

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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| APPLICATION OF NATURAL ENERGY UTILITY CORPORATION FOR APPROVAL OF CONSTRUCTION OF A NATURAL GAS PIPELINE AND ISSUANCE OF A CERTIFICATE OF CONVENIENCE AND NECESSITY |) | CASE NO. |
| |) | 2017-00049 |
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| |) | |

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO NATURAL ENERGY UTILITY CORPORATION

Natural Energy Utility Corporation ("NEUC"), pursuant to 807 KAR 5:001, is to file with the Commission the original and eight copies of the following information, with a copy to all parties of record. The information requested herein is due within ten days of the date of this request for information. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

NEUC shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which

NEUC fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When filing a paper containing personal information, NEUC shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. State whether the service to this customer will be at an existing facility, an expansion of an existing facility, or a new facility.

2. Confirm that the contract customer does not currently have, and has not had in the past, gas service at or in the general vicinity of its current location. If this cannot be confirmed, provide the name of the gas supplier(s) and a description of the pipeline facilities used to supply that gas.

3. Refer to the Application, paragraph 5.

a. Describe the location of the 30 new residential customers expected to be served, and an estimate of the additional pipeline extension and investment that would be required to serve them.

b. Confirm that service to all 30 new customers is to be provided by November 2017.

c. Confirm that there is no other gas service in the vicinity of the 30 customers.

4. Refer to Exhibit 1, the special contract, paragraph 6. Price, line 4, and to Exhibit 3, the Enengineering study (“Study”), page 1. Clarify the pricing terms, and how volumes over the threshold “up to” amount, which is redacted on line 4 of the contract, will be priced. The explanation should include the amount NEUC would bill the customer for a monthly volume of 3,210 dth, or 107 dth/day, which is the load indicated on page 1 of the Study.

5. Confirm that the proposed special contract is for sales service and not transportation service.

a. If so, explain whether NEUC intends to supply the customer from system supply gas, and whether the customer’s volume, gas cost, and gas cost recovery will be included in NEUC’s quarterly Purchased Gas Adjustment Filings.

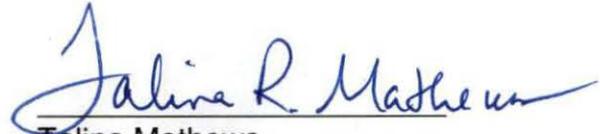
b. If NEUC is providing sales service to the customer, state the source of the gas to supply the customer, and what price NEUC will be charged for the gas.

6. Refer to Exhibit 3, the Study, page 3, the Additional Comments.

a. Address separately the comments regarding regulator sizing and overall system capacity with regard to the impact on the rest of NEUC’s system of adding the new load from the special contract customer and the 30 additional residential customers.

b. Considering the combined potential load of the new industrial customer and the 30 additional customers, state whether NEUC’s existing pipeline system will be able to deliver the expected full requirements of all customers.

7. Refer to Exhibit 6. State whether NEUC expects the information regarding volumes, revenue, and cost for Year 3 to be representative of the remaining term of the contract. If not, provide volume, revenue, and cost projections for the remaining years.



Talina Mathews
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED FEB 03 2017

cc: Parties of Record

*Honorable John N Hughes
Attorney at Law
124 West Todd Street
Frankfort, KENTUCKY 40601

*Natural Energy Utility Corporation
2560 Hoods Creek Pike
Ashland, KY 41102