

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF CITIPOWER, LLC FOR) CASE NO.
APPROVAL OF REORGANIZATION PROPOSAL) 2004-00444

COMMISSION STAFF'S FIRST DATA REQUEST
TO CITIPOWER, LLC

Pursuant to 807 KAR 5:001, Commission Staff requests that Citipower, LLC ("Citipower") file the original and 6 copies of the following information with the Commission, with a copy to all parties of record. The information requested herein is due within 7 days of the date of this request. Each copy of the information 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 witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure its legibility. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information should be provided for total company operations and jurisdictional operations, separately.

1. The Agreement and Plan of Reorganization provides for the transfer of stock to effect the reorganization. In addition, the application refers to a transfer of non-regulated assets and extinguishment of debt. List all accounts transferring to or from

Citipower's books as well as the current balances. For those accounts transferring from Citipower's books, indicate the subsidiary to which the account is being transferred.

2. Provide a current balance sheet for Citipower and a pro-forma balance sheet as it would appear immediately after the reorganization.

3. Exhibit B of the application shows the current and proposed corporate structures. Under the current corporate structure, Citipower has debt as follows: \$993,000 to the Bank of McCreary; \$250,000 to RBC Centura; and \$245,000 to Oneida Gas; for total debt of \$1,488,000. Under the proposed corporate structure, Citipower owes \$250,000 and Citi Energy LLC owes \$1,000,000, for total debt of \$1,250,000. Explain the difference in the total debt amounts.

4. The application states that although Citipower will remain liable for \$250,000 owed to the Bank of McCreary County, Citipower is owed \$250,000 from Forexco, Inc. ("Forexco") and this debt will be paid by Forexco on or before December 31, 2004. Has Forexco paid \$250,000 either to Citipower or to the Bank of McCreary County in relief of this debt?

5. Citipower has an office in Whitley City in McCreary County, Kentucky. Provide the names of all companies that currently share this office with Citipower and those that will share the office after the reorganization.

6. Provide a map of Citipower's system and, if possible, color-code the various assets and non-regulated interests being transferred.

7. State the name and qualifications of the person or persons who presently conduct the day-to-day operations of the utility.

8. State whether the person or persons who presently provide the day-to-day operations of the utility will change after the merger. If yes, state the reason for the change and provide the name and qualifications of the person or persons who will provide this service after the merger.

9. Refer to page 3, paragraph D, of the Agreement and Plan of Reorganization. This section provides that the directors and officers of Citipower in office immediately prior to the merger will continue in office and constitute the directors and officers of Citi Energy for the remainder of their terms or until their respective successors are elected or appointed and qualified.

a. Provide the names and terms of office of each director and officer of Citipower.

b. In light of this provision, state whether the management of Citipower will change as a result of this merger or soon thereafter.



Beth O'Donnell
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, KY 40602

DATED January 26, 2005

cc: All Parties