

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ABANDONMENT OF GAS SERVICE BY)
ASHLAND EXPLORATION, INC., AND) CASE NO. 10038
BARNES TRANSPORTATION COMPANY, INC.)

O R D E R

On October 9, 1987, Ashland Exploration, Inc., and Barnes Transportation Company, Inc., filed a Motion to Dismiss this matter for lack of jurisdiction. The grounds for the motion are that neither is a utility under KRS 278.010; each is subject to regulation by the Federal Energy Regulatory Commission; and KRS 278.485 precludes review of abandonment of gathering lines.

After a review of the issues raised in the motion, the Commission finds that this matter should be dismissed because the Commission has no jurisdiction under KRS 278.485 to interfere with or restrict the right of a gas pipeline company to abandon any gathering line or gas well.

However, in order for the Commission to determine whether the proposed abandonment falls within the parameters of KRS 278.485, any gas pipeline company, or gas well owner must file a notice of abandonment with the Commission as well as a list of all customers affected prior to the disconnection of service to those customers.

Ashland Exploration, Inc., and Barnes Transportation Company, Inc., have provided the Commission with this information and the

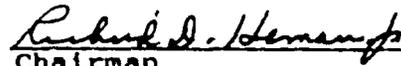
Commission staff has verified the location of the line and the need to abandon.

IT IS ORDERED that:

1. This case is dismissed for lack of jurisdiction; and,
2. If any other sections of gas pipeline or gas wells are abandoned, notice of the affected areas and customers shall be given to the Commission prior to the abandonment.

Done at Frankfort, Kentucky, this 11th day of November, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director