Mr. John P. Irwin Chief Engineer Kansas State Corporation Commission Topeka, Kansas 66612

Dear Mr. Irwin:

This is in further reply to your letter of February 28, 1972, regarding a request from Iola Gas Corporation, Inc.

Our Mr. Cesar DeLeon discussed this matter with Mr. Don Smith of Iola Gas Corporation in order to determine the ownership of the meter. Mr. Smith indicated that this is a distribution system where one company owns the pipelines, sells the gas to Iola Gas Corporation at the inlet of each individual customer meter and Iola Gas Corporation sells the gas to the customers at the outlet side of the meter. The only pipeline facilities owned by Iola Gas Corporation are the meters.

Since the meters are subject to the regulations, as presently promulgated, this company will have to file an annual report. On this report, they will report the number of services as well as the number of leaks on these meters. A note should be included on the front side of the report stating the following:

Iola Gas Corporation owns only the customer meter. The company buys the gas on the inlet side of the customer meter and sells the gas at the outlet side of the meter.

We trust that this will assist you regarding this matter. If we can be of further assistance, please let us know.

Sincerely,

Joseph C. Caldwell Acting Director Office of Pipeline Safety