

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF THE	)	
ENERGY AND REGULATORY	)	ADMINISTRATIVE
ISSUES IN SECTION 50 OF	)	CASE NO. 2007-00477
KENTUCKY'S 2007 ENERGY ACT	)	

FIRST DATA REQUEST OF COMMISSION STAFF  
TO STAND ENERGY CORPORATION

Stand Energy Corporation ("Stand"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 10 copies of the following information, with a copy to all parties of record. The information requested herein is due on or before March 20, 2008. 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 the 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.

Stand shall make timely amendment to any prior responses 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

Stand 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 shall 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.

1. Provide a definition of the term “utility” as used in the testimony of Mark T. Ward (“Ward Testimony”), page 3, line 2, and state whether Stand is included or excluded from that definition.

2. Provide a definition of the term “energy efficiency” as used in the Ward Testimony at page 3, line 3.

3. Explain in detail the reasons why Stand believes that the financial interests of Kentucky’s major local gas distribution companies (“LDCs”) are not now aligned with the goals of achieving energy efficiency and lowest life-cycle energy costs to all classes of ratepayers.

4. Refer to pages 2-3 of the Ward Testimony concerning the purpose of the testimony. Provide a detailed explanation of how Stand’s proposed changes to the rate structures and tariffs of LDCs in Kentucky are related to aligning the financial interests of the utility with the goals of achieving energy efficiency and lowest life-cycle energy costs to all classes of ratepayers.

5. Since natural gas is a fungible commodity, explain how allowing a customer to purchase its gas commodity from a supplier other than the incumbent LDC produces energy efficiency.

6. Provide copies of any reports, studies, or analyses which support Stand's claim that allowing smaller commercial and industrial customers to purchase their natural gas supplies through an open, competitive market results in greater energy efficiencies than if those customers were limited to purchasing their gas from their existing LDC.

7. Refer to the Ward Testimony at page 8. Mr. Ward discusses the Columbia Gas of Kentucky ("Columbia KY") Choice program for residential and small commercial customers.

a. Does Stand participate in the Columbia KY Choice program?  
Explain your answer.

b. Has Stand ever participated in the Columbia KY Choice program?  
Explain your answer.

8. Refer to the Ward Testimony at pages 9 and 10. Mr. Ward discusses the four changes he proposes the Commission require the LDCs it regulates to make to their tariffs.

a. Is Mr. Ward recommending that the Commission require all jurisdictional LDCs develop retail choice programs? If no, explain why.

b. Has Mr. Ward considered the impact his recommendations, if required, will have on jurisdictional LDCs with less than 10,000 customers? If no, explain why.



Beth O'Donnell  
Executive Director  
Public Service Commission  
P. O. Box 615  
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DATED: March 11, 2008

cc: Parties of Record