

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF B.T.U. PIPELINE, INC.)
FOR COMMISSION APPROVAL TO DEVIATE)
FROM 807 KAR 5:022, SECTION 2 (4) (A)) CASE NO. 95-029

O R D E R

By Order dated June 22, 1995, the Commission granted B.T.U. Pipeline, Inc. ("B.T.U.") a deviation for 18 months from 807 KAR 5:022, Section 2(4)(a), to allow it to construct a pipeline which complies with the Commission's regulations.

On November 15, 1996, B.T.U. filed a letter which the Commission will treat as a motion requesting an extension of time until June 1997 to replace the existing off-grade two-mile pipeline with SDR 11 ASTM D2513 pipe. B.T.U. contended that the purpose of the additional 6 months is to raise capital during winter gas sales so that it will be able to complete the project. This pipeline provides gas to Ashland Transmission Pipeline and two residential customers. B.T.U. stated that it can install the new, three-inch pipeline within 2 months for an estimated cost of \$31,680.

After consideration of the evidence of record and, being otherwise sufficiently advised, the Commission finds that:

1. B.T.U. should be granted an extension of time to replace the off-grade pipeline for 8 months to August 31, 1997.

2. B.T.U. should disconnect the off-grade pipeline from its distribution system no later than August 31, 1997.

IT IS THEREFORE ORDERED that:

1. B.T.U. is granted an extension of 8 months, effective January 1, 1997, to replace the off-grade pipeline by a pipeline as specified in the record.

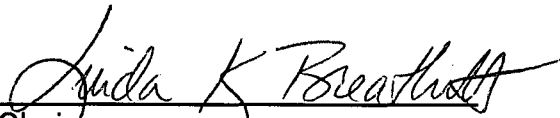
2. B.T.U. shall disconnect the existing off-grade pipeline from its distribution system no later than August 31, 1997.


3. B.T.U. shall file with the Commission the construction schedule for the new pipeline no later than June 30, 1997. The schedule shall include the dates of installation, cleaning, testing and startup for the new pipeline.

4. B.T.U. shall file with the Commission the pressure test chart and specify the maximum allowable operating pressure of the new pipeline no later than 10 days following completion of the test.

Done at Frankfort, Kentucky, this 10th day of June, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner