

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF COW CREEK)	CASE NO.
GAS, INC. FOR AUTHORITY TO)	2006-00171
ADJUST ITS RATES PURSUANT TO)	
THE ALTERNATIVE RATE FILING)	
PROCEDURE FOR SMALL)	
UTILITIES)	

FIRST DATA REQUEST OF COMMISSION STAFF TO
COW CREEK GAS, INC.

Cow Creek Gas, Inc. ("Cow Creek"), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and 5 copies of the following information, 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. 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 letter agreement between Interstate Natural Gas Company ("Interstate") and Cow Creek.
 - a. Provide the term (length) of the contract and describe the process under which it can be amended, extended or cancelled.
 - b. Explain in detail how Interstate and Cow Creek arrived at the \$10.00 per Mcf price.

c. Does Interstate have a physical connection to Cow Creek's system or is a third party transporter involved in the delivery of gas to Cow Creek? If a third party is involved, identify the third party and describe the functions it performs.

d. Does Cow Creek have the ability to purchase gas from suppliers other than Interstate? If no, explain why. If yes, identify the other suppliers.

2. Cow Creek does not have a Gas Cost Adjustment ("GCA") clause in its tariff. In this case, absent a GCA clause, Cow Creek is proposing to reflect an increase in wholesale gas costs in retail rates through the Commission's Alternative Rate Filing ("ARF") procedure.

a. Explain why Cow Creek has not sought Commission approval of a GCA clause.

b. Explain whether Cow Creek's owners and/or operators are familiar with the purpose and workings of a GCA mechanism.

c. Explain whether Cow Creek's owners and/or operators are aware that the purpose of the ARF procedure is to address, in the case of a small gas utility, changes in operating costs other than the wholesale cost of natural gas.

d. Is Cow Creek opposed to establishing a GCA clause as part of its filed tariff? If yes, explain why.



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

DATED May 10, 2006

cc: All Parties