

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

NOTICE OF DAVIS BRANCH GAS )  
COMPANY TO INCREASE ITS )  
RATES FOR GAS SERVICE ) CASE NO. 8920  
PURSUANT TO 807 KAR 5:076 )

O R D E R

IT IS ORDERED that Davis Branch Gas Company ("Davis Branch") shall file an original and seven copies of the following information with the Commission with a copy to all parties of record by November 30, 1983. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

It is the policy of this Commission to allow only known and measurable increases to actual test year expenses which can be substantiated by submitting a copy of invoices and other related material in support of the increase to the actual expense.

1. Provide the names of the stockholders and the number of shares owned by each stockholder in the Davis Branch Gas Company and Davis Branch Production.

2. With regard to the effective November 1, 1983, what factors were used in the determination of the adjusted cost of gas at \$2 per MCF?

3. Does Davis Branch Production have an existing contract with the City of Paintsville to sell gas to the city? If so, how much per year? Does Davis Branch Production sell gas to any other entities? If yes, list each entity and either contract volumes or amounts sold during the test year.

4. Davis Branch has projected rate case expenses of \$1,000 to be amortized over a 3 year period. Provide itemized invoices (legal, accounting, etc.) setting out each segment of the duties performed and the hourly rate.

5. Provide the following information concerning administrative and general salaries of \$2,848, meter reading labor of \$300 and mains and services labor of \$950:

- a. Name of employees and titles
- b. Base salary and/or hourly rate.
- c. Number of hours worked per week in the performance of duties or number of hours worked during the test period.

6. Provide the following information with regard to Exhibit No. 4 which pertains to the interest expense adjustment of Davis Branch:

- a. A readable copy of Exhibit No. 4.
- b. A copy of the note which should set out the principal amount, interest rate and period of the note.
- c. State the purpose for which the funds were borrowed.

7. Exhibit No. 3 projects recurring legal fees of \$200.84, itemized by months. However, it did not show the year in which the services were rendered. Were these services performed during the test year 1982?

8. Provide a copy of the invoices for the following test year expenses:

- a. Mains and Services Supplies and Expenses \$640  
(Limited to invoices of \$25 and over.).
- b. Maintenance of Lines \$582 (Limited to invoices of \$25 and over.).
- c. Maintenance of Meters and House Regulators \$100.
- d. Office Supplies and Expenses \$459 (Limited to invoices of \$20 and over.).

9. Does Davis Branch provide free gas service to any of its customers? If yes, list each person who received free service during the test year, and the volumes used during the test period. If not, are all customers billed at current tariff rates or does anyone receive gas at reduced rates?

10. Provide a schedule of the current rates charged by the City of Paintsville. Is Davis Branch billed under "inside city" or "outside city" rates?

11. What is the current price for gas purchased from Davis Branch Production?

12. Has Davis Branch ever considered the addition of a purchased gas adjustment clause to its tariffs? Why or why not?

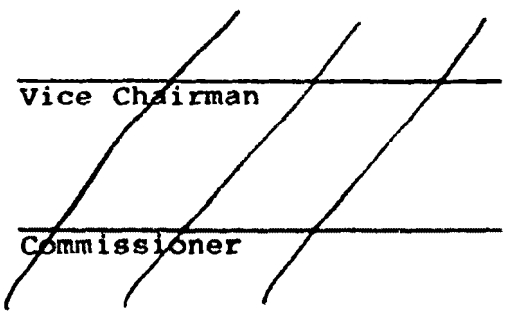
13. Does Davis Branch Production, have sufficient supply to serve 100% of the volumes needed by Davis Branch Distribution Company? Explain why or why not?

Done at Frankfort, Kentucky, this 15th day of November, 1983.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

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Secretary