

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF EAST) CASE NO. 2005-00537
KENTUCKY UTILITIES, INC.)

INITIAL DATA REQUEST OF COMMISSION STAFF
TO EAST KENTUCKY UTILITIES, INC.

East Kentucky Utilities, Inc. ("East Kentucky"), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and 6 copies of the information requested, with a copy to all parties of record. The information requested herein is due no later than 14 days from the date of this request. 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 the cover letter dated October 28, 2005 that East Kentucky submitted with its filing for Case No. 2005-00439.¹ In that letter, East Kentucky stated

¹ Case No. 2005-00439, Notice of Purchased Gas Adjustment Filing of East Kentucky Utilities, Inc., Order dated November 14, 2005.

that Equitable Energy LLC (“Equitable”) was the only company of six that East Kentucky contacted to provide a gas supply proposal.

- a. Describe how East Kentucky contacted the six suppliers.
- b. Provide the names of the six suppliers.
- c. For the five suppliers that did not make a gas supply proposal, provide the reason given by the supplier for not making a proposal.

2. Refer to the cover letter that East Kentucky submitted with its filing in the instant case.

a. In that letter, East Kentucky states that it had a verbal price estimate from its supplier, Equitable. Explain why East Kentucky received a verbal estimate rather than a contractual agreement, letter notice, or some other type of document from Equitable to establish the price.

b. East Kentucky’s proposed wholesale price of \$17.35 per Dth for the gas it will purchase from Equitable is higher than the wholesale prices recently reported by any other Kentucky natural gas distribution company. Provide the components that make up Equitable’s wholesale price (i.e., index component, pipeline charges, etc.) and describe how Equitable justified the price.



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

DATED: January 13, 2006

cc: All Parties