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August 26, 2008

*Via Hand-Delivery*

Ms. Stephanie Stumbo  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

RE: *August 8, Memorandum, Case No. 2008-00195 – Interstate Gas Supply's  
Notice to Commission Staff regarding Continuation of Case*

Dear Ms. Stumbo:

On August 6, 2008, Columbia Gas of Kentucky, Inc. ("Columbia"), Interstate Gas Supply, Inc. ("IGS") and the Commission Staff took part in an Informal Conference regarding the status of the above-referenced case. At that time, the Commission Staff orally addressed nine (9) questions to be answered by Columbia. The Commission Staff requested Columbia respond to these questions within ten (10) days of receiving the questions in a written memorandum. The Commission Staff then requested that IGS inform the Commission of its intentions with regard to the continuation of the above-referenced case, any information IGS would like to add and any potential filings related thereto within a few days of Columbia's responses being filed. IGS has submitted its responses below.

With respect to the Commission's questions, both IGS and Columbia agree that the CHOICE program has functioned satisfactorily. The CHOICE program has effectively provided customers within the Columbia service area the option to choose their natural gas supplier and approximately 29,000 natural gas customers within the Columbia service area currently use an alternative supplier as their natural gas supplier. It is in the best interest of natural gas customers in Kentucky that the CHOICE program be continued.

Additionally, while IGS takes any customer complaints very seriously, the low level of complaints regarding the CHOICE program and the relatively large number of customers in the CHOICE program, as addressed in Columbia's responses, further demonstrates the program's success and overall high level of customer satisfaction.

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Lastly, with regard to resolution of this case, IGS believes that no further briefing remains necessary and that this case is ripe for submission on the record to the Commission. IGS intends to file no further pleadings or comments and IGS respectfully requests the Commission resolve this action expeditiously and grant extension of the program.

Thank you for your attention to this matter. Should you have any questions, please give me a call at (859) 254-0000.

Regards,

A handwritten signature in black ink, appearing to read 'M. Malone', is written over the typed name.

Matthew Malone

Cc: Parties of Record (via US Mail)