

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PUBLIC GAS COMPANY, INCORPORATED)
TARIFF FILING TO ALLOW IT TO)
INSTALL, OWN, OPERATE AND MAINTAIN) CASE NO. 93-320
SERVICE LINES)

O R D E R

IT IS ORDERED that Public Gas Company, Incorporated ("Public Gas") shall file an original and six copies of the following information with this Commission, with a copy to all parties of record, within 20 days from the date of this Order. If the information cannot be provided by this date, Public Gas should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which the information will be furnished. Such motion will be considered by the Commission.

1. Provide a complete explanation of the basis for the proposal to change the ownership and maintenance of service lines.

2. Does Public Gas intend to assume ownership of a particular service line immediately or only when the line is replaced or installed? Explain.

3. Will Public Gas assume any liability regarding the service lines already in use prior to the replacement of those lines?

4. What is the average length of a service line to be installed or replaced under Public Gas's proposal?

5. Provide an estimate of the cost to install or replace the average service line. Include with this response all workpapers supporting the components of the cost estimates.

6. Will Public Gas charge its customers to install a service line? If yes, how will Public Gas determine the cost of the extra footage?

7. Provide an estimate of the number of service lines Public Gas anticipates replacing on an annual basis and the estimated annual cost of these replacements.

8. Does Public Gas intend to take responsibility for the operation and maintenance of the entire customer service line regardless of its length? Explain.

9. Provide an estimate of the total cost of assuming ownership of the system's service lines, and state how long Public Gas anticipates the project will take.

10. Describe the easements required from its customers in the following cases:

a. New residential or commercial customers.

b. Customers that now occupy premises connected by service lines which Public Gas already operates and maintains.

c. Reinstallation of customers' service lines.

11. State Public Gas's intentions with regard to those customers who refuse to grant an easement.

12. When service lines exceed 100 feet, will Public Gas own the service line in excess of 100 feet? If yes, who is responsible

for the maintenance of that part of the line in excess of 100 feet, including reinstallation of the entire line if deemed necessary?

13. If a customer requests relocation of the service line, will Public Gas extend its services to the new location of the service line under this proposal?

14. Are mobile homes considered in this program?

15. In the case of a mobile home park with a master meter, how do you define the service line? Does it include the individual service lines to the mobile homes?

16. What type of material will Public Gas use for service lines?

17. Provide an estimate of the rate implications of this plan on the average bill of all classes of customers over the ownership phase-in time period. Include with this response copies of supporting workpapers, and state all assumptions used in the analysis.

18. Will Public Gas be able to implement this project with existing cash reserves, or will external financing be required? If external financing is required, what type of financing does Public Gas propose to use?

19. Provide an analysis showing the projected impact of this plan on Public Gas's revenue requirements for the ownership phase-in time period. Include with this response copies of supporting workpapers, and state all assumptions used in the analysis.

20. Explain all benefits Public Gas believes its customers will derive from this plan.

21. Provide the following information assuming a \$1,000 service line installation cost:

a. Illustrative journal entries for the installation of a new service line.

b. Illustrative journal entries for the replacement of a service line.

22. Has Public Gas published notice to its customers regarding its application to implement this program? If yes, provide a copy of the notice.

23. Provide a system map of Public Gas's distribution system.

Done at Frankfort, Kentucky, this 22nd day of October, 1993.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director