

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MINERALS MANAGEMENT GROUP,) CASE NO.
INC. TO INCREASE RATES PURSUANT TO KRS 278.485.) 2003-00432

INITIAL DATA REQUEST OF COMMISSION STAFF
TO MINERALS MANAGEMENT GROUP, INC.

Minerals Management Group, Inc. (Minerals Management), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and 5 copies of the following information, with a copy to all parties of record. The information requested herein is due within 14 days of the date of this request. 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. Provide a copy of the notice that Minerals Management mailed to its customers concerning the proposed rate increase, as per Administrative Regulation 807 KAR 5:026, Section 9(d). Also provide the date on which the notice was mailed.

2. Explain whether Minerals Management's customers are billed on a monthly or bi-monthly basis. If some customers are billed monthly and some customers are billed bi-monthly, provide the number of customers billed on each basis.

3. Refer to the footnotes in Minerals Management's cost justification. Explain whether the expenses for the footnoted items result entirely from serving farm tap operations, or if some portion of the expenses would be incurred if there were no farm tap operations and all of the gas was sold to Columbia.

4. Explain whether Minerals Management compared its current and proposed tariffs to any other farm tap or gas distribution companies when making its decision to adjust its rates. If comparisons were made, include the names of the farm taps or distribution companies as well as any analysis performed in making the comparisons. If no such comparison was made, explain why.

5. Explain whether the Inside FERC Columbia gas price that is used in Minerals Management's cost justification is based upon the Appalachian Index price.

6. Refer to the footnotes in Minerals Management's cost justification for the well operator cost. Total hours required are shown as 12 hours and total hours with overtime are shown as 14 hours.

a. Explain how Minerals Management calculated the additional two hours for overtime. In the explanation include a breakdown of the tasks performed that are included in the overtime hours.

b. Explain the tasks involved under callouts in the well operator cost justification. In the explanation, include how callouts differ from overtime.



Thomas M. Dorman
Executive Director
Public Service Commission
Post Office Box 615
Frankfort, KY 40602-0615

DATED: December 29, 2003

cc: All Parties