

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE
COMMISSION

In the Matter of:)
)
AN INVESTIGATION OF NATURAL GAS) **CASE NO. 2010-00146**
RETAIL COMPETITION PROGRAMS)

**AARP'S FIRST SET OF REQUESTS TO THE RETAIL ENERGY SUPPLY
ASSOCIATION FOR INFORMATION**

Pursuant to the scheduling order adopted by the Commission in this case, AARP requests that the Retail Energy Supply Association ("RESA") file with the Commission the following information, with a copy to all parties of record, within the time specified in the Commission's Order. For each response to request for information,

- (1) Please identify the individual responsible for answering each request;
- (2) These requests shall be deemed continuing so as to require further and supplemental responses if the Retail Energy Supply Association receives or generates additional information within the scope of these requests between the time of the response and the time of the hearing;
- (3) A request to identify a document means to state the date or dates, author or originator, the subject matter, all addressees and recipients, type of document (e.g., letter, memorandum, telegram, chart, etc.), number or code number thereof or other means of identifying it, and its present location and custodian;
- (4) To the extent that the specific document, study or information requested does not exist, but a similar document, study or information does exist, please provide the similar document, study or information;

(5) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout;

(6) If RESA objects to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify AARP's Attorney of Record as soon as possible;

(7) For any document withheld on the basis of privilege, state the following: date; author; addressee; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted;

(8) In the event any document called for has been destroyed or transferred beyond the control of the company, please state the identity of the person by whom it was destroyed or transferred; the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy; and

(9) Where the information requested is the same as has been provided to another party in response to a request for information, it is sufficient to identify that response rather than duplicating the information requested.

Request For Information 1

Regarding the testimony of Theresa Ringenbach at p. 5, please provide any analysis or other evidence that proves the accuracy of each of the following statements: (a) with retail choice, customers become more engaged in what appears on their energy bill, (b) this in turn leads towards customer concentration on choice and energy usage, (c) this in

turn has led to the development of new choice options in other states, (d) that Ohio and Texas customers have an increased interest in home services products such as home energy audits and home energy manager tools, and (e) the mere recognition that “choice” exists often prompts the customer to more closely scrutinize their options and thus make a more informed decision on their energy bill.

Request for Information 2

Regarding the testimony of Theresa Ringenbach at p. 5, lines 13-17, please provide any analysis or other evidence that the costs of establishing an operating the businesses of new suppliers, marketers and brokers in the state, and new net tax revenues, are greater than the savings, if any, in gas prices to choice customers.

Request for Information 3

Regarding the testimony of Theresa Rigenbach at p. 6, please explain how gas procurement and supply could be a non-core function if it has been performed by natural gas utilities for decades, and still is performed by many natural gas utilities around the country.

Request for Information 4

Regarding the testimony of Theresa Ringenbach at p. 6, please identify all differences between the terms, conditions and regulatory policies applicable to small customer gas choice suppliers in Ohio and Pennsylvania.

Request for Information 5

Regarding the testimony of Theresa Ringenbach at p. 8, please identify the annual costs of the offices for retail market development in Ohio and Pennsylvania, respectively.

Request for Information 6

Regarding the testimony of Theresa Ringenbach at p.10-p.11, is it your testimony that the difference in choice rates you describe is due entirely to differences in customer education? If it is not, please identify all other differences and state the relative contribution of each. If so, please identify all differences in customer education.

Request for Information 7

Regarding the testimony of Theresa Ringenbach at p. 11 starting at line 15, please provide a detailed description of the difference in capacity and storage costs experienced by Wisconsin gas utility customers who took supply from competitors and those who took supply from the utility, along with the reasons given by the utility or Commission for those differences.

Request for Information 8

Regarding the testimony of Theresa Ringenbach at p.13, please identify all exceptions to the statement that, in general, the wholesale auction approach to SOLR provides a relatively smooth transition to competitive markets.

Request for Information 9

Regarding the testimony of Theresa Ringenbach at p.13, please state whether and to what extent competitive gas suppliers use hedges to protect against swings in market prices.

Request for Information 10

Regarding the testimony of Theresa Ringenbach at p. 15, line 11, is it your position that storage and capacity should be made available by competitive suppliers to all other competitors and the utility (in the event the utility remains in the supply function to any

extent) on reasonable terms and conditions? Please explain how your proposal would work in practice.

Request for Information 11

Regarding the testimony of Theresa Ringenbach, how do you reconcile the assertion on page 12, lines 13-14 of your testimony to the effect that supply and distribution functions should be strictly separated, from your position on p. 15 to the effect that the distribution utility should be require to buy competitive suppliers' receivables and provide billing services for the competitive suppliers?

Request for Information 12

Regarding the testimony of Theresa Ringenbach at p.15, how should partial payments be allocated between distribution and supply balances, and why?

Request for Information 13

Regarding the testimony of Theresa Ringenbach at p. 18, please identify all jurisdictions and utilities where stranded costs: (a) have been funded by customers and/or (b) have been funded through sales of assets, and describe the levels of such funding and how the funding was accomplished.

Request for Information 14

Regarding the testimony of Theresa Ringenbach at p. 20, lines 8-9, and at p. 21, is it your testimony that the utilities should perform a balancing, storage or other system integrity function on a cost basis, rather than a cost-plus basis? If so, why?

Request for Information 15

To the extent that the testimony filed on behalf of RESA includes calculations of savings that any of your members have provided to customers over the costs they would

otherwise have paid under regulated utility gas service, please provide all workpapers of each such calculation or estimate, in executable spreadsheet form, with identification of all relevant source material.

Request for Information 16

To the extent that the testimony filed on behalf of RESA asserts that terms and conditions for retail gas choice in Kentucky are more onerous and fees and charges are higher than in other jurisdictions, please provide any analysis or other evidence that demonstrates that the Kentucky terms, conditions, fees or charges are: (a) not cost-based; (b) unjust; or (c) unreasonable.

Request for Information 17

Is it the position of RESA that supervision by the Kentucky Public Service Commission of the competitiveness of the retail supply market in Kentucky is: (a) within the jurisdiction of the Commission, and (b) provides a state action protection against application of anti-trust laws to that market? Please provide your reasoning and relevant citations to support your position on these questions.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I certify that an original and ten (10) copies of AARP's First Set of Requests to the Retail Energy Supply Association for Information were transmitted for filing by priority mail to the Docket Clerk, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601 and that a true and accurate copy of the foregoing was mailed via first class U.S. Mail, postage prepaid, this 14th day of July, 2010, to the following:

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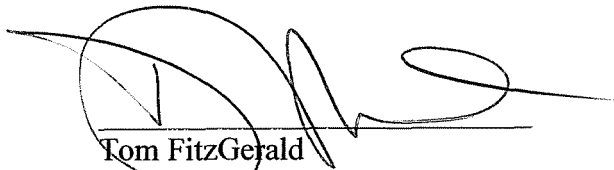
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