

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC ANNUAL PIPELINE)	CASE NO.
REPLACEMENT PROGRAM FILING OF)	2021-00120
APACHE GAS TRANSMISSION COMPANY, INC.)	

ORDER

On March 1, 2021, Apache Gas Transmission Co., Inc. (Apache) filed an application with the Commission, setting forth its annual update to its Pipeline Replacement Program (PRP). Apache did not request to increase its PRP Fee in its application.

Apache's PRP was approved in Case No. 2017-00168.¹ In that case, Apache was granted approval to begin recovering PRP amounts related to the first of two loans that would finance its PRP replacement projects. In Case No. 2018-00106,² the Commission approved a volumetric charge of \$0.29 per Mcf to be added to Apache's existing PRP charges in order to generate sufficient funds to cover the debt service of the second loan.

In its application, Apache stated that it had received information that the Small Business Administration (SBA) will be making payments on Apache's two outstanding

¹ Case No. 2017-00168, *Application of Apache Gas Transmission Company, Inc. for a Certificate of Public Convenience and Necessity Authorizing the Implementation of a Pipeline Replacement Program, Approval of Financing Pursuant to KRS 278.300 and Application of Apache Gas Transmission Company, Inc. and Burkesville Gas Company, Inc. for Approval of a Gas Pipeline Replacement Surcharge and Tariff*, (Ky. PSC Aug, 29, 2017).

² Case No. 2018-00106, *Application of Apache Gas Transmission Company, Inc., Annual Pipeline Replacement Program Filing to Approve New Pipeline Replacement Surcharge Rates Beginning With May 1, 2018 Billing Cycle*, (Ky. PSC Apr. 17, 2018).

SBA loans.³ Apache states that it will be able to determine if an increase in the PRP fee is needed to cover the remaining expenses for the completed Marrowbone Creek project previously approved by the Commission upon the determination of the excess amounts that will occur from the payments made by SBA.⁴

The Commission, after consideration of the evidence of record and being otherwise sufficiently advised, finds that Apache's request to maintain its current PRP rates is reasonable and should be granted. Apache should continue to collect its PRP surcharges subject to the escrow terms contained in the final Order in Case No. 2017-00168. Additionally, the Commission finds that it will consider any request to increase the PRP Fee as a separate proceeding should Apache obtain additional financing that will require a modification to its PRP fee or Apache determines that an increase or decrease is necessary subsequent to the modification of the financing conditions outlined in its pending application.

IT IS THEREFORE ORDERED that:

1. Apache shall continue to collect its PRP surcharges subject to the escrow terms contained in the final Order in Case No. 2017-00168.
2. Apache shall file its next annual PRP application with the Commission no later than March 1, 2022.
3. Any request to increase or decrease to the PRP Fee as the result of additional financing or subsequent to a change in the terms of the current financing will be considered in a separate proceeding.

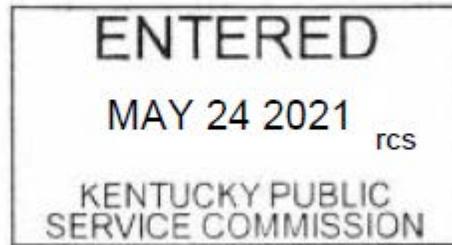
³ Application at 1.

⁴ *Id.*

4. This case is closed and removed from the Commission's docket.

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By the Commission



ATTEST:



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