

July 29, 2010

Mr. Jeff Derouen
Executive Director
Public Service Commission
Commonwealth of Kentucky
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

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**PUBLIC SERVICE
COMMISSION**

RE: Case No. 2010-00146

Dear Mr. Derouen,

Enclosed for docketing with the Commission is an original and ten (10) copies of Columbia Gas of Kentucky, Inc., responses to the First Requests for Information on behalf of Interstate Gas Supply, Inc., Southstar Energy Services, LLC and Vectren Source. Should you have any questions about this filing, please contact me at 614-460-5558. Thank you!

Sincerely,

Brooke E. Leslie (gmc)

Brooke E. Leslie
Counsel

Enclosures

cc: Hon. Richard S. Taylor

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO FIRST INFORMATION REQUEST OF
IGS, SOUTHSTAR, AND VECTREN SOURCE
DATED JULY 15, 2010**

Data Request No. 1:

In preparing your testimony, please identify with whom you discussed the issue of retail Competition?

Response:

Other than discussions with Columbia employees and legal counsel, it was not necessary to discuss the issue with anyone in preparation of my testimony.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO FIRST INFORMATION REQUEST OF
IGS, SOUTHSTAR, AND VECTREN SOURCE
DATED JULY 15, 2010**

Data Request No. 2:

Please provide copies of all work papers or data used to complete your testimony.

Response:

Columbia relied upon its Tariff, Choice Annual Reports, previous Commission filings and Orders to complete its testimony. Columbia's Tariff was attached at Exhibit 1 and previous Commission proceedings are referenced in the testimony. All of these documents, including the Choice Annual Reports, are public information, filed with the Commission.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO FIRST INFORMATION REQUEST OF
IGS, SOUTHSTAR, AND VECTREN SOURCE
DATED JULY 15, 2010**

Data Request No. 3:

Please refer to p. 7 lines 19-23 of your testimony where you indicate, "...Columbia...is the supplier of last resort. As a result, no customer has ever failed to receive the quantity or quality of natural gas desired for consumption due to the failure of a marketer to deliver gas on behalf of that customer to Columbia." Other parties to this proceeding have contemplated that expanded retail competition will impact the reliability of service and result in a loss of the "obligation to serve" for participating LDCs (e.g. p. 3 of Witness Nancy Brockway of AARP lines 25-26). Given Columbia's experience with its CHOICE program, have Columbia shopping customers versus non-shopping customers experienced any difference in reliability of service during the pilot program?

- a. Likewise, has the Columbia CHOICE program in anyway resulted in any loss of the "obligation to serve" by Columbia?
- b. Lastly, do you believe that a properly structured retail competition programs should result in reliable service?

Response:

Columbia's Choice and non-Choice customers have experienced no difference in reliability, and Columbia has experienced no loss in its obligation to serve. This ability to guarantee reliable service to all customers is due to the proper design of the Customer Choice program for Columbia's system.

**COLUMBIA GAS OF KENTUCKY, INC.
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IGS, SOUTHSTAR, AND VECTREN SOURCE
DATED JULY 15, 2010**

Data Request No. 4:

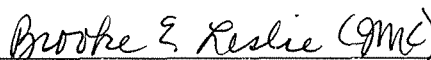
Please refer to p. 11 line 10 of your testimony where you indicate that the Columbia CHOICE program currently consists of 32,047 customers. Other parties to this proceeding have contemplated that retail competition could impact customer service and consumer protections (e.g. p.3 of Witness Nancy Brockway of the AARP lines 24-25). Given Columbia's experience with its CHOICE program, do you believe that proper vetting of prospective retail marketers and appropriate codes of conduct will allow for appropriate protections of customers if retail competition were expanded?

Response:

In Columbia's experience, yes. Columbia was able to expand retail competition to its customers and has accomplished a design of its Customer Choice program with appropriate consumer protections for customers and without degradation of customer service, reliability or the obligation to serve.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing responses to Interstate Gas Supply, Inc., Southstar Energy Services, LLC and Vectren Source's First Requests for Information of Columbia Gas of Kentucky, Inc., was served upon all parties of record by regular U. S. mail this 29th day of July, 2010.



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