

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

**In the Matter of:** )  
 )  
**Constellation NewEnergy-Gas Division, LLC** )  
 )  
**Complainant** )  
 )  
**v.** )  
 )  
**Columbia Gas of Kentucky, Inc.** )  
 )  
**Defendant** )

**Case No. 2005-00184**

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PUBLIC SERVICE  
COMMISSION

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**ANSWER OF**  
**COLUMBIA GAS OF KENTUCKY, INC.**

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On June 10, 2005, Constellation NewEnergy-Gas Division, LLC (“Constellation”) filed in this docket a Complaint against Columbia Gas of Kentucky, Inc. (“Columbia”). In the Complaint, Constellation takes exception with certain penalties billed by Columbia to Columbia’s transportation customers for failure to comply with Daily Delivery Interruptions (“DDI”). These customers, who pay Columbia to deliver gas to them, have made arrangements with Constellation for the purchase of the gas delivered by Columbia. Pursuant to the Commission’s Order dated June 21, 2005, Columbia files this Answer to the Complaint.

Columbia states and avers as follows:

1. Columbia admits that Constellation is a natural gas marketer in the Commonwealth of Kentucky. Columbia is without sufficient knowledge or information to form a belief as to the truth of the remaining averments in paragraph 1 of the Complaint.

2. Columbia admits the averments in the first and third sentences of paragraph 2 of the Complaint. Columbia is without sufficient knowledge or information to form a belief as to the truth of the averments in the second sentence of paragraph 2 of the Complaint.

3. Columbia is without sufficient knowledge or information to form a belief as to the truth of the averments in the first two sentences of paragraph 3 of the Complaint. Columbia admits the averments in the third sentence of paragraph 3 of the Complaint.

4. Columbia denies the allegations in paragraph 4 of the Complaint. Columbia affirmatively avers that Constellation lacks authority to maintain a complaint on behalf of its customers, and that Constellation lacks standing to maintain this Complaint on its own behalf. Columbia has contemporaneously filed a Motion to Dismiss the Complaint based upon Constellation's lack of standing.

5. Columbia is without sufficient knowledge or information to form a belief as to the truth of the averments in paragraph 5 of the Complaint. Columbia avers that it is not privy to the details of the relationships between Constellation and its customers.

6. Columbia admits the averments in the first two sentences of paragraph 6 of the Complaint. However, Columbia avers that the DDI notice issued on November 17, 2004 was to be effective for November 18, 2004. Columbia admits the averments in the third and fourth sentences of paragraph 6 of the Complaint. Columbia further avers that an additional DDI notice was issued on November 18, 2004, to be effective for November 19 and 20, 2004, in which customers without daily measurement were limited to delivering 35% of their maximum daily quantity and customers with daily measurement were required to deliver supplies that were no more than their actual demand. Columbia denies the averments in the last sentence of paragraph 6 of the Complaint.

7. Columbia is without sufficient knowledge or information to form a belief as to the truth of the averments in paragraph 7 of the Complaint.

8. Columbia admits that the averments in paragraph 8 of the Complaint, in that Constellation's letter dated February 9, 2005, did contain the demands listed in paragraph 8 of the Complaint.<sup>1</sup>

9. Columbia admits the averments in the first sentence of paragraph 9 of the Complaint that Columbia sent a letter to Constellation dated March 24, 2005, and in that letter Columbia declined to waive the charges assessed to customers for noncompliance during the DDI notice period (November 18-20, 2004). Columbia denies all other averments in paragraph 9 of the Complaint. Columbia avers that Columbia's contracts for transportation service are with the end use customers, not Constellation, and it is the end use customers who were billed the penalties, not Constellation.

10. Columbia further states that Paragraph 10 of the Complaint is a request for relief, and as such, does not require Columbia to admit or deny the averments in the paragraph. Columbia denies any averments in paragraph 10 of the Complaint. Columbia avers that Constellation lacks authority and standing to seek relief for Columbia's customers, none of whom are complainants in this proceeding. Columbia further avers that the customer information Constellation seeks has been made available to customers and their authorized agent of record in the past, and is currently available upon request. Columbia avers that Constellation should be responsible for educating itself about its clients' gas usage, and it is not Columbia's responsibility to perform this function for Constellation.

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<sup>1</sup> Columbia was not served with a copy of Constellation's petition requesting confidential treatment of data, docketed on June 10, 2005, but Columbia did obtain a copy from the PSC. In paragraphs 8 and 9 of the June 10, 2005 Complaint, Constellation seeks confidential treatment of two letters. However, Columbia notes that these same two letters were included as Exhibit numbers 2 and 3 in Constellation's original Complaint, docketed on April 29, 2005. In that original Complaint and original Petition for Confidential Treatment of Data, no confidential treatment was sought for the two letters, and thus these two letters are already a matter of public record. As a result, the two letters cannot at this time be afforded confidential treatment.

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing Answer of Columbia Gas of Kentucky, Inc. was served upon the parties on the Service List below by regular U.S. Mail this first day of July, 2005.

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