

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE UNION LIGHT, HEAT )	
AND POWER COMPANY FOR APPROVAL OF A )	CASE NO.
NATURAL GAS PURCHASE HEDGING PLAN )	2003-00151
FOR THE 2003-2004 HEATING SEASON )	

INITIAL DATA REQUEST OF COMMISSION STAFF TO  
THE UNION LIGHT, HEAT AND POWER COMPANY

The Union Light, Heat and Power Company ( ULH&P ), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and 7 copies of the following information, with a copy to all parties of record. The information requested herein is due May 23, 2003. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the person who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information herein has been previously provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request.

1. Refer to paragraphs 5 and 6 on page 2 of ULH&P s Final Report on 2002-2003 Hedging Plan and Application for Approval of New Hedging Plan ( Application ).

a. ULH&P s previous hedging plans have covered a specific heating season. Is it correct that, with this application, ULH&P is proposing that the hedging

plan outlined therein be approved as an ongoing plan, to continue indefinitely until cancelled by future Order of the Commission?

b. If the response to part (a) is yes, explain in detail why ULH&P is making this proposal.

2. Refer to page 2 of Attachment B of the Application.

a. Based on its review of the publications identified in the second paragraph, what are ULH&P's current expectations for wholesale natural gas commodity prices for the immediate traditional injection and withdrawal seasons, beginning in May 2003 and going through April 2004?

b. Based on its price expectations for the 2003 injection season, what is the average per unit price ULH&P projects for the gas it expects to withdraw from storage during the 2003-2004 heating season?

3. Refer to Attachment B-1 of the Application.

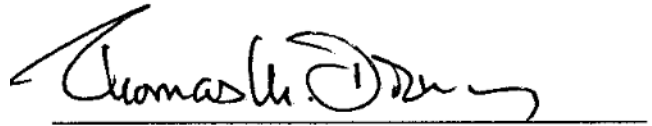
a. Footnote No. 2 reads Based on Columbia Gas FSS storage of 1,610,276 dth. This appears to be the only reference in the attachment to units of any type. Are all amounts shown on the attachment in dth? If no, identify the units used.

b. If the response to part (a) is yes, explain the reason(s) for the difference between the 1,610,276 dth identified in the footnote and the total storage withdrawals of 1,288,824 shown in the fourth column of the attachment.

4. Refer to Attachment B-1 of the Application.

a. In the format used in Attachment B-1 for its estimated load, provide comparable information on ULH&P's actual gas purchases for the 2002-2003 heating season.

b. For each of the heating seasons in which ULH&P has implemented a hedging plan, provide the level of storage withdrawals and the average per unit price of those withdrawals.

A handwritten signature in black ink, appearing to read "Thomas M. Dorman", is written over a horizontal line.

Thomas M. Dorman  
Executive Director  
Public Service Commission  
P. O. Box 615  
Frankfort, Kentucky 40602

DATED: May 15, 2003

cc: All parties

Case No. 2003-00151