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August 31, 2018

RECEIVED

AUG 31 2018

PUBLIC SERVICE
COMMISSION

VIA HAND-DELIVERY

Gwen R. Pinson, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

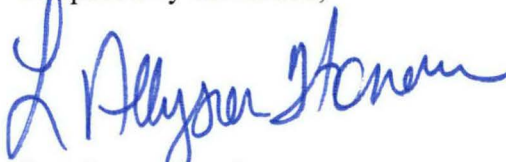
Re: *In the Matter of: Application of CMTA, Inc., for Declaratory Order - PSC Case
No. 2018-00180*

Executive Director Pinson:

Please find enclosed and accept for filing in the above-styled matter on behalf of CMTA, Inc., ("CMTA") an original and ten (10) copies of CMTA's Motion to Amend the Application and an original and ten (10) copies of CMTA's Responses to Commission Staff's First Request for Information. Please return a file-stamped copy of this submission to me.

I appreciate your assistance with this matter, and please do not hesitate to contact me with any questions or concerns.

Respectfully submitted,



L. Allyson Honaker

Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

In the Matter of:

AUG 31 2018

APPLICATION OF CMTA, INC. FOR AN ORDER)
DECLARING THE PROVISIONS OF KRS 278.010(3) AND)
KRS 278.495 INAPPLICABLE TO PROJECT PERFORMED)
BY CMTA, INC. FOR THE KENTUCKY FINANCE &)
ADMINISTRATION CABINET)

PUBLIC SERVICE
COMMISSION
CASE NO. 2018-00180

**CMTA INC.'S RESPONSES TO COMMISSION STAFF'S
FIRST REQUEST FOR INFORMATION**

Filed: August 31, 2018

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

AUG 31 2018

PUBLIC SERVICE
COMMISSION

In the Matter of:

APPLICATION OF CMTA, INC. FOR AN ORDER)
DECLARING THE PROVISIONS OF KRS 278.010(3) AND)
KRS 278.495 INAPPLICABLE TO PROJECT PERFORMED) CASE NO. 2018-00180
BY CMTA, INC. FOR THE KENTUCKY FINANCE &)
ADMINISTRATION CABINET)

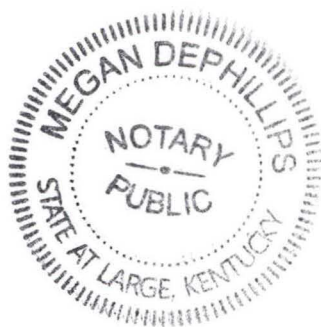
VERIFICATION OF ROGER MAYBRIER

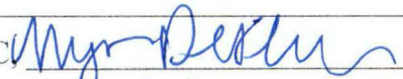
COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON)

Roger Maybrier, Project Manager, CMTA Inc., being duly sworn, states that he has supervised the preparation of certain of the responses of CMTA, Inc. to Commission Staff's First Request for Information in the above-referenced case and that the matters and things set forth in his responses are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.


Roger Maybrier

The foregoing Verification was signed, acknowledged and sworn to before me this 31 day of August, 2018, by Roger Maybrier.



NOTARY PUBLIC 
Commission expiration: 6/10/2020

CMTA, Inc.
Case No. 2018-00180
Commission Staff's First Request for Information

1. Explain whether the Kentucky Finance and Administration Cabinet (Finance Cabinet) performs natural gas leak surveys and patrols on its natural gas pipeline systems.

Response: Currently the Finance Cabinet does not operate any gas pipeline systems. Finance maintains natural gas piping in various buildings not owned by the utility, Columbia Gas of Kentucky.

CMTA, Inc.
Case No. 2018-00180
Commission Staff's First Request for Information

2. Explain whether the Finance Cabinet intends to perform natural gas leak surveys and patrols on the proposed natural gas pipeline system.

Response:

Finance will develop an Operations and Maintenance (“O&M”) plan for ongoing piping system survey and maintenance. This shall include but not be limited to the following: training, O&M manuals to include documentation of all components installed in the proposed pipeline system, associated O&M information, emergency action plan, detailed site plans depicting the location of the pipeline system, line markers and all critical valves. The manual shall also include procedures for leak surveys, pipeline patrols, and “sniff” testing as outlined in 49 CFR Part 192.

CMTA, Inc.
Case No. 2018-00180
Commission Staff's First Request for Information

3. State whether the Finance Cabinet currently operates a master meter system as defined in KRS 278.495 and 49 CFR 191.3.

Response:

The Finance Cabinet does not operate any master meter systems.

CMTA, Inc.
Case No. 2018-00180
Commission Staff's First Request for Information

4. If the Commission determined that the proposed natural gas pipeline system was a master meter system subject to the Commission's safety regulations, explain how the proposed project would be altered.

Response:

The proposed project is being implemented pursuant to K.R. S. 56.770 (Guaranteed Energy Savings Performance Contract). Any requirement for ongoing master meter operating system will be funded via savings generated from the project. Alternatively, those savings would accrue to benefit the Return On Investment ("ROI") for the project.

CMTA, Inc.
Case No. 2018-00180
Commission Staff's First Request for Information

5. If the Commission determined that the Finance Cabinet's proposed project would not create a master meter system, explain whether the Finance Cabinet's natural gas pipeline system would be subject to any federal or state safety regulations.

Response:

In the event the Commission determines the Finance Cabinet's project does not constitute a master meter system, the natural gas piping would not be subject to any federal or state safety regulations to my knowledge. Regardless, the piping system will be installed in compliance with all NFPA, Fuel Gas, IMC and ASHRAE codes and standards.

CMTA, Inc.
Case No. 2018-00180
Commission Staff's First Request for Information

6. Identify the natural gas utility that currently provides natural gas service to the Finance Cabinet's Central Utility Plant, and confirm that if the proposed project is completed, the Finance Cabinet will continue to purchase natural gas from the same utility.

Response:

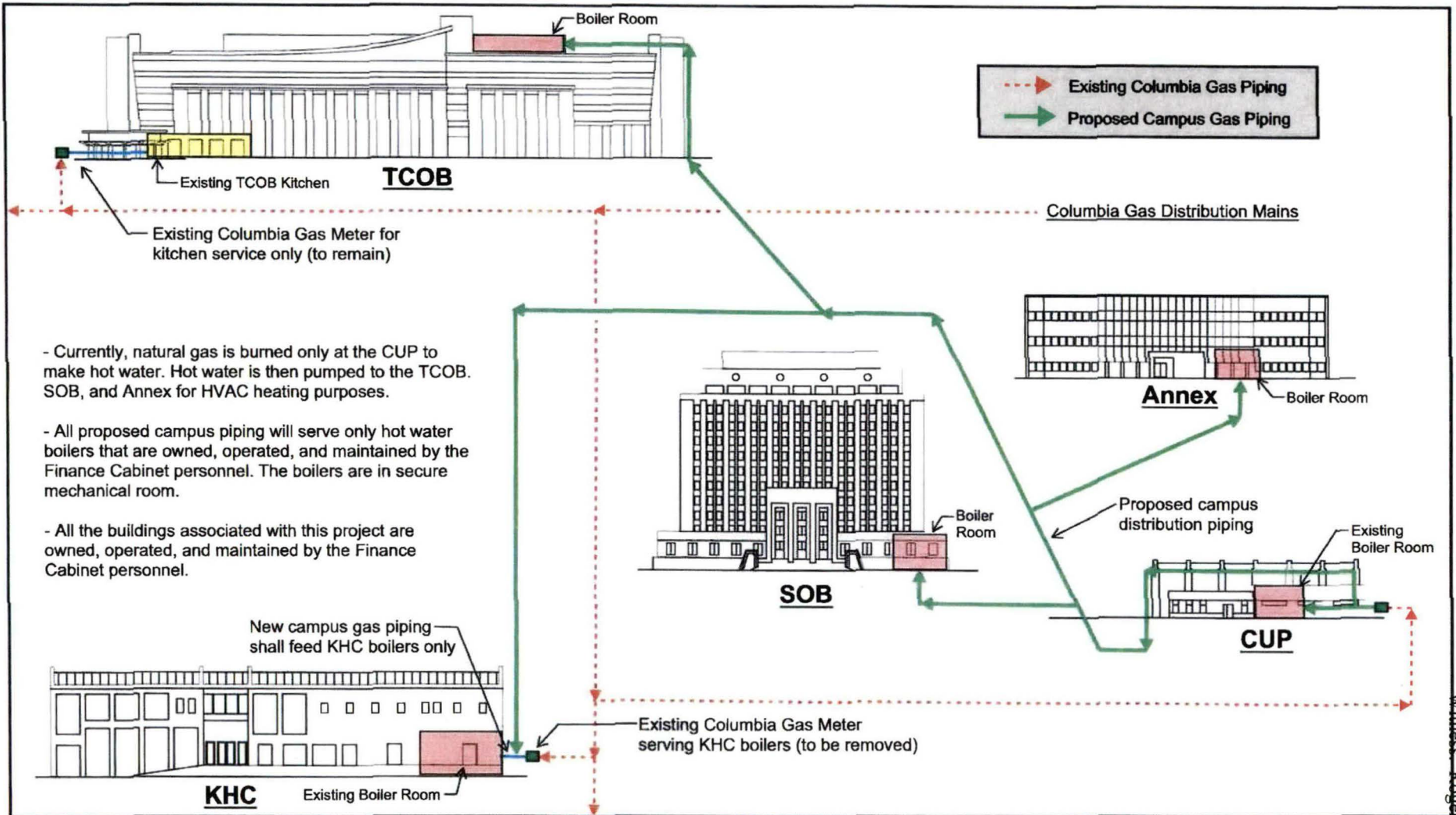
Currently the natural gas utility provider for the Finance Cabinet's Central Utility Plant is Columbia Gas of Kentucky. After completion of the project, the Finance Cabinet will continue to purchase natural gas from Columbia Gas of Kentucky.

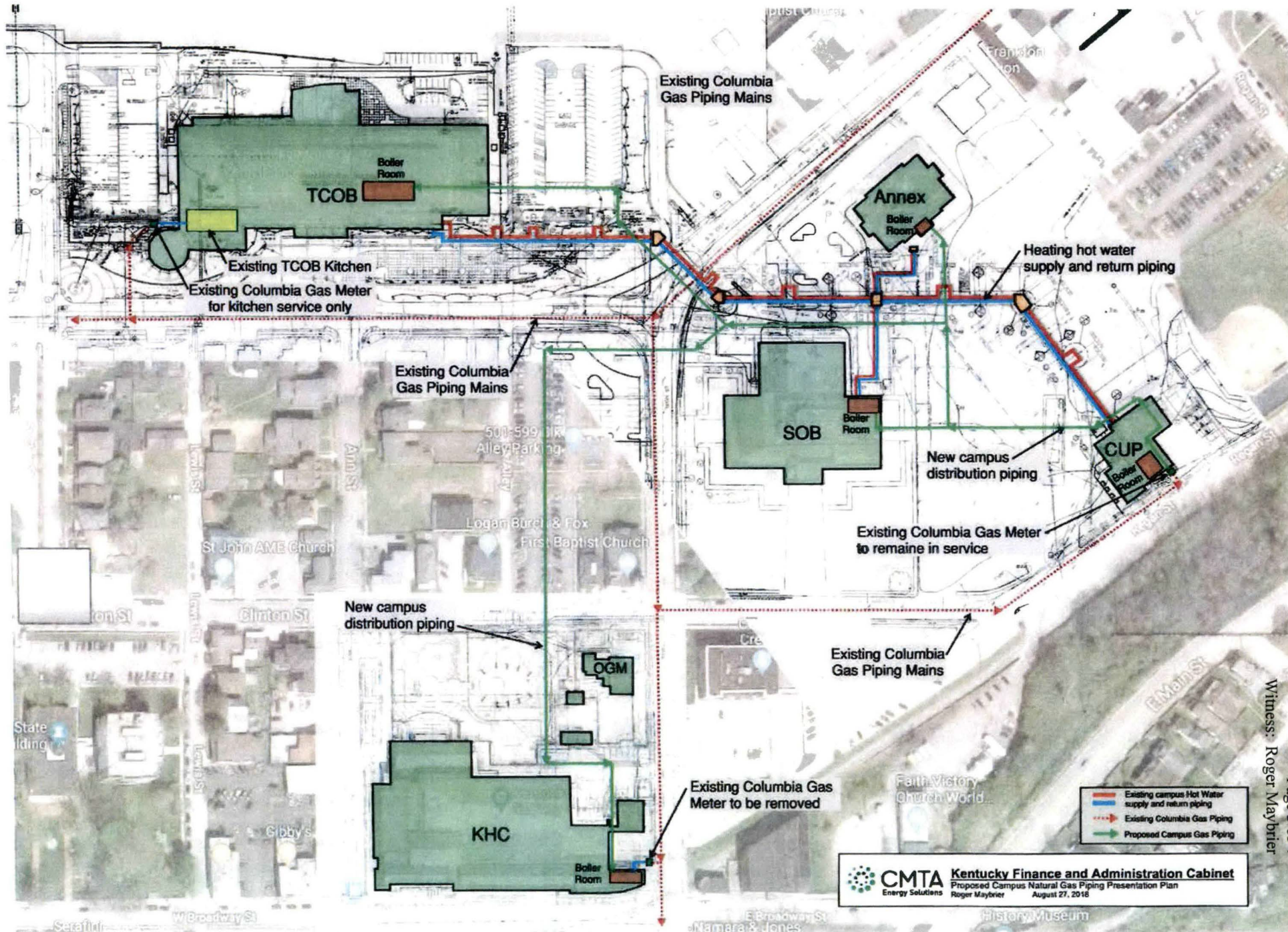
CMTA, Inc.
Case No. 2018-00180
Commission Staff's First Request for Information

7. Provide a map of or site plan that shows the location of the existing gas meters, the existing service lines, and the meters proposed to be installed as part of the project.

Response:

Please see attached.

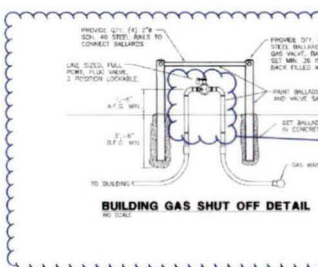
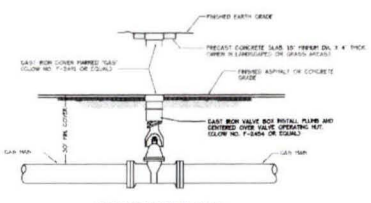




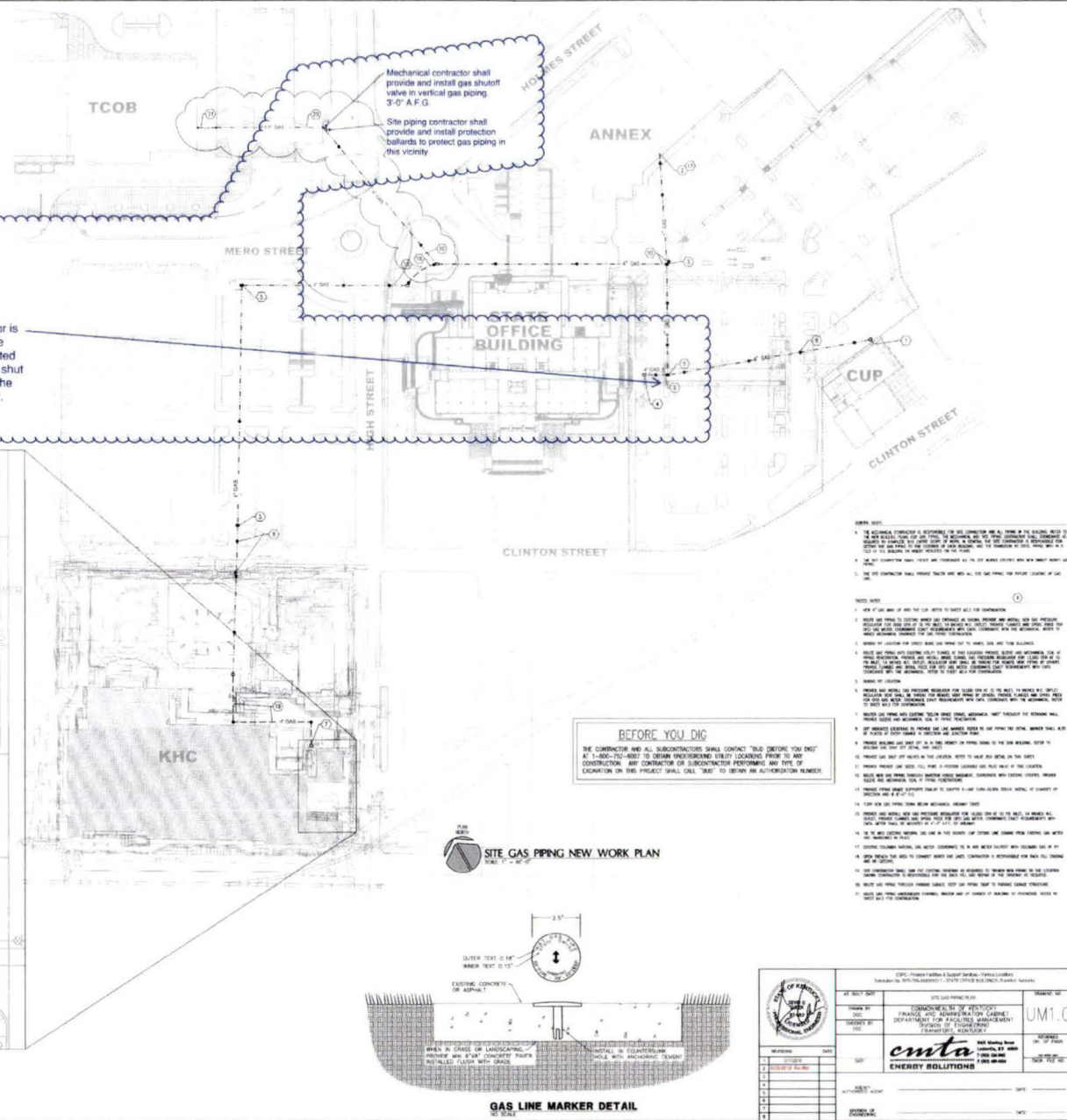
- Existing campus Hot Water supply and return piping
- Existing Columbia Gas Piping
- Proposed Campus Gas Piping

CMTA Energy Solutions
Kentucky Finance and Administration Cabinet
 Proposed Campus Natural Gas Piping Presentation Plan
 Roger Maybrier August 27, 2016

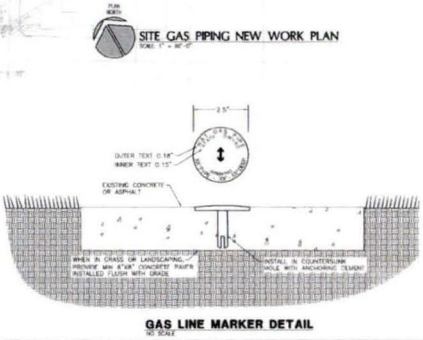
Witness: Roger Maybrier
 Page 3 of 4
 Item 7



Mechanical contractor is responsible for above grade piping associated with the building gas shut off. Coordinate with the site piping contractor.



BEFORE YOU DIG
THE CONTRACTOR AND ALL SUBCONTRACTORS SHALL CONTACT 'TOLL FREE' BEFORE YOU DIG' AT 1-800-752-4007 TO OBTAIN UNDERGROUND UTILITY LOCATIONS PRIOR TO ANY CONSTRUCTION. ANY CONTRACTOR OR SUBCONTRACTOR PERFORMING ANY TYPE OF EXCAVATION ON THIS PROJECT SHALL CALL 'TOLL FREE' TO OBTAIN AN AUTHORIZATION NUMBER.



| | | | |
|-----------------------------------|---|--|----------------------|
| | | CINC. Water Utilities & Sewer Services, (Water, Sewer) Sanitation, and Stormwater Services Department | PROJECT NO: DATE: |
| DRAWN BY: CHECKED BY: DATE: | PROJECT TITLE: KHC SITE GAS PIPING NEW WORK PLAN | CONTRACTOR: cmta ENERGY SOLUTIONS | SCALE: UM1.0 |

CMTA, Inc.
Case No. 2018-00180
Commission Staff's First Request for Information

8. Refer to CMTA's July 13, 2018 supplemental filing, Exhibit A.
 - a. Confirm that the proposed new gas service line to the Kentucky State Office Building will only be used to supply natural gas to new gas boilers that will provide heat and hot water to the building.
 - b. Confirm that the natural gas will not be provided to or consumed by concessionaires, tenants, etc. in the Kentucky State Office Building.
 - c. Confirm that the proposed new gas service line to the Kentucky State Office Building Annex will only be used to supply natural gas to new gas boilers that will provide heat and hot water to the building.
 - d. Confirm that natural gas will not be provided to or consumed by concessionaires, tenants, etc. in the Kentucky State Office Building Annex.
 - e. Confirm that the proposed new gas service line to the Transportation Cabinet Office Building will only be used to supply natural gas to new gas boilers that will provide heat and hot water to the building.
 - f. Confirm that natural gas will not be provided to or consumed by concessionaires, tenants, etc. in the Transportation Cabinet Office Building.
 - g. Identify who will own, operate and maintain the new gas boilers proposed to be installed as part of the project.

Response:

- a. The new natural gas service line to the Kentucky State Office Building will only serve four (4) new high efficiency natural gas boilers, owned and operated by the Finance Cabinet, for the purposes of providing heating hot water to the HVAC system. Note that domestic hot water is provided via existing hot water heaters.
- b. The new natural gas piping provided in this project is for the sole purposes of providing heating hot water to the HVAC system. The new piping will only extend to the new boilers. No other equipment in the building will be connected to this piping system.

- c. The new natural gas service line to the Kentucky State Office Building Annex will only serve two (2) high efficiency natural gas boilers, owned and operated by the Finance Cabinet, for the purposes of providing heating hot water to the JVAC system. Note that domestic hot water is provided via existing electric hot water heaters.
- d. Please see response b above.
- e. The new natural gas service line to the Transportation Cabinet Office Building will only serve six (6) new high efficiency natural gas boilers, owned and operated by the Finance Cabinet, for the purposes of providing heating hot water to the HVAC system. Note that domestic hot water is provided via existing electric hot water heaters.
- f. Please see response b above.
- g. The new high efficiency natural gas boilers installed in this project will be owned, operated and maintained by Finance Cabinet personnel.

CMTA, Inc.
Case No. 2018-00180
Commission Staff's First Request for Information

9. Refer to CMTA's Application, page 3, paragraph h. CMTA asserts that there is an existing, separately metered, gas meter located at the Transportation Cabinet Office Building that serves the kitchen equipment in that building, and as part of the proposed project the meter will remain in service only providing natural gas to the kitchen cooking appliances.
- a. Identify the natural gas utility that provides natural gas to this meter.
 - b. State whether the service line that transports gas to this meter is directly connected to the utility's distribution line.
 - c. Identify any changes to the service line that transports gas to this meter that will be made as part of the project.
 - d. CMTA states that the kitchen is state-operated, and rent is based upon the square footage of the leased premises only. Provide the names of the entities that lease the kitchen space from the Finance Cabinet, and therefore utilizes the natural gas provided to the kitchen appliances.

Response:

- a. The natural gas utility provider for said meter is Columbia Gas of Kentucky. Upon completion of the project the Finance Cabinet will continue to purchase natural gas from Columbia Gas of Kentucky for this meter.
- b. The service line that transports gas to this meter is directly connected to Columbia Gas of Kentucky's distribution line.
- c. There will not be any changes made to the piping system associated with said meter as part of this project.
- d. Kentucky Transportation Cabinet pays rent for the space and the Kentucky Office for the Blind utilizes and operates the kitchen.

CMTA, Inc.
Case No. 2018-00180
Commission Staff's First Request for Information

10. Refer to CMTA's Application, page 4, paragraph j. CMTA asserts that the Finance Cabinet leases each building space based only upon the square footage of the building, and does not factor utility usage into the lease amount.
 - a. Explain whether the Finance Cabinet or the natural gas utility issues the tenants a separate bill for utility usage.
 - b. If not, explain how the Finance Cabinet can formulate a lease amount without either calculating utility costs into the lease or separately charging tenants for utility costs.
 - c. Provide the Finance Cabinet's calculation for the lease cost for buildings included in this project.

Response:

- a. The Finance Cabinet does not issue the tenant a separate bill for utility usage. The natural gas utility does not issue the tenants a separate bill for utility usage.
- b. The Finance Cabinet uses a statewide rate structure for leased state agency space. The cost for ongoing operations, maintenance and utilities are all included in the rate structure. This normalizes state wide leased space costs for state agencies, which assists in biannual budgeting.
- c. State Office Building, State Office Building Annex and Transportation Building are calculated as follows:

Office Rental Rate - \$8.24 per square foot
Office Utility Rate - \$3.86 per square foot

Please note that the Office Utility Rate is a statewide rate and includes items such as janitorial services as well.