

COMMONWEALTH OF KENTUCKY  
PUBLIC SERVICE COMMISSION  
CASE NO. 2023-00207

*Electronically Filed*

In the Matter of:

ELECTRONIC INVESTIGATION OF  
JURISDICTIONAL STATUS OF  
LINDSEY ENTERPRISES, LLC AND OF  
ITS COMPLIANCE WITH KRS  
CHAPTER 278, 807 KAR CHAPTER 005,  
AND 49 CFR PARTS 191 AND 192

**LINDSEY ENTERPRISES, LLC'S RESPONSES TO COMMISSION STAFF'S  
FIRST SET OF REQUESTS FOR INFORMATION**

Lindsey Enterprises, LLC states as follows for its Responses to the Commission Staff's  
First Set of Requests for Information:

**REQUESTS FOR INFORMATION**

1. Provide the number of customers, including addresses, who currently receive service from Lindsey Enterprises, state whether all of the customers are within one-half air mile of Lindsey Enterprises wells or lines, and state whether any customers are "free gas" customers.

**RESPONSE:** Lindsey Enterprises has 53 farm-tap gas recipients. The addresses for these farm-tap gas recipients are included in the attached documents. Moreover, Lindsey Enterprises provides statutory tap gas only to property owners on or over which any producing well is located, or to the owners of real estate whose property and point of desired service is located within one-half air mile of Lindsey Enterprises' producing gas well or gathering pipeline. Finally, Lindsey Enterprises does provide statutory tap gas as part of agreed-upon oil-and-gas leases and rights of way agreements. The individuals who are heirs and assigns to those agreements are those who receive free gas.

2. Provide the addresses of all customers who have stopped receiving service from Lindsey Enterprises for any and all reasons for the past 12 months.

**RESPONSE:** The following reflects former farm-tap gas recipients who stopped receiving statutory tap gas over the last 12 months:

- Account #110, 166 Fords Branch Rd., Pikeville, KY 41501. This statutory tap recipient was using an unsafe line to transport natural gas, and was disconnected in June 2023;
- Account #767, 67 Mayor St., Emmalena, KY 41740. This statutory tap gas recipient had failed to make payment since September 2022. Lindsey Enterprises provided this recipient with a letter containing information on the LIHEAP program, sent a letter asking the recipient if they wanted to continue the farm tap, and left a door tag asking the recipient to call Lindsey Enterprises. Because of the non-response, and once the weather warmed, this recipient was disconnected in April 2023.
- Severe flooding on July 29, 2022 destroyed certain lines and as a result the following account holders no longer received statutory gas as a result:
  - Account #209, 866 Brushy Fork Rd., Jenkins, KY 41537;
  - Account #217, 758 Brushy Fork Rd., Jenkins, KY 41537;
  - Account #206, 709 Brushy Fork Rd., Jenkins, KY 41537;
  - Account #205, 537 Brushy Fork Rd., Jenkins, KY 41537;
  - Account #204, 406 Brushy Fork Rd., Jenkins, KY 41537;
  - Account #203, 317 Brushy Fork Rd., Jenkins, KY 41537;
  - Account #216, 366 Brushy Fork Rd., Jenkins, KY 41537;
  - Account #211, \*\*\* Brushy Fork Rd., Jenkins, KY 41537;
  - Account #208, \*\*\* Brushy Fork Rd., Jenkins, KY 41537;

- Account #202, 191 Brushy Fork Rd., Jenkins, KY 41537;
- Account #733, 39 Walkers Br. Rd., Carrie, KY 41725;
- Account #731, \*\*\* Walkers Br. Rd., Carrie, KY 41725;
- Account #728, \*\*\* Walkers Br. Rd., Carrie, KY 41725;
- Account #750, 33 Carrie Loop, Carrie, KY 41725;
- Account #724, \*\*\* Carrie Loop, Carrie, KY 41725;
- Account #776, 229 Cornette Rd., Carrie, KY 41725.

3. Provide the current rates being charged to all classes of customers, residential or commercial, and any changes to those rates, whether increase or decrease, in the past 12 months, and confirm that these are the rates charged to the Fords Branch customers.

**RESPONSE:** Farm tap gas recipients are charged \$9.00/Mcf per month with no changes over the last 12 months. This is the rate charged to all statutory tap gas recipients, including Fords Branch.

4. Provide diagrams of the entire natural gas system, accompanied with a detailed written explanation for each diagram, under company control. This response may be accompanied by a request for confidential treatment pursuant to 807 KAR 5:001, Section 13, if necessary.

**RESPONSE:** See attached maps.

5. Indicate the Maximum Allowable Operating Pressure (MOAP) of all lines listed in the diagrams.

**RESPONSE:** When lines were constructed (over 50 years ago), they were tested and purged before production began. However, as a result of flooding in the region (including Lindsey

Enterprises' office), Lindsey Enterprises' records were destroyed. Moreover, the Average Pipeline Pressure is included on the map ledger in the attached maps.

6. Provide all information regarding tariff(s) on file or previously on file with the Commission for Lindsey Enterprises and any predecessor.

**RESPONSE:** See *In re Electronic Tariff Filing of Lindsey Enterprises, LLC*, PSC Case No. 2023-00224. A copy of the proposed tariff is attached.

7. Provide a list of all gas lines that have been terminated, abandoned, or disconnected in the past 2 years. For each identified gas line, include a basis for that action. This is an ongoing request.

**RESPONSE:** See Answer to Request No. 2. Those lines associated with Brushy Fork and Walkers Branch were closed as a result of the extensive flooding in July 2022 that destroyed the lines and which the recipients have not replaced.

8. Provide all alternate energy sources available to current Lindsey Enterprises customers if termination of service occurs.

**RESPONSE:** Propane and natural gas from Diversified Oil and Gas are both available to former statutory tap recipients. There is a Diversified line in Fords Branch accessible to these residents. Moreover, Lindsey Enterprises has offered to install a propane tank and to provide Fords Branch residents free rental of a propane tank for a year during any transition.

9. State the number of end-use natural gas customers served by Lindsey Enterprises that are specifically in the Fords Branch area.

**RESPONSE:** There are 12 farm tap gas recipients served by Lindsey Enterprises in the Fords Branch area.

10. State how long Lindsey Enterprises has provided service to the Fords Branch customers.

**RESPONSE:** For the Fords Branch area, Lindsey Enterprises maintains that some basic history of service in the area may aide the PSC's understanding.

For decades—dating back to the 1960s—the Fords Branch farm tap consisted of a tap, a regulator device between the tap and the displacement meter, all of which were and are located within a surface building in the area of the tap. All of the line running from that meter to Fords Branch was installed by residents/owners of that area (or contractors on their behalf) at their own expense, and those residents/owners installed individual meters at their properties. Those same property owners appointed an individual named Edgar Moore (now deceased) as a collective representative with respect to their farm-tap gas.

Until approximately 1992, Lindsey billed Mr. Moore for statutory tap gas on the basis of readings made at the meter on the surface building. If some issue arose or maintenance was required on the lines or other apparatus used by the farm-tap gas recipients, Lindsey Enterprises would turn off the statutory tap until the Fords Branch recipients would complete their work. Lindsey Enterprises did not perform any repairs or maintenance on the lines at that time.

Sometime in the early 1990s, vandals damaged the gauges on the displacement meter in the surface building. As a result, for billing purposes, Lindsey began utilizing the meters that the

Fords Branch residents/owners had previously installed to determine how much was owed to Mr. Moore for the statutory tap gas. Later in the 1990s, the Fords Branch recipients asked Lindsey Enterprises to assist them with repairs to their own lines, which Lindsey Enterprises agreed to do purely on a contract basis. During that time, Lindsey Enterprises was unaware of any new request for statutory tap gas or installing any new meter on any new structure in the area. (*See Curtis Ratliff Aff., attached*).

11. Provide all billing records, for Lindsey Enterprises Customers in the Fords Branch region for the past three years. Include billing records for all customers who have experienced a cessation of services in the last 12 months.

**RESPONSE:** See attached.

12. Provide all records of any agreements, proposed or executed, between Lindsey Enterprises and its customers in the Fords Branch region.

**RESPONSE:** See attached.

13. State the source of the gas provided to the Fords Branch customers.

**RESPONSE:** All farm-tap gas provided by Lindsey Enterprises is produced from a well head at the Charles Sowards well and its gathering lines move gas to Diversified Oil and Gas (“DGO”) sales point. See also Request No. 10.

14. State the distance of the Fords Branch customers from the line(s) of Lindsey Enterprises. Specifically, whether all the customers are within one-half air mile.

**RESPONSE:** See Answer to Request No. 10.

15. State whether the line serving the Fords Branch customers ultimately delivers gas into the wholesale market, or it is strictly used to deliver gas to the end-use customers.

**RESPONSE:** In response to this Request, Lindsey Enterprises is uncertain what this Request means by “the line serving the Fords Branch customers.” To the extent "the line serving the Fords Branch" farm tap gas recipients is referring to the line running from the farm tap to Ford's Branch, which Lindsey Enterprises does not own and did not install, the answer is no. To the extent "the line serving Fords Branch" farm tap gas recipients is referring to the line onto which the tap was made, gas in that line is sold wholesale to Diversified Gas.

16. Describe the character of service provided by Lindsey Enterprises to the Fords Branch customers. The response should include, but not be limited to, the quality and heat content of the gas, whether the gas is odorized, whether compression equipment is operated to serve the customers, the age of the lines serving the customers, the line loss percentage of the lines serving the customers, the material from which the lines are constructed, the frequency of billing and facilities inspections by Lindsey Enterprises personnel, and the age of the meters.

**RESPONSE:** The Fords Branch recipients receive farm tap/statutory tap gas. The BTU of the statutory gas is 1124, the gas is not odorized, and compression is not used on that line. The lines providing statutory tap gas to the Fords Branch recipients originate from the 1960s (see Answer to Request No. 10). The line-loss percentage of the lines serving the Fords Branch recipients is unknown. The line materials is 2” metal, 1 7/8” metal, and 1 1/4” plastic. The Fords Branch

recipients are billed for statutory tap gas monthly. The statutory tap meters utilized by the Fords Branch recipients are approximately 4 years old and the facilities are inspected periodically.

17. Provide the annual Mcf usage of each Fords Branch customer for the calendar years 2021 and 2022.

**RESPONSE:** See Answer to Request No. 11.

18. Explain why Lindsey Enterprises decided to terminate service to the Fords Branch customers.

**RESPONSE:** See Answer to Request No. 10. As stated above, the Fords Branch statutory tap recipients own their own lines, which were constructed and historically maintained at their sole expense, and to which the Fords Branch residents themselves are solely responsible. However, those statutory tap recipients have failed to adequately maintain those lines and they now present a safety risk. Thus, because continuing to provide statutory tap gas to the Fords Branch recipients would be unsafe, terminating that service became necessary. As one example, an individual in Fords Branch previously dug up a line multiple times and set fire to said line multiple times by burning garbage on top of it.

19. State whether the well and line(s) used to provide gas to the Fords Branch customers will continue to be in use if Lindsey Enterprises were to terminate service to these customers.



**RESPONSE:** See Answers to Request Nos. 10 and 18. Lindsey Enterprises' well head and gathering line will remain unchanged. The lines themselves, however, are owned and maintained by the residents of Fords Branch. Thus, the lines used to deliver statutory tap gas to those recipients will no longer be used.

20. In Case No. 1991-00375, the Commission investigated Lindsey & Elliott Gas Company's proposed action to shut in a well and abandon a pipeline that served 58 farm tap customers. State whether this is the same entity currently operating as Lindsey Enterprises. If so, state whether this entity continued to serve other farm tap customers after the discontinuance of service to the customers that were the subject of Case No. 1991-00375, and whether this entity was ever regulated as a utility.

**RESPONSE:** No, Lindsey Enterprises is a separate legal entity from Lindsey & Elliott Gas Company.

Respectfully submitted,

*/s/ Thomas E. Travis*

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