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OCT 20 2010

PUBLIC SERVICE COMMISSION



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October 18th, 2010

Chairman David Armstrong
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, Kentucky 40601

2010-00146

Re: Investigation of Competition in Natural Gas and Kentucky Jobs

Dear Chairman Armstrong:

I understand the Kentucky PSC is investigating retail natural gas competition in Kentucky. I further understand that presently, very few Kentucky industrial, commercial and governmental customers have the ability to buy natural gas on the open market. I support giving industrial, commercial and governmental customers in all parts of Kentucky, the option to purchase natural gas on a competitive market like other nearby states. Competition should benefit everyone and discriminate against no one.

Current utility practices discriminate against small industry, businesses and public facilities by only allowing the largest customers to purchase in a competitive market. Small businesses will lead this country out of recession and add employment, but efforts are hampered with excessively high utility fees and unreasonable rules. For example, the thresholds of gas usage necessary to qualify to purchase on the competitive market are unreasonably high in all five of Kentucky's gas utility areas and should be lowered.

<u>Utility</u>	<u>Barrier to Competitive Market</u>
Louisville Gas & Electric	50,000/year. or 50 mcf/day usage MINIMUM!
Columbia Gas of Kentucky	25,000/yr minimum usage requirement!
Duke Energy Kentucky	\$5,000/year in meter fees !
Atmos Energy	12,000 /year minimum usage requirement!
Delta Energy	Subsidized utility marketing affiliate!

These restrictions are costing Kentuckians jobs! Other neighboring states do not have these onerous and excessive fees. Barriers to Kentucky businesses for buying competitively on the open market need to be removed. The practice of utility subsidiaries selling gas to large customers, subsidized by shifting costs to smaller industrial and commercial customers also needs to end.

The Public Service Commission should update or amend the regulations and tariffs governing natural gas transportation on each utility system to allow a competitive natural gas market for industrial, commercial and governmental customers.

Regards,

Camco Chemical