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Gregory Coker
Commissioner

May 3, 2006

Honorable Morris Kennedy
Attorney at Law
2332 Old Hickory Lane
Lexington, KY 40515

RE: Case No. 2006-00168

Please see enclosed data request from Commission Staff in the above case.

If you need further assistance, please contact Dawn McGee at (502) 564-3940 ext.
243.

Sincerely,

Beth O'Donnell
Executive Director

BOD/sh
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

DEMA GAS COMPANY INC.'S GAS) CASE NO.
COST ADJUSTMENT) 2006-00168

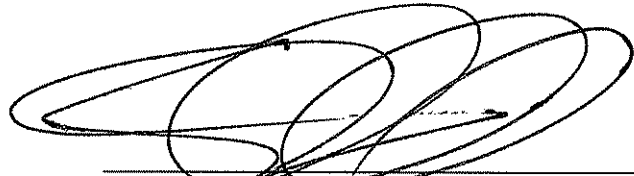
FIRST DATA REQUEST OF COMMISSION STAFF TO
DEMA GAS COMPANY INC.

Dema Gas Company, Inc. ("Dema"), 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 not later than 10 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 stating the agreement between Brushy Gap Coal and Gas Company ("Brushy Gap") and Dema.
 - a. Provide the terms of the contract and describe the process under which it can be amended, extended or cancelled.
 - b. Explain in detail how Brushy Gap and Dema arrived at the \$10.00 per Mcf price.

c. Does Brushy Gap have a physical connection to Dema's system or is a third party transporter involved? If a third party is involved, identify the third party and describe the functions it performs.

d. Can Dema purchase gas from suppliers other than Brushy Gap? If no, explain why. If yes, identify the other suppliers.

A handwritten signature in black ink, consisting of several overlapping loops and a horizontal line extending to the right, positioned above the typed name.

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

DATED May 3, 2006

cc: All Parties