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May 27, 2022

# **ELECTRONICALLY FILED**

Linda Bridwell Executive Director Kentucky Public Service Commission 211 Sower Blvd. Frankfort, KY 40602-0605

# RECEIVED MAY 27 2022

PUBLIC SERVICE COMMISSION

## RE: KY PSC Case Nos. 2022-00019

Dear Ms. Bridwell,

Please find attached and accept for filing the Response of Columbia Gas of Kentucky, Inc. to the Commission's Staff's Request for Information in the above-referenced matter. I certify that the electronically filed documents are a true and accurate copy of the paper copy that was sent to the Complainant in this matter via US Postal Service on this date.

Sincerely,

<u>/s/ Joseph M. Clark</u> Joseph M. Clark Assistant General Counsel

Enclosure(s)

KY PSC Case No. 2020-00386 Response to Staff's Data Request Set Two No. 1 Respondent: Judy Cooper

# COLUMBIA GAS OF KENTUCKY, INC. RESPONSE TO STAFF'S FIRST REQUEST FOR INFORMATION DATED FEBRUARY 3, 2022

1. Refer to the Commission's November 22, 2021 Order in Case No. 2021-00403,<sup>1</sup> page 3, finding paragraph 9, Columbia Kentucky Tariff Sheet No. 48 stating "The GCA shall become effective for billing with the final meter readings of the first billing cycle of each quarterly calendar period," and Tariff Sheet No. 49 defining "quarterly calendar period".

a. Confirm that the referenced provisions in the Order and the Tariff would result in different effective dates for the GCA rate increase as applied to Mr. Pawley's bill at issue.

b. Explain how Columbia Kentucky would apply the specified Tariff provisions to Mr. Pawley's bills for usage from October 2021 to present.

c. If confirmed that different effective dates for the GCA rate increase as applied to Mr. Pawley's bill at issue would result from application of the provisions of the Order or the Tariff, state why one method was used over the other

<sup>&</sup>lt;sup>1</sup> Case No. 2021-00403, Electronic Purchased Gas Adjustment Filing of Columbia Gas of Kentucky, Inc. (Ky. PSC Nov. 22, 2021).

.d. Confirm that Columbia Kentucky applied the new rate to gas usage for a period including days prior to the effective date of the GCA rate increase.

e. If confirmed, explain how this is permitted by the specified Order or the Tariff.

f. Explain why Columbia Kentucky first applied the GCA rate increase during a billing cycle instead of at the start of the next full billing cycle.

g. Confirm that Columbia Kentucky's GCA true-up mechanism is based on the use of calendar quarters as defined in Tariff Sheet No. 29

**Response**: a – e. Columbia denies that any of the provisions of the Commission's Order or Columbia's Tariff would result in different effective dates for the December 2021 quarterly GCA rate increase. Columbia confirms that the referenced provisions in the Commission's November 22, 2021 Order, page 3, finding paragraph 10, Columbia's Tariff Sheet No. 48, Columbia's Tariff Sheet No. 49 and the Commission's November 22, 2021 Order, page 4, Ordering paragraph 1, all result in the November 29, 2021 effective date of the December 2021 quarterly GCA rate increase as was applied to Mr. Pawley's bill, and not any different effective date.

The provisions of the Commission's Order and Columbia's Tariff have been consistently followed and applied to customer bills. The methodology, specified in the provisions of Columbia's Gas Cost Adjustment Clause stated on Columbia's Tariff Sheet No. 48, requires that, " Company shall file a quarterly report with the Commission which shall contain an updated Gas CostAdjustment (GCA) Rate and shall be filed at least thirty (30) days prior to the beginning of each quarterly calendar period. The GCA shall become effective for billing with the final meter readings of the first billing cycle of each quarterly calendar period." The date of the first billing cycle of each of the four quarterly calendar periods specified in Columbia's Tariff varies each calendar year due to holidays and weekends. The date is stated in each quarterly filing and the filings are submitted to the Commission at least thirty days in advance of that date. New rates for each GCA are effective with *billing* on and after a date certain. This is true for most "tracker" type filings which typically include true-up adjustments and are distinguishable from base rate proceedings that do not include true-up adjustments. Base rate changes are effective with service on and after a date certain. This means that implementation of new base rates requires proration of customer usage, but implementation of new GCA rates does not.

f. Columbia applied the GCA rate change at the start of the December billing cycle on November 29, 2021 pursuant to the Commission's Order of November 22, 2021.

g. The true-up mechanism of Columbia's GCA is based on the use of the calendar quarters as defined on Tariff Sheet No. 49.

#### **COMMONWEALTH OF KENTUCKY**

## BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:	)
MICHAEL L. PAWLEY,	
COMPLAINANT	) Case No. 2022-00019 )
v. COLUMBIA GAS OF KENTUCKY, INC.	)
DEFENDANT	)

#### VERIFICATION OF JUDY COOPER

COMMONWEALTH OF KENTUCKY

COUNTY OF FAYETTE

Judy Cooper, Director of Regulatory Affairs of Columbia Gas of Kentucky, Inc., being duly sworn, states that she has supervised the preparation of responses to the Commission Staff's Request for Information in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

)

Judy Cooper

The foregoing Verification was signed, acknowledged and sworn to before me this 27 day of May, 2022, by Judy Cooper.



Notary Commission No. 4376

Commission expiration: Dec. 7, 2025

## **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing Response was served upon all parties of record by regular U.S. Mail this 27th day of May 2022.

<u>/s/ Joseph M. Clark</u> Joseph M. Clark

Attorney for **COLUMBIA GAS OF KENTUCKY, INC.** 

#### SERVICE LIST

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