

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE  
COMMISSION

In the Matter of:

THE NOTICE OF GAS COST )  
RECOVERY FILING OF GASCO ) CASE NO. 2007-00421  
DISTRIBUTION SYSTEMS, INC. )

**ATTORNEY GENERAL'S SUPPLEMENTAL  
REQUESTS FOR INFORMATION**

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky ("Attorney General"), by and through his Office of Rate Intervention, and submits this Supplemental Request for Information to Gasco Distribution Systems, Inc. ("Gasco") to be answered in accord with the following:

(1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.

(2) Please identify the witness who will be prepared to answer questions concerning each request.

(3) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(4) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or 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.

(5) If any request appears confusing, please request clarification directly from the Office of Attorney General.

(6) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(7) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

(8) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

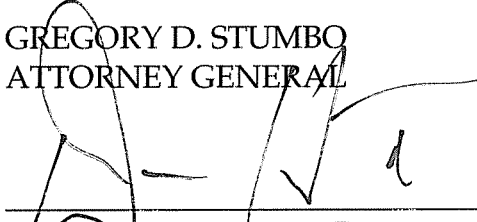
(9) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(10) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(11) Please provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response.

Respectfully submitted,

GREGORY D. STUMBO  
ATTORNEY GENERAL



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DENNIS G. HOWARD, II  
LAWRENCE W. COOK  
ASSISTANT ATTORNEYS GENERAL  
1024 CAPITAL CENTER DRIVE,  
SUITE 200  
FRANKFORT KY 40601-8204  
(502) 696-5453  
FAX: (502) 573-8315

*Certificate of Service and Filing*

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Beth O'Donnell, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

Kenneth D. Magyar  
Vice President Marketing  
Gasco Distribution Systems, Inc.  
4435 East Pike  
Zanesville, OH 43701

this 17<sup>th</sup> day of December, 2007



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Assistant Attorney General

**ATTORNEY GENERAL'S SUPPLEMENTAL  
REQUESTS FOR INFORMATION  
TO GASCO DISTRIBUTION SYSTEMS, INC.  
Case No. 2007-00421**

1. Please reference Gasco's Response to OAG 1-2. Please clarify whether Gasco currently has 6 employees or 13 employees for its Kentucky-based operations.
  - (a) If the current count is 6, explain in detail why Gasco has undergone a 70% reduction in its workforce level.
2. Please reference Gasco's Response to OAG 1-2(a). For the individuals named, please state the amount of time in hours, by each year, work has been done for Gasco's Kentucky-based operations.
3. Please reference Gasco's Response to OAG 1-5. Did part of the "poor work performance" include a failure to timely file gas cost recovery / adjustment with the Kentucky Public Service Commission? If yes, when was this issue discovered?
4. Please reference Gasco's Response to OAG 1-5(d).
  - (a) In deciding which filings would be addressed first, did Mr. Steele consider the need to file applications in such a way as to accurately address the company's gas costs in a timely fashion?
  - (b) Did Mr. Steele think it necessary to timely file the company's applications so that the ratepayers would only be required to pay the actual cost for the gas?
  - (c) Did Mr. Steele consider the fact that any large increase associated with untimely filings may have significant financial impacts on its customers?
  - (d) Did Mr. Steele consider the fact that any failure to pass increased gas costs on to Gasco's customers could place the company in jeopardy?
5. Please reference Gasco's Response to OAG 1-5(e). Did any of the named individuals review the bills to determine whether gas cost adjustments/recoveries were needed during the referenced years in which they were responsible for processing them?

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6. Please reference Gasco's Response to OAG 1-5(f). Was there a specific person responsible for checking to make sure the higher rate awarded in Case No. 2006-00426 was implemented?
  - (a) If not, why not?
  - (b) Is there currently a person who will be responsible for doing so on a going forward basis?
  - (c) If not, why not?
  - (d) If so, please identify that person.
  - (e) Please provide the qualifications of that person.
  - (f) Please explain in detail the protocol in place to ensure future compliance.
  
7. Please reference Gasco's Response to OAG 1-6. Does management not consider that it alone is responsible for the omission and that if staff had neglected its responsibilities, he/she/they should have been corrected in a timelier manner than six years?
  
8. Does Gasco believe that since Mr. Brother's departure on August 1, 2001, sufficient time has passed for the company to have brought the company into compliance after six years? If not, why not?
  
9. In the event that the Commission precludes the company from collecting any underbillings beyond the two-year period mandated in KRS 278.225, explain the anticipated impact on the average monthly residential bill.
  
10. Is Gasco aware that under-billing situations have occurred with other utility companies?

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11. Is Gasco aware that companies have accommodated customers by establishing interest free payment plans with terms reaching as far out as five years?
  - (a) Would Gasco be willing to make similar accommodations?
  - (b) If not, why not?
  
12. Please reference Gasco's Response to OAG 1-12 where Gasco states that "[failure] to recover those monies will severely limit the company's option of going forward."
  - (a) Does this mean it will not be financially viable?
  - (b) Does this mean its operations will be jeopardized?
  - (c) Given the fact that KRS 278.225 strictly prohibits the company from collecting any under-billing more than two years old, what plans or preparations has the company made to address the shortfall?
  
13. Please provide documentation reflecting the total compensation or remuneration for Gasco's owners and its employees, broken down by each individual and for the last five years.
  
14. Please state whether Gasco intends to pass through its costs associated with this filing to its ratepayers or whether it intends to absorb same by way of its owners.

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15. Please reference Gasco's responses to AG 1-1 and 1-13. Confirm that the following corporate entities are identified in current Kentucky Secretary of State records as being inactive and in bad standing:
- (a) Gasco, Inc.;
  - (b) Gasco Distribution Systems, Inc. ; and
  - (c) Titan Energy Group, Inc.
16. With reference to Gasco's response to AG DR 2-15, does the company have any plans to reinstate its status with the Kentucky Secretary of State? Provide details.
17. Please explain the company's relationship (if any) with the entity known as "Gasco Distribution Systems of Kentucky, Inc.", and explain why the company did not identify this entity in its responses to AG DR 1-1 and 1-13.
18. Confirm that "Gasco Distribution Systems of Kentucky, Inc." is identified in current Kentucky Secretary of State records as being inactive, and in good standing.