

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES OF COLUMBIA GAS) CASE NO.
OF KENTUCKY, INC.) 2007-00008

O R D E R

On February 14, 2007, Interstate Gas Supply, Inc. ("IGS") filed a motion for full intervention in this proceeding. On April 2, 2007, the Commission granted IGS's request for full intervention subject to the issues identified in IGS's motion.

On June 12, 2007, pursuant to the procedural schedule of April 4, 2007, IGS filed direct testimony of Scott White, President of IGS. On June 22, 2007, Columbia Gas of Kentucky, Inc. ("Columbia") filed a motion to strike selected portions of Mr. White's direct testimony.

Columbia's contention is that a portion of Mr. White's testimony "goes far beyond the scope of intervention that the Commission granted IGS."¹ Columbia claims that IGS is interjecting into this rate case the unrelated issues of the future of Columbia's Customer Choice Program ("Choice Program").

¹ Motion at 2.

IGS is a third-party natural gas supplier participating in Columbia's Choice Program.² The Choice Program is a pilot project that will be in place through March 31, 2009.³

IGS responds that it is appropriate to address the continuance of the Choice Program in this rate case. It asserts Columbia has tied the continuity of the Choice Program to the rate case and there is a potential for unequal allocation of supply cost between Choice Program customers and those not participating in the Choice Program.⁴ IGS also states that, since it was granted full intervention, it is authorized to include this issue in the proceedings.

The Commission has considered the filings and reviewed the testimony at issue and will grant Columbia's motion to strike portions of Mr. White's testimony.

The Commission finds that IGS was granted the status of full intervention pursuant to 807 KAR 5:001, Section 3(8)(b), which states that a person seeking full intervention must show the Commission that he has a special interest which is not otherwise adequately represented in the proceeding or is likely to present issues that will assist the Commission without unduly complicating the proceedings. The Order granting IGS full intervention found that IGS had presented two issues that would assist the Commission without unduly complicating the proceedings and limited IGS's

² Case No. 1999-00165, *The Tariff Filing of Columbia Gas of Kentucky, Inc. to Implement a Small Volume Gas Transportation Service, to Continue Its Gas Cost Incentive Mechanisms, and to Continue Its Customer Assistance Program.*

³ Case No 2004-00462, *Application of Columbia Gas of Kentucky, Inc. to Implement a Small Volume Gas Transportation Service.*

⁴ Response at 1.

participation to those two issues. The continuity of the Choice Program was not one of the issues.

The Commission further finds that portions of the testimony at issue do not address the question of how the proposed rate adjustment may be unequally allocated between Choice Program customers and those not participating in the Choice Program. The question of the continuity of the Choice Program in and of itself does not affect the scope of the rate case. Further, IGS seeks to address the possible termination of the pilot program and IGS's ability to plan its own future commercial interest. These are not issues for which IGS was granted intervention in this proceeding.

The Commission, being sufficiently advised, HEREBY ORDERS that:


1. The motion of Columbia to strike certain portions of the direct testimony of the witness Scott White as filed in the record on June 12, 2007 is granted.
2. The following portions of the testimony of Scott White shall not be considered or given any weight in the proceedings in this case:

Page 2, the last 12 words of line 14 and the first 3 words on line 15;
Page 2, the last 3 words of line 23 through page 3, line 14;
Page 4, the last 4 words of line 7 through the first 4 words of line 10;
Page 4, lines 15 – 22 through page 5, line 22;
Page 6, lines 4-21;
Page 7, lines 32 – 37 through page 9, line 10; and
Page 9, lines 21– 23 through page 12, line 2.

Done at Frankfort, Kentucky, this 13th day of July, 2007.

By the Commission

ATTEST:



Executive Director