

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

**AN INVESTIGATION OF NATURAL GAS  
RETAIL COMPETITION PROGRAMS**

)  
)  
) **CASE NO. 2010-00146**  
)

**RESPONSES OF NANCY BROCKWAY TO POST-HEARING DATA REQUESTS**

**RECEIVED**

**OCT 29 2010**

**PUBLIC SERVICE  
COMMISSION**

**October 28, 2010**

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

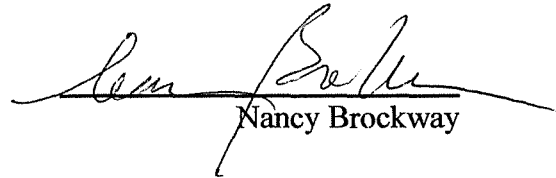
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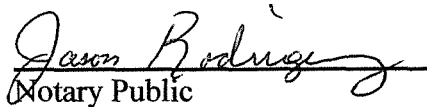
AFFIDAVIT

I hereby affirm that the foregoing document titled responses of Nancy Brockway to information requests in the Matter of An Investigation of Natural Gas Retail Competition Programs, Case No. 2010-00146, is true and accurate to the best of my information and belief.

  
Nancy Brockway

Subscribed and sworn to before me, a notary public in the Commonwealth of

Massachusetts, by Nancy Brockway, this 27<sup>th</sup> day of October 2010.

  
Notary Public



JASON RODRIGUEZ  
Notary Public  
Commonwealth of Massachusetts  
My Commission Exp. Mar. 26, 2015

My commission expires 3/26/2015



**1. Please identify the bases for your belief that the Ohio Program has not been a success.**

ANSWER:

In addition to items referenced in my testimonies, I believe that the Ohio program has not been a success because I have not seen evidence that rates for Ohio residential shopping customers have been lower than rates for Ohio non-shopping customers, and because I have seen some evidence that residential shopping customers in Ohio have paid higher rates than those paid by non-shoppers.

The evidence that residential shopping customers have paid higher rates comes from a variety of sources (including the Columbia Dispatch press article discussed at the hearings), but mainly from the U.S. Energy Information Administration of the Department of Energy. Staff's exhibits include EIA gas reports including tables showing average prices in 2007 and 2008. [See Tables 23 and 24]. Ohio's average marketers' price was \$13.95 in 2007 and \$14.45 in 2008. The Ohio marketer's price was the lowest of the states shown, but still the shoppers in Ohio paid on average more than the average residential customer in Kentucky. The average delivered prices in Kentucky for 2007 and 2008 were \$12.98 and \$13.84, respectively. Average delivered prices in Ohio (thus blended marketers' and non-shopping prices) were also lower than marketers' prices alone. One can infer thus that non-marketers' prices were lower than marketers' prices. See cross-examination of Ms. Jaynes by Staff counsel, Day 1, at 16.01.42 and following.

As stated by Ms. Jaynes in her direct testimony, at p. 5 (footnote omitted), residential customers in most of Ohio must shop or take Standard Offer Service:

Additionally, most retail customers in Ohio can no longer choose to purchase gas pursuant to a regulated Gas Cost Recovery ("GCR") price offered by the LDC as a regulated merchant. Instead, the customers of three Ohio LDCs that have chosen to exit the merchant function must choose between an alternative marketer's price and a Standard Service Offer ("SSO") or similar price offering. The SSO price is the product of an auction process whereby marketers participating in a specific LDC's program can bid to be an SSO supplier.

I also have had the benefit of numerous communications over the last decade with persons familiar with gas deregulation in Ohio, including Dave Rinebolt, executive director of Ohio Partners for Affordable Energy, and others.



**2. Please identify any gas rate case, GCR cases and collaboratives in which you have been involved and state the nature of your involvement, for the states of Illinois, Indiana, Ohio, Pennsylvania, Georgia, New York or Michigan.**

ANSWER:

Of the states listed, I filed testimony on the relationship between gas efficiency and gas costs with the Michigan Public Service Commission in the SEMCO Energy Services Gas Cost Recovery Plan in Docket U-14718 in May, 2006, on behalf of PAYS America, Inc.

I have participated in numerous rate cases, fuel clause cases, and electric competition collaboratives, with some in Pennsylvania, Illinois and Ohio. I have given gas testimony in Kentucky (last LG&E rate case) and GCR testimony in Missouri. As a commissioner, I sat on scores of GCR cases and a few gas rate cases, and participated in the technical sessions and Commission inquiry about introducing natural gas competition into New Hampshire. In Massachusetts, I represented low-income ratepayers and testified on behalf of labor in gas rate cases, and participated in a gas deregulation collaborative.

### **Certificate of Service**

I hereby certify that a true and correct copy of the foregoing was served electronically on all parties of record on October 26, 2010 and that a copy was mailed by first class mail, postage prepaid, this 18<sup>th</sup> day of October, 2010, to:

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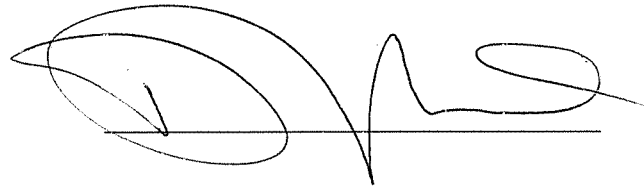
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A handwritten signature in black ink, appearing to read "R. M. Watt", written over a horizontal line. The signature is stylized with large loops and a long horizontal stroke at the end.