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COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

JUL 29 2010  
PUBLIC SERVICE  
COMMISSION

IN THE MATTER OF: )  
AN INVESTIGATION OF NATURAL GAS ) Case No. 2010-00146  
RETAIL COMPETITION PROGRAMS )

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**STAND ENERGY CORPORATION'S RESPONSES TO REQUESTS FOR  
INFORMATION FROM AARP**

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Intervenor, Stand Energy Corporation ("SEC"), by and through counsel, submits the following responses to requests for information from AARP.


**Request for Information 1**

To the extent that the testimony filed on behalf of your company includes calculations of savings that any of your members have provided to customers over the costs they would otherwise have paid under regulated utility gas service, please provide all workpapers of each such calculation or estimate, in executable spreadsheet form, with identification of all relevant source material.

**Response:** **Responder: Mark Ward.** **Objection.** Stand Energy's Customer Privacy Policy does not allow the release of specific customer information unless the release is specifically approved by an authorized Customer representative in writing or pursuant to a duly issued subpoena.

Without waiving the objection, Stand Energy states that it regularly provides written savings

analyses to the Commonwealth of Kentucky. The AARP can obtain this information from our customer, the Commonwealth of Kentucky or issue a subpoena which Stand Energy will forward to the Kentucky Attorney General to review and address.

  
John M. Dosker, Attorney

### **Request for Information 2**

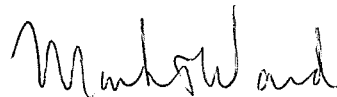
To the extent that the testimony filed on behalf of your company asserts that terms and conditions for retail gas choice in Kentucky are more onerous and fees and charges are higher than in other jurisdictions, please provide any analysis or other evidence that demonstrates that the Kentucky terms, conditions, fees or charges are: (a) not cost-based; (b) unjust; or (c) unreasonable.

**Response: Responder: Mark Ward.** Stand Energy has not asserted that terms and conditions for "retail gas choice" in Kentucky are more onerous and fees and charges are higher than in other jurisdictions. Mark Ward testified that administrative fees and meter charges for gas transportation customers were significantly higher in the Duke Energy Kentucky territory than similar charges across the Ohio River for customers of Duke Energy Ohio. Due to the lack of transparency in Kentucky rate cases, Stand Energy has no way of determining whether the Kentucky charges are cost-based, just or reasonable. However, the comparison of the fees and charges and the resulting difference, speaks for itself.

### **Request for Information 3**

Is it the position of your company that supervision by the Kentucky Public Service Commission of the competitiveness of the retail supply market in Kentucky is: (a) within the jurisdiction of the Commission, and (b) provides a state action protection against application of anti-trust laws to that market? Please provide your reasoning and relevant citations to support your position on these questions.

**Response: Responder: Mark Ward.** The Kentucky PSC should exercise jurisdiction in all ways necessary and appropriate to encourage competition in retail natural gas and promote a level-playing field for all competitors. However, Affiliates of utilities should not be allowed to engage in the marketing and sale of natural gas within the territory of the affiliate's parent company. Affiliates have too many advantages over marketers and too much daily contact with the utility to be effectively regulated. Stand Energy declines to make a speculative legal conclusion on the question of the application of anti-trust law to unknown and unstated facts.



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Mark T. Ward

**STATE OF OHIO  
COUNTY OF HAMILTON**

Signed and sworn to before me, a Notary Public for the State of Ohio by Mark T. Ward, personally known to me, who stated that these responses were prepared by him on behalf of Stand Energy Corporation and that the responses are true and accurate to the best of his knowledge, information and belief formed after a reasonable inquiry.

My commission expires: 2-7-2011.

*Kathy L. Kellems*  
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NOTARY PUBLIC STATE-AT-LARGE.

**KATHY L. KELLEMS**  
Notary Public, State of Ohio  
My Commission Expires  
February 7, 2011