## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST OF DELTA NATURAL GAS COMPANY, INC.)FOR A VARIANCE FROM THE METER TESTING)CASE NO.REQUIREMENTS ESTABLISHED UNDER KAR 5:022,)SECTION 8, SUBSECTION 5(a) (1) (2) (3).)

## INITIAL DATA REQUEST OF COMMISSION STAFF TO DELTA NATURAL GAS COMPANY, INC.

Delta Natural Gas Company, Inc. ("Delta"), pursuant to 807 KAR 5:001, is to file with the Commission the original and five copies of the following information, with a copy to all parties of record. The information requested herein is due within 14 days from the date of this request. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response 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.

Delta shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Delta fails or refuses to furnish all or part of the requested information, it 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.

1. 807 KAR 5:006, Section 25(5)(b), provides that all residential customer service regulators, vents and relief valve vents shall be checked for satisfactory operation at intervals not to exceed the periodic meter test intervals. Delta's proposed meter test program does not mention service regulators.

a. State whether Delta currently checks its service regulators, vents and relief valve vents for satisfactory operation at the time it does its meter testing.

b. Describe the inspection currently performed upon each type of service regulator.

c. State whether Delta proposing to check its service regulators, vents and relief valve vents for satisfactory operation under its proposed meter testing program. Explain the response.

d. If the response to 1.c. is in the affirmative, state whether increasing the inspection intervals on service regulators will have any adverse safety effects and provide any documentation that supports the response.

e. Explain whether Delta's service regulators now in service have full internal relief and provide any supporting documentation.

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f. State the type and amount of service regulators that are currently installed inside the premises of Delta's customers.

g. Provide any records available to Delta concerning the number of regulators that have been replaced annually on Delta's system during the last ten years and the reasons for such replacement.

2. 807 KAR 5:006, Section 25(5)(c), provides that all curb boxes and valves on the service lines shall be inspected for operable conditions at intervals not to exceed the periodic meter test intervals. Delta's proposed meter test program does not mention curb boxes and valves. Explain what inspection procedure Delta proposes concerning curb boxes and valves.

3. Delta states that meters acquired through acquisition of a gas system shall be excluded from the test group and that meters with insufficient test data shall be tested as soon as practical. If sufficient test data is available on any acquired meters, explain why they will be excluded from the test group.

4. Provide the percentage of accuracy Delta has experienced under its current testing procedure for each meter classification during the last ten years. Include all supporting documentation.

5. Explain how Delta determined the proposed acceptable quality level for the percentage of accuracy to be 85 percent or greater.

6. Refer to the <u>Meter Classification</u> section of Delta's meter testing program proposal.

a. For each of the meter classifications listed, provide the number of meters in service on Delta's system as of December 31, 2008.

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b. For each of the three meter classifications, provide the service lives used by Delta to calculate depreciation expense.

7. Other gas distribution utilities have typically provided the Commission an estimate of the annual savings they expect to realize from extending their meter testing intervals. Provide Delta's estimated annual savings, the calculation of the savings, and a narrative description of the calculation and all relevant assumptions.

Jeff Derouen Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602

DATED: MAY 1 3 2009

cc: All Parties

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