

August 18, 2011

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

RECEIVED

AUG 2 4 2011

PUBLIC SERVICE COMMISSION

Re: In response to case No. 2011-00017
Second Information Request

Please note our initial response was divided into two parts. Unfortunately, the commission received one part but the second part was not received.

The following addresses those issues that were contained in our above noted missing "second part".

Item 1:

Explain whether there are any odorant reports that were requested but not provided.

Reply:

No, there are no odorant reports that were requested but not provided. All odorization reports requested by the commission that were completed and archived by Kentucky Frontier Gas were submitted to the commission. There are two explanations regarding the missing reports.

- 1.) KFG has purchased six LDC's in the last three years. The records retrieved from most of these companies were lacking.
- 2.) As you know pipeline and hazardous materials safety administration (PHMSA) pipeline safety regulations Part 192.625 [odorant of gas] specifies "To assure the proper concentration of odorants in accordance with this section, each operator must conduct periodic sampling of combustible gases using an instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable..." I was not aware, although I should have been that Ky PUC specifies a weekly test. (We are now testing weekly in all our distribution systems.) Consequently, the omitted reports are

Kentucky Frontier Gas, LLC

"non-existent". Further, note one of our odorant test instruments has incorporated within its operation a digital down load application that records and stores the test results after the test is performed. If the data collected is not downloaded the instruments file eventually fills completely and ceases to store the test results. We, KFG employees were unaware of the need to periodically perform the download procedure. Consequently, the instruments memory filled and subsequent records were lost. However, the tests were performed in a timely manner and all test indicated the operator detected acceptable levels of odor. Unfortunately, the results were not recorded.

Item 2:

Provide the locations and number of checkpoints for each gas system listed in the application.

Reply:

We provided maps showing our test sites relative the location of the gas wells suppling gas to the specific service area. This mailing apparently has not reached the intended addressee. A second mailing of that requested information is being mailed with this correspondence.

Item 3: Location and number of check points for each gas system listed in this application.

System Name	Location	Number of check points
East Ky. Utilities	Minnie	4
	Lackey	
	Allen	
	MiddleCreek	
Mike Little Gas	Weeksbury Maytown Goble Roberts	3
Auxier	Hager Hill	1
Cow Creek	Salyersville	1
Original Cow Creek	Home Branch Cow Creek	2
Dema	Topmost	1
Kentucky Frontier Gas, LLC		

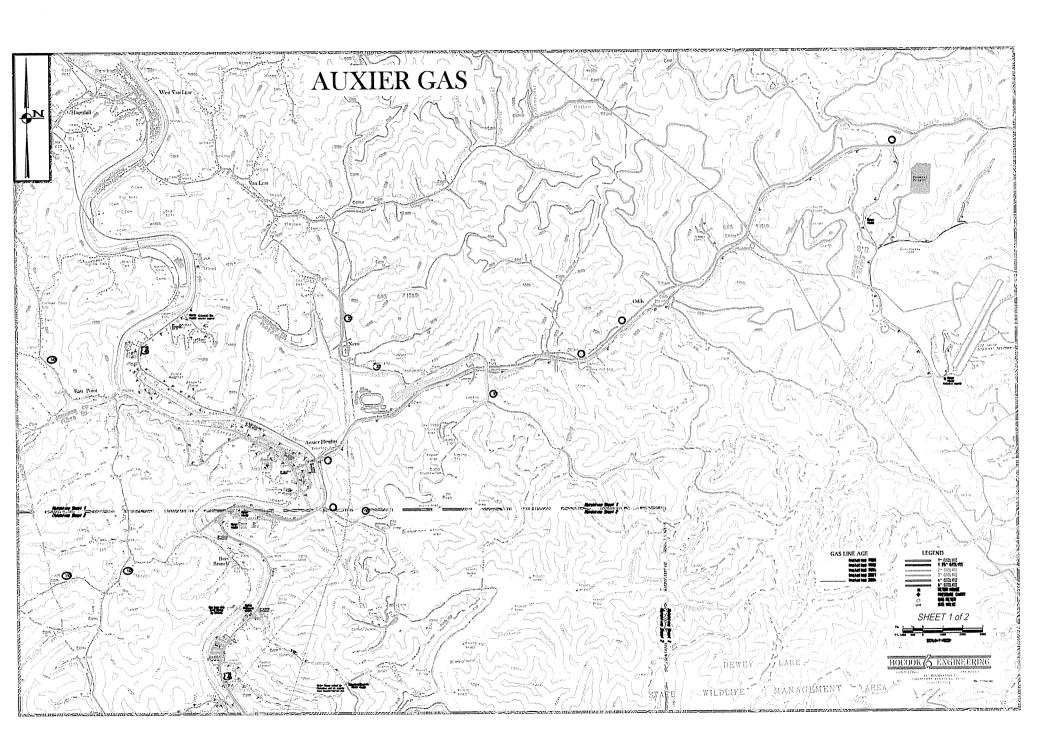
Item 4:

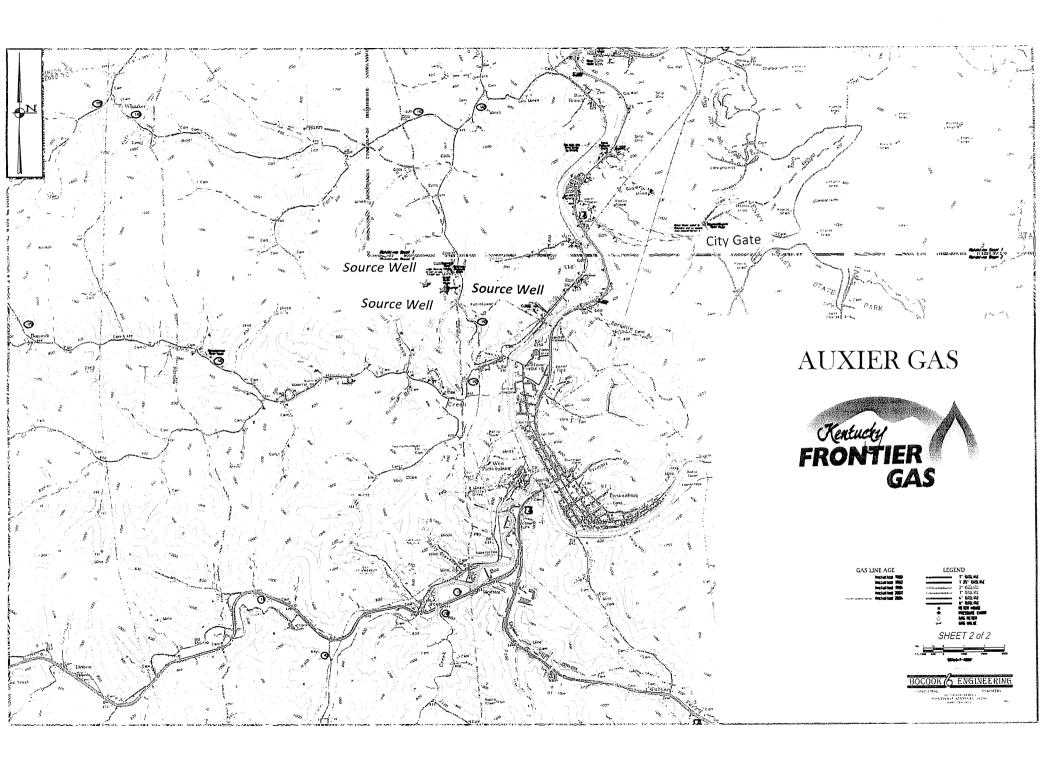
Explanation of how KFG plans to odorize the separate gas system if natural odorant readings fall below the minimum required by 807 KAR 5:22, section 13 (17). Reply:

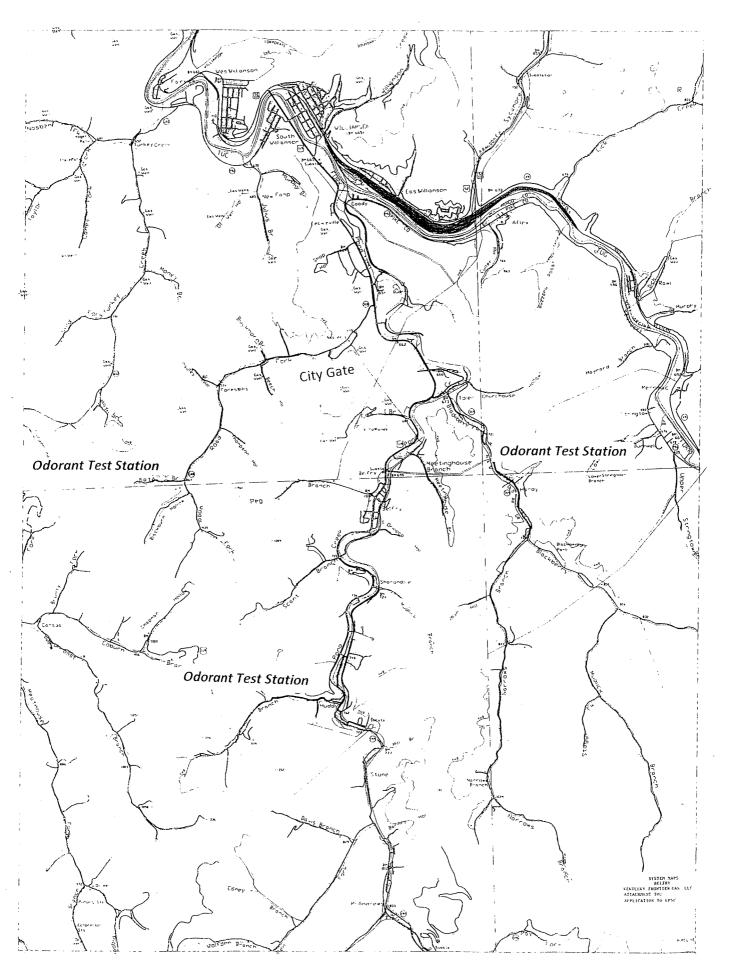
If the above condition should occur then Kentucky Frontier Gas's choice is to install odorizers and inject mercaptan (THIOL) into the failed system.

Respectfully submitted,

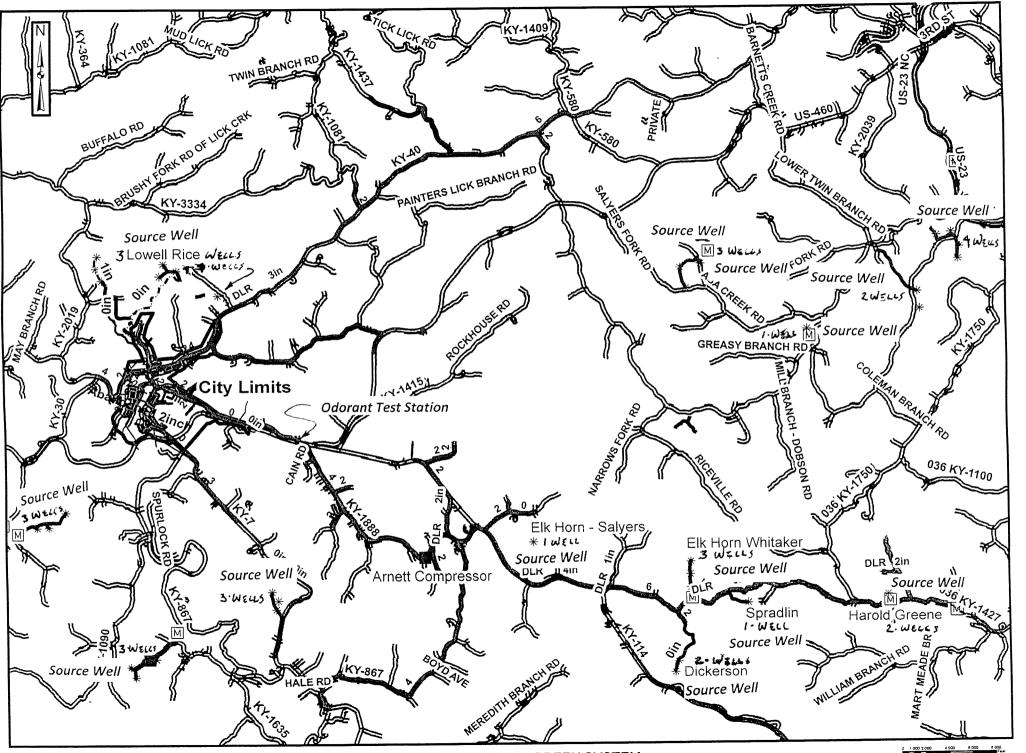
Larry J. Rich, Managing Partner

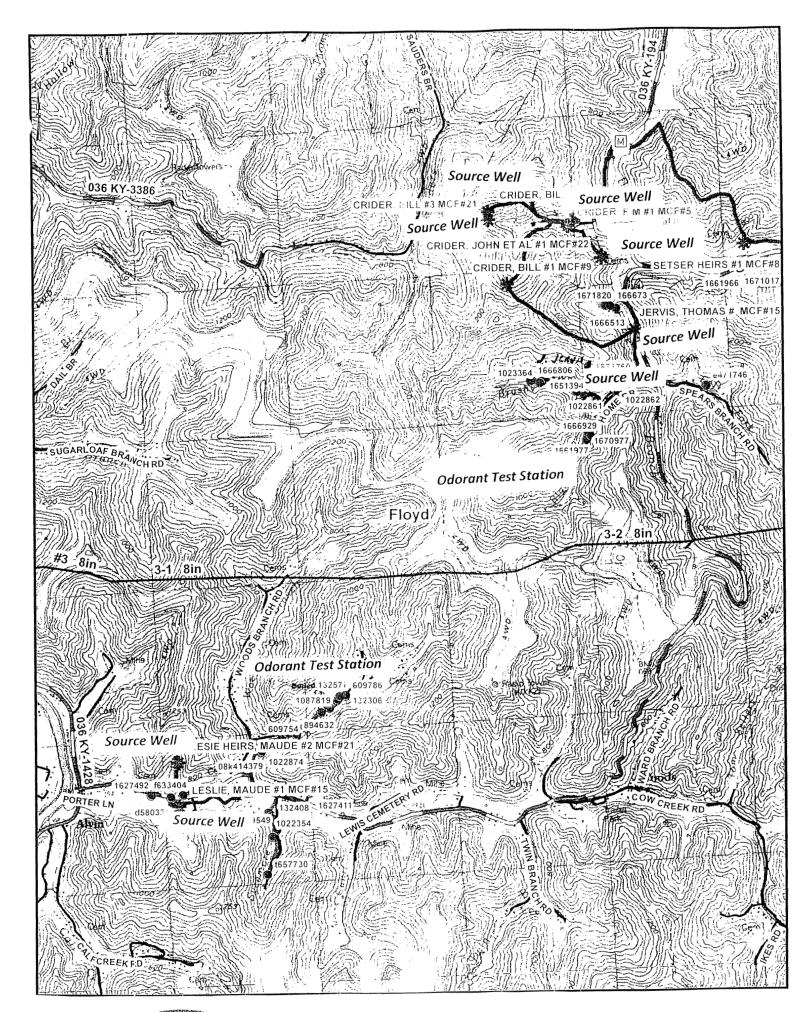


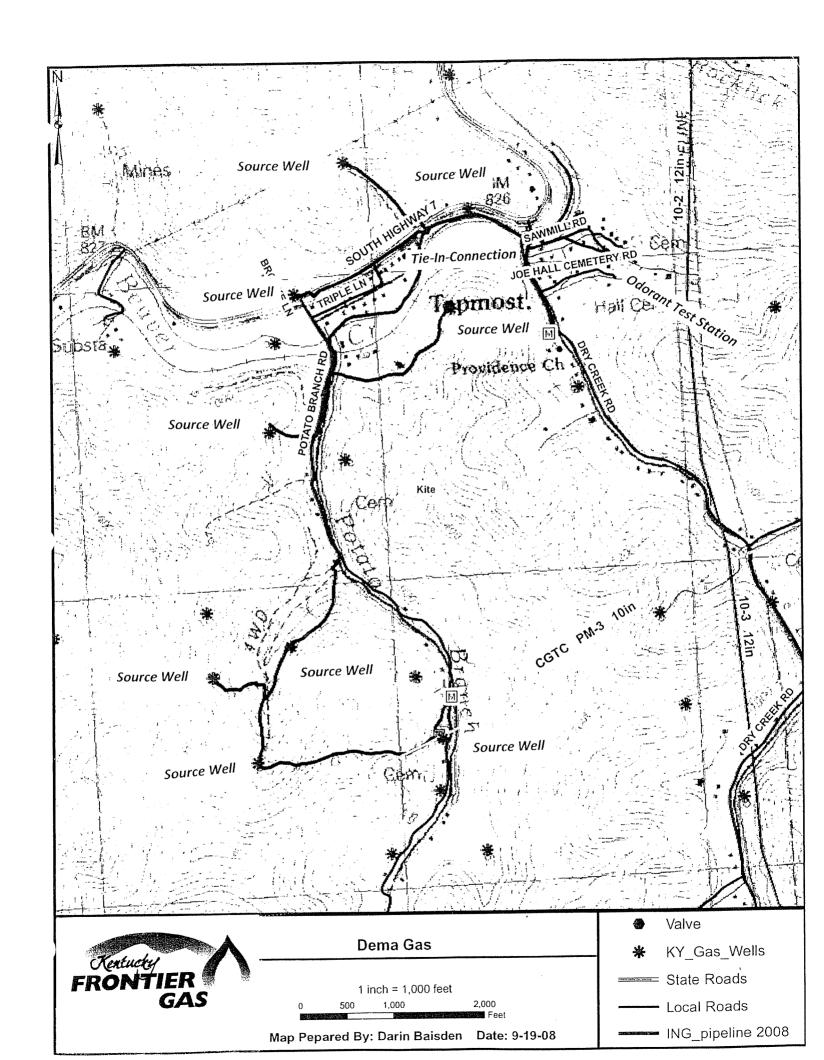


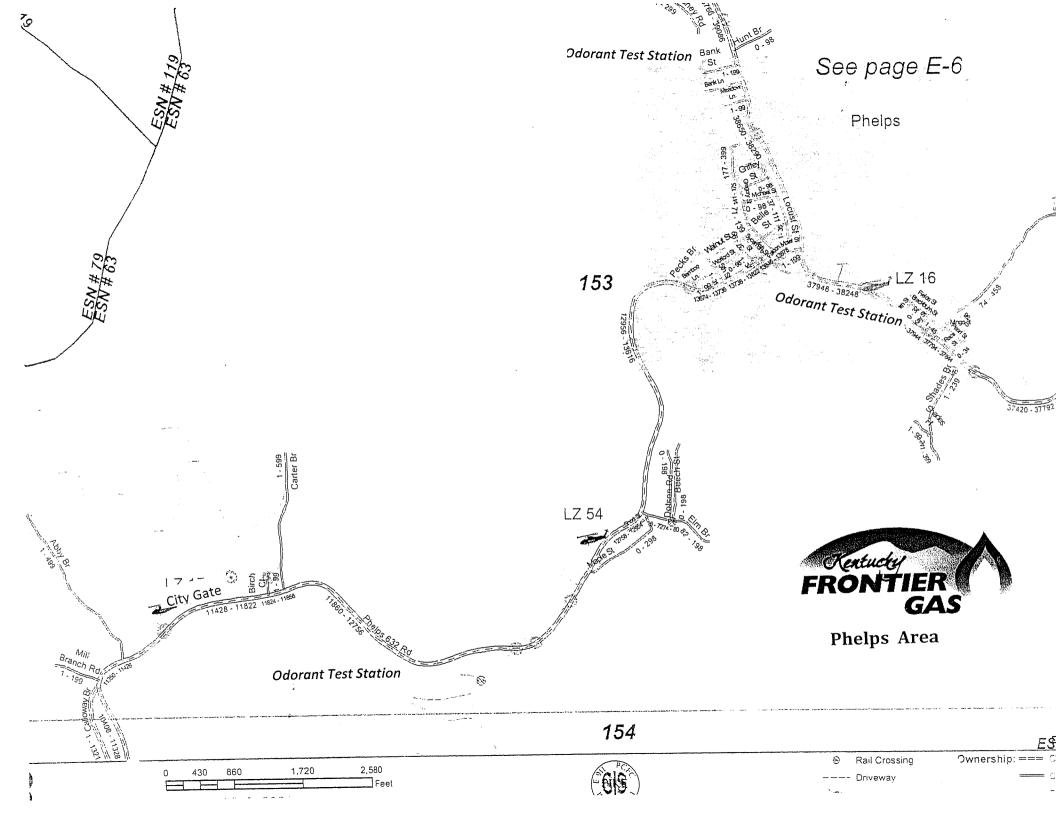












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CONTAINS LARGE OR OVERSIZED MAP(S)

RECEIVED ON: August 24, 2011