COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF COLUMBIA GAS OF KENTUCKY, INC. FOR AN ADJUSTMENT OF RATES; APPROVAL OF DEPRECIATION STUDY; APPROVAL OF TARIFF REVISION; AND OTHER RELIEF	)))))	CASE NO. 2026-00099

<u>O R D E R</u>

On July 27, 2026, Columbia Gas of Kentucky, Inc. (Columbia Kentucky), filed a motion, pursuant to KRS 278.400, requesting rehearing for the Order entered July 8, 2026, regarding the Commission's denial of certain confidential treatment requests.[1]

<u>LEGAL STANDARD</u>

KRS 278.400, which establishes the standard of review for motions for rehearing, limits rehearing to new evidence not readily discoverable at the time of the original hearings, to correct any material errors or omissions, or to correct findings that are unreasonable or unlawful. A Commission Order is deemed unreasonable only when "the evidence presented leaves no room for difference of opinion among reasonable minds."[2] An order can only be unlawful if it violates a state or federal statute or constitutional provision.[3]

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[1] Columbia Kentucky's Motion for Rehearing (filed July 27, 2026).

[2] *Energy Regulatory Comm'n v. Kentucky Power Co.*, 605 S.W.2d 46 (Ky. App. 1980).

[3] *Public Service Comm'n v. Conway*, 324 S.W.3d 373, 377 (Ky. 2010); *Public Service Comm'n v. Jackson County Rural Elec. Coop. Corp*., 50 S.W.3d 764, 766 (Ky. App. 2000); *National Southwire Aluminum Co. v. Big Rivers Elec. Corp*., 785 S.W.2d 503, 509 (Ky. App. 1990).

By limiting rehearing to correct material errors or omissions, and findings that are unreasonable or unlawful, or to weigh new evidence not readily discoverable at the time of the original hearings, KRS 278.400 is intended to provide closure to Commission proceedings. Rehearing does not present parties with the opportunity to relitigate a matter fully addressed in the original Order.

MOTION

Tab 72 of the Application

Columbia Kentucky requested confidential treatment for certain information in Tab 72 of its application. Specifically, the following information is assumed to be requested confidential treatment: salary and incentive compensation information for employees by job titles on page 189; executive compensation information by name and title on pages 226-229; and forecasted test period payroll expense on page 175.

In its rehearing request, Columbia Kentucky argued that the analysis of payroll costs and executive compensation should be confidential pursuant to KRS 61.878(1)(a) and (1)(c)(1).[4] Columbia Kentucky acknowledged that the Commission does not typically provide confidential treatment for executive compensation; this information is often publicly reported to U.S. Securities and Exchange Commission (SEC), but argued that the compensation information over which Columbia Kentucky sought confidential protection was limited to forecasted payroll data such that it has not yet been reported in the annual filings with the SEC.[5] Columbia Kentucky also highlighted that the projected compensation is not known to the public and could have a negative impact on Columbia

[4] Columbia Kentucky's Motion for Rehearing at 3-4.

[5] Columbia Kentucky's Motion for Rehearing at 5.

Kentucky as it would provide competitors non-public compensation information that could then be used to attract talent away from NiSource and Columbia Kentucky.[6]

Columbia Kentucky also argued that some of the information contained in Tab 72 goes far beyond "executive" compensation – including compensation information for positions such as HR Business Partner Manager, Senior Enterprise Architect, CyberSecurity Consultant, and Customer Service Representative 1, which is certainly outside the Commission's precedent for publicly disclosing "executive" compensation.[7] Columbia Kentucky argued that for some of these positions, there is a single person such that it would publicly reveal the specific compensation information for that individual further exacerbating the concerns of competitive harm.[8] Columbia Kentucky stated that some of the information, such as the expected future merit increase, is not even known by internal employees, which can cause further harm and potential increased costs for the Company when employees have insight into expected future compensation.[9]

The Direct Testimony of George Jonda (Jonda Direct Testimony), Attachment GBJ-5

Attachment GBJ-5 contains information related to Residential Credit Card, Debit Card, ACH and Check Transactions. Columbia Kentucky argued the following:

> As an initial matter, there is confusion with respect to the rationale upon which the Commission relied to deny Columbia's request for confidential treatment of Attachment GBJ-5. While the Commission ultimately recognized that GBJ-5 was used in "calculating base rates and for making a determination in regards to Columbia Kentucky's request to remove the service fee from all payment channels," early in its

[6] Columbia Kentucky's Motion for Rehearing at 5.

[7] Columbia Kentucky's Motion for Rehearing at 5-6.

[8] Columbia Kentucky's Motion for Rehearing at 6.

[9] Columbia Kentucky's Motion for Rehearing at 6.

> Order, the Commission jointly described Colombia's request for confidential treatment of GBJ-5 and Tab 72 stating "Columbia Kentucky argued that the analysis of payroll costs and executive compensation should be confidential pursuant to KRS 61.878(1)(a) and (c)(1)."[10]

Columbia Kentucky argued that Attachment GBJ-5 contains third-party credit, debit, and ACH transactions for the various affiliates of Columbia Kentucky that are not generally disclosed and denying confidentiality for these items would also reveal business information of affiliates not jurisdictional to this Commission.[11]

Columbia Kentucky's Response to Staff's First Request, Item 11, Attachment

Columbia Kentucky requested that its response to Staff's First Request, Item 11, Attachment be confidential. This attachment contains each allocation basis and what percent is allocated to each of the NiSource Corporate Service Company affiliates. The only information contained in this filing are the allocation factors.

Columbia Kentucky argued that Columbia Kentucky's affiliates are not parties to this proceeding and are not subject to the Commission's jurisdiction and therefore, the sensitive information regarding the amounts these entities pay for services and specific information regarding how their revenues are collected should be made confidential in this proceeding.[12] Columbia Kentucky further argued that the affiliates have a reasonable expectation that their inner business workings would not be made public in a proceeding to which they are not a party to.[13] Columbia Kentucky cited to a case that stated that the

[10] Columbia Kentucky's Motion for Rehearing at 4.

[11] Columbia Kentucky's Motion for Rehearing at 7.

[12] Columbia Kentucky's Motion for Rehearing at 7.

[13] Columbia Kentucky's Motion for Rehearing at 7.

Commission has granted confidential treatment to information regarding Columbia Kentucky's affiliates in the past.[14]

Columbia Kentucky's Response to Commission Staff's First Request for Information, Item 54, Attachment A

Columbia Kentucky requested that its Cost of Service Study (COSS) Excel Spreadsheets provided in its response to Staff's First Request, Item 54, Attachment A, be confidential pursuant to KRS 61.878(1)(a) and KRS 61.878(1)(c)(1).[15] In its rehearing request, Columbia Kentucky argued that his information has never been disclosed and release of this information would harm Columbia Kentucky's ability to competitively hire and retain employees.[16]

Columbia Kentucky agreed that the COSS supports the final revenue requirement number, and adjustments made, which should be available for purposes of transparency, and highlighted that it provided the PDF.[17] However, Columbia Kentucky argued that the Excel Document should be confidential.[18] Columbia Kentucky argued that the COSS represents the culmination of hundreds of hours of labor to develop an analytical model that is unique to Columbia Kentucky and based upon information that is confidential and proprietary.[19] Columbia Kentucky argued that the Excel version of this document is

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[14] Columbia Kentucky's Request for Rehearing citing Case No. 2021-00183, *Electronic Application of Columbia Gas of Kentucky, Inc. for an Adjustment of Rates; Approval of Depreciation Study; Approval of Tariff Revisions; Issuance of a Certificate of Public Convenience and Necessity; and Other Relief*, (Ky. PSC Aug. 19, 2021), Order.

[15] Columbia Kentucky's Motion for Rehearing at 8.

[16] Columbia Kentucky's Motion for Rehearing at 8-9.

[17] Columbia Kentucky's Motion for Rehearing at 8.

[18] Columbia Kentucky's Motion for Rehearing a 8.

[19] Columbia Kentucky's Motion for Rehearing at 8.

proprietary because it contains specific cross references and eight formulas between tabs.[20] Columbia Kentucky described that these cross references and formulas take time to produce and develop, and disclosure of the same would provide competitors with an advantage over Columbia Kentucky.[21]

DISCUSSION AND FINDINGS

Having considered the record and being otherwise sufficiently advised, the Commission finds that Columbia Kentucky's request for rehearing is granted, in part, and denied, in part. The Commission finds that Columbia Kentucky's rehearing request related to information contained on page 189 of Tab 72 should be granted pursuant to KRS 61.878(1)(a). The Commission further finds that the rehearing request as to all other information should be denied for the reasons discussed below.

Tab 72 of the Application

The Commission finds that Columbia Kentucky's rehearing request for the information contained on page 189 of 247 of Tab 72 should be granted. The Commission finds that designated material is generally recognized as confidential or proprietary and may result in an unwarranted invasion of privacy; it therefore meets the criteria for confidential treatment and should be exempted from public disclosure pursuant to 807 KAR 5:001, Section 13, and KRS 61.878(1)(a). However, the Commission notes that it was unclear from the initial filing that Columbia Kentucky wanted this information to be confidential. Therefore, the Commission finds that, in future filings, Columbia Kentucky should delineate specific page numbers for requested confidential treatment in its

[20] Columbia Kentucky's Motion for Rehearing at 8-9.

[21] Columbia Kentucky's Motion for Rehearing at 8.

motions, because even though the information was redacted in the public version of the file, Columbia Kentucky failed to highlight this specific information in the confidential filing.

The Commission further finds that the rehearing request related to page 175 and pages 226-229 of Tab 72 is denied. It is clear from the Commission's July 8, 2026 Order that executive compensation is not entitled to confidential treatment and has substantial precedent to support it, which Columbia Kentucky itself acknowledged. Furthermore, this information will be made public in annual filings with SEC. Therefore, Columbia Kentucky's request for rehearing should be denied as it neither identified material errors or omissions, nor findings that were unreasonable or unlawful, that would compel rehearing.

Jonda Direct Testimony, Attachment GBJ-5

Having considered the record and being otherwise sufficiently advised, the Commission finds that Columbia Kentucky's rehearing request related to Jonda Direct Testimony, Attachment GBJ-5, should be denied. For clarity, the Commission did not deny the information based on a mistaken assumption that the information was related to payroll costs or executive compensation. Rather, the Commission denied Attachment GBJ-5, because the information requested to be confidential is information that is used in calculating base rates and for making a determination regarding Columbia Kentucky's request to remove the service fee from all payment channels, and based on these reasons should be public on the principles of transparency. Furthermore, Columbia Kentucky stated in testimony that, "[c]urrently, customers that wish to remit payment via a third-party processor and debit card, credit card or other electronic means of payment incur a service fee."[22] Customers are entitled to know what the transaction fees will be when they are making choices in regards to paying their customer bills. Therefore, Columbia Kentucky's request for rehearing should be denied as it neither identified material errors or omissions, nor findings that were unreasonable or unlawful, that would compel rehearing.

<u>Columbia Kentucky's Response to Staff's First Request, Item 11, Attachment</u>

Having considered the record and being otherwise sufficiently advised, the Commission finds that the rehearing request for Columbia Kentucky's response to Staff's First Request, Item 11, Attachment, should be denied. Pursuant to KRS 278.2207(1)(a), "services and products provided to the utility by an affiliate shall be priced at the affiliate's fully distributed cost but in no event greater than market or in compliance with the utility's existing USDA, SEC, or FERC approved cost allocation methodology." Further, "[i]n any formal commission proceeding in which cost allocation is at issue, a utility shall provide sufficient information to document that its cost allocation procedures and affiliate transaction pricing are consistent with the provisions of this chapter." If a utility has failed to provide sufficient evidence of its compliance, the Commission may "[o]rder that the costs attached to any transaction be disallowed from rates." In this case, the allocation methodology is directly related to whether the Commission has sufficient information to document that its cost allocation procedures and affiliate transaction pricing are consistent with the provisions of this chapter.

Furthermore, the current information Columbia Kentucky requested confidential treatment for is different from the precedent cited by Columbia Kentucky. In that case,

[22] Direct Testimony of Judy Cooper (filed May 20, 2026) at 17.

the information contained specific allocated labor costs.[23] Columbia Kentucky asked for not only the non-parties allocation factors to be private, but also information that is public, such as billing pool numbers, and information directly related to Columbia Kentucky's allocation factors. There is also a likelihood that, since there are other regulated affiliates, their allocation factors would also be publicly available information. Columbia Kentucky does not differentiate between affiliates whatsoever. Therefore, Columbia Kentucky has not provided sufficient information as to how this information would cause competitive harm to Columbia Kentucky. Therefore, Columbia Kentucky's request for rehearing should be denied as it neither identified material errors or omissions, nor findings that were unreasonable or unlawful, that would compel rehearing.

<u>Columbia Kentucky's Response to Commission Staff's First Request for Information, Item 54, Attachment A</u>

Having considered the record and being otherwise sufficiently advised, the Commission finds that the rehearing request for Columbia Kentucky's Response to Commission Staff's First Request for Information, Item 54, Attachment A, should be denied. The Commission previously denied Columbia Kentucky's request for confidential treatment for the excel version of its COSS in Case No. 2021-00183.[24] In that case, the Commission found that, "[t]hese spreadsheets are a calculation of revenue requirement and total plant-in-service, both of which are necessary for determining rates, the calculation of which should be transparent. Although it uses a forecasted test year and not a historical test year, the forecasted year is now over so the forecasts are out of

[23] Case No. 2021-00183, Aug. 19, 2021 Order.

[24] Case No. 2021-00183, May 15, 2023 Order.

date."[25] Columbia Kentucky filed an unredacted version of the COSS on June 14, 2023.[26] If Columbia Kentucky was able to file the information referenced in the aforementioned case publicly, which arguably includes similar cross references and formulas, and also was the culmination of hours of work, the Commission sees no reason why Columbia Kentucky could not do so in this case. Furthermore, while Columbia Kentucky averred that disclosing the information would provide competitors an advantage over Columbia Kentucky, the record is unclear how this could hold true if the utility had previously filed its spreadsheets. Therefore, Columbia Kentucky's request for rehearing should be denied as it neither identified material errors or omissions, nor findings that were unreasonable or unlawful, that would compel rehearing.

IT IS THEREFORE ORDERED that:

1. Columbia Kentucky's motion for reconsideration is granted, in part, and denied, in part.

2. Columbia Kentucky's request for rehearing related to Application, Tab 72, page 189, is granted.

3. Columbia Kentucky's request for rehearing related to Application, Tab 72, page 175 and pages 226-229, are denied.

4. Columbia Kentucky's request for rehearing related to Jonda Direct Testimony, Attachment GBJ-5, is denied.

[25] Case No. 2021-00183, May 15, 2023 Order at 5-6.

[26] Case No. 2021-00183, (filed June 14, 2023), Responses Pursuant to Final Order.

5. Columbia Kentucky's request for rehearing related to Columbia Kentucky's Response to Commission Columbia Kentucky's Response to Staff's First Request, Item 11, Attachment, is denied,

6. Columbia Kentucky's request for rehearing related to Columbia Kentucky's Response to Commission Staff's First Request for Information, Item 54, Attachment A, is denied.

7. In future filings, Columbia Kentucky should delineate specific page numbers for requested confidential treatment.

8. The designated material granted confidential treatment by this Order shall not be placed in the public record or made available for public inspection for an indefinite period or until further order of this Commission.

9. Use of the designated material granted confidential treatment by this Order in any Commission proceeding shall comply with 807 KAR 5:001, Section 13(9).

10. If the designated material granted confidential treatment by this Order becomes publicly available or no longer qualifies for confidential treatment, Columbia Kentucky shall inform the Commission and file with the Commission an unredacted copy of the designated material.

11. If a nonparty to this proceeding requests to inspect the material granted confidential treatment by this Order and the period during which the material has been granted confidential treatment has not expired, Columbia Kentucky shall have 20 days from receipt of written notice of the request to demonstrate that the material still falls within the exclusions from disclosure requirements established in KRS 61.878. If Columbia

Kentucky is unable to make such demonstration, the requested material shall be made available for inspection. Otherwise, the Commission shall deny the request for inspection.

12. The Commission shall not make the requested material available for inspection for 30 days from the date of service of an Order finding that the material no longer qualifies for confidential treatment in order to allow Columbia Kentucky to seek a remedy afforded by law.

13. The remainder of the July 8, 2026 Order not in conflict with this Order remains in effect.

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Entered on this 14th day of August, 2026.

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Vice Chair

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