November 4, 2013

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PUBLIC SERVICE
COMMISSION

Public Service Commission Mr. Jeff Derouen Executive Director 211 Sower Blvd. P.O. Box 615 Frankfort, KY 40602-0615

Dear Mr. Derouen,

Case No. 2013.00332

It has come to my attention from the Office of the Attorney General, Office of Rate Intervention, that there are two cases related to the announced AmericGas plans to replace Old Bridge (Boyle County) gas service with tanks. The first case – PSC Case No. 2013-00241 – has been closed, but PSC Case No. 2013-00332 remains open to consider the abandonment application. Once again, I agree with all the points that the president of our Old Bridge Neighborhood Association, Douglas Cox, made in his letter:

- 1) "Our system is less than 6 years old and is performing well."
- 2) "To my knowledge there have been no complaints regarding our present system."
- 3) "Common sense shows the proposed changes will not increase efficiency and will not be esthetically pleasing."
- 4) "We have all paid significant tap on fees (\$500-1000) to receive the current gas supply."
- 5) "The neighborhood should not be penalized with increasing gas prices for the benefit of the parent company."
- 6) "We would expect that an environmental study would be needed before any metal tanks containing gas could be buried."
- 7) "Current deed restrictions do not allow burial of gas tanks on our properties."

I would add that the lack of competition in this situation could lead to unfair rate increases. I have attached your previous response as well as the response from the Executive Director of the Office of Rate Intervention. Thank you for your consideration.

Sincerely,

Scott Schurz Jr.

191 Old Bridge Road Danville, KY 40422

Steven L. Beshear Governor

Leonard K. Peters Secretary Energy and Environment Cabinet



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David L. Armstrong Chairman

James W. Gardner Vice Chairman

> Linda Breathitt Commissioner

October 23, 2013

Scott Schurz, Jr. 191 Old Bridge Road Danville, KY 40422

RE: Case No. 2013-00332

AmeriGas Partners, L.P and AmeriGas Propane, L.P.

Dear Mr. Schurz:

This letter is in response to your letter received on October 16, 2013 regarding your concerns in the case referenced above. Your letter is being treated as an official protest and will be placed in the case file of this proceeding. The Commission will take your concerns into consideration in its review and decision in this matter.

Additionally, please be advised that the Attorney General represents residents in issues such as these. You may want to make the Attorney General aware of your concerns by contacting him through his Office of Rate Intervention, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204.

You may view all documents filed in this case on the Commission's website at <a href="http://psc.ky.gov">http://psc.ky.gov</a>.

Thank you for your letter of interest and concern in this matter.

Sincerely.

Jeff Derouen

**Executive Director** 





## COMMONWEALTH OF KENTUCKY OFFICE OF THE ATTORNEY GENERAL

JACK CONWAY
ATTORNEY GENERAL

October 30, 2013

1024 Capital Center Drive Suite 200 Frankfort, Kentucky 40601

Mr. Scott Schurz, Jr. 191 Old Bridge Road Danville, KY 40422

RE: AmeriGas Abandonment, Case Nos. 2013-00241 and 2013-00332

Dear Mr. Schurz, Jr.:

Thank you for your recent communication to the Office of the Attorney General, regarding Heritage Operating/AmeriGas' recent acquisition and abandonment proceeding before the PSC. The Attorney General did not intervene as a party to the most recent application by AmeriGas, but has monitored the history of this system (including its prior ownership under Bright) and the relevant proceedings (including PSC Case No. 2007-00494). Based on information supplied to the PSC and subject to its own investigation of this matter, the Commission recently granted AmeriGas its application for acquisition of the system. However, the Commission expressly reserved its decision regarding AmeriGas's request to abandon the current propane system for service to customers by some other means. In particular, the Commission indicated that the new case will be opened for "the purposes of investigating whether there is a competitive market for propane service to customers in the Old Bridge Subdivision and, if there is, whether the existence of a competitive market is ... sufficient."

We recommend that you tender your comments directly to the Public Service Commission and reference both the closed case (PSC Case No. 2013-00241) as well as the subsequently opened case to consider the abandonment application (PSC Case No. 2013-00332). The latter will be decided primarily, if not exclusively, under Kentucky Revised Statute ("KRS") 278.022, and the Attorney General has no current plan to intervene. Further, the Old Bridge Homeowner's Association and Golf Course may wish to consider obtaining private legal counsel in order to intervene in the new case before the PSC. If you have any questions regarding these referrals, please do not hesitate to contact me.

The Office of the Attorney General, Office of Rate Intervention, appreciates interest and input from citizen stakeholders. We thank you for your communication and concern regarding this project.

Sincerely,

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Jennifer Black Hans Executive Director

Office of Rate Intervention

Cc: Jeff DeRouen

