

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF ALLEN COUNTY GAS	)	
TRANSPORTATION, INC. FOR	)	
APPROVAL OF A CERTIFICATE OF	)	CASE NO.
CONVENIENCE AND NECESSITY TO	)	99-260
CONSTRUCT AND OPERATE A	)	
NATURAL GAS DISTRIBUTION SYSTEM	)	

O R D E R

On June 16, 1999, Allen County Gas Transportation, Inc. ( Allen County Gas ) applied to the Commission for approval of a Certificate of Convenience and Necessity to construct and operate a natural gas distribution system. In its filing, Allen County Gas requested permission to deviate from the requirements of 807 KAR 5:001, Sections 11(1)(b), 11(2)(b) and 11(2)(c); 807 KAR 5:001, Section 6(2) and Sections 6(4) - 6(9); and 807 KAR 5:071, Section 3(3)(a).

Administrative Regulation 807 KAR 5:001, Section 11(1)(b), requires that if bonds or notes or other indebtedness is proposed, the application must contain a full description of all terms, interest rates, and whether the debt is to be secured and, if so, a description of how it is to be secured. Section 11(2)(b) requires the submission of all trust deeds or mortgages and Section 11(2)(c) requires detailed estimates by Uniform System of Accounts account numbers.

Administrative Regulation 807 KAR 5:001, Section 6, requires the submission of a

detailed financial exhibit for the period ending not more than 90 days prior to the date of the application. Specifically, Section 6(2) requires the amount and types of stock issued and outstanding and Section 6(4) requires the date of execution of any mortgages and, among other things, the name of the mortgagor. Section 6(5) requires that the financial exhibit disclose the amount of any bonds authorized and the amount of bonds issued, and Sections 6(6) and 6(7) require disclosure of each note outstanding and a description of any other indebtedness. Section 6(8) requires disclosure of the rate and amount of dividends paid during the previous 5 fiscal years. Section 6(9) requires a detailed income statement and balance sheet.

Administrative Regulation 807 KAR 5:071, Section 3(3)(a), requires that the application include a copy of amortization schedules of present and proposed indebtedness and a full and complete explanation of any corporate or business relationships between the applicant and its parent or subsidiaries.

The information required by the above-cited regulations is critical to the Commission's complete review of Allen County Gas's application. Having reviewed the filing and being otherwise sufficiently advised, the Commission finds that Allen County Gas's request to deviate from the above-cited regulations should be denied.

IT IS THEREFORE ORDERED that:

1. Allen County Gas's request for permission to deviate from the requirements of 807 KAR 5:001, Sections 11(1)(b), 11(2)(b) and 11(2)(c); 807 KAR 5:001, Sections 6(2) and 6(4) - 6(9); and 807 KAR 5:071, Section 3(3)(a), is hereby denied.

2. Within 15 days from the date of this Order, Allen County Gas shall submit the information required by the above-cited regulations. If said information is not filed within such time, Allen County Gas's filing shall be rejected and this case dismissed without further Order of the Commission.

Done at Frankfort, Kentucky, this 15<sup>th</sup> day of July, 1999.

By the Commission

ATTEST:

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Executive Director