

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**ELECTRONIC ANNUAL PIPELINE REPLACEMENT)
PROGRAM FILING OF APACHE GAS TRANSMISSION) CASE NO.
COMPANY, INC.) 2022-00057**

**RESPONSES TO COMMISSION STAFF'S FIRST REQUEST FOR
INFORMATION TO APACHE GAS TRANSMISSION COMPANY, INC.
DATED JUNE 13, 2022**

Filed: June 29, 2022

APACHE GAS TRANSMISSION COMPANY, INC.

PSC CASE NO. 2022-00057

SECOND REQUEST FOR INFORMATION RESPONSE

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION—06/13/22

REQUEST 1

RESPONSIBLE PERSONS: David Thomas Shirey Jr.

COMPANY: Apache Gas Transmission

Request 1. Refer to Apache Gas's response to Commission Staff's First Request for Information, Item 2.

- a. For the loan payments for the Kentucky Highlands IRP Loan
 - (1) Confirm that the payments were made for the months of February through June 2021.
 - (2) Indicate the account or accounts from which those payments were made.
 - (3) Provide documentation demonstrating that those payments were made.

- b. For the loan payments for the Kentucky Highlands SBA8 Loan
 - (1) Confirm payments were made from the months of March through June 2021.
 - (2) Indicate the account or accounts from which those payments were made.
 - (3) Provide documentation demonstrating that those payments were made.

c. Provide an explanation for the withdrawal for \$7,000 from the PRP escrow account made on September 30, 2021.

Response 1.

a. (1) through (3). Yes these payments were made. Please see the attached information provided by Kentucky Highlands.

b. (1) through (3) Yes these payments were made. Please see the attached information provided by Kentucky Highlands.

c. In Case No. 2021-00120, the 2021 Annual PRP Report filing, Apache informed the Commission that it had received word that the SBA would be making payments on its two loans for the months of February through June 2021 just as the SBA had done in 2020. Apache informed the Commission of this same procedure in Case No. 2019-00032 and of its intent to withdraw the excess funds to pay for expenditures Apache had incurred as a result of the Marrowbone Creek project (which was approved to be included in the PRP in Case No. 2019-00032), Apache withdrew the \$7,000 in September 2021 to reimburse itself for expenditures on the Marrowbone Creek project. The fact that the SBA made these payments in 2020 and 2021 allowed Apache the opportunity to make these withdrawals, which is otherwise money that Apache would have had to spend to pay the debt service coverage. Being able to make these withdrawals and still have its loan payments paid has allowed Apache to keep the PRP surcharge unchanged. Apache anticipated having to raise the PRP surcharge as a result of the Marrowbone Creek project since this was an emergency situation and the line had to be repaired before additional financing could be obtained.

BORROWER STATEMENT OF ACCOUNT

PSC Request No. 1 - Attachment

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Witness: David Thomas Shirey Jr.

**KENTUCKY HIGHLANDS
INVESTMENT CORPORATION**
P.O. Box 1738
London, KY 40741-1738

ACCOUNT NO.	
STATEMENT DATE	6/14/2022

STATEMENT SUMMARY	
Statement Period	1/1/2021 - 12/31/2021
Principal Balance	\$80,963.21
Reserve Balance	\$0.00
Impound Balance	\$0.00
Unpaid Late Charges	\$0.00
Unpaid Charges	\$0.00
Unpaid Interest	\$0.00
Regular Payment	\$1,187.02
Note Rate	7.500%
Interest Paid in 2021	\$6,499.06
Property:	

BORROWER
Apache Gas Transmission Company, Inc. 119 Upper River Street Burkesville KY 42717

Please advise us immediately of any discrepancies in the transactions or investment activity on your statement of account or if you contemplate changing your address. When making inquiries by telephone or in writing please give your account number. We urge you to keep this statement with your investment records.

ACCOUNT ACTIVITY

Transaction Date	Pmt Due Date	Reference	Description	Transaction Amount	Interest	Distribution				Principal Balance
						Principal	Late Chgs	Other	Trust	
			Balance Forward							\$88,708.39
1/4/2021	1/1/2021	0008361	Payment - Thank You	\$1,187.02	\$628.35	\$558.67	\$0.00	\$0.00	\$0.00	\$88,149.72
2/18/2021	2/1/2021	SBA ACH	Payment - Thank You	\$1,187.02	\$826.40	\$360.62	\$0.00	\$0.00	\$0.00	\$87,789.10
3/17/2021	3/1/2021	SBA ACH	Payment - Thank You	\$1,187.02	\$493.81	\$693.21	\$0.00	\$0.00	\$0.00	\$87,095.89
4/15/2021	4/1/2021	SBA ACH	Payment - Thank You	\$1,187.02	\$526.20	\$660.82	\$0.00	\$0.00	\$0.00	\$86,435.07
5/19/2021	5/1/2021	SBA ACH	Payment - Thank You	\$1,187.02	\$612.25	\$574.77	\$0.00	\$0.00	\$0.00	\$85,860.30
6/18/2021	6/1/2021	SBA ACH	Payment - Thank You	\$1,187.02	\$536.63	\$650.39	\$0.00	\$0.00	\$0.00	\$85,209.91
7/1/2021	7/1/2021	0009469	Payment - Thank You	\$1,187.02	\$230.78	\$956.24	\$0.00	\$0.00	\$0.00	\$84,253.67
8/2/2021	8/1/2021	0009733	Payment - Thank You	\$1,187.02	\$561.69	\$625.33	\$0.00	\$0.00	\$0.00	\$83,628.34
9/1/2021	9/1/2021	0009946	Payment - Thank You	\$1,187.02	\$522.68	\$664.34	\$0.00	\$0.00	\$0.00	\$82,964.00
10/1/2021	10/1/2021	0010095	Payment - Thank You	\$1,187.02	\$518.53	\$668.49	\$0.00	\$0.00	\$0.00	\$82,295.51
11/1/2021	11/1/2021	0010344	Payment - Thank You	\$1,187.02	\$531.49	\$655.53	\$0.00	\$0.00	\$0.00	\$81,639.98
12/1/2021	12/1/2021	0010510	Payment - Thank You	\$1,187.02	\$510.25	\$676.77	\$0.00	\$0.00	\$0.00	\$80,963.21
					\$6,499.06	\$7,745.18	\$0.00	\$0.00	\$0.00	

BORROWER STATEMENT OF ACCOUNT

PSC Request No. 1 - Attachment
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Witness: David Thomas Shirey Jr.

KENTUCKY HIGHLANDS INVESTMENT CORPORATION

P.O. Box 1738
London, KY 40741-1738

ACCOUNT NO.	[REDACTED]
STATEMENT DATE	6/14/2022

STATEMENT SUMMARY	
Statement Period	1/1/2021 - 12/31/2021
Principal Balance	\$21,471.26
Reserve Balance	\$0.00
Impound Balance	\$0.00
Unpaid Late Charges	\$0.00
Unpaid Charges	\$0.00
Unpaid Interest	\$0.00
Regular Payment	\$867.69
Note Rate	7.500%
Interest Paid in 2021	\$1,983.43
Property:	

BORROWER
Apache Gas Transmission Company, Inc. 119 Upper River Street Burkesville KY 42717

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ACCOUNT ACTIVITY

Transaction Date	Pmt Due Date	Reference	Description	Transaction Amount	Interest	Distribution				Principal Balance
						Principal	Late Chgs	Other	Trust	
			Balance Forward							\$29,900.11
1/4/2021	1/1/2021	0008419	Payment - Thank You	\$867.69	\$193.10	\$674.59	\$0.00	\$0.00	\$0.00	\$29,225.52
2/1/2021	2/1/2021	0008548	Payment - Thank You	\$867.69	\$188.75	\$678.94	\$0.00	\$0.00	\$0.00	\$28,546.58
2/1/2021	2/1/2021	0008548	Payment - Thank You	(\$867.69)	(\$188.75)	(\$678.94)	\$0.00	\$0.00	\$0.00	\$29,225.52
2/19/2021	2/1/2021	SBA ACH	Payment - Thank You	\$867.69	\$188.75	\$678.94	\$0.00	\$0.00	\$0.00	\$28,546.58
3/17/2021	3/1/2021	SBA ACH	Payment - Thank You	\$867.69	\$166.52	\$701.17	\$0.00	\$0.00	\$0.00	\$27,845.41
4/20/2021	4/1/2021	SBA ACH	Payment - Thank You	\$867.69	\$179.83	\$687.86	\$0.00	\$0.00	\$0.00	\$27,157.55
5/18/2021	5/1/2021	SBA ACH	Payment - Thank You	\$867.69	\$169.73	\$697.96	\$0.00	\$0.00	\$0.00	\$26,459.59
6/15/2021	6/1/2021	SBA ACH	Payment - Thank You	\$867.69	\$170.88	\$696.81	\$0.00	\$0.00	\$0.00	\$25,762.78
6/21/2021	7/1/2021	ACH	Payment - Thank You	\$867.69	\$161.02	\$706.67	\$0.00	\$0.00	\$0.00	\$25,056.11
8/2/2021	8/1/2021	0009791	Payment - Thank You	\$867.69	\$161.82	\$705.87	\$0.00	\$0.00	\$0.00	\$24,350.24
9/1/2021	9/1/2021	0010008	Payment - Thank You	\$867.69	\$157.26	\$710.43	\$0.00	\$0.00	\$0.00	\$23,639.81
10/1/2021	10/1/2021	0010034	Payment - Thank You	\$867.69	\$147.75	\$719.94	\$0.00	\$0.00	\$0.00	\$22,919.87
11/1/2021	11/1/2021	0010412	Payment - Thank You	\$867.69	\$148.02	\$719.67	\$0.00	\$0.00	\$0.00	\$22,200.20
12/1/2021	12/1/2021	0010444	Payment - Thank You	\$867.69	\$138.75	\$728.94	\$0.00	\$0.00	\$0.00	\$21,471.26
					\$1,983.43	\$8,428.85	\$0.00	\$0.00	\$0.00	