

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

**PETITION OF NAVITAS TN NG, LLC)
FOR AN ORDER GRANTING)
APPROVAL TO BOOK AS A)
REGULATORY ASSET ITS COSTS)
ASSOCIATED WITH ITS)
DISTRIBUTION INTEGRITY)
MANAGEMENT PROGRAM)** **Docket No. 12-00020**

**NAVITAS TN NG, LLC's RESPONSES TO TENNESSEE REGULATORY
AUTHORITY STAFF'S FIRST SET OF DATA REQUESTS**

COMES NOW, Navitas TN NG, LLC ("Navitas"), by and through undersigned counsel, and hereby submits the following Responses to the Tennessee Regulatory Authority Staff's First Set of Data Requests. Navitas states as follows:

1. Provide the status of the DIMP plans for Navitas's two sub-systems in Tennessee.

The status of the DIMP for the two Navitas TN NG, LLC sub-systems is as follows:

- Navitas Utility Corporation attempted to prepare a DIMP; however, we withdrew the plan believing that we did not adequately understand the complexities of interpreting Federal regulation.
- Navitas has sought the assistance of an expert, Tri-Star Energy ("TSE") recommended by the Tennessee Gas Association.
- Navitas has negotiated a contract with TSE for compliance documentation including DIMP.
- Due to the relative size of the contract, Navitas is seeking approval from the regulatory agencies before executing the contract.

2. Did the Company consider any other consultants besides Tri-Star Energy Consultants? If yes, provide the names of the other consultants. Explain the Company's reasons for choosing Tri-Star Energy Consultants.

Navitas did seek out other consultants in other states. In particular, Navitas has a long-time relationship with Pipeline Regulatory Consultants ("PRC") of Oklahoma City, Oklahoma. However, PRC was unwilling to enter into a contract that spread the very large cost over an extended time frame. Were Navitas to undertake the significant capital expenditure required at one-time, it would place a significant strain on the operational resources of Navitas.

In addition to meeting the long-term contract requirements preferred by Navitas, TSE also negotiated other cost saving in the overall contract. TSE also demonstrated a clear understanding of the overall goals of the compliance documentation effort.

3. Describe the specific services Tri-Star is providing and why there is the need for a specialist to prepare the plans.

Navitas, through TSE, is conducting an entire review of compliance documentation. Compliance documentation includes the following: an Operations and Maintenance Manual, an Emergency Plan, DIMP, Public Awareness Plan and monitoring, annual review and implementation meetings, legislative-regulatory-inspection generated plan changes, review of Drug & Alcohol plan.

As touched on in question 1, due to its small size, Navitas does not have a regulatory staff. Additionally, our various state regulatory attorneys are not familiar with or versed in DIMP. However, it was clear in discussions with counsel that Navitas should not use the SHRIMP as the language contained therein was potentially extremely prejudicial. Moreover, due to the cross-ties in all the regulatory compliance documentation, the creation of DIMP necessitates the review of all others.

4. Has the Company incurred any expense to date for the DIMP Plans? If yes, provide a detailed list of those expenses.

Any DIMP-related expenses to date have been incurred as part of our regular course of business by company personnel.

5. Provide an estimate of any additional costs anticipated, by type of expense.

Unless DIMP necessitates large capital improvement projects, which would be accounted for as part of our rate base, Navitas does not anticipate

additional expenses beyond the TSE contract and those incurred in the in the regular course of business by company personnel.

6. The deadline for natural gas operators of distribution systems to develop and implement a DIMP plans was August 2, 2011. When does the Company anticipate that the distribution integrity management program plans will be complete and in place for both natural gas distribution systems owned and operated by Navitas in Tennessee?

The current plan for the implementation of DIMP throughout all 25 sub-systems in three-states is one-year from approval of the contract. Since Kentucky has only one system it will serve as the initial platform. Then Tennessee with its two sub-systems will be complete. I anticipate that the entire Tennessee compliance documentation revamp will be completed by year-end.

Dated this the 11th day of April, 2012.

Respectfully submitted,



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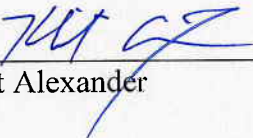
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 11th day of April, 2012, a true and correct copy of the foregoing instrument was deposited in the United States Mail, with postage prepaid, and addressed to the following:

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