

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF)	
COMMERCIAL PROPANE SERVICE, LLC)	CASE NO.
D/B/A BRIGHT'S PROPANE SERVICE, INC.)	2017-00343
FOR AN ALTERNATIVE RATE ADJUSTMENT)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO COMMERCIAL PROPANE SERVICE, LLC
D/B/A BRIGHT'S PROPANE SERVICE, INC.

Commercial Propane Service, LLC d/b/a Bright's Propane Service, Inc. ("Bright's Propane"), pursuant to 807 KAR 5:001, is to file with the Commission the original in paper medium and an electronic version of the following information. The information requested herein is due no later than March 2, 2018. Responses to requests for information in paper medium 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.

Bright's Propane 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 Bright's Propane 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. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Bright's Propane shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the response to Commission Staff's First Request for Information ("Staff's First Request"), Item 2.a. Also, refer to the Application, Tabs 17, 20, and 22. Provide updated cost support for the non-recurring charges using the updated number of miles.

2. Refer to the response to Commission Staff's First Request, Item 3.
 - a. Explain how Bright's Propane's required office space of 500 square feet was determined. Provide any relevant documentation.

- b. State whether Commercial Propane Service, LLC ("Commercial Propane") operates any other affiliates from this office location. If so, provide the amount of office rent allocated to each affiliate.

3. Refer to the response to Staff's First Request, Item 4.

a. Confirm that the National Propane Gas Association and Kentucky Propane Gas Association are the same organization.

b. Explain whether membership in the National Propane Association/Kentucky Gas Propane Association provides benefits for Commercial Propane's unregulated operations. If so, describe how membership dues are allocated to Bright's Propane.

4. Refer to the response to Staff's First Request, Items 8a. and 8.c.

a. Refer to Item 8.c. Since test-year sales for purposes of the billing analysis should include customers' actual usage, provide the total usage, based on meter-reading records, for minimum-bill customers as a group.

b. Refer to Item 8.a. Confirm that if Bright's Propane were to change its rate design to one consisting of a customer charge and volumetric charge, minimum-bill customers' aggregate usage must be known in order to accurately calculate the rates that will produce the revenue requirement.

c. Provide the amount of the monthly customer charge that Bright's Propane would propose if its rate design were to change.

5. Refer to the response to Staff's First Request, Item 10 and the Application, Tabs 14 and 15.

a. Explain why Bright's Propane is proposing to recover 100 percent of the cost of computer software it shares with Commercial Propane's unregulated operations.

b. Explain how the approximate utilization percentages in the data response were developed. Provide any relevant documentation.

6. Refer to the Application, Tab 15, and Bright's Propane's 2015 Annual Report. Explain why utility plant (Acct. 101) and accumulated depreciation (Acct. 108) from the 2015 Annual Report differ from the amounts shown in the Application.

7. Refer to the Application, Tab 15, and Bright's Propane's 2016 Annual Report, pages 17 and 18 of 42. Confirm that some portion of the utility plant acquired by Commercial Propane is non-depreciable land. If confirmed, provide the percentage of utility plant that is non-depreciable. If not confirmed, explain.

8. Refer to the Application, Tab 15. Explain how the useful life of each asset was determined.

9. Refer to the Application, Tab 16, Sheet Nos. 4–5. Also, refer to Case No. 2018-00006.¹ Explain whether Bright's Propane believes that the Expected Gas Cost ("EGC") component of its Gas Cost Adjustment tariff should be changed to use a twelve-month average as its EGC, rather than the formula for calculating the EGC that is shown in the tariff.

10. Refer to the Application, Tab 16, the Revised Tariff Sheets. Provide a summary listing of the proposed changes to the tariff, and support for the proposed changes.

11. Explain whether Commercial Propane and Bright's Propane have a Cost Allocation Manual pursuant to KRS 278.2205 or have ever requested a waiver pursuant to KRS 278.2219.

12. Explain how labor costs are currently allocated to Bright's Propane by Commercial Propane.

¹ Case No. 2018-00006, *Purchased Gas Adjustment Filing of Commercial Propane Service, LLC D/B/A Bright's Propane Service* (Ky. PSC Jan. 29, 2018).


13. Confirm that Bright's Propane performed weekly odorant testing for the entirety of 2016. If not confirmed, state when weekly testing began.

14. Provide a description of Bright's Propane's existing meters, including manufacturer and characteristics, and information concerning the meters with which it proposes to replace the existing meters.

15. State whether Bright's Propane's existing meters appear to provide accurate meter readings.

16. State whether Bright's Propane periodically tests meters for accuracy. If so, describe the testing program.

17. Provide a discussion of the benefits to Bright's Propane and its customers expected to result from the proposed meter replacement.



Gwen R. Pinson
Executive Director
Public Service Commission
P.O. Box 615
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DATED FEB 16 2018

cc: Parties of Record

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