

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

O R D E R

On May 29, 1992, the Commission established this proceeding to determine the jurisdictional status of the R. C. Energy pipeline; to investigate certain rate and other issues related to a proposed tariff filed by B.T.U. Pipeline, Inc. ("B.T.U."); and to determine the impact on Sigma Gas Corporation ("Sigma") and certain customers of serving the R. C. Energy pipeline from Sigma's distribution system (as proposed by M5-A1, Inc.)

This proceeding was held in abeyance by Commission Order entered July 20, 1992, until the conclusion of a proceeding in the United States Bankruptcy Court for the Eastern District of Kentucky ("Court") regarding an adversary action to quiet title to the R. C. Energy Pipeline. While awaiting the Court's decision, Commission Staff inspected B.T.U.'s remaining pipeline facilities, and Staff's April 8, 1994 inspection report has been filed into this record.

During a June 3, 1994 hearing, B.T.U. accepted Staff's report as factually accurate and its conclusion that B.T.U. is operating as a gas distribution utility.

In a September 21, 1994 Order, the Commission declared B.T.U. to be a gas distribution utility pursuant to KRS 278.010(3)(b), and required B.T.U. to provide certain information which was filed

January 17, 1995. At that time, B.T.U. informed the Commission that the Court had awarded ownership of the R. C. Energy pipeline to Sigma. B.T.U. also filed a proposed tariff which the Commission is currently reviewing as Case No. 95-103.<sup>1</sup>

B.T.U. has filed the remaining information required except for its gas safety plans -- an Operating and Maintenance Plan, Emergency Plan, Damage Prevention Plan, and Drug Testing Plan. Additional clarification is needed regarding which gas wells are available to B.T.U. for its distribution supply needs.

IT IS THEREFORE ORDERED that:

1. Within 30 days of the date of this Order, B.T.U. shall submit for Commission review, copies of the following: Operating and Maintenance Plan, Emergency Plan, Damage Prevention Plan, and Drug Testing Plan.

2. Within 30 days of the date of this Order, B.T.U. shall file the following information:

a. The individual 1994 production figures, by month, for the Eula Hoskins, Vanderpool No. 1 and 2, J. W. Howard, R. C. May, and G. V. Joseph wells and the "Hoskins well." Indicate which of these wells will be producing gas for the 1995-96 heating season.

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<sup>1</sup> Case No. 95-103, The Tariff Filing of B.T.U. Pipeline, Inc. to Establish Rates and Conditions for Service.

b. Identify the remaining wells listed in Exhibit C of B.T.U.'s January 17, 1995 information which will be producing gas for the 1995-96 heating season and the 1993 and 1994 production history for each.

c. An evaluation of the normal and peak day load requirements for B.T.U.'s distribution customers submitted January 17, 1995 of 40 mcf normal and 90 mcf peak, in light of the gas production history submitted at the same time. (For example, "In viewing the total amount of gas available to B.T.U. from the wells identified in the filing, for each of the months February, October and November 1993, the average daily load (total monthly production + number of days in month) was 135 mcf, 115 mcf and 65.9 mcf, respectively.")

Done at Frankfort, Kentucky, this 14th day of August, 1995.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

  
Executive Director