

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF RICHARD)
WILLIAMS, D/B/A B.T.U. PIPELINE,) CASE NO. 92-220
INC. AND M5-A1, INC.)

O R D E R

On June 18, 1992 and July 6, 1992, in response to the Commission's Order of May 29, 1992, Morris Kennedy, Trustee in Bankruptcy for Salyersville Gas Company, Inc. ("Salyersville Gas") moved that this proceeding be held in abeyance until an Adversary Proceeding in the United States Bankruptcy Court for the Eastern District of Kentucky ("U. S. Bankruptcy Court") is resolved, and it appearing to this Commission as follows:

This matter arises out of a dispute between Salyersville Gas and M5-A1, Inc. ("M5-A1") concerning the ownership of a natural gas pipeline located on Kentucky Route 114 in Magoffin County and known as the R. C. Energy pipeline. The R. C. Energy pipeline is currently operated by Salyersville Gas as part of its natural gas distribution system serving approximately 27 customers. M5-A1 claims to own the R. C. Energy pipeline and seeks, through B.T.U. Pipeline, Inc. ("B.T.U."), to serve the customers on the pipeline by disconnecting the pipeline from the Salyersville Gas system. Salyersville Gas, which has filed for protection from its creditors in the U. S. Bankruptcy Court, also claims ownership of the R. C. Energy pipeline and has instituted the Adversary action to quiet

its title. Therefore, the issues raised in this proceeding should be held in abeyance until the issue of title is resolved in the Adversary Proceeding.

While this matter is held in abeyance, Salyersville Gas should continue to serve the customers connected to the R. C. Energy pipeline and neither B.T.U. nor M5-A1 nor any other person or party to this proceeding should sever the connection between the R. C. Energy pipeline and the remaining distribution system of Salyersville Gas. Any other disputes or controversies between the parties should be presented in the appropriate manner.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that:

1. This proceeding shall be held in abeyance until such time as the ownership of the R. C. Energy pipeline is established in the Adversary Proceeding before the U. S. Bankruptcy Court.

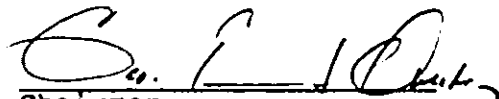
2. While the Adversary Proceeding is before the U. S. Bankruptcy Court, Salyersville Gas, by and through Morris Kennedy, its Trustee in Bankruptcy, shall file monthly reports with the Commission on the status of those proceedings; the first such report being due on or before August 5, 1992 and each report thereafter being due on the fifth day of each successive month thereafter until the issues are resolved.

3. Neither B.T.U. nor M5-A1 nor any other person or party to this proceeding shall disconnect or attempt to disconnect the R. C. Energy pipeline from the Salyersville Gas system unless or until so ordered by this Commission or a court of competent jurisdiction.

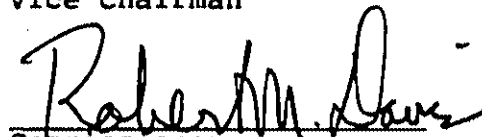
4. All other disputes between the parties shall be brought before the Commission in the appropriate manner.

Done at Frankfort, Kentucky, this 20th day of July, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director