### **COMMONWEALTH OF KENTUCKY**

RECEIVED

## **BEFORE THE PUBLIC SERVICE COMMISSION**

MAR **29** 2010

In the Matter of:
)
PUBLIC SERVICE COMMISSION

Columbia Gas of Kentucky, Inc.
)

Complainant
)

V.
)

V.
)

Natural Energy Utility Corporation
)

Defendant

# NATURAL ENERGY UTILITY CORPORATION'S RESPONSES TO COLUMBIA GAS OF KENTUCKY, INC.'S DATA REQUESTS

Natural Energy Utility Corporation ("NEUC"), by counsel, provides the following responses to Columbia's initial data request.

Submitted by:

John N. Hughes 124 West Todd St. Frankfort, KY 40601 Attorney for NEUC

## **CERTIFICATE OF SERVICE**

I certify that a copy of these Responses was served on Steve Seiple and Brooke Leslie,

Box 117, Columbus, OH, 43216-0117 and Richard Taylor, 225 Capital Ave., Frankfort, KY

40601 first class mail this 29<sup>th</sup> day of March, 2010.

John N. Hughes

 Please describe the source of the maps attached to NEUC's Motion to Dismiss labeled "Exhibit A." For each map, include the source of the map and the date on which the map was created.

Witness: Freeman

Response: Matrix Management. The maps were prepared on September 4, 2009

2. On page 4, line 1 of Mr. Freeman's testimony, Mr. Freeman asserts that NEUC currently serves customers at each end of the "mall" property. Please provide the addresses of these customers and how long NEUC has served each of these customers.

Witness: Freeman

Response: William Jones, 410 Florida St, Ashland, KY - 30 years

Alf Large, 2337 Oakview Rd, Ashland, KY - 5 years

3. On page 5, lines 4-10 of Mr. Freeman's testimony, Mr. Freeman asserts that in June 2007, NEUC was contacted by an unnamed customer to relocate an existing gas main. Please provide the address of said customer.

## Witness: Freeman

Response: Patrick Watson, Bryan Street, near the intersection of Palmer and McKinley Streets.

**4.** When did the relocation reference on page 5, lines 4-10 of Mr. Freeman's testimony take place?

Witness: Freeman

Response: August 5, 2009

- **5.** During the relocation project referenced on page 5, lines 4-10 of Mr. Freeman's testimony, did NEUC replace any of the steel main lines with plastic main lines?
- a. If yes, how much line was replaced?
- **b.** What was the cost of the replacement?
- c. Where were the supplies purchased for the replacement?
- d. Please provide receipts/invoices for this project.

## Witness: Freeman

Response:

- a. Yes, 4 inch steel pipe was replaced with 580 feet of 4 inch plastic pipe.
- b. Total project cost was \$2371.00
- c. Plastic pipe and transition fittings
- d. See attached materials list and McJunkin Invoices. The invoice reflects only the 4 inch pipe purchase, all other pipe and fitting were from NEUC inventory.

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# CORPORATION

#### MCJUNAN IN-P.O. BOX 640300 PITTSBURGH

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	1 and a second sec		PI
	YOUR P	URCHASE ORDER NUMBER STREET PROJECT	]
	RELIRED NO.	2	
1	TERMS DAY SHIPPED SHIPPED VIA	NET 30 DAYS 08/05/09 OUR TRUCK	
	BILL TO:		

NATURAL ENERGY UTILITIES CORP

PA 15264-0300 PAGE INVOICE NUMBER 3063985001 08/06/09 INVOICE DATE 42829 0011 CUSTOMER SHIP NUMBER #067 DANNY BIAS CUSTOMER SERVICE REP.

SHIP TO:

ORDERED BY

#### NATURAL ENERGY UTILITIES CORP 2560 HOODS CREEK PIKE ( 13TH STREET PROJECT )

CHARLIE

ASHLAND KY 41101

.

5

	DESCRIPTION	UNIT PRICE	TOTAL PRICE
OUANTITY SHIPPED	4 X .391W YLW PE2406 GAS PIPE IPS SDR11.5 40FT	2.2300	1516.40
U/M-FT	#14 KALAS PE 30 YLW CU CLAD SOLID HDPE TRACER WIRE 500 FT SPOOL	.0700	70.00
4 U/M-EA	2 X 1/16 GARLOCK 3000 150# BLUE GARD RING GASKET	.7800	3.12
; .	SUB TOTAL STATE TAX INVOICE TOTAL		5,812.80 348.77 6,161.57
,			
McJunkin Red Man Corporat	1502 08/06/09 / ORIGINAL INVOICE	ess all questions Pertaining to this Invoice to	McJunkin Red Ma Credit Department (304)348-4927

3

# Watson and Gibbs Project

Quantity	Description	Unit Cost	Total
580 ft	4" Plastic Pipe	\$2.23	\$1,293.40
115 ft	2" Plastic Pipe	\$0.61	\$70.15
695 ft	# 14 Tracer Wire	\$0.07	\$48.65
1	4" X 2" Reducing Sleeve	\$196.96	\$196.96
1	2" Style 90 Sleeve	\$90.56	\$90.56
2	2" Stiffners	\$5.10	\$10.20
3	4" Butt fuse tees	\$14.17	\$42.51
3	4' x 2" Butt fuse	\$9.45	\$28.35
1	4" Poly Valve	\$291.02	\$291.02
3	2" Poly Valves	\$86.12	\$258.36
1	1" Poly Valve	\$31.84	\$31.84
1	2" x 1" Butt Fuse	\$9.00	\$9.00

\$2,371.00

 How much did the relocation of the gas mains referenced on page 5, lines 4-10 of Mr. Freeman's testimony cost? Please provide all receipts/invoices related to this project.

Witness: Freeman

Response: See Response 5.

7. Prior to the relocation in June 2007, was the gas main that is referenced on page 5,

lines 4-10 on a public right of way?

Witness: Freeman

Response: No, it was located on private property.

8. Did the relocation of the gas main referenced on page 5, lines 4-10 cause NEUC to run its facilities on private property? If yes, what is the address of the private property through which NEUC's gas main runs?

Witness: Freeman

Response: The relocation was on Patrick Watson's property described in Response 3.

9. Did NEUC obtain an easement to run the gas main or any of its other facilities on the property mentioned in the answer to Data Request 8? If yes, what is the date of the easement? Please provide a copy of the easement.

## Witness: Freeman

Response: Verbal authorization from Mr. Watson was obtained.

10. Do you have any agreements, written or oral with the owner of the property referenced in Data Request 8 permitting NEUC to run its main(s) across the property referenced in Data Request 8? If yes, what was the agreement? Please provide a copy of any document that memorializes the agreement.

Witness: Freeman

Response: The existing pipeline had been in place since 1929. The easement for that line cannot be located.

11. Please provide a map reflecting NEUC's facilities, including but not limited to main lines, service lines, and service taps prior to June 2007 in the area reference on page 5, lines 4-14 of Mr. Freeman's testimony.

Witness: Freeman

Response: See map attached as exhibit 2 to NEUC's September 8, 2009 Answer.

- **12.** On page 5, lines 10-14 of Mr. Freeman's testimony, Mr. Freeman asserts that NEUC replaced 100 feet of 2 inch steel pipe and 580 feet of four inch steel pipe with similar size plastic pipe for \$2371.00.
- a. When did this replacement occur?
- **b.** Why did NEUC replace the steel with plastic?
- c. Where did NEUC purchase the plastic pipe?
- d. On what date did NEUC purchase the plastic pipe?
- e. Please provide a copy of the receipt and or invoice for the purchase of the plastic pipe referenced on page 5 of Mr. Freeman's testimony.

Witness: Freeman

Response:

a. August 5, 2009

b. The steel pipe was very old and had cathodic protection problems. Because of the

low operating pressure of the line, it was unnecessary to replace the line with steel,

which has a much greater cost.

c. McJunkin and NEUC inventory

d. See 5d

e. See 5d

- 13. During the replacement of the pipe as referenced on page 5, lines 10-14 of Mr. Freeman's testimony, did NEUC relocate its main line(s)?
- **a.** If yes, how many feet from the original main line did NEUC relocate its main line?
- **b.** When did this relocation take place?
- **c.** Why did NEUC relocate the main line as referenced on page 5, lines 10-14 of Mr. Freeman's testimony?
- **d.** Did the relocation cause NEUC to run its main line(s) on private property? If yes, please list the address of the properties on which NEUC had to run its main line(s).
- e. Why did NEUC relocate the line(s) onto private property?
- f. Please quantify the amount of pipe that was relocated at this time.

Witness: Freeman

Response:

a. Yes. The Watson line was moved approximately 75 feet from the existing pipeline.

The replacement pipe on the mall property is approximately 2 to 3 feet from the

existing steel pipeline.

b. August 5, 2009.

c. Mr. Watson, the property owner, requested a relocation due to construction in the

area.

d. Yes. Mr. Watson's property on Bryan St.

e. The pipeline was relocated to an area that placed it out of the future construction

site at the request of the property owner.

f. Approximately 200 feet of pipe.

14. Did NEUC obtain an easement to run the gas main or any of its other facilities on the private property listed in response to Data Request 13 (d)? If yes, what is the date of the easement? Please provide a copy of the easement.

## Witness: Freeman

Response: NEUC obtained a verbal agreement with the Patrick Watson in June of 2007.

NEUC had an existing easement for the steel pipeline across the mall property. There are no documents for either agreement.

15. Do you have any agreements, written or oral with the owner of the property referenced in Data Request 13 (d) permitting NEUC to run its main(s) across the property referenced in Data Request 13 (d)? If yes, what was the agreement? Please provide a copy of any document that memorializes the agreement.

Witness: Freeman

Response: Yes, verbal agreement

16. Does NEUC run any main lines, service lines or another other facility through the property at 1200 Bryant Street? If yes, does NEUC have an easement from the property owner of 1200 Bryant Street? If yes, what is the date of the easement? Please provide a copy of said easement.

## Witness: Freeman

Response: NEUC cannot identify 1200 Bryant Street. NEUC obtained verbal agreements from all property owners of the property affected by the pipeline replacement.

17. On page 4, lines 6-12 of Mr. Freeman's testimony, Mr. Freeman asserts that a "representative" of three of the businesses of the "mall" contacted him to initiate service with NEUC. Please provide copies of all correspondence between NEUC and the "representative."

## Witness: Freeman

Response: See Exhibit 3 of NEUC's September 8, 2009 Answer. Also attached is a copy of a letter to Columbia Gas from the property owner seeking termination of service, which was forwarded to NEUC.

# 03/25/2010 THU 14:11 FAX 606 325 2991 Natural Energy Utility

U1/22/2000 14:45 FAL 6003244214

UFFICE FURN USA

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July 22, 2009



Columbia Gas PO Box 2200 Lexington, Ky 40588-2200 1-866-234-2895 fax team

To Whom It May Concern:

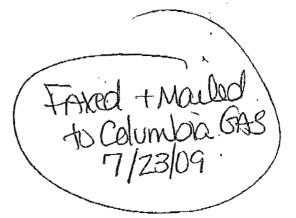
This is the last letter to inform you that I would like our gas service to be disconnected on August 18, 2009. Please call me to confirm that date is available @ 606-923-3277. We are changing our gas service to another provider. Below are the locations for the service to disconnected.

Ashland, Ky 41101

Ashland Mandarin Acct# [73] [555-00] -0003 915 13<sup>th</sup> St. Ashland, Ky 41101

Continental Liquors Acct #14745392-014-0006 901 13<sup>th</sup> St. Ashland, Ky 41101

Thank you for your cooperation, 2 uner hannon Gibbs



11-

1001 13th Street . Ashland, KY 41101 . 606-329-8255

18. Did NEUC offer the "representative" any incentive to switch from Columbia to NEUC?

Witness: Freeman:

Response: No