COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF COLUMBIA GAS OF)	
KENTUCKY, INC. TO IMPLEMENT A SMALL)	
VOLUME GAS TRANSPORTATION SERVICE, TO)	CASE NO.
CONTINUE ITS GAS COST INCENTIVE)	1999-00165
MECHANISMS, AND TO CONTINUE ITS)	
CUSTOMER ASSISTANCE PROGRAM)	

FIRST DATA REQUEST OF COMMISSION STAFF TO INTERSTATE GAS SUPPLY, INC.

Interstate Gas Supply, Inc. (IGS), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and 8 copies of the following information, with a copy to all parties of record. The information requested herein is due July 24, 2003. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the person who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information herein has been previously provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request.

1. Refer to page 6, paragraph 16 of IGSs petition to continue and make permanent the Columbia Gas of Kentucky, Inc. (Columbia) Choice Program. Explain why IGS believes that there was a presumption, based on the Commission's March 6,

2000 Order in this proceeding, that, at the end of the pilot program, a decision would be made to institute the Choice Program permanently.

- 2. Refer to page 6, paragraphs 16 through 18 of IGS s petition, which refer to customer choice programs available in other states generally, and specifically to Ohio.
- a. Given the statutory structure and administrative rules that govern the programs in Ohio, compared to an absence of statutory authority and administrative rules in Kentucky, explain why a comparison of Columbia's pilot program (the only such program in Kentucky) to Ohio (where such programs are available throughout the state) is a valid comparison for purposes of this proceeding.
- b. Many states have restructured or deregulated their utility industries to make choice programs/unbundled rates available to consumers of gas or electricity. However, for various reasons, Kentucky has chosen not to restructure and unbundle the rates of its electric utilities to make multiple suppliers available to consumers. Likewise, other than approving Columbia's pilot Choice Program, Kentucky has not attempted to unbundle natural gas rates to make multiple suppliers available to consumers. Explain why IGS believes the practices in place in other states should be considered by the Commission in this proceeding.
- 3. Refer to page 10, paragraph 29 of IGS's petition, and the description of the savings IGS's customers have realized under the Choice Program, specifically, the statement Through June 2002, IGS saved its customers approximately \$1,605,069.81, with savings balanced by a high of \$2,936,555.20 for certain rate products and negative savings of \$803,390.00 for another rate product.

a. Explain how, or whether, the first amount, \$1.6 million, is derived

from or related to, the second and third amounts of \$2.9 million and \$800,000,

respectively.

b. Provide all calculations, workpapers, spreadsheets, etc. necessary

to show the derivation of each of these amounts, plus a narrative description of all the

calculations, workpapers, spreadsheets, etc.

c. Identify all the different rate products referenced in the statement

that begins, Through June 2002 Describe how IGS has marketed its different

rate products to customers during the time it has participated in Columbia's Choice

Program.

d. The paragraph also indicates that IGS estimates it has provided its

customers with savings of \$2.7 million through April 2003. Provide all the calculations,

workpapers, spreadsheets, etc. necessary to show the derivation of this amount.

Include a narrative description of all the calculations, workpapers, spreadsheets, etc.

Thomas M. Dorman

Executive Director

Public Service Commission

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DATED: <u>July 10, 2003</u>

cc: All parties