

# SEC

**STAND ENERGY  
CORPORATION**

1077 Celestial Street • Rookwood Bldg • Suite 110  
Cincinnati, Ohio 45202-1629  
(513) 621-1113  
(800) 598-2046  
(513) 621-3773 Fax

**RECEIVED**

**JUL 21 2009**

**PUBLIC SERVICE  
COMMISSION**

July 19, 2009

***VIA UPS NEXT DAY AIR***

Mr. Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602-0615

**Re: Case No. 2009-00141  
Columbia Gas of Kentucky, Inc.  
General Rate Case**

Dear Mr. Derouen:

Enclosed is the original and ten (10) copies of *Stand Energy Corporation's Motion for Full Intervention*.

Thank you for your prompt attention to this filing and you may contact me if you require any further information.

Sincerely,

John M. Dosker  
General Counsel

Encls.

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**RECEIVED**

**JUL 21 2009**

**PUBLIC SERVICE  
COMMISSION**

**In The Matter of:**

**APPLICATION OF COLUMBIA GAS )  
OF KENTUCKY, INC. FOR AN )      CASE NO. 2009-00141  
ADJUSTMENT IN RATES )**

**MOTION OF STAND ENERGY CORPORATION  
FOR FULL INTERVENTION**

---

Stand Energy Corporation ("Stand Energy") moves for full intervenor status pursuant to KRS 278.310 and 807 KAR 5:001 §3(8). Stand Energy has differing commercial goals and direction relative to Columbia Gas of Kentucky, the Kentucky Attorney General, or any other party in the above-captioned case and therefore no other participant can adequately represent or protect the interests of Stand Energy. Stand Energy's participation will lead to the presentation of relevant facts and issues that will assist the Kentucky Public Service Commission in the search for the truth and it's consideration of the matters raised in the application without unduly complicating, disrupting or delaying the proceedings. Stand Energy agrees to accept the record as it currently exists and to be bound by all procedural schedules and Orders. In support of the foregoing motion, Stand Energy states as follows:

1. Stand Energy is a private gas marketer and Kentucky corporation with its offices located at 1077 Celestial Street, Rookwood Building 3, Suite 110, Cincinnati, Ohio 45202-1629.
2. Stand Energy is engaged in the marketing of natural gas to a unique blend of public and private customers in over 12 states (including Kentucky), with experience delivering natural gas behind more than 30 local distribution companies (including, but not limited to

Columbia Gas of Kentucky, Columbia Gas of Ohio, Columbia Gas of Virginia and Columbia Gas of Pennsylvania). Stand Energy has absolutely no connection to any regulated utility in any state.

3. The undersigned General Counsel is licensed to practice law in Kentucky and is a former member of Executive Committee of the North American Energy Standards Board (NAESB), Gas Supplier Segment. Stand Energy has almost twenty-five (25) years of experience in regulatory proceedings involving natural gas.

4. With the exception of CKY and Stand Energy, no other party to these proceedings was involved in the 2005 Columbia Gas of Pennsylvania case before the Pennsylvania Public Utility Commission that addressed services proposed by Columbia Gas of Pennsylvania in 2005, extremely similar to proposals made by Columbia Gas of Kentucky in 2009 in this case. Stand Energy clearly has unique facts, experience and knowledge to contribute in this case that is not possessed by any other party, except the applicant.

5. Specifically, CKY is proposing two new services in its application - "Price Protection Service ("PPS") and Negotiated Sales Service ("NSS") that are competitive with services currently offered by Stand Energy. The CKY application raises serious anti-trust and other competitive issues because the services, as proposed by CKY, would be essentially unregulated by the Commission. These services as proposed would allow CKY to earn a profit on the sale of natural gas. The sale of natural gas by Kentucky gas utilities has historically been only on a "pass through" basis whereby CKY recovered its costs on the natural gas through the GCA mechanism. This CKY application proposes to change that longstanding practice.

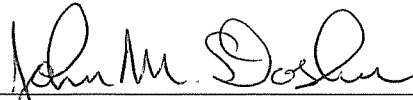
6. If CKY is allowed to subsidize the PPS and NSS services with utility employees, utility assets and promote the services in utility communications with customers, then Stand

Energy will be placed at a severe competitive disadvantage in violation of Federal and State law and at significant cost to CKY's regulated customers, all of which is contrary to the mission of the Public Service Commission. Kentucky needs to move toward more competition in the sale of natural gas to customers - not further away from competition. This application, if approved, would create the antithesis of the "level playing field" advocated and supported by the Kentucky legislature, the Governor and other elected officials. Approval of the CKY application would be very bad public policy.

7. CKY is also proposing a radical change to residential rate design called "straight fixed variable". This rate design would increase the monthly base customer charge imposed on residential gas customers without regard to that customer's gas usage. The customer's bill is "decoupled" from their usage of natural gas. If the straight fixed variable rate design is approved by the Commission, residential customers, even those who reduce natural gas consumption could still see higher natural gas bills. That result is counter-intuitive to the average citizen and ratepayer and has been hugely unpopular in Ohio where Stand Energy has participated in three (3) regulatory proceedings concluded in that past year involving the straight fixed variable rate design, including Columbia Gas of Ohio's. Stand Energy clearly has unique experience and information on this subject also, that is not possessed by any other party in these proceedings.

8. WHEREFORE, Stand Energy Corporation respectfully requests that the Commission grant it full Intervenor status.

Respectfully Submitted,



JOHN M. DOSKER (KBA #82089)

GENERAL COUNSEL

Stand Energy Corporation

1077 Celestial Street, Suite #110

Cincinnati, OH 45202-1629

(Phone) (513) 621-1113

(Fax) (513) 621-3773

[jdosker@stand-energy.com](mailto:jdosker@stand-energy.com)

**CERTIFICATE OF SERVICE**

I hereby certify that the foregoing was hand-delivered or mailed, first class postage prepaid, this 19<sup>th</sup> day of July 2009, to the following parties of record:

Stephen B. Seiple, Esq.  
Columbia Gas of Kentucky, Inc.  
200 Civic Center Drive  
P.O. Box 117  
Columbus, Ohio 43216-0117

Dennis Howard, II, Esq.  
Lawrence W. Cook, Esq.  
1024 Capital Center Drive, Suite 200  
Frankfort, Kentucky 40601-8204  
Assistant Attorneys General  
Utility & Rate Intervention Division

David F. Boehm, Esq.  
Boehm, Kurtz & Lowry  
36 East Seventh Street, Suite 1510  
Cincinnati, Ohio 45202-4434  
Counsel for Kentucky Industrial  
Utility Customers, Inc.

Iris. G. Skidmore  
415 W. Main Street, Suite 2  
Frankfort, Kentucky 40601-1841

Matthew Malone, Esq.  
Hurt, Crosbie & May  
127 W. Main Street  
Lexington, Kentucky 40507-1320

Tom Fitzgerald, Esq.  
Liz D. Edmondson, Esq.  
Kentucky Resources Council, Inc.  
P.O. Box 1070  
Frankfort, Kentucky 40602-1070

W.L. Wilson, Esq.  
Corporate Counsel  
LFUCG Dept. of Law  
200 East Main Street  
Lexington, Kentucky 40507-1310

  
JOHN M. DOSKER