

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|                               |   |                     |
|-------------------------------|---|---------------------|
| NOTICE OF GAS COST ADJUSTMENT | ) |                     |
| FILING OF CITIPOWER, LLC      | ) | CASE NO. 2005-00319 |

FIRST DATA REQUEST OF COMMISSION STAFF TO  
CITIPOWER, LLC

Citipower, LLC ("Citipower"), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and 5 copies of the following information, with a copy to all parties of record. The information requested herein is due no later than September 15, 2005. 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 the first page of the Gas Supply Guarantee Agreement ("Supply Agreement"), between Citipower and Citigas, L.L.C. ("Citigas"), Section A.

a. Provide a list of other pipelines, gathering lines and wells located within the vicinity of Citipower.

b. Provide the names of customers served by Citigas other than Citipower.

c. Provide the locations of the meters which measure the gas that will be sold to Citipower under the Supply Agreement.

d. State whether the Citipower employees with responsibility for purchasing gas from Citigas are familiar with KRS 278.2207, the statute that deals with transactions between a utility and its affiliates.

e. Are the pipelines and gathering lines owned by Citigas the same lines previously owned by Forexco? If no, when and from whom did Citigas obtain these lines?

f. Is Citigas subject to the jurisdiction of the Federal Energy Regulatory Commission or Tennessee Regulatory Authority?

2. Refer to the Supply Agreement, Article 1, Transportation/Supply Guarantee Fee.

a. Provide the cost justification for the proposed \$3 per MMBTU transportation fee.

b. The transportation/supply fee will be adjusted each year based on the average general CPI Index. State why Citipower agreed to this adjustment. Explain why this adjustment is reasonable.

c. Provide a list of natural gas suppliers, other than Citigas, that Citipower considered for its gas supply.

3. Refer to the Supply Agreement, Article 8, 9.2. The agreement states that any additional lines will be jointly funded 50:50 by Citigas and Citipower.

a. Provide an estimate of the number of additional lines that Citipower or Citigas plans to install under this section of the agreement.

b. Provide an estimate of the cost of additional lines that Citipower or Citigas plans to install under this agreement.

c. State the reasons for proposing that ownership of any additional lines under the Supply Agreement will be funded equally by Citipower and Citigas. Explain why this cost sharing arrangement is reasonable.

A handwritten signature in black ink, consisting of several overlapping loops and a horizontal line at the end, positioned above the printed name and title.

Beth O'Donnell  
Executive Director  
Public Service Commission  
P. O. Box 615  
Frankfort, KY 40602

DATED September 1, 2005

cc: All Parties