

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EQUITABLE GAS)
COMPANY FOR AN ADJUSTMENT OF) CASE NO. 2003-00411
RATES)

FIRST DATA REQUEST OF COMMISSION STAFF TO
EQUITABLE GAS COMPANY

Equitable Gas Company (Equitable Gas), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and 6 copies of the following information, with a copy to all parties of record. The information requested herein is due not later than December 19, 2003. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the person who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information herein has been previously provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request.

1. Refer to Schedule B of Equitable Gas s application.
 - a. Provide the number of residential, commercial, and industrial customers, that Equitable Gas served pursuant to KRS 278.485 as of July 31, 2003.
 - b. Explain why there were no industrial sales in September, December, February, and July of the test year.

- c. Explain why industrial sales revenues were negative in May and June.
 - d. Explain what is included in Forfeited Discounts.
 - e. Explain what is included in Other Gas Revenues. If it contains more than one type of revenue, provide a breakdown by revenue type.
2. Refer to Schedule D of Equitable Gas's application.
- a. Provide the basis for the Baseload number of 6,114. Include any workpapers or calculations that support the answer.
 - b. Provide the basis for the Normal HDD numbers used in the calculation. Include any workpapers or calculations that support the answer.
 - c. Provide the basis for the Normalized Heat numbers. Include any workpapers or calculations that support the answer.
 - d. Are the numbers on this schedule in Dth or Mcf?
3. Explain the need for five steps in Equitable Gas's rate design for customers served under KRS 278.485.
4. Provide a description of Equitable Gas's relationships to Equitable Production and Kentucky West Virginia Gas Company. Include an organizational chart that shows the relationships of Equitable Gas, Equitable Production and Kentucky West Virginia Gas Company within Equitable Resources.
5. Refer to Schedule C.
- a. Provide a copy of the general ledger or other documentation to support the Per Books balance for each operating expense account listed.

b. Explain why there is no Per Books balance for payroll taxes and no proposed adjustment to correspond with the administrative and general salaries and employee pensions and benefits included in total operating expenses.

6. Refer to Workpaper C2.3, Reclassification Account 902. Equitable Gas reclassified meter purchases from Account 902 to a capital account. Explain why there is no corresponding adjustment to depreciation expense.

7. Refer to Workpaper C2.3, Labor Normalization.

a. Provide a schedule including the hourly labor rate, the number of actual regular hours worked, and the number of actual overtime hours worked during the test year for each of the 5 employees.

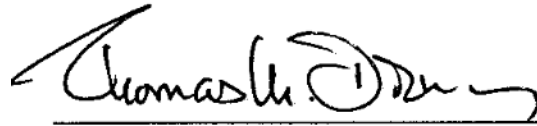
b. Explain why 2,080 was used as the total hours to calculate the overtime adjustment.

8. Refer to Workpaper C2.7.

a. Does the rate case expense of \$10,000 for outside counsel represent an estimate of the expected total expense for this case or the actual expenses incurred by Equitable Gas to date?

b. Identify the type and amount of each expense included in the customer notification.

9. Refer to Workpaper C2.9. Provide a description of the pension and benefits attributable to the meter readers.

A handwritten signature in black ink, appearing to read "Thomas M. Dorman", written over a horizontal line.

Thomas M. Dorman
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, Kentucky 40602

DATED December 5, 2003

cc: All Parties