

RECEIVED

JUL 14 2009

**PUBLIC SERVICE
COMMISSION**

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

APPLICATION OF COLUMBIA GAS OF)
KENTUCKY, INC. FOR AN ADJUSTMENT) Case No. 2009-00141
OF RATES FOR GAS SERVICE)

ATTORNEY GENERAL'S COMMENTS REGARDING MOTION OF
CONSTELLATION NEW ENERGY-GAS DIVISION, LLC
FOR FULL INTERVENTION

Comes now the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and tenders the following comments regarding the motion of Constellation New Energy-Gas Division, LLC ["CNEG"] to intervene in the above-styled action.

CNEG is one of petitioner Columbia Gas of Kentucky, Inc. ["CGK"]'s gas suppliers. Columbia in turn delivers gas to CNEG's commercial and industrial end users located within CGK's service territory. CNEG is, therefore, by definition not a consumer. However, CNEG is akin to CAC, AARP and the Sierra Club in that the company has a relationship with its customers and those customers may potentially benefit from the position or arguments which CNEG may advance in this case.

Moreover, CNEG's motion for full intervention raises significant, and potentially major issues regarding CGK's proposed Negotiated Sales Service (NSS) and Price Protection Service (PPS) tariffs. In particular, the Attorney

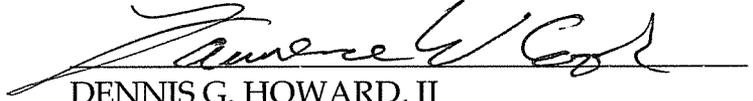
General is concerned that if the two above-referenced tariffs are authorized, CGK's regulated business operations may end up subsidizing CGK's unregulated business operations. The Attorney General believes the Commission cannot fully, carefully and completely examine these issues unless CNEG is granted full intervention. Clearly, CNEG has a special interest in the instant proceeding, and its interests by definition are not represented by the Attorney General; indeed, the Attorney General is not capable of providing the same perspective and representation that CNEG would in this matter.

Moreover, CNEG is in fact quite likely to present issues or to develop facts that assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. Since CNEG fully satisfies the requirements for full intervention under 807 KAR 5:001 § 3(8), it should be granted full intervention.

The Attorney General believes that a full and just resolution of the issues in the instant matter cannot be made without granting CNEG full intervention. Although the Attorney General takes no formal position at this time on the actual issues CNEG will present and/or contest, he nonetheless fully supports CNEG's motion, and urges the Commission to approve said motion.

Respectfully submitted,

JACK CONWAY
ATTORNEY GENERAL

A handwritten signature in black ink, appearing to read "Dennis G. Howard, II", is written over a horizontal line.

DENNIS G. HOWARD, II
LAWRENCE W. COOK
PAUL D. ADAMS
ASSISTANT ATTORNEYS GENERAL
1024 CAPITAL CENTER DRIVE,
SUITE 200
FRANKFORT KY 40601-8204
(502) 696-5453
FAX: (502) 573-8315

Certificate of Service and Filing

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

Hon. Stephen B. Seiple
Attorney at Law
Columbia Gas of Kentucky, Inc.
P.O. Box 117
Columbus, OH 43216-0117

Hon. Richard S. Taylor
Attorney at Law
Capital Link Consultants
225 Capital Avenue
Frankfort, KY 40601

Hon. W.L. Wilson
Lexington-Fayette Urban-County Government
Department of Law
200 East Main Street
Lexington, Kentucky 40507

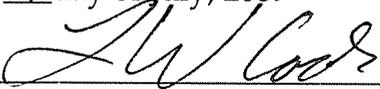
Hon. David F. Boehm
Boehm, Kurtz & Lowry
36 E. 7th Street
Ste. 1510
Cincinnati, Ohio 45202

Hon. Iris G Skidmore
415 W. Main St.
Ste. 2
Frankfort, KY 40601

Hon. John Dosker
General Counsel
Stand Energy Corporation
1077 Celestial Street, Suite #110
Cincinnati, OH 45202-1629

Hon. Tom Fitzgerald, Esq.
Liz D. Edmondson, Esq.
Kentucky Resources Council, Inc.
P.O. Box 1070
Frankfort, Kentucky 40602-1070

this 14th day of July, 2009



Assistant Attorney General

N:\ORI\Howard\Public\Columbia 2009-00141\AG_Comments_Constellation-NewEnergy_Intervention (2).doc