

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING) CASE NO. 2009-00080
OF CITIPOWER, LLC)

INITIAL DATA REQUEST OF COMMISSION
STAFF TO CITIPOWER, LLC

Citipower, LLC ("Citipower"), pursuant to 807 KAR 5:001, is to file with the Commission the original and 2 copies of the following information, with a copy to all parties of record. The information requested herein is due within 7 days from the date of this request. 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.

Citipower 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 requests to which Citipower fails or refuses to furnish all or part of the requested information, Citipower

shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

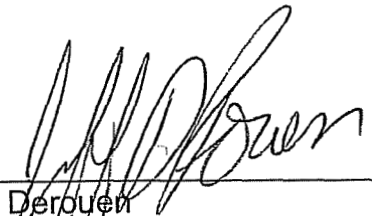
Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Refer to Citipower's Quarterly Report of Gas Cost Recovery Rate Calculation, filed February 23, 2009. It appears that the price Citipower pays Citigas, LLC ("Citigas") for its gas supply is based on a New York Mercantile Exchange ("NYMEX") Natural Gas 12-month Strip rate. Provide the rationale for Citigas basing the price it charges Citipower on a NYMEX Natural Gas 12-month Strip rate.

2. An attached letter from Citigas dated February 20, 2008 states that Citipower's gas cost per Mcf will be \$11.38 for April 2009 through June 2009. As support for the amount of \$11.38, Citigas has attached the "NYMEX Natural Gas 12-Month Strip" for April 24, 2008.

a. Given that Citipower is proposing an effective date of April 1, 2009 for its gas cost adjustment filing, explain why the NYMEX Natural Gas 12-Month Strip for April 24, 2008, which appears to cover the 12 months ending March 2009, is being used for the expected cost of gas.

b. In that same letter, a BTU factor of \$2.28 is added to the "Gas cost per Mcf" of \$11.38. Should the \$11.38 actually be labeled as the "Gas cost per Dth"? If no, explain why a BTU factor is needed to arrive at a final price.



Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED: MARCH 3, 2009

cc: All Parties

Case No. 2009-00080

Dan Forsberg
President
CitiPower, L.L.C.
2122 Enterprise Road
Greensboro, NC 27408