

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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APR 26 2010

PUBLIC SERVICE
COMMISSION

In the Matter of:

COLUMBIA GAS OF KENTUCKY, INC.
COMPLAINANT

v.
NATURAL ENERGY UTILITY CORPORATION

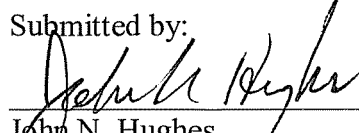
DEFENDANT

CASE NO.
2009-00340

**NATURAL ENERGY UTILITY CORPORATION'S RESPONSES TO
SECOND DATA REQUEST OF COMMISSION STAFF**

Natural Energy Utility Corporation ("NEUC"), by counsel, provides the following responses to the PSC's second data request.

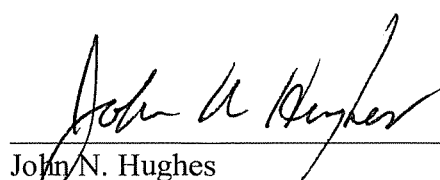
Submitted by:



John N. Hughes
124 West Todd St.
Frankfort, KY 40601
Attorney for NEUC

CERTIFICATE OF SERVICE

I certify that a copy of these Responses was served on Steve Seiple and Brooke Leslie, Box 117, Columbus, OH, 43216-0117 and Richard Taylor, 225 Capital Ave., Frankfort, KY 40601 first class mail this 26th day of April, 2010.



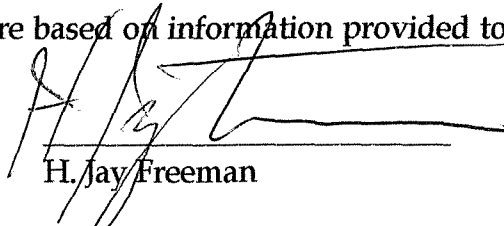
John N. Hughes

AFFIDAVIT

COMMONWEALTH OF KENTUCKY

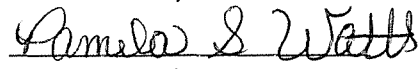
COUNTY OF BOYD

Affiant, H. Jay Freeman, after being first sworn, deposes and says that he is the President of Natural Energy Utility Corporation, that he is authorized to submit this Response and that the information contained in the Response is true and accurate to the best of his knowledge, information and belief, after a reasonable inquiry, and as to those matters that are based on information provided to him, he believes to be true and correct.



H. Jay Freeman

This instrument was produced, signed, acknowledged and declared by H. Jay Freeman to be his act and deed the 22 day of April, 2010.



Pamela S. Watts
Notary Public

My Commission expires: 4/06/2013

1. Refer to NEUC's response to Item 1 of the First Data Request of Commission Staff ("Staff's First Request").

a. Confirm that the two customers referenced in this response are customers Jones and Wells indicated in the response to Item 3.

b. Are these customers located on Florida Street?

c. NEUC's response to Item 1.b. states that the two customers are "served off the line that is located on and passes through the mall property." The map provided as Exhibit 1 of NEUC's Answer and Motion to Dismiss filed September 8, 2009 shows that the line from which these customers are served interconnects with the line that passes through the mall property at the outside edge of the mall property, apparently at McKinley Street. Confirm if this is correct.

d. The line that passes through the mall property appears to originate at a gas well, labeled "#61." Confirm whether this is correct and, if so, whether NEUC takes gas from that well.

Witness: Freeman

Response: a. Yes

b. Yes

c. Yes

d. Yes, yes.

2. Refer to NEUC's responses to Item 3 of Staff's First Request and to Item 2 of Columbia Gas of Kentucky, Inc.'s ("Columbia") data requests served upon NEUC ("Columbia's First Request"). Both responses discuss customers located at each end of the mall property. Provide a map similar to that in Exhibit 1 of NEUC's Answer and Motion to Dismiss showing the location of Alf Large on Oakview Road in relation to the mall property.

Witness: Freeman

Response: See exhibit 2 of NEUC's Answer and Motion to Dismiss filed September 8, 2009. In the lower right hand corner is the Project Designation box. Alf Large is located at approximately the "F" in the "Facilities of Natural Energy Utility Corporation, which is approximately 8,500 feet from the mall property.

3. Refer to NEUC's responses to Item 7 of Staff's First Request and to Item 3 of Columbia's First Request.

a. Confirm that Patrick Watson requested the line relocation in June 2007, and that the relocation occurred in August 2009 pursuant to his request.

b. Explain whether Patrick Watson requested the two-year delay of the line relocation. If not, explain why the delay occurred and why the relocation then took place in August 2009.

c. On the map provided in response to Item 2 of this request, show the location of Patrick Watson's property in relation to the mall property and indicate the former and current location of the driveway referenced on page 5 of Mr. Freeman's Testimony.

d. At what address does Patrick Watson receive service? On the map provided in response to Item 2 of this request, show the location of the service address.

e. Confirm whether the line relocation referenced in the response to Staff's Item 7 is accurately portrayed by the green and red lines shown on Columbia's map provided in response to Item 9 of the First Data Request of Commission Staff to Columbia. If not, on the map provided in response to Item 2 of this request, include lines that accurately reflect the location of NEUC's line prior to the relocation and replacement and after the relocation and replacement.

Witness: Freeman

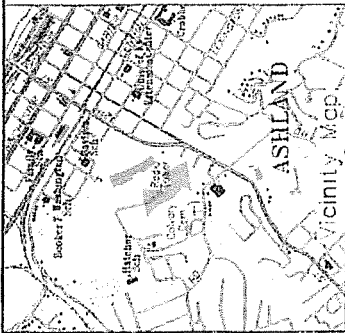
Response: a. Yes

b. The request was made in 2007, but Mr. Watson soon requested a deferral due to delays in the development of the property. In 2009, Mr. Watson again expressed the need for the pipeline relocation and NEUC proceeded to move the pipeline to allow Mr. Watson to continue with the development when he was ready.

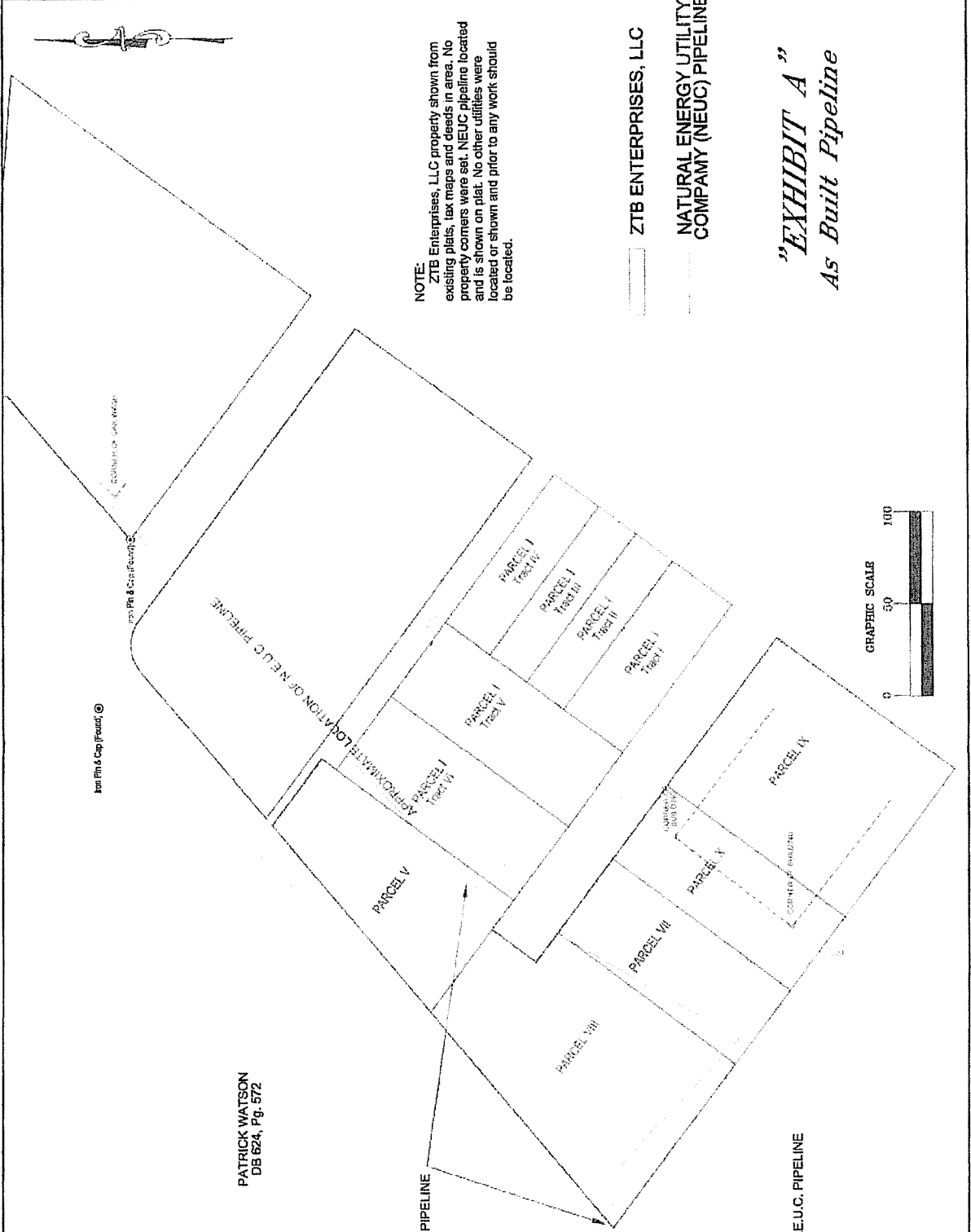
c. See exhibit 4 of the September 8, 2009 Answer. Mr. Watson's property is at the end of Bryan St. The access to the property is from lot 3 on the east end of Bryan St. The pipeline was moved from the location shown in red to the location shown on the attached map.

d. Mr. Watson is not a customer of NEUC.

e. See attached map.



PATRICK WATSON
DB 624, Pg. 572



NOTE:
ZTB Enterprises, LLC property shown from existing plats, tax maps and deeds in area. No property corners were set. NEUC pipeline located and is shown on plat. No other utilities were located or shown and prior to any work should be located.

- ▭ ZTB ENTERPRISES, LLC
- ▭ NATURAL ENERGY UTILITY COMPANY (NEUC) PIPELINE

"EXHIBIT A"
As Built Pipeline

©Iron Pin & Cap (Proud), LLC

4. Refer to NEUC's response to Item 7 of Columbia's First Request. Confirm that the relocation that is the subject of the question was requested in June 2007 but did not occur until August 2009.

Witness: Freeman

Response: Yes

5. Refer to Columbia's response to Item 3 of NEUC's First Request. Using the monthly gas usage shown on the bills for each customer, provide the calculation of each customer's bill for each month for which bills were provided as though the customer had been a NEUC customer using the NEUC rates in effect for each month.

Witness: Freeman

Response: See attached

GAS COST FOR NATURAL ENERGY UTILITY CORPORATION

For time period Aug-09 to Feb-10 based on Columbia MCF sales

Checkers

Month	Vol/Mcf's	Total
9-Aug	91	\$703.43
9-Sep	99	\$765.27
9-Oct	119	\$1,035.30
9-Nov	131	\$1,139.70
9-Dec	166	\$1,444.20
10-Jan	148	\$1,302.40
10-Feb	139	\$1,223.20

Liquor

Month	Vol/Mcf	Total
9-Aug	0	\$7.73
9-Sep	0	\$7.73
9-Oct	5	\$43.50
9-Nov	9	\$78.30
9-Dec	23	\$200.10
10-Jan	22	\$193.60
10-Feb	18	\$158.40

Mandarin

Month	Vol/MCF	Total
9-Aug	55	\$425.15
9-Sep	56	\$432.88
9-Oct	62	\$539.40
9-Nov	67	\$582.90
9-Dec	73	\$635.10
10-Jan	69	\$607.20
10-Feb	70	\$616.00

CHECKERS VIDEO & LAUNDROMAT

COLUMBIA GAS		COLUMBIA GAS		NATURAL ENERGY		NEUC	
BILLING PERIOD	MCF'S USED	CHARGES FOR SERVICE PERIOD	AVG.	CHARGES FOR SERVICE PERIOD	TARIFF	CHARGES FOR SERVICE PERIOD	TARIFF
8/11/09 - 9/10/09	91.1	\$585.02	\$6.42	\$703.43	\$7.73		\$7.73
9/10/09 - 10/09/09	99.7	\$639.42	\$6.41	\$765.27	\$7.73		\$7.73
10/09/09 - 11/09/09	119.0	\$762.95	\$6.41	\$1,035.30	\$8.70		\$8.70
11/09/09 - 12/10/09	131.9	\$957.51	\$7.26	\$1,139.70	\$8.70		\$8.70
12/10/09 - 1/13/10	166.9	\$1,166.08	\$6.98	\$1,444.20	\$8.70		\$8.70
1/13/10 - 2/11/10	148.6	\$1,063.34	\$7.15	\$1,302.40	\$8.80		\$8.80
2/11/10 - 3/12/10	139.3	\$1,302.64	\$9.35	\$1,223.20	\$8.80		\$8.80
		\$6,476.96	\$7.14	\$7,613.50	\$8.46		\$8.46

CONTINENTAL LIQUORS

COLUMBIA GAS		COLUMBIA GAS		NATURAL ENERGY		TARIFF	
BILLING PERIOD	MCF'S USED	CHARGES FOR SERVICE PERIOD	AVG.	CHARGES FOR SERVICE PERIOD	TARIFF	CHARGES FOR SERVICE PERIOD	TARIFF
8/11/09 - 9/10/09	0	\$26.92	\$26.92	\$7.73	\$7.73		\$7.73
9/10/09 - 10/09/09	0	\$26.92	\$26.92	\$7.73	\$7.73		\$7.73
10/09/09 - 11/09/09	5.3	\$61.15	\$11.54	\$43.50	\$8.70		\$8.70
11/09/09 - 12/10/09	9.8	\$99.19	\$10.13	\$78.30	\$8.70		\$8.70
12/10/09 - 1/13/10	23.6	\$183.53	\$7.78	\$200.10	\$8.70		\$8.70
1/13/10 - 2/11/10	22.5	\$185.26	\$8.24	\$193.60	\$8.80		\$8.80
2/11/10 - 3/12/10	18.0	\$189.35	\$10.52	\$158.40	\$8.80		\$8.80
		\$772.32	\$14.58	\$689.36	\$8.46		\$8.46

FENKAI CHEN ASHLAND MANDARIN

COLUMBIA GAS		COLUMBIA GAS		NATURAL ENERGY		TARIFF	
BILLING PERIOD	MCF'S USED	CHARGES FOR SERVICE PERIOD	AVG.	CHARGES FOR SERVICE PERIOD	TARIFF	CHARGES FOR SERVICE PERIOD	TARIFF
8/11/09 - 9/10/09	55.9	\$371.72	\$6.65	\$432.11	\$7.73		\$7.73
9/10/09 - 10/09/09	56.4	\$374.78	\$6.65	\$432.88	\$7.73		\$7.73
10/09/09 - 11/09/09	62.9	\$418.06	\$6.65	\$539.40	\$8.70		\$8.70
11/09/09 - 12/10/09	67.7	\$503.98	\$7.45	\$582.90	\$8.70		\$8.70
12/10/09 - 1/13/10	73.7	\$541.87	\$7.36	\$641.19	\$8.70		\$8.70
1/13/10 - 2/11/10	69.0	\$511.39	\$7.42	\$607.20	\$8.80		\$8.80
2/11/10 - 3/12/10	70.8	\$682.16	\$9.64	\$616.00	\$8.80		\$8.80
		\$3,403.96	\$7.41	\$3,851.68	\$8.46		\$8.46

GAS COST FOR NATURAL ENERGY UTILITY CORPORATION

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CHECKERS VIDEO & LAUNDROMAT

BILLING PERIOD	MCF'S USED	COLUMBIA GAS CHARGES FOR SERVICE PERIOD	COLUMBIA GAS AVG.	NATURAL ENERGY CHARGES FOR SERVICE PERIOD	NEUC TARIFF
8/11/09 - 9/10/09	91.1	\$585.02	\$6.42	\$703.43	\$7.73
9/10/09 - 10/09/09	99.7	\$639.42	\$6.41	\$765.27	\$7.73
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CONTINENTAL LIQUORS

\$6,476.96 \$7.14 \$7,613.50 \$8.46

BILLING PERIOD	MCF'S USED	COLUMBIA GAS CHARGES FOR SERVICE PERIOD	COLUMBIA GAS AVG.	NATURAL ENERGY CHARGES FOR SERVICE PERIOD	TARIFF
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1/13/10 - 2/11/10	22.5	\$185.26	\$8.24	\$193.60	\$8.80
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FENKAI CHEN ASHLAND MANDARIN

BILLING PERIOD	MCF'S USED	COLUMBIA GAS CHARGES FOR SERVICE PERIOD	COLUMBIA GAS AVG.	NATURAL ENERGY CHARGES FOR SERVICE PERIOD	TARIFF
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2/11/10 - 3/12/10	70.8	\$682.16	\$9.64	\$616.00	\$8.80
		\$3,403.96	\$7.41	\$3,851.68	\$8.46

6. Has the owner of the mall properties indicated that she is expecting a lower bill if she were served by NEUC rather than Columbia?

Witness: Freeman

Response: She is currently a customer of NEUC at her residence and is aware of the per unit gas cost provided by NEUC.

7. Has NEUC offered the owner of the properties a special contract rate which is less than NEUC's tariffed rate? If yes, provide the offered rate. If no, has NEUC provided the owner of the properties the rate structure and associated rate she would be charged pursuant to NEUC's tariffed rate if she were to become a NEUC customer? If applicable, for the offered contract rate or the tariffed rate information, when was the offer or the rate information provided to the owner of the properties?

Witness: Freeman

Response: No. She has the NEUC rates as reflected on her residential bill.

8. Refer to Columbia's response to Item 7 of NEUC's First Request. Explain whether 250 feet of pipeline is omitted from NEUC's map. If yes, include the omitted section of pipeline on the previously referenced map.

Witness: Freeman

Response: See attached map in response 3e

9. Explain whether NEUC was required to install new customer service lines to serve the three customers requesting NEUC service. Include in the explanation whether these lines are the customers' responsibility pursuant to NEUC's tariff, original sheet No. 11, or the utility's responsibility.

Witness: Freeman

Response: As a service to its customers, the company generally installs the service line and charges the customer for the cost of installation, unless the customer chooses to make arrangements for the installation of the line. In this case, because of the excavation of the area to relocate the existing main, NEUC installed the taps and service lines to avoid the extra cost of a second trenching. If the customers are allowed to connect, they will be charged in accordance with the company's policy.

10. Refer to NEUC's response to Item 2 of Staff's First Request. Provide a summary of the terms of the mutual agreement, the intent of the parties and the date the agreement was reached.

Witness: Freeman

Response: There is no formal agreement. For many years NEUC has agreed to not solicit or otherwise induce Columbia's customers to switch service providers. NEUC has respected that agreement for as long as I have been involved with the company.