

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF NAVITAS KY NG, LLC FOR	)	
APPROVAL TO BOOK AS A REGULATORY ASSET	)	CASE NO.
ITS COST ASSOCIATED WITH ITS DISTRIBUTION	)	2012-00089
INTEGRITY MANAGEMENT PROGRAM	)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO  
NAVITAS KY NG, LLC

Navitas KY NG, LLC ("Navitas"), pursuant to 807 KAR 5:001, is to file with the Commission the original and seven copies of the following information, with a copy to all parties of record. The information requested herein is due no later than 14 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.

Navitas 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 request to which Navitas 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. Refer to paragraph 6 of the Application.

a. Explain whether Navitas has entered into a formal contract with Tri-Star Energy Consultants ("Tri-Star") to assist in preparing its Distribution Integrity Management Program ("DIMP") plans? If yes, provide a copy of the contract. If no, explain when Navitas will do so.

b. Explain whether there will be separate contracts for each Navitas gas system or one contract that covers all of Navitas's gas systems?

c. Describe all of the services that Tri-Star will perform on behalf of Navitas's Kentucky system and explain why there is a need for a consultant to assist in preparing the plan.

d. Identify any other consultants that were considered to prepare Navitas's DIMP plans. Explain why Tri-Star was selected instead of other candidates.

e. Provide the number of Navitas gas customers by state.

2. Refer to paragraph 7 of the Application, specifically the following statement: "The costs will be allocated based on a one dollar per customer/per month charge applied to each of Navitas's customers in Oklahoma, Kentucky and Tennessee over the five year period."

a. Explain whether this statement is describing how the costs will be amortized, how the amount of the regulatory asset will be determined, or how the costs will be recovered from Navitas's customers.

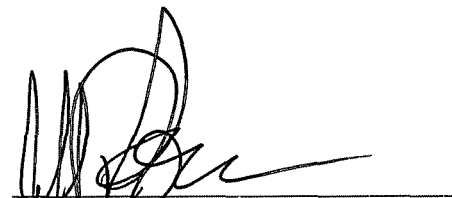
b. Provide the estimated cost associated with the DIMP plan for the Albany, Kentucky gas system.

c. Has Navitas incurred any expense to date for the Albany, Kentucky DIMP plan? If yes, provide a detailed analysis of the expenses incurred.

3. Is Navitas aware that the American Public Gas Association has a low-cost software program available designed to allow small gas distribution companies to write their own DIMP plans? If yes, explain why Navitas has chosen to hire Tri-Star to assist in preparing its plans at a cost of \$60 per customer over five years.

4. Explain when Navitas's DIMP plan is due to be filed with the Pipeline and Hazardous Materials Safety Administration and provide Navitas's estimated timeline for compliance.

5. Provide year-to-date financial statements as of December 31, 2011 and year-to-date financial statements for the most current month available for 2012 for the Albany, Kentucky operation.



Jeff Derouen  
Executive Director  
Public Service Commission  
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DATED APR 26 2012

cc: Parties of Record

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