

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE PETITION OF BLUEGRASS GAS SALES,)
INC. FOR APPROVAL OF A CERTIFICATE)
OF CONVENIENCE AND NECESSITY TO)
CONSTRUCT FACILITIES, APPROVAL OF) CASE NO. 94-433
FINANCING, APPROVAL OF INITIAL RATES)
AND OPERATION OF A NATURAL GAS)
DISTRIBUTION SYSTEM)

O R D E R

On November 9, 1994, Bluegrass Gas Sales, Inc. ("Bluegrass Gas") applied to the Commission for a Certificate of Public Convenience and Necessity to operate a natural gas distribution system, for approval of a Certificate of Convenience and Necessity to construct facilities, financing, and initial rates. In its filing, Bluegrass Gas requested a deviation from certain requirements of 807 KAR 5:001, Section 10.

Specifically, 807 KAR 5:001, Section 10, relates to the filing of financial exhibits. Section 10(6)(h) requires the submission of a summary of the determination of revenue requirements; Section 10(6)(i) requires the reconciliation of rate base and capital used to determine revenue requirements; Section 10(6)(j) requires a current chart of accounts; Section 10(6)(k) requires an independent auditor's annual opinion report; Section 10(6)(l) requires the submission of the most recent Federal Energy Regulatory Commission ("FERC") reports; Section 10(6)(m) requires the most recent FERC Form 2; Section 10(6)(o) requires a list of all commercial or in-house computer software, programs, and models used to develop schedules and workpapers associated with the

filing; Section 10(6)(p) requires prospectuses of the most recent stock or bond offerings; Section 10(6)(q) requires the annual report to shareholders, or members, and statistical supplements covering 2 years prior to the application filing date; Section 10(6)(r) requires monthly managerial reports providing financial results for the 12 months in the test period; and Section 10(6)(s) requires the submission of the Securities and Exchange Commission's annual report for the most recent two years, Form 10-Ks and any Form 8-Ks issued within the past two years, and Form 10-Qs issued during the past six quarters.

Section 10(7)(d) requires the submission of an operating budget for each month of the test period.

Having reviewed the filing and being otherwise sufficiently advised, the Commission finds that the information filed therein is sufficient to enable the Commission to review adequately Bluegrass Gas's filing. Therefore, its request for a deviation from the above-cited regulation should be granted.

IT IS THEREFORE ORDERED that Bluegrass Gas's request for a deviation from the requirements of 807 KAR 5:001, Section 10(6)(h), (i), (j), (k), (l), (m), (o), (p), (q), (r), and (s), and Section 10(7)(d) is hereby granted.

Done at Frankfort, Kentucky, this 8th day of December, 1994.

ATTEST:

Don Mill
Executive Director

PUBLIC SERVICE COMMISSION

Robert M. Davis
Chairman

Robert M. Davis
Vice Chairman

Linda K. Breathitt
Commissioner