

RECEIVED

MAR 30 2015

MONT. P.S. COMMISSION



ENERGY PARTNERS, LLC.

2500 W. BROADWAY
MISSOULA, MONTANA 59808
406-541-6800
1-866-541-6800
FAX 541-6804

BRANCH OFFICES:

DRUMMOND 406-288-3219
HAMILTON 406-363-1001
RONAN 406-676-2201
SEELEY LAKE 406-677-3656
SUPERIOR 406-822-4848
THOMPSON FALLS 406-827-4740

March 26, 2015

Mr. Brad Johnson, Chairman
Public Service Commission
1701 Prospect Ave.
P.O. Box 202601
Helena, Mt. 59620-2601

Re: Five Valleys Gas Company

Dear Mr. Johnson,

Please consider this letter an application for deactivation of service for *5 Valleys Gas Co.* at Seeley Lake, Mt.

This is a request for deactivation of the pipeline. We will continue the gas service to our customers using propane tanks.

We expect to keep the meters in place on the buildings and consumption bill the customer the gallons used per month.

The reasons for shutting down the pipeline are:

1. No foreseeable opportunity for growth so we could spread out the fixed costs.
2. Years of company losses.
3. Gas volumes per customer are decreasing.
4. The mounting regulations to keep the pipeline in compliance.
5. We can provide the proposed service to our customers at a comparable price vs. the pipeline.

Our proposal for notifying the customers is:

- A personally addressed letter to our 112 customers and a personal visit from one of our employees. We need the personal visit to explain what is happening and discuss where the tank will be set.

ENERGY PARTNERS, LLC.

2500 W. BROADWAY
MISSOULA, MONTANA 59808
406-541-6800
1-866-541-6800
FAX 541-6804



BRANCH OFFICES:

DRUMMOND 406-288-3219
HAMILTON 406-363-1001
RONAN 406-676-2201
SEELEY LAKE 406-677-3656
SUPERIOR 406-822-4848
THOMPSON FALLS 406-827-4740

Plan for Deactivation:

- Step 1. Approval for deactivation by Energy Partner Board of Directors
- Step 2. Approval by Public Service Commission
- Step 3. Letter to customers and personal visit to customers in the month of May
- Step 4. Start in June with replacement of service with tanks at the commercial accounts and then at the end of pipeline working our way north ending up at our storage tank.
- Step 5. After all service is replaced with tanks, the pipeline will be purged, capped and disconnected from the product source by October 1, 2015.
- Step 6. Notify appropriate government agencies on the deactivation on or before September 1, 2015.

Cooperatively,

A handwritten signature in cursive script that reads 'Jerry Thorstad'.

Jerry Thorstad
General Manager
Energy Partners, LLC & Five Valleys Gas Company

May 1, 2015

Sample

Dear Mr. /Mrs. 5 Valley Gas Co. Customers:

We have petitioned and were granted the authority to deactivate the *Five Valleys Gas Co.* pipeline. This authority was granted by the Public Service Commission on _____.

We are not abandoning the service of gas but are proposing to replace it with propane tanks on your property.

A representative of our company will personally come and visit with you to talk about the deactivation and placement of the tank. We will do our best not to create any inconvenience to you when this change occurs.

Sincerely,

Five Valley Gas Co.

406-677-3656 or 406-541-6800