

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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COMMISSION

In the Matter of:

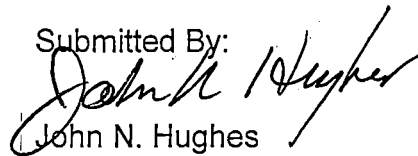
The Application of  
Kentucky Frontier Gas, LLC  
for Approval of Financing

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)  
)

Case No.  
2019-00046

RESPONSE TO ORDER OF MARCH 12, 2019

Submitted By:



John N. Hughes  
124 West Todd St.  
Frankfort, KY 40601  
502 227 7270  
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Attorney for  
Kentucky Frontier Gas, LLC

DECLARATION OF STEVEN SHUTE

I, Steven Shute, am a Member of Kentucky Frontier Gas, LLC, the Applicant in the referenced matter. I have read the Responses and I have full authority to sign this declaration. The facts set forth therein are true and correct to the best of my knowledge, information and belief. Pursuant to KRS 523.020-040, I certify under penalty of false swearing that the foregoing is true and correct.

Dated this 12<sup>th</sup> day of March, 2019.

A handwritten signature in black ink, appearing to read 'Steven Shute', written over a horizontal line.

Steven Shute, Member,  
Kentucky Frontier Gas, LLC

1. Refer to the application, paragraph 4.

a. Provide an explanation or a justification for the purchase of both the double cab and access cab service trucks and explain whether the new trucks will be replacements for any currently owned trucks.

Witness: Shute

Response:

These trucks replace 2012 Ford F150 and a 2012 Toyota Tundra work trucks, both with about 180,000 miles on them. The extra cab or access cab provide space needed to keep sensitive electronic equipment like pipe locators and leak detectors and radio meter readers out of the weather, both for temperature and moisture.

b. When Kentucky Frontier references that it will obtain financing through Toyota, confirm that the financing will be obtained specifically from Toyota Financial Services. If not, provide an explanation as to which branch of Toyota will provide the financing.

Witness: Shute

Response:

Frontier will take the best financing package available at the time of purchase. Financing might be through Toyota Financial Services or directly through the dealer and a local bank. Several of our auto loans have been purchased from auto dealers by Frontier's primary financier Community Trust. The finance packages offered by auto manufacturers vary by model and change almost weekly, as do the terms offered by banks.

Frontier is a small company and cannot risk making an open-ended commitment to a dealer before the PSC approves a purchase. The specifics of which exact truck is purchased, the sale price, the amount financed, who is the lender, the APR and monthly payments etc. are all unknowable, due to the uncertainty of when, or even whether, the PSC will give approval.