

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION INTO EQUITABLE GAS)
COMPANY'S STATUS AS A PROVIDER OF FARM) CASE NO. 92-168
TAP SERVICE)

O R D E R

IT IS ORDERED that Equitable Gas Company ("Equitable") shall file the original and 12 copies of the following information with the Commission with a copy to all parties of record no later than August 19, 1992. If the information cannot be provided by this date, Equitable should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission. Equitable shall furnish with each response the name of the witness who will be available at the public hearing for responding to questions concerning each item of information requested.

1. Provide a copy of the current service agreement between Equitable and Kentucky West Virginia Gas Company ("Kentucky West").

2. a. State the rate schedule under which Kentucky West provides natural gas to Equitable.

b. Provide a copy of this rate schedule.

3. State whether Equitable considers itself a gas pipeline company. Explain.

4. a. List the gas distribution facilities which Equitable owns and uses to distribute natural gas in the state of Kentucky.

b. State whether Equitable owns any gathering lines or producing wells within the state of Kentucky.

5. a. State the current number of customers which Equitable serves.

b. State the number of Equitable's customers in Kentucky who are served directly from Kentucky West's transmission lines.

c. State the number of Equitable's existing customers in Kentucky to whom it is not required by KRS 278.485 to provide natural gas service. On what basis, and why, was service provided to these customers?

6. a. State whether Equitable considers itself as subject to the same requirements as other natural gas distribution utilities.

b. If no, explain why Equitable's representatives in Case No. 3563¹ testified that Equitable would be considered a distribution utility. (See Case No. 3563, Transcript of Evidence, 7.)

¹ Case No. 3563, Joint Application of Kentucky West Virginia Gas Company and Equitable Gas Company for a Certificate of Public Convenience and Necessity Authorizing the Former to Transfer its Retail Domestic Customers to the Latter; and Application by Equitable Gas Company for Disclaimer of Jurisdiction Over or in the Alternative for Approval of the Issuance of Securities.

7. Refer to Equitable's response to the Commission's Order of April 17, 1992.

a. Explain how Equitable defines "farm tap" customers.

b. State whether Equitable considers customers served off a transmission line to be "farm tap" customers. Explain.

c. If Line No. 1 is not a discharge line from the Dwale Compressor Station, explain how the gas pressure in Line No. 1 is elevated to its operating pressure.

d. Explain how Equitable defines "discharge line to compressor system."

e. Explain how Equitable defines "gathering line."

8. a. State whether Line No. 1 is currently connected to the Dwale Compressor Station by the same piping network which existed on January 4, 1944 when the Federal Power Commission granted Kentucky West a Certificate of Public Convenience and Necessity to operate the line.

b. If not, describe the changes in the piping network.

9. a. State whether small compressors connect the gathering lines and Line No. 1.

b. If yes, explain why these compressors are connected to the lines.

10. a. State whether Equitable considers Line No. 1 or any portion thereof to be a gathering line.

b. If no, explain how KRS 278.485 is applicable to Line No. 1.

Done at Frankfort, Kentucky, this 28th day of July, 1992.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director, Accounting