

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>ANNUAL PIPELINE REPLACEMENT PROGRAM FILING )</b>	<b>CASE NO.</b>
<b>OF APACHE GAS TRANSMISSION COMPANY, INC. )</b>	<b>2023-00124</b>

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APACHE GAS TRANSMISSION COMPANY, INC.'S ANNUAL PRP STATUS REPORT

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Comes now Apache Gas Transmission Company, Inc. (“Apache”) by counsel, and provides its annual status report for its Pipeline Replacement Program (“PRP”). Apache has completed all of the projects that have been approved for inclusion in the PRP including the Marrowbone Creek project that was included in 2019, which was the last project included.

As part of Burkesville Gas Company’s (“Burkesville”) quarterly gas cost adjustment (“GCA”) filings, Burkesville files the PRP escrow account statements for Apache’s PRP as required by the Commission. A new Burkesville GCA was filed with the Commission on February 28, 2023. Apache is providing the calendar year escrow account statements with this filing as well to show the disbursements made during the 2022 calendar year. Please take note that in Burkesville’s Quarterly GCA Case No. 2023-00056<sup>1</sup>, it was noted that a new escrow account was created in Apache’s name instead of Burkesville’s as it was originally set up. This will make the end of the year accounting treatment easier, since the PRP was established for Apache. This new escrow account is also not subject to the \$7.00/month fee that the previous escrow account was subject to. All of the funds in the original escrow account were transferred to the new escrow account. Apache is currently evaluating its system and will make a separate filing with the

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<sup>1</sup> *In the Matter of: Electronic Application of Burkesville Gas Company, Inc.’s Quarterly Report of Gas Cost Recovery Rate Calculation*, Case No. 2023-00056.

Commission if any other projects are identified that would qualify for inclusion in the PRP program.

Apache has discovered that the PRP fees collected in 2022 were short of the amount needed to cover the debt service for the calendar year 2022. Apache is attaching a spreadsheet that shows the total Mcfs sold each month for calendar year 2022, the amount of the flat fee PRP fee collected per month, the amount of the per/Mcf PRP fee collected each month and the total amount collected. The top portion of the Excel spreadsheet shows the actual numbers for 2022. The bottom portion of the Excel spreadsheet, which is highlighted in yellow, shows the amount that would have been collected in 2022 if the per/Mcf PRP fee was increased by 0.063 cents. Apache will be making a separate filing, which will include notice to customers, to raise the per/Mcf PRP fee to 0.063 to ensure that the annual PRP collections are enough to cover the debt service. During 2020 and 2021, the Small Business Administration paid the two loans for several months, which allowed Apache to keep the PRP rates unchanged. The cost support contained in the Excel spreadsheet demonstrates the need to increase the per/Mcf PRP fee.

Apache believes that it has provided all of the information required by the Commission in Apache's last annual PRP filing.<sup>2</sup>

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<sup>2</sup> *Electronic Annual Pipeline Replacement Program Filing of Apache Gas Transmission Company, Inc.* Order (Ky. P.S.C. Aug. 11, 2022).

Respectfully submitted,



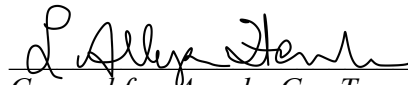
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### **CERTIFICATE OF SERVICE**

This is to certify that the electronic filing was transmitted to the Commission on April 21, 2023; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that pursuant to the Commission's Order in Case No. 2020-00085, no paper copies of this filing will be made.



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*Counsel for Apache Gas Transmission Company,  
Inc.*