

TENNESSEE REGULATORY AUTHORITY



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

May 2, 2013

Ms. D. Billye Sanders
Attorney at Law
3514 Geneva Circle
Nashville, Tennessee 37209

Dear. Ms. Sanders:

In order to assist the Authority in its investigation of Docket No. 13-00049, *Joint Petition of Tengasco Pipeline Corporation and General Gas Pipeline, LLC for Approval of Transfer of CCN and Authority Granted Pursuant to Resolution 2000-092 of the City of Kingsport, as Amended*, it is requested that you comply with and/or provide responses to the items listed on the attached Staff Data Request 1.

This information should be provided no later than Wednesday, May 15, 2013, and should reference Docket No. 13-00049 on the response. In accordance with Authority rules please submit (1) thirteen written copies of your response or (2) four written copies and an electronic version. Should you have any questions or need clarification of this request, please contact me at (615) 741-2904, extension 188.

Sincerely,

A handwritten signature in black ink that reads "David Foster".

David Foster, Chief
Utilities Division

C: Docket File

Data Request 1
Docket No. 13-00049

Notice Requirements

1. Within seven (7) days, provide written notice directly to all interested parties, including (1) all entities that currently purchase gas from Tengasco Pipeline and (2) local gas distributors operating in Hawkins, Claiborne, Hancock and Sullivan counties (include utility districts, cooperatives and investor owned utilities, i.e. Atmos Energy). Also, file said notices in the TRA Docket No. 13-00049.

Legal

2. Provide a copy of all contracts entered into pursuant to Tenn. Code Ann. § 65-28-103(b)(3), including extensions that may have been executed.
3. If an existing contract is being transferred to the new entity, please discuss any provisions within the existing contract that allow it to be transferred. Also discuss whether such transfer provisions conform with Tenn. Code Ann. § 65-28-103(b)(3).

Mapping

4. Provide a current map of the existing pipeline, including county boundaries, street names, highways crossed, etc... The map should be designated to scale and marked so with legends.
5. Identify the location on the map of all customers served via the pipeline; also indicate whether the customer is industrial, commercial, residential, etc...
6. Identify any proposed pipeline extensions for the next five years.

Organizational

7. Provide a corporate organizational chart for General Gas Partners, LLC ("General Gas") and Tengasco, Inc., both before the transfer of Tengasco Pipeline Corporation and after. Identify all parent, sister and affiliate companies.
8. General Gas is listed on the Tennessee Secretary of State's website as having two (2) members. Identify those members and any parent, sister or affiliated companies with the members.

9. Swan Creek Partners, LLC (“Swan Creek”) is listed on the Tennessee Secretary of State’s website as having five (5) members. Identify those members. Do any of these members have any association with subsidiaries or affiliate companies of Tengasco, Inc? If so, explain the relationship.
10. Identify all aggregators for resale that provide natural gas via Tengasco’s pipeline. Are any of these aggregators affiliated companies? If so, explain the relationship.
11. Provide a copy of the Asset Purchase Agreement between Tengasco, Inc. and Swan Creek.
12. Provide a copy of the Asset Purchase Agreement between Tengasco, Inc. and General Gas.

Financial

13. Provide year-end 2012 financial statements for Swan Creek, including an Income Statement, Balance Sheet and Statement of Cash Flow.
14. Provide bank statements for Swan Creek for the months of January, February, March, and April of 2013.
15. Provide a list identifying all existing sources of funding, including amounts, for Swan Creek, and sources going forward.
16. Provide a list identifying all existing sources of funding, including amounts, for General Gas, and sources going forward.
17. Provide bank statements for General Gas for the months of January, February, March, and April of 2013.
18. Provide federal tax returns for Tengasco, Inc. for the years 2010, 2011 and 2012.
19. Please describe and explain the annual amortization for Holston Ammunition as contained within the proposed financial statements for General Gas.
20. Tengasco Pipeline’s year-end 2012 annual report filed with Authority on April 4, 2013 identifies \$30,106 as operating revenues; the projections by General Gas in years one, two and three of operation, however, are much larger. Explain in detail the sources of the additional revenue growth. List all new customers that General Gas anticipates adding.
21. Identify all entities that use the pipeline for transporting natural gas and any associated revenues.

22. Within Tengasco Pipeline's 2012 year-end annual report filed with the Authority on April 4, 2013, a miscellaneous amortization in the amount of \$5,242,315 is listed as a miscellaneous income deduction (page F-3, line 35). Provide the journal entries for this transaction and explain in detail the rationale for this charge and how the amount was determined.
23. In reference to question 22 above, describe the tax effect, if any, to Tengasco Inc.
24. Describe General Gas' financial qualifications and abilities relating to accounting functions and financial reporting.