

MICHAEL STAFFORD
258 Preston Estate
Paintsville, Kentucky 41240

RECEIVED

JAN 28 2019

PUBLIC SERVICE
COMMISSION

15 January 2019

Kentucky Public Service Commission
P. O. Box 615
Frankfort, Kentucky 40602

RE: JOHNSON COUNTY GAS COMPANY, INC.

Dear commission members:

Thank you for the opportunity to provide my thoughts on the requested rate increase for Johnson County Gas. I have been a customer for many years but if the increase is granted I will be forced to seek other means including converting to all electric or propane. However, many customers of Johnson County Gas are unable for various reasons that cannot make the conversion.

I received a notice of application of Johnson County Gas. The application has massive error in my opinion regarding the current rate and therefore the application is not accurate and is misleading for purposes of gaining an unjust economic advantage.

The application indicates the current rates structure contains a \$ 15.00 monthly minimum even if no national gas is consumed. My monthly bill indicates that is correct. Also, indicated in the application, Johnson County Gas maintains the current rate per MCF is \$ 8.60. However, my monthly bills indicate they are charging \$ 15.01 per MCF. They have been charging this excessive amount for many years. I have enclosed one copy of a monthly bill for the years 2016, 2017, and 2018. The area market indicates they charge the most.

Furthermore, the application for rate increase sets out they are currently paying \$ 6.4140 for the gas they are charging \$ 15.01 for mcf. More examination of the application sets out Johnson County Gas will continue to purchase at the same rate of \$ 6.4140 but wants to charge the customer a highly inflated amount.


After reviewing the application it is obvious and well known that figures can be manipulated to easily indicated a profit or a loss using acceptable accounting practices. I am not saying that is the case at hand but detailed investigation is warranted.

I have not observed any reinvestment in the gas lines or meters. Therefore they do not need to argue for recapture any expended capital.

Again, from my personal observation Johnson County Gas is performing minimal output for their economic enrichment. In my opinion if they are in dire straits and needs an increase in gas rates, in my opinion, is base wholly on miss-management and not on outside economic forces.

Therefore, I request and recommend you deny the requested rate increase and even ask you rollback their current pricing structure. Johnson County Gas is a cash cow in my opinion.

Sincerely,

A handwritten signature in black ink that reads "Michael Stafford". The signature is written in a cursive, flowing style with a prominent loop at the end of the last name.

Michael Stafford

Johnson County Gas **Payments must be received no later than the**
P.O. Box 447 **close of business on the 20th!**
Betsy Layne, KY 41605-0447 **Phone 606-789-5481**

FIRST CLASS MAIL
U.S. POSTAGE PAID
1 OUNCE
HAROLD, KY
PERMIT NO. 5

Account Number Service ID

Prev. Read Date	Cur. Read Date	Due Date
01/31/2018	02/28/2018	03/20/2018

Service	Previous Reading	Current Reading	Consumption	Amount	After Due Date	Net Amount
RS2	718	721	3	45.04	171.68	167.18
MON				15.00		
Sch				1.35		
Sal				0.00		

Past Due Amount	Current Charges	Net Amount
105.79	61.39	167.18

Due Date	After Due Date	Net Amount
03/20/2018	171.68	167.18

Due Date	After Due Date	Net Amount
03/20/2018	171.68	167.18

Deposit Interest applied 0.00
PAINTSVILLE, KY 41240

Mail this Stub With Your Payment
Rates available upon request

MON charge is Monthly Customer Charge

ANITA STAFFORD
258 PRESTON ESTATES
PAINTSVILLE, KY 41240

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Account Number Service ID

Prev. Read Date	Cur. Read Date	Due Date
06/30/2017	07/31/2017	08/20/2017

Service	Previous Reading	Current Reading	Consumption	Amount	After Due Date	Net Amount
RS2	698	699	1	15.01	-38.02	-38.02
MON				15.00		
Sch				0.45		
Sal				0.00		

Past Due Amount	Current Charges	Net Amount
-68.48	30.46	-38.02

Due Date	After Due Date	Net Amount
08/20/2017	-38.02	-38.02

Deposit Interest applied 0.00
PAINTSVILLE, KY 41240

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ANITA STAFFORD
258 PRESTON ESTATES
PAINTSVILLE, KY 41240

Johnson County Gas **BEGINNING JUNE 3RD, WE WILL BE MOVING**
P.O. Box 447 **TO THE BETSY LAYNE LOCATION!**
Betsy Layne, KY 41605-0447 **Phone 606-789-5481**

FIRST CLASS MAIL
U.S. POSTAGE PAID
1 OUNCE
HAROLD, KY
PERMIT NO. 5

Account Number Service ID

Prev. Read Date	Cur. Read Date	Due Date
10/31/2016	11/30/2016	12/20/2016

Service	Previous Reading	Current Reading	Consumption	Amount	After Due Date	Net Amount
RS2	681	684	3	45.04	-69.97	-69.97
MON				15.00		
Sch				1.35		
Sal				0.00		

Past Due Amount	Current Charges	Net Amount
-131.36	61.39	-69.97

Due Date	After Due Date	Net Amount
12/20/2016	-69.97	-69.97

Deposit Interest applied 0.00
PAINTSVILLE, KY 41240

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ANITA STAFFORD
258 PRESTON ESTATES
PAINTSVILLE, KY 41240

**NOTICE OF APPLICATION OF JOHNSON COUNTY GAS COMPANY
TO ADJUST RATES FOR NATURAL GAS SERVICE
BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY**

December 28th, 2018

Pursuant to the Kentucky Public Service Commission's regulation 807 KAR 5:076, Johnson County Gas Company, Inc. gives notice that an application has been filed on December 28th, 2018, with the Kentucky Public Service Commission seeking approval to adjust its rates for natural gas service. This rate adjustment will apply to all Johnson County Gas Company's customers. If Johnson County Gas Company's application is approved, monthly natural gas bills from Johnson County Gas Company will increase as follows:

<u>Current Residential and Commercial Charges</u>			
	<u>Base Rate</u>	<u>Gas Cost</u>	<u>Total</u>
Customer Charge (Monthly)	\$15.00		\$15.00
All MCFs	\$8.6000	\$6.4140	\$15.0140
<u>Proposed Rates</u>			
	<u>Base Rate</u>	<u>Amount of Increase</u>	<u>Percentage of Increase %</u>
Customer Charge (Monthly)	\$15.00	N/A	0%
All MCFs	\$17.7951	\$9.1951	106.92%
	<u>Gas Cost</u>		
	\$6.4140 per MCF		

The Johnson County Gas Company average customer monthly usage is 4 MCFs per month. In 2017 the customers of Johnson County Gas Company used an average 1240 MCFs per month. The average cost per customer was \$75.06 Based on average usage, the cost will increase \$36.78 per month if the proposed rates are approved by the Kentucky Public Service Commission. The rates contained in this notice are the rates proposed by Johnson County Gas Company, however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any person may submit a timely written request to intervene to the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request and including the status and interest of the party. If the Kentucky Public Service Commission does not receive a request to intervene within thirty (30) days of the initial publication or mailing of this notice, the Kentucky Public Service Commission may take final action on the application. Any comments regarding this application may be submitted through the Commission's Web site at <http://psc.ky.gov/> or by mail to P.O. Box 615, Frankfort, Kentucky 40602.

Copies of Johnson County Gas Company's application may be obtained or viewed from Johnson County Gas Company, at 497 George Road, Betsy Layne, KY 41605, Monday through Friday from 8:30 a.m. to 5:00 p.m. The application and all documents filed with the Kentucky Public Service Commission may be viewed and downloaded at the Kentucky Public Service Commission's Web site at <http://psc.ky.gov/> or a copy can be obtained from the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602 between the hours of 8:00 a.m. to 4:00 p.m.



Bud Rife
**Johnson County Gas Company
 President**