COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF NATURAL GAS RETAIL COMPETITION PROGRAMS

) ADMINISTRATIVE) CASE NO. 2010-00146

COMMISSION STAFF'S FIRST INFORMATION REQUEST TO DELTA NATURAL GAS COMPANY, INC.

Delta Natural Gas Company, Inc. ("Delta"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 10 copies of the following information, with a copy to all parties of record. The information requested herein is due no later than July 29, 2010. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Delta shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Delta fails or refuses to furnish all or part of the requested information, Delta shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. 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 shall be separately provided for total company operations and jurisdictional operations.

1. Refer to the Direct Testimony of Glenn R. Jennings ("Jennings Testimony"), page 12, beginning at line 19.

a. Have any small-volume customers contacted Delta within the past five years expressing interest in having a choice in gas supplier? If yes, how many and over what period of time?

b. Explain why offering small-volume customers a choice in gas supplier would cause "complete upheaval of the gas industry in Kentucky," assuming that the utility were the supplier of last resort and that adequate consumer protections were in place.

2. Refer to page 14 of the Jennings Testimony. Explain, specifically, what higher costs for existing customers have been demonstrated in Columbia Gas of Kentucky's pilot program.

3. Refer to page 15 of the Jennings Testimony. Under what circumstances does Delta believe it could determine that retail choice programs are necessary, feasible and in the overall best interests of its customers?

Jeff Deroven Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602

DATED: JUL 1 5 2010

cc: Parties of Record

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