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June 25, 2009

HAND DELIVERED

Hon. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40601

RECEIVED
JUN 25 2009
PUBLIC SERVICE
COMMISSION

Re: Columbia Gas of Kentucky, Inc.
Case No. 2009-00141

Dear Mr. Derouen:

We enclose for filing an original and ten copies of the Motion of Constellation NewEnergy-Gas Division, LLC for Full Intervention in the above-captioned case. We would appreciate your placing it in the file and bringing the motion to the attention of the Commission. Thanks in advance for your assistance.

Sincerely,

Robert M. Watt, III

rmw:

Enclosures

cc: Counsel of Record (w/encl.)
Mr. Ralph Dennis (w/encl.)
Mr. Christopher D. Young (w/encl.)
Mr. Stephen Baker (w/encl.)

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF COLUMBIA)	
GAS OF KENTUCKY, INC. FOR AN)	CASE NO. 2009-00141
ADJUSTMENT IN RATES)	

**MOTION OF CONSTELLATION NEWENERGY
-GAS DIVISION, LLC FOR FULL INTERVENTION**

Constellation NewEnergy-Gas Division, LLC (“CNEG”) respectfully moves the Commission for an order pursuant to 807 KAR 5:001, Section 3(8)(b) granting it leave for full intervention in this proceeding for the reason it has a special interest in this proceeding that is not otherwise adequately represented and that full intervention by CNEG is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. In support of the foregoing motion, CNEG states as follows:

1. CNEG is a Kentucky limited liability company with its natural gas office located at 9960 Corporate Campus Drive, Suite 2000, Louisville, Kentucky 40223 and is a retail marketer of natural gas throughout the United States, including in Kentucky.

2. CNEG has been providing natural gas service to commercial and industrial end users in Kentucky and on the system of Columbia Gas of Kentucky, Inc. (“CKY”) since 2003.

3. CNEG provides service to end users on CKY’s system by delivering natural gas into CKY’s system for ultimate delivery to CNEG’s end users. CNEG’s end users are not participants in CKY’s Customer Choice program.

4. CKY is proposing two new services in this proceeding, its proposed Price Protection Service (“PPS”) and Negotiated Sales Service (“NSS”), that are similar, if not identical to services offered by CNEG. It appears, according to the language of the proposed tariffs, that these services will be largely unregulated. Therefore, these proposed services by a Commission-regulated utility will directly compete with similar services currently offered by CNEG, a natural gas supplier largely unregulated by the Commission. It is important that the issue of subsidization by CKY’s regulated customers of the cost of CKY’s nonregulated services be fully addressed. If CKY is permitted to subsidize its PPS and NSS services through the use of utility employees, utility call centers, advertising in utility bills, the CKY brand and the like, then CNEG will be placed at a competitive disadvantage to CKY at a cost to CKY’s regulated customers. Further, the implementation of CKY’s proposed PPS and NSS services could negatively affect the competitive natural gas environment created by the Commission in its orders in Administrative Case No. 297.

5. Should the Commission grant the motion of CNEG for full intervention, then CNEG agrees to comply with the current procedural schedule herein.

6. Should the Commission grant the motion of CNEG for full intervention, then copies of all orders, pleadings and other communications related to this matter should be directed to:

Christopher D. Young
Constellation Energy Commodities Group,
Inc.
111 Market Place, Suite 500
Baltimore, Maryland 21202-7110

Robert M. Watt, III
Stoll Keenon Ogden, PLLC
300 West Vine Street, Suite 2100
Lexington, Kentucky 40507

WHEREFORE, for the foregoing reasons, Constellation NewEnergy-Gas
Division, LLC prays that its motion for full intervention herein be granted.

June 25, 2009

Respectfully submitted,

Robert M. Watt, III
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Lexington, Kentucky 40507
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robert.watt@skofirm.com

By *Robert Watt*
Counsel for Constellation
NewEnergy-Gas Division. LLC

CERTIFICATE OF SERVICE

This is to certify that the foregoing pleading has been served by mailing a copy of same, postage prepaid, to the following persons on this 25th day of June 2009:

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