

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SIGMA GAS)	
CORPORATION FOR NON-RECURRING)	CASE NO. 98-617
CHARGES)	

ORDER

IT IS ORDERED that Sigma Gas Corporation (Sigma) shall file the original and 4 copies of the following information with the Commission. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a response requires multiple pages, each page should be indexed appropriately, for example, Item 1(a), page 2 of 4. With each response, include the name of the witness who will be responsible for responding to questions related thereto. Careful attention should be given to copied material to ensure that it is legible. The response to this request is due 20 days from the date of this Order.

1. Refer to the cost justification for the \$25 Collection fee.
 - a. What is the basis for the \$20 for travel time in the Field Expense?

Is this an hourly wage? If so, for whom?

- b. How was the one hour travel time established?
 - c. How was the average of 30 miles established?
 - d. What is the basis for \$.32 per mile? Does this represent incremental cost per mile?

e. What tasks are involved for clerical and office staff that establish the half-hour in the labor component of Clerical and Office Expense? Does this represent incremental cost?

2. Refer to the cost justification for the 15 percent Late Payment fee.

a. What tasks are involved for clerical and office staff that establish the one-third hour in the labor component of Clerical and Office Expense?

b. What is the average unpaid balance on accounts to which a late payment fee is charged?

3. Refer to the Customer Deposit cost justification. What was the average usage per customer for 1998?

4. Refer to the \$25 Returned Check fee cost justification.

a. What is the basis for the \$20 for travel time in the Field Expense? Is this an hourly wage? If so, for whom?

b. How was the one hour travel time established?

c. How was the average of 30 miles established?

d. What is the basis for the \$.32 per mile? Does this represent incremental cost per mile?

e. Why is field expense incurred in relation to a returned check fee?

f. What tasks are involved for clerical and office staff that establish the half-hour in the labor component of the Clerical and Office Expense? Does this represent incremental cost?

g. Does Sigma incur any charges from its own bank in relation to returned checks? If so, in what amount, and is this reflected in any of the expenses in the cost justification?

5. Refer to the \$75 Reconnection fee cost justification.

a. What is the basis for the \$40 for travel time in the Field Expense? Is this an hourly wage? If so, for whom?

b. How was the two hour travel time established? Why is the travel time involved in reconnection twice as long as for returned checks and for collection? Be specific.

c. How was the average of 60 miles established? Why does reconnection involve twice the mileage as returned checks and collections?

d. What is the basis for \$.32 per mile? Does this represent incremental cost per mile?

e. Why do reconnections involve twice the clerical and office supply expense as collections, returned checks, and late payments (\$4 versus \$2)?

f. What tasks are involved for clerical and office staff that establish the three-quarter hour in the labor component of the Clerical and Office Expense?

6. Refer to the \$75 Temporary Service Charge cost justification.

a. What is the basis for the \$40 travel/work time in the field expense? Is this an hourly wage? If so, for whom?

b. How was the 2 hour travel/work time established?

c. How was the average of 60 miles established? Why does establishing temporary service involve twice the mileage as returned checks and collections?

d. What is the basis for \$.32 per mile? Does this represent incremental cost per mile?

e. Why does temporary service involve twice the clerical and office supply expense as collections, returned checks, and late payments (\$4 versus \$2)?

f. What tasks are involved for clerical and office staff that establish the three-quarter hour in the labor component of the Clerical and Office Expense?

Done at Frankfort, Kentucky, this 11th day of January, 1999.

By the Commission

ATTEST:

Executive Director