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PUBLIC SERVICE
COMMISSION

JACK B. BATES

IRIS G. SKIDMORE

Via Hand-Delivery

July 29, 2010

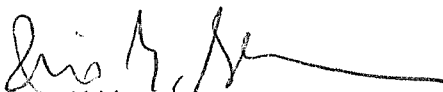
Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: In the Matter of: An Investigation of Natural Gas Retail Competition Programs
Case No. 2010-00146

Dear Mr. Derouen:

Enclosed for filing in the above styled action is an original and ten copies of the Response of the Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. to the First Information Request of Commission Staff.

Sincerely,


Iris G. Skidmore

Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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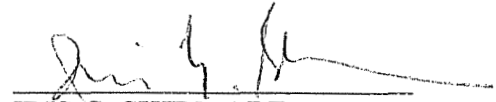
In the Matter of:

AN INVESTIGATION OF NATURAL) CASE NO:
GAS RETAIL COMPETITION PROGRAMS) 2010-00146

**RESPONSE OF COMMUNITY ACTION COUNCIL FOR LEXINGTON-FAYETTE,
BOURBON, HARRISON, AND NICHOLAS COUNTIES, INC. TO FIRST
INFORMATION REQUEST OF COMMISSION STAFF**

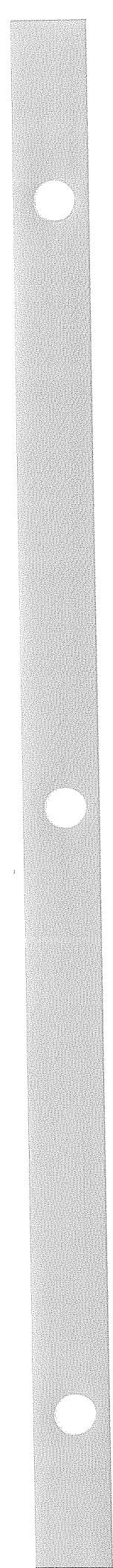
* * * * *

Comes now the Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties, Inc. (CAC), by counsel, and hereby submits its Response to the First Information Request of Commission Staff.



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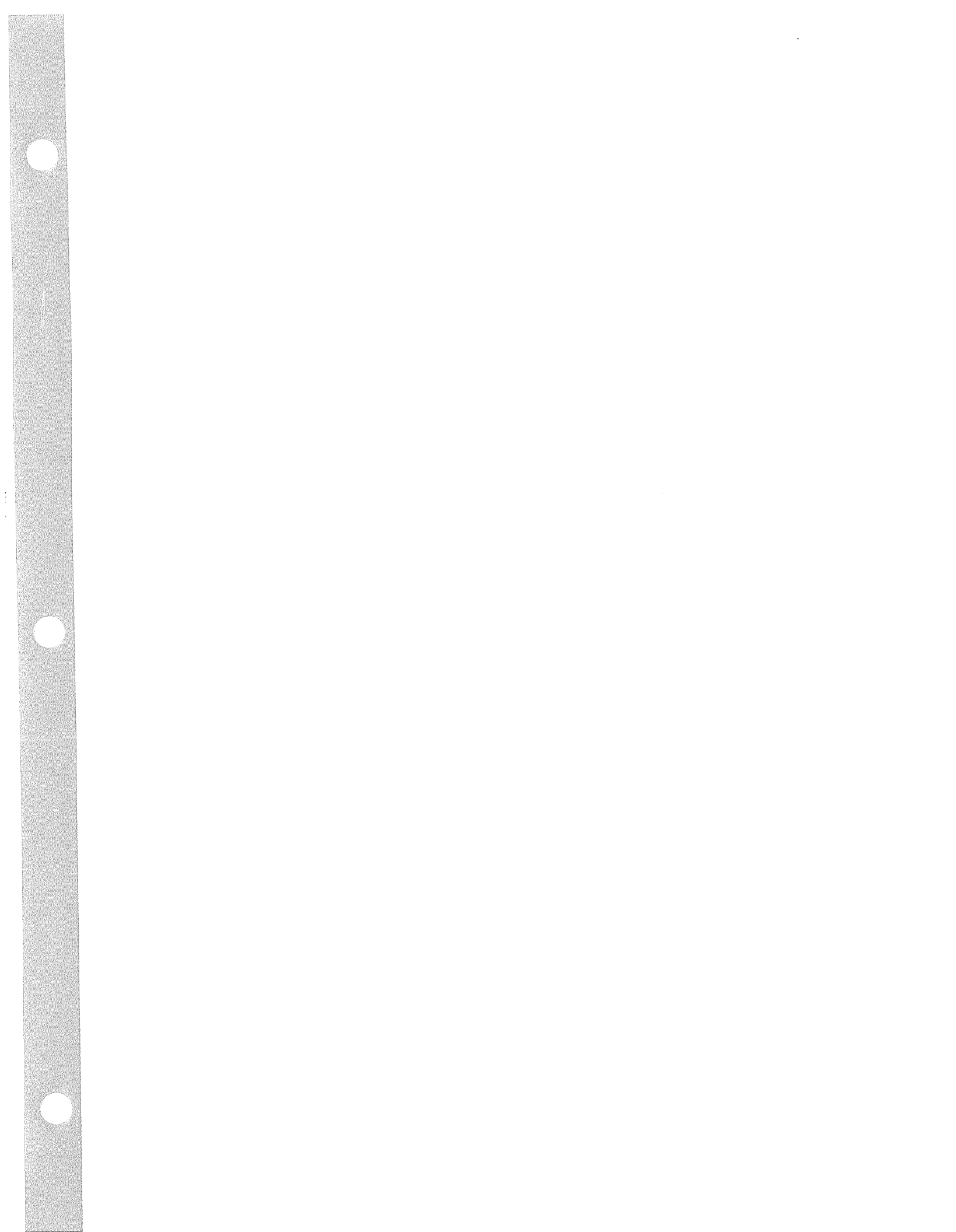
COUNSEL FOR CAC



DATA REQUEST 1:

Refer to the Direct Testimony of Jack E. Burch (“Burch Testimony”) at page 6, lines 10-12. Identify the “other states” referenced by Mr. Burch as having higher customer bills as a result of their retail gas competition programs.

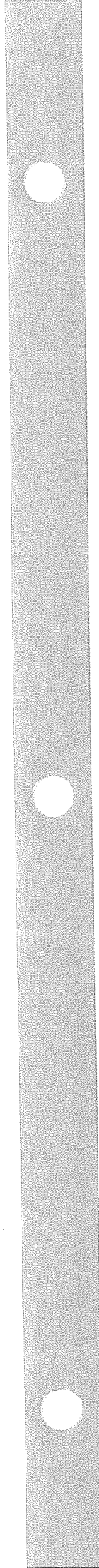
RESPONSE: Ohio and Pennsylvania are the states Mr. Burch was referencing.



DATA REQUEST 2:

Refer to page 7 of the Burch Testimony at lines 10-13. Provide the names of specific marketers that have employed the practices described by Mr. Burch.

RESPONSE: The marketers about whom complaints were received participated in the initial phase of the Columbia Gas Choice program; they are no longer active in Kentucky. Community Action Council has not received such complaints about the current marketers



DATA REQUEST 3:

Refer to page 6 of the Burch Testimony at lines 2-7. Explain the difficulties CAC experienced in operating a marketing company and what provisions, if any, may be included as part of a competitive program that could alleviate some of the difficulties experienced.

RESPONSE: In establishing Community Action Council Buyers Club, Inc., Community Action Council insisted that the operations of the Buyers Club meet the following conditions:

- Its price for natural gas delivered must be at or below the next lowest source of supply; and
- Customers of the Buyers Club were free to switch to another source of supply at any time without condition or penalty.

While consistent with Community Action Council's mission and purpose, the conditions did not permit the Buyers Club to enter into long term contracts for the commodity.

Secondly, despite three attempts, the Council was never able to retain the services of a competent broker able to consistently procure natural gas at competitive prices and at reasonable fees.

Community Action Council is not aware, at the present time, of any provisions that would permit a not-for-profit provider to successfully participate in a competitive program under the conditions it imposed on the Buyers Club. The Council believes that a preferable alternative for ensuring the best interests of low-income, indeed all, customers in a competitive market is to require maximum feasible transparency regarding pricing and a marketer's terms and conditions, an adequate oversight and monitoring system, and a readily accessible customer ombudsman function.


VERIFICATION

I have read the foregoing Responses and they are true and correct to the best of my knowledge and belief.



JACK E. BURCH

Subscribed and sworn to before me by Jack E. Burch on the 26 day of July, 2010



Notary Public
My commission expires: 11/27/10

CERTIFICATE OF SERVICE

I hereby certify that on July 29, 2010, a true and accurate copy of the foregoing Response of Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. to First Information Request of Commission Staff was served by United States mail, postage prepaid, to the following:

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