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May 26, 2006

VIA HAND DELIVERY

Luly Massaro, Commission Clerk
Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

RE: Docket No. D-06-13 Joint Petition of Southern Union Company and The
Narragansett Electric Company

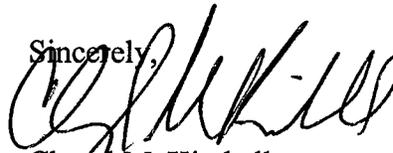
Dear Ms. Massaro:

Attached is the response of Southern Union Company (the "Company") to the First Set of Data Requests issued by the Rhode Island Department of Environmental Management ("RIDEM") in the above-referenced docket.

Please note that the Company's response to RIDEM 1-13 includes 11 attachments that are bulk documents and not immediately available in electronic format. Therefore, the Company is delivering a hard copy of the attachments by courier today to Attorney Leo Wold, Attorney Paul A. Roberti and Brian A. Wagner, Deputy Chief Legal Counsel of RIDEM. Hard copies and a CD-ROM of the documents will be provided to all parties on the Service List on Tuesday, May 30, 2006.

Thank you for your attention to this matter.

Sincerely,



Cheryl M. Kimball
R.I. Bar # 6458

Cc: Service List

The Narragansett Electric Company d/b/a National Grid
Southern Union Company
Docket D-06-13
Responses to RIDEM Data Requests – Set 1
Issued on May 19, 2006

RIDEM Data Request 1-1

Request:

Identify all person(s) that participated in the preparation of the responses to these data requests.

Response:

Richard N. Marshall

Prepared by or under the supervision of: Respondent: Richard N. Marshall

RIDEM Data Request 1-2

Request:

Describe the corporate organization and/or structure of Southern Union including but not limited to all divisions, offices or similar organizational units. Please include the following information about each such unit:

- (a) Name;
- (b) Location;
- (c) Business function;
- (d) When and how the unit was created (e.g. merger, acquisition, asset purchase).

Response:

Southern Union consists of three reporting segments: (1) Transportation and Storage, (2) Gathering and Processing, and (3) Distribution.

The Transportation and Storage segment is primarily engaged in the interstate transportation and storage of natural gas in the Midwest and Southwest and from the Gulf Coast to Florida and also provides LNG terminalling and regasification services. The principal business units composing this segment are Panhandle Eastern Pipe Line, LP (acquired in June 2003) and its operating subsidiaries and Southern Union's 50% equity investment in CCE Holdings, LLC (completed in November 2004).

The Gathering and Processing segment is primarily engaged in the gathering, transmission, treating, processing and redelivery of natural gas and natural gas liquids in Texas and New Mexico. The principal business units composing this segment are Southern Union Gas Services, Ltd. (formerly known as Sid Richardson Energy Services, Ltd.) and Southern Union Gas Energy, Ltd., which were acquired on March 1, 2006.

The Distribution segment is primarily engaged in the local distribution of natural gas through Missouri Gas Energy and the Massachusetts operations of New England Gas Company, which were acquired in February 1994 and September 2001, respectively. As required under generally accepted accounting principles, the Company currently reports as "discontinued operations" the assets of its PG Energy natural gas distribution division and the Rhode Island operations of its New England Gas Company division, both of which are held for sale.

RIDEM Data Request 1-3

Request:

Describe in detail the circumstances surrounding Southern Union's acquisition of New England Gas Company, including but not limited to:

- (a) the date of the acquisition;
- (b) the method of acquisition;
- (c) how New England Gas Company was integrated into Southern Union's business operations; and
- (d) the current status of New England Gas Company's corporate identity.

Response:

Southern Union objects to RIDEM Data Request 1-3 on the basis that it requests information that is not relevant to the issues properly under consideration by the Division, is overly broad, and is not reasonably calculated to lead to discovery of evidence relevant to the issues in this proceeding. Subject to and without waiving such objections, Southern Union responds as follows:

The New England Gas Company division of Southern Union was created in September 2000 through the acquisition of all of the outstanding stock of Providence Energy Corporation (the parent company of Providence Gas Company and North Attleboro Gas Company), Valley Resources, Inc. (the parent company of Valley Gas Company and Bristol and Warren Gas Company) and Fall River Gas Company and their related subsidiaries. These entities were merged with and into Southern Union, with Southern Union as the surviving entity, and the distribution operations conducted post-acquisition through an unincorporated division of Southern Union (New England Gas Company). The acquisition of Providence Gas Company, Valley Gas Company and Bristol and Warren Gas Company was approved by the Division of Public Utilities and Carriers in July 2000. Southern Union's acquisitions of the Fall River Gas Company and North Attleboro Gas Company were approved by the Massachusetts Department of Telecommunications and Energy on September 6, 2000, in D.T.E. 00-25 and D.T.E. 00-26, respectively.

RIDEM Data Request 1-4

Request:

Identify all entities associated with Southern Union including:

- (a) All entities that share one or more common officers, directors, members, partners or similar principals with those of Southern Union;
- (b) All entities having a parent, subsidiary or sibling relationship with Southern Union;
- (c) All entities in which Southern Union holds an ownership interest of 10% or more;
- (d) All entities in which Southern Union holds a controlling interest;
- (e) All entities that hold an ownership interest in Southern Union of 10% or more;
- (f) Any entity that holds a controlling interest in Southern Union.

Response:

Southern Union objects to RIDEM Data Request 1-4 on the basis that it requests information that is not relevant to the issues properly under consideration by the Division, is overly broad, unduly burdensome and is not reasonably calculated to lead to discovery of evidence relevant to the issues in this proceeding.

Prepared by or under the supervision of: Richard N. Marshall

RIDEM Data Request 1-5

Request:

For each Related Entity please state:

- (a) the date and state of organization;
- (b) the present financial, operational, and legal status;
- (c) whether they are active or have been dissolved, terminated or otherwise voided by any state authority;
- (d) if any of the entities are terminated or dissolved, identify the date of same, by whom and for what reason
- (e) a description of the entity's business operations;
- (f) the names of all common officers, directors, members, partners ... etc.;
- (g) the relationship between Southern Union and the Related Entities with respect to control and assignment of work and inter-entity transactions (e.g. the exchange of goods and services, extension of credit and assumption of debt); and
- (h) the names and addresses of registered agent(s) in Rhode Island or the Related Entity's principal place of business.

Response:

Southern Union objects to RIDEM Data Request 1-5 on the basis that it requests information that is not relevant to the issues properly under consideration by the Division, is overly broad, unduly burdensome and is not reasonably calculated to lead to discovery of evidence relevant to the issues in this proceeding.

Prepared by or under the supervision of: Richard N. Marshall

RIDEM Data Request 1-6

Request:

With respect to any Rhode Island asset currently owned by Southern Union or a Related Entity, please identify the asset and describe in detail the circumstances surrounding the acquisition of the asset or of the acquisition of the entity that owned/owns the asset, including but not limited to:

- (a) the identity of the asset or entity acquired;
- (b) the date of acquisition;
- (c) the method of acquisition;
- (d) how the asset or entity was integrated into Southern Union's business operations; and
- (e) the current corporate status of any entities acquired.

Response:

Southern Union objects to RIDEM Data Request 1-6 on the basis that it requests information that is not relevant to the issues properly under consideration by the Division, is overly broad, unduly burdensome, vague, and is not reasonably calculated to lead to discovery of evidence relevant to the issues in this proceeding. Subject to and without waiving such objections, Southern Union responds as follows:

Please see the definition of "Assets" set forth in the Purchase and Sale Agreement between Southern Union and National Grid USA, dated as of February 15, 2006, describing the assets to be sold to National Grid as part of the transaction that is the subject of this proceeding.

Prepared by or under the supervision of: Richard N. Marshall

The Narragansett Electric Company d/b/a National Grid
Southern Union Company
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RIDEM Data Request 1-7

Request:

Identify and explain all instances of Southern Union's assignment of any outstanding debt, claim, cause of action, demand, liability, or duty to any Related Entity.

Response:

Southern Union objects to RIDEM Data Request 1-7 on the basis that it requests information that is not relevant to the issues properly under consideration by the Division, is overly broad, unduly burdensome, is not reasonably calculated to lead to discovery of evidence relevant to the issues in this proceeding and seeks the discovery of privileged documents.

Prepared by or under the supervision of: Richard N. Marshall

The Narragansett Electric Company d/b/a National Grid
Southern Union Company
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Responses to RIDEM Data Requests – Set 1
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RIDEM Data Request 1-8

Request:

Identify and explain all instances of Southern Union's receipt or acceptance of an assignment of any debt, claim, cause of action, demand, liability, or duty from any Related Entity.

Response:

Southern Union objects to RIDEM Data Request 1-8 on the basis that it requests information that is not relevant to the issues properly under consideration by the Division, is overly broad, unduly burdensome, is not reasonably calculated to lead to discovery of evidence relevant to the issues in this proceeding and seeks the discovery of privileged documents.

Prepared by or under the supervision of: Richard N. Marshall

RIDEM Data Request 1-9

Request:

Identify all loans, mortgages, and financing or borrowing agreements entered into between Southern Union and any Related Entity since January 1, 2001. In identifying these documents, please state the following:

- (a) the terms and amount of the loan or agreement;
- (b) the purpose for the loan or agreement;
- (c) the amount outstanding, if any;
- (d) what was submitted to the lender to demonstrate financial stability of the borrower.

Response:

Southern Union objects to RIDEM Data Request 1-9 on the basis that it requests information that is not relevant to the issues properly under consideration by the Division, is overly broad, unduly burdensome and is not reasonably calculated to lead to discovery of evidence relevant to the issues in this proceeding.

Prepared by or under the supervision of: Richard N. Marshall

The Narragansett Electric Company d/b/a National Grid
Southern Union Company
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Issued on May 19, 2006

RIDEM Data Request 1-10

Request:

Identify and explain any and all mergers, acquisitions, takeovers, asset purchases or investments in another company, corporation, partnership, or other entity equating to 5% or more of that entity, by Southern Union or any of the Related Entities, including the name and address of each entity, the amount invested, and how these funds were obtained.

Response:

Southern Union objects to RIDEM Data Request 1-10 on the basis that it requests information that is not relevant to the issues properly under consideration by the Division, is overly broad, unduly burdensome and is not reasonably calculated to lead to discovery of evidence relevant to the issues in this proceeding.

Prepared by or under the supervision of: Richard N. Marshall

The Narragansett Electric Company d/b/a National Grid
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Docket D-06-13
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Issued on May 19, 2006

Attorney General Data Request 1-11

Request:

Identify all instances where Southern Union has paid, discharged or otherwise satisfied a debt or other obligation of any other entity including the date, amount, any requirements for repayment and whether or not repayment was made.

Response:

Southern Union objects to RIDEM Data Request 1-11 on the basis that it requests information that is not relevant to the issues properly under consideration by the Division, is overly broad, unduly burdensome, is not reasonably calculated to lead to discovery of evidence relevant to the issues in this proceeding and seeks the discovery of privileged documents.

Prepared by or under the supervision of: Richard N. Marshall

The Narragansett Electric Company d/b/a National Grid
Southern Union Company
Docket D-06-13
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Issued on May 19, 2006

RIDEM Data Request 1-12

Request:

Identify each independent certified public accountant(s) retained by Southern Union and the Related Entities during the past five years, including individual and firm name, address, and telephone number.

Response:

For the past five years, PricewaterhouseCoopers LLP has served as the Company's independent registered public accounting firm.

Prepared by or under the supervision of: Richard N. Marshall

RIDEM Data Request 1-13

Request:

Provide copies of all documents that reflect the financial condition of Southern Union for the last five fiscal years, including but not limited to: audited or unaudited financial statements (including auditor's opinion, balance sheets, income statement, status of cash flow, and supporting notes and schedules), loan applications, financing agreements, security agreements, data compiled for or submitted to other financial services (e.g., Compustat, Dun & Bradstreet), depreciation schedules, and any other financial performance documents of Southern Union.

Response:

Southern Union objects to RIDEM Data Request 1-13 on the basis that it requests information that is not relevant to the issues properly under consideration by the Division, is overly broad, unduly burdensome, is not reasonably calculated to lead to discovery of evidence relevant to the issues in this proceeding and seeks the discovery of privileged documents. Subject to and without waiving these objections, Southern Union is providing the following information in response to Attorney General Data Request 1-13:

- Attachment RIDEM 1-13(a) Form 10-Q, for period ending March 31, 2006
- Attachment RIDEM 1-13(b) Form 10-K, for period ending December 31, 2005
- Attachment RIDEM 1-13(c) Form 10-K, for period ending December 31, 2004
- Attachment RIDEM 1-13(d) Form 10-K/A, for period ending December 31, 2004
- Attachment RIDEM 1-13(e) Form 10-K, for period ending June 30, 2004
- Attachment RIDEM 1-13(f) Form 10-K, for period ending June 30, 2003
- Attachment RIDEM 1-13(g) Form 10-K, for period ending June 30, 2002
- Attachment RIDEM 1-13(h) Form 10-K, for period ending June 30, 2001
- Attachment RIDEM 1-13(i) Fourth Amended and Restated Revolving Credit Agreement
- Attachment RIDEM 1-13(j) First Amendment to Revolving Credit Agreement
- Attachment RIDEM 1-13(k) Bridge Loan Agreement

Prepared by or under the supervision of: Richard N. Marshall