

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS ADJUSTMENT)	CASE NO.
FILING OF B&H GAS COMPANY)	2020-00294

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION
TO B&H GAS COMPANY

B&H Gas Company (B&H), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due no later than October 5, 2020. Pursuant to the Commission's Orders in Case No. 2020-00085,¹ issued March 16, 2020, and March 24, 2020, B&H SHALL NOT FILE the original paper copy of all requested information at this time, but rather shall file original paper copies within 30 days of the lifting of the current state of emergency. All responses in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

B&H shall make timely amendment to any prior response if B&H obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which B&H fails or refuses to furnish all or part of the requested information, B&H 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, B&H 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 B&H's Notice of Intent and Election filed September 2, 2020. In the notice, B&H indicated that its Gas Cost Recovery (GCR) rate report would be filed no later than September 2, 2020.

a. Explain why the GCR rate report was not filed on September 2, 2020, as indicated and instead was filed September 16, 2020.

b. Explain whether B&H was aware that if the GCR rate report was filed September 2, 2020, for an effective date of October 1, 2020, it would have been under

the 30 days prior to the beginning of each calendar quarter as set forth in B&H's Purchase Gas Cost Adjustment Clause Tariff.

2. Provide an electronic version of B&H's GCR rate report in Excel Spreadsheet format with all formulas intact and unprotected, and with all columns and rows accessible.

3. Refer to the GCR rate report, Schedule 2, Expected Gas Cost (EGC) calculation, supplier B&S Oil/Gas (B&S Oil).

a. Explain in detail how the 14,173 Mcf in column (4) was derived.

b. Explain in detail how the cost of \$76,873.93 in column (6) was derived.

4. Refer to the GCR rate report, Schedule 2, EGC calculation, supplier Diversified Energy Marketing (Diversified).

a. Explain in detail how the 1,278 Mmbtu in column (2) was derived.

b. Confirm whether the Conversion Factor is 1,607.

c. Explain in detail how the Conversion Factor in column (3) was derived.

d. Explain in detail how the rate of \$2.6783 in column (5) was derived.

e. Explain in detail how the cost of \$5,974.12 in column (6) was derived.

5. Refer to the GCR rate report, Schedule 2, EGC calculation, the total purchases for the 12-months ended June 30, 2020. Confirm if the total natural gas purchases is 16,148 Mcf or 15,409 Mcf.

6. Refer to the GCR rate report, Schedule 3, B&H Rate Calculation, the line labeled, "Average of twice Peoples rate and Columbia rate." Explain in detail how the 3.5978 listed was derived.

7. Refer to the natural gas supplier contract filed between Diversified and B&H and the invoices between Diversified and B&H.

a. Provide the full natural gas supplier contract between Diversified and B&H.

b. Clearly state the contract start and end date.

c. State whether B&H purchased any natural gas from Diversified for the months of October and November 2019. If so, provide those invoices.

d. Explain why the natural gas purchased from Diversified was not included in B&H's prior GCR rate report in Case No. 2020-00175² for the 12 months ended March 31, 2020, or the GCR rate report in Case No. 2020-00056³ for the 12 months ended December 31, 2019.

e. Explain in detail why B&H decided to seek an additional natural gas supplier.

f. Explain in detail whether B&S Oil is unable to meet the natural gas demand for B&H's ratepayers.

² Case No. 2020-00175, *Electronic Purchase Gas Adjustment Filing of B & H Gas Company* (filed May 29, 2020).

³ Case No. 2020-00056, *Purchased Gas Adjustment Filing of B&H Gas Company* (filed Feb. 27, 2020).

g. Explain why B&H purchased 6 Mcf and 1 Mcf from Diversified during December 2019 and January 2020, respectively. Be sure to include why these Mcfs could not be purchased instead from B&S Oil.

8. Refer to the invoices between Diversified and B&H, for December 2019 usage, Invoice numbered #3385. Explain the meter labeled “B&H Gas Company – Thacker Road M5254791.”

9. Provide check copies or bank statements confirming the amounts ultimately paid to B&S Oil from July 1, 2019, through June 30, 2020. Redact any personal information from the statements, such as bank account numbers, and any additional identifiable information.

10. Provide check copies or bank statements confirming the amounts ultimately paid to Diversified from October 1, 2019, through June 30, 2020. Redact any personal information from the statements, such as bank account numbers, and any additional identifiable information.

11. Provide the amounts of natural gas sold in Mcf for each month from July 1, 2019, to June 30, 2020.

12. Provide the total supply volumes of natural gas purchased in Mcf for each month from July 1, 2019, to June 30, 2020.



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DATED SEP 24 2020

cc: Parties of Record

Case No. 2020-00294

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