

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF COLUMBIA GAS OF KENTUCKY,) CASE NO.
INC. FOR AN ORDER APPROVING USE OF) 2011-00299
DISCLAIMER BY A NON-REGULATED AFFILIATE)

O R D E R

On August 12, 2011, Columbia Gas Company, Inc. ("Columbia") filed an application requesting Commission approval of proposed disclaimers to be used by a non-regulated affiliate, NiSource Retail Services d/b/a Columbia Retail Services ("CRS"). According to the application, CRS will offer residential and small commercial customers service plans for the repair of heating and cooling systems, water heaters, appliances, pipes and wires, as well as equipment leasing services.

KRS 278.2213(13) provides that a utility's name, trademark, brand, or logo shall not be used by a non-regulated affiliate in any type of visual or audio media without a disclaimer and that the Commission shall approve any disclaimer prior to use by the utility's affiliate. The statute directs the Commission to develop specifications for the disclaimer. Pursuant to this statutory directive, the Commission promulgated 807 KAR 5:080, Section 6, which states:

The disclaimer used by an affiliate of an affected utility shall comply with the following requirements:

(1) The disclaimer shall state that "(affiliate's name) is not the same company as (utility's name). (Affiliate's name) is not regulated by the Kentucky Public Service Commission. You do not have to buy (the affiliate's) (products or services, as applicable) in order to continue to receive quality regulated services from the utility.";

(2) If an affiliate of an affected utility uses the utility's name, trademark, brand, or logo in a print format, the disclaimer shall appear in capital letters on the first page or at the first point where the utility's name, trademark, logo or brand appears;

(3) If an affiliate of an affected utility uses the utility's name, trademark, brand, or logo in a televised format, the disclaimer shall appear at the first point at which the utility's name, trademark, logo, or brand appears; and

(4) If an affiliate of an affected utility uses the utility's name in an audio format, the disclaimer shall be spoken at the close of the advertisement.

In addition to stating that the proposed disclaimer will be used in print, televised, or audio formats in a manner that conforms with 807 KAR 5:080, Section 6, Columbia states that, in the event its corporate website should include a reference to CRS, the proposed disclaimer will appear at the first point where Columbia's name, trademark, logo or brand appears. Columbia requests that the following disclaimer be approved for CRS:

Columbia Retail Services (CRS) is an affiliate of Columbia Gas of Kentucky but is not the same company. CRS is not regulated by the Kentucky Public Service Commission and you do not have to buy CRS products or services in order to continue to receive quality regulated services from Columbia Gas of Kentucky.

Columbia's application indicates that CRS planned to begin marketing its products and services in Kentucky, using the proposed disclaimer, as of September 11, 2011. Therefore, it requested that the Commission issue a decision on its request by that date. The Commission has not been able to complete its review of Columbia's application within the time requested by Columbia. Consistent with our recent reviews

of similar disclaimer requests by other regulated natural gas utilities,¹ the Commission finds that further inquiry will be necessary prior to giving final approval to Columbia's request. Therefore, we are issuing this Order approving Columbia's request on an interim basis pending completion of our review.

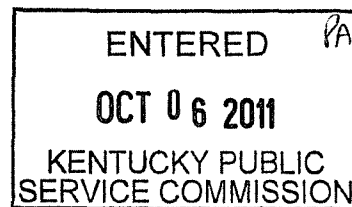
SUMMARY

The Commission, having considered Columbia's request and being otherwise sufficiently advised, finds that:

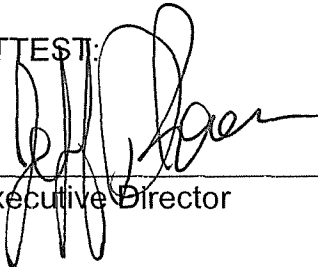
1. Columbia's proposed disclaimer is consistent with the requirements of 807 KAR 5:080, Section 6, and should be approved as proposed on an interim basis.
2. Additional inquiry is needed before the Commission can give final approval to Columbia's proposed disclaimer.

IT IS THEREFORE ORDERED that Columbia's request for approval of its proposed disclaimer is approved on an interim basis pending further Order by the Commission.

By the Commission



ATTEST:



Executive Director

¹ Case No. 2011-00088, Application of Atmos Energy Corporation for an Order Approving Use of Disclaimer by Non-Regulated Affiliates (Ky. PSC Aug. 10, 2011); and Case No. 2011-00094, Request of Delta Natural Gas Company, Inc. for an Order Approving Use of Disclaimer by Non-Regulated Affiliates (Ky. PSC Aug. 8, 2011).

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