

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE  
COMMISSION

In the Matter of:

APPLICATION OF MARTIN GAS, INC. FOR )  
RATE ADJUSTMENT FOR SMALL UTILITIES ) CASE NO.  
PURSUANT TO 807 KAR 5:076 ) 2016-00332

**ATTORNEY GENERAL'S INITIAL DATA REQUESTS**

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits these Initial Data Requests to Martin Gas Inc., [hereinafter "Martin Gas" or "company"] to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.
- (2) Please identify the witness who will be prepared to answer questions concerning each request.
- (3) Please repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for the companies with an electronic version of these questions, upon request.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.
- (5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or

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.

(6) If you believe any request appears confusing, please request clarification directly from undersigned Counsel for the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) 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.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual

reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

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

(12) 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, and 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.

(13) Please provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

Respectfully submitted,

ANDY BESHEAR  
ATTORNEY GENERAL



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*Certificate of Service and Filing*

Counsel certifies that an original and eight photocopies of the foregoing were served and filed by hand delivery to Dr. Talina Mathews, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

L. Allyson Honaker  
Goss Samford, PLLC  
2365 Harrodsburg Road  
Suite B325  
Lexington, KY 40504

Martin Gas, Inc.  
P.O. Box 783  
Hindman, KY 41822

This 10th day of November, 2016



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Assistant Attorney General

1. Confirm the attachment to this request, titled "Appendix A," contains the rates Martin Gas was approved to charge customers following Case No. 2006-504.
2. Confirm the difference between the rates contained in "Appendix A," and the rates currently on file with the Public Service Commission are due to the company's purchased gas adjustment.
3. Confirm the Notice in Martin Gas's Response to Deficiencies wherein it states the monthly average customer bill of \$67.34 is correct. If this is not correct, provide the actual monthly average customer bill amount.
  - a. Further, whether or not \$67.34 is correct, provide the calculation for the average bill the company used to calculate the amount.
  - b. Provide a sample bill indicating the method of bill calculation as a customer would normally receive.
4. Reference the portion of the Application titled "Administrative and General Expenses" to answer the following requests.
  - a. In addition to the following requests, provide a detailed description of each item listed under Administrative and General Expenses, as well as the exact amount included as a test-year adjustment.
  - b. Provide the amount of revenue and tax rate used to determine the increase and the total amount of Taxes and Taxes Other Than Income Taxes.
  - c. Provide documentation, contracts or rates which evidence the new advertising expense will be \$6,000 a year.
  - d. Provide the total amount of health insurance premiums paid by the company or affiliated companies for employees of Martin Gas for each the past two (2) years.
  - e. Provide the total amount of health insurance premiums paid by the employees of Martin Gas for each the past two (2) years.
  - f. Provide the rationale for such a large increase in automobile insurance.
  - g. Provide the rationale for the expense increase in Worker Compensation Insurance.

- h. How many additional part-time staff does Martin Gas intend to hire? Further, at what rate does Martin Gas intend to hire additional part-time staff and has the company provided for additional costs associated with the hiring of these workers?
- i. Provide the total expenses associated with the hiring of additional part-time staff, itemized by cost.
- j. Provide the total adjustment for clerical expenses. Further, provide the amount of clerical expenses in the test-year used for the 2006 rate case, and the number of customers then and now.
- k. Are "Legal Fees" included as an adjustment to the test year in the application? If so, provide the rationale and documentation for doing so, and in particular why this should be considered an on-going expense if the purpose is to recover the cost of current litigation.
- l. Confirm the amount of Legal Fees for This Application, estimated to be \$25,000, was not included as an adjustment to the test year in the application. If it was included as an adjustment to the test-year, provide the rationale for doing so.
- m. Provide the costs incurred by Martin Gas as part of this proceeding. As an on-going request, provide updates for the rate-case expense associated with this proceeding.

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2006-00504 DATED MAY 31, 2007

The following rates and charges are prescribed for the customers served by Martin Gas, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

All Mcf

First 1 Mcf	\$9.5162
Over 1 Mcf	\$9.3994