of the Commission, by electronic means; and

b. Within seven days of the date of service of an Order of the Commission, granting intervention, file with the Commission a written statement that:

(1) It or its authorized agent possesses the facilities to receive electronic transmissions; and

(2) Sets forth the electronic mail address to which all electronic notices and messages related to this proceeding shall be served.

6. If a party objects to the use of electronic filing procedures and the Commission determines that good cause exists to excuse that party from the use of electronic filing procedures, service of documents on that party and by that party shall be made in accordance with 807 KAR 5:001, Section 4(8).

7. Any party filing a paper with the Commission shall file an electronic copy in accordance with the electronic filing procedures set forth in 807 KAR 5:001, Section 8.

Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked. The Commission directs the parties to the Commission's July 22, 2021 Order in Case No. 2020-00085⁶ regarding filings with the Commission.

8. Pursuant to 807 KAR 5:001, Section 8(9), within seven days of the date of service of this Order, Kentucky Frontier shall file a written statement that it waives any right to service of Commission Orders by United States mail and that it or its authorized agent possesses the facilities to receive electronic submissions.

9. As set forth in 807 KAR 5:001, Section 4(11), a person requesting permissive intervention in a Commission proceeding is required to demonstrate either (1) a special interest in the proceeding, which is not adequately represented in the case, or (2) that intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. Therefore, any person requesting to intervene in a Commission proceeding must state with specificity the person's special interest that is not otherwise adequately represented, or the issues and facts the person will present that will assist the Commission in fully considering the matter. A mere recitation of the quantity of utility service consumed by the movant or a general statement regarding the potential impact of possible modification of rates will not be deemed sufficient to establish a special interest.

⁶ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID19* (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).

10. Any motion to intervene filed after the date established in the procedural schedule attached as Appendix A to this Order shall also show good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule.

11. If a party requests a hearing or informal conference, then the party shall make the request in its written comments and state the reason a hearing or informal conference is necessary.

12. A party's failure to request a hearing or informal conference in the party's written response shall be deemed a waiver of all rights to a hearing on the application and a request that the case stand submitted for decision.

13. Kentucky Frontier shall give notice of the hearing in accordance with the provisions set forth in 807 KAR 5:001, Section 9(2). In addition, the notice of the hearing shall include the following statements: "This hearing will be streamed live and may be viewed on the PSC website, psc.ky.gov" and "Public comments may be made at the beginning of the hearing. Those wishing to make oral public comments may do so by following the instructions listed on the PSC website, psc.ky.gov." At the time publication is requested, Kentucky Frontier shall forward a duplicate of the notice and request to the Commission.

14. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

15. Any hearing scheduled in this matter shall be held on the designated day or days and continued until called from the bench by the presiding officer. Pursuant to 807 KAR 5:001, Section 2, if the hearing is not concluded on the designated day, the

hearing shall be continued upon verbal announcement by the presiding officer. A verbal announcement made by the presiding officer shall be proper notice of the continued hearing.

16. Witnesses who sponsor schedules, testimony, or responses to requests for information shall participate in person at any hearing scheduled in this matter.

17. Pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9), a digital video recording shall be made of the hearing.

18. The Commission does not look favorably upon motions for continuance. Accordingly, motions for extensions of times with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

19. The Commission does not look favorably upon motions to substitute witnesses or excuse witnesses from testifying at Commission hearings. Accordingly, motions to substitute witnesses or excuse a witness from testifying at a Commission hearing or from testifying in person at a Commission hearing shall be made in writing at least 14 days prior to the hearing and will be granted only upon a showing of good cause.

20. On or before November 26, 2025, Kentucky Frontier shall provide notice of this application to those potentially affected by sending a copy of Kentucky Frontier's application and this order via first class mail and by certified mail, return receipt requested to the address on file with the local Property Value Administration of each owner of property on or over which any portion of the FWGGS pipeline is located that receives gas from the FWGGS pipeline.

21. Kentucky Frontier shall file proof that notice was provided pursuant to ordering paragraph 20 on or before December 5, 2025.

22. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

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PUBLIC SERVICE COMMISSION


Chairman


Commissioner


Commissioner

ATTEST:

 RP
Executive Director



APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2025-00042 DATED NOV 3 2025

Kentucky Frontier shall file responses to the request for information
in Appendix B to this Order no later than..... 11/26/2025

Requests for intervention shall be filed no later than 12/12/2025

All supplemental requests for information to Kentucky Frontier
shall be filed no later than 12/17/2025

Kentucky Frontier shall file responses to supplemental requests
for information no later than 01/05/2026

Kentucky Frontier or any Intervenor shall request either a
hearing or that the case be submitted for decision
based on the record no later than 01/19/2026

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2025-00042 DATED NOV 3 2025

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

Kentucky Frontier Gas, LLC (Kentucky Frontier) pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on November 26, 2025. The Commission directs Kentucky Frontier to the Commission's July 22, 2021, Order in Case No. 2020-00085⁷ 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 response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Kentucky Frontier shall make timely amendment to any prior response if Kentucky Frontier obtains information that indicates the response was incorrect or incomplete when

⁷ 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).

made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Kentucky Frontier fails or refuses to furnish all or part of the requested information, Kentucky Frontier shall provide a written explanation of the specific grounds for its failure to completely and precisely respond. Careful attention shall be given to copied and scanned 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, Kentucky Frontier shall in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Describe in detail any steps Kentucky Frontier has already taken to make the Fontaine-Williams Gas Gathering System, LLC (FWGGS) pipeline operational.

2. Describe, in detail, how the Fontaine-Williams Gas Gathering System, LLC (FWGGS) pipeline is currently utilized; and any additional steps, if any, that are necessary to incorporate the FWGGS pipeline into Kentucky Frontier's distribution system.

3. Refer to the Application, page 4. Confirm whether gas has been fed to the portion of the FWGGS pipeline that Kentucky Frontier plans to incorporate into its distribution gas system. If confirmed, then explain the source of the gas and a general idea of when gas began to be fed into the pipeline. Consider this an ongoing request if at any point during proceeding the response is to change.

4. Refer to the Application, page 4. Explain, in detail, the necessary improvements DLR Enterprises, Inc. (DLR) plans to make to the FWGGS pipeline. For each separate planned improvement, provide:

- a. The purpose of the improvement and exactly how it would be beneficial to the FWGGS pipeline;
- b. The expected cost of the specific improvement;
- c. The specific portion(s) of the FWGGS pipeline where the improvement is planned to occur;
- d. When the repairs are expected to be completed; and
- e. Whether Kentucky Frontier plans to reimburse DLR for the improvement.

5. Refer to the Application, page 7. Provide a legible map identifying the entire FWGGS pipeline. Furthermore, clearly identify the specific portion of the FWGGS pipeline that Kentucky Frontier is proposing to make a utility asset and incorporate into the utility and be regulated by the Commission; any existing meters and city gates on the FWGGS pipeline; any pressure monitoring or pressure relief devices on the FWGGS pipeline; and any additional natural gas related entities connected to the FWGGS pipeline.

6. Refer to the Application, page 7. In regard to the specific portion of the FWGGS pipeline that Kentucky Frontier notified the Commission would become an asset of Kentucky Frontier to be regulated by the Commission:

- a. State if DLR will maintain or regain any ownership of the FWGGS pipeline after Kentucky Frontier takes control of the pipeline;

b. Explain the current business relationship between DLR and Kentucky Frontier;

c. Explain the expected business relationship between DLR and Kentucky Frontier following the full completion of the proposed project as discussed in this proceeding;

d. Identify the portion of the FWGGS pipeline Kentucky Frontier will be responsible for maintaining following the full completion of the proposed project as discussed in this proceeding; and

e. Identify the any portion of the FWGGS pipeline DLR will be responsible for maintaining following the full completion of the proposed project as discussed in this proceeding.

7. Refer to the Application, pages 5 and 6, regarding Kentucky Frontier's natural gas service to the Bailey family and provide a complete copy of the Magoffin Circuit Court Case No. 12-CI-00261 file and any related documents.

8. Refer to the Application, page 6, regarding the vandalization of the FWGGS pipeline. Explain Kentucky Frontier's plans to address the potential for vandalism or possible obstruction of the FWGGS pipeline by "free gas" users should service be terminated and the planned improvements take place.

9. Refer to the Application, page 6, paragraph 2. Confirm that the parallel pipeline owned by DLR will remain operational.

a. If not confirmed, explain why not;

b. If confirmed, explain the need and function of the parallel pipeline;

c. State if Kentucky Frontier is currently operating and maintaining the parallel pipeline for compliance; and

d. State if Kentucky Frontier is responsible for responding to a report of the discovery of a break in the line or a line locate request is received on the parallel pipeline.

10. Refer to the Application, page 5, paragraph 1. Referring to the 10-20 “clandestine” gas users off FWGGS Kentucky Frontier identified.

a. Identify the specific users claiming entitlement to free gas;

b. Explain how Kentucky Frontier identified the free gas users;

c. Explain if Kentucky Frontier anticipates free gas users that it has not yet identified; and

d. Explain if all the referenced users will become part of the Kentucky Public Service Commission regulated portion of the FWGGS pipeline.

11. State specifically the names of any individuals, not mentioned in the application, receiving “free gas” that claim an entitlement to “free gas” and the reason for entitlement.

12. Refer to the Application, page 4, paragraph 2 regarding “the 12.5 miles of FWGGS from David to Sublett with free gas users on it.”

a. State the proposed date that individuals receiving “free gas” will become utility customers of Kentucky Frontier;

b. State approximately how many customers will be connected to the pipeline once the line is incorporated into Kentucky Frontier;

c. Explain if any customers on the above referenced portion of the pipeline will remain farm tap customers;

d. State whether the customers on the above referenced pipeline will be located on the PSC regulated portion of the pipeline; and

e. Explain what portion of the FWGGS pipeline will not be incorporated into Kentucky Frontier.

13. Explain if Kentucky Frontier anticipates charging any individual a back payment for gas provided at free or discounted rates once the identified portion of the FWGGS pipeline is incorporated into Kentucky Frontier and those individuals become utility customers.

14. Refer to the Application, page 4 paragraph 1 regarding the “identified sustainable source of gas on the existing Kentucky-West Virginia line.” Specify the name of the supplier and state if Kentucky Frontier will be contracting with the identified gas supplier once the identified portion of the FWGGS pipeline is incorporated into Kentucky Frontier.

15. Explain who performs operation and maintenance work on the FWGGS pipeline, and how the FWGGS pipeline is currently treated in relation to Kentucky Frontier’s broader distribution system.

*L. Allyson Honaker
Honaker Law Office, PLLC
1795 Alysheba Way
Suite 1203
Lexington, KY 40509

*Heather Temple
Honaker Law Office, PLLC
1795 Alysheba Way
Suite 1203
Lexington, KY 40509

*Kentucky Frontier Gas, LLC
2963 Ky Rte 321 North
PO Box 408
Prestonsburg, KY 41653

*Meredith L. Cave
Honaker Law Office, PLLC
1795 Alysheba Way
Suite 1203
Lexington, KY 40509