Ernie Fletcher Governor

LaJuana S. Wilcher, Secretary Environmental and Public Protection Cabinet

Christopher L. Lilly Commissioner Department of Public Protection



Commonwealth of Kentucky Public Service Commission

211 Sower Blvd P O. Box 615 Frankfort, Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov Mark David Goss Chairman

> Teresa J. Hill Vice Chairman

Gregory Coker Commissioner

December 13, 2005

TO: PARTIES OF RECORD RE: Case No. 2005-00404

Ronald J. Hall vs. Equitable Gas Company

Enclosed please find a memorandum that has been filed in the record of the above-referenced case. Any comments regarding this memorandum's contents should be submitted to the Commission within five days of receipt of this letter. Questions regarding this memorandum should be directed to J.R. Goff at 502/564-3940, Extension 261.

cerely,

Executive Director

vh/ Enclosure



Randall L. Crawford Equitable Gas Company A Div. of Equitable Resources, Inc. 200 Allegheny Center Mall Pittsburgh, PA 15212-5352

Ronald J. Hall 464 Conley Fork Road Prestonsburg, KY 41653

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File No. 2005-00404

FROM: J. R. Goff, Staff Attorney

DATE: December 12, 2005

RE: Ronald J. Hall, Complainant

Equitable Gas Company, Defendant

On December 6, 2005, an informal conference was held by telephone pursuant to an Order of the Commission. Participating in the conference were the following: Attorney Kevin West for Equitable Gas Company ("Equitable"); Larry Francis and Dan Frutchey of Equitable; and Andrea Edwards, Daryl E. Newby, and Faud Sharifi for the PSC.

After explaining the procedure of the meeting, there was a discussion of the various entities listed under the name Equitable and how they interrelated. The representatives of Equitable presented their position as to the companies and how each company serves customers in Kentucky. Commission Staff noted that Equitable has recently revised its tariff and notified the Commission of a current contact person and address. Also, Equitable indicated that the tariff for Equitable Production Company would be revised to include an address and contact person.

Commission Staff and Equitable then discussed the events and the facts of the complaint case. They agreed that although Equitable was named as defendant, the real party in interest appears to be Equitable Production Company, an affiliate. On November 10, 2005, the Complainant notified the Commission that Equitable Gas had begun service, when in fact Equitable Production Company began service on that date.

Commission Staff stated that although the initial complaint may have been satisfied, there remained the problem of Equitable's failure to timely file responses to two Orders of the Commission, a possible violation of KRS 278.900, and Equitable's failure to timely advise the Commission of the address of its main corporate office, a possible violation of 807 KAR 5:003. It is Equitable's position that if it had received the notice, it would have responded in a timely manner; that Equitable would not delay or not respond to any inquiry by the Commission, and that it had no idea who may have received the notice. It is also Equitable's position that although it has changed its administrative office location, it still maintains an office at the address listed and would have received and responded to such notice. Staff responded that the record in the case indicated that Equitable did receive notice of the complaint sent to the address listed by Equitable at the time.

Commission Staff proposed to settle the matter by recommending to the Commission an assessment of a civil penalty against Equitable for violation of 807 KAR 5:003 to provide an address change. Equitable rejected Staff's proposal. There was no resolution of the matter and the meeting was adjourned.