

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF THE GAS	)	
COSTS OF JOHNSON COUNTY GAS	)	CASE NO.
COMPANY, INC. AND HALL, STEPHENS AND	)	2020-00122
HALL GAS COMPANY PURSUANT TO KRS	)	
278.2207, AND KRS 278.274	)	

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION  
TO JOHNSON COUNTY GAS COMPANY, INC.

Johnson County Gas Company, Inc. (Johnson County), 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 on October 1, 2020. Pursuant to the Commission's Orders in Case No. 2020-00085,<sup>1</sup> issued March 16, 2020, and March 24, 2020, Johnson County 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

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<sup>1</sup> 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.

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.

Johnson County shall make timely amendment to any prior response if it 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 Johnson County 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, Johnson County 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 Johnson County's responses to Commission Staff First Request for Information (Staff's First Request), Item 1 and Item 2(b).

- a. Reconcile the statement in Johnson County's Response to Staff's First Request, Item 1, which states, "Hall, Stephens, and Hall's \$6.00 per MCF rate includes transportation cost of \$1.00 charged by Diversified and 81 cents charged by Columbia Gas. This results in a total transportation charge of \$1.81 per MCF" with

Johnson County's Response to Staff's First Request, Item 2(b), which states, "Transportation cost is not included in Johnson County's GCR rate calculation." .

b. Explain in full detail why the rate of \$6.00 per MCF for Hall, Stephens and Hall Gas Company (Hall) would include transportation costs if costs associated with transportation are not included for recovery in Johnson County's Gas Cost Recovery (GCR) rate calculation.

c. Explain whether the \$6.00 per MCF rate is reasonable given that transportation costs are not included for recovery in Johnson County's GCR rate calculation.

d. State whether Johnson County has included transportation costs in its past GCR rate reports.

2. Refer to Johnson County's responses to Staff's First Request, Item 2(a).

a. The response provided does not answer the request for information. Provide a full response to the previous request of Staff's First Request, Item 2(a).

b. Provide evidence that in 2011 the city gate price was \$6.12 prior to the gas purchase agreement between Johnson County and Hall.

3. Refer to Johnson County's responses to Staff's First Request, Item 3.

a. The response provided does not answer the request for information. Provide a full response to the previous request of Staff's First Request, Item 3.

b. Explain in full detail why Johnson County is unable to pay for its gas purchases with timely payment.

c. Provide evidence of the other companies refusing to sell gas to Johnson County without the timely payment.

d. Explain how these other companies were previously made aware of Johnson County's inability to provide timely payment for its natural gas.

e. Explain whether Johnson County's inability to pay for its gas in a timely manner has threatened its customers with a shortage of natural gas.

f. Explain in detail how long it takes Johnson County to collect funds from its customers.

4. Refer to Johnson County's responses to Staff's First Request, Item 4(b). The response provided does not answer the request for information. Provide a full response to the previous request of Staff's First Request, Item 4(b).

5. Refer to Johnson County's responses to Staff's First Request, Item 5. The response provided does not answer the request for information. Provide a full response to the previous request of Staff's First Request, Item 5.

6. Refer to Johnson County's responses to Staff's First Request, Item 7. Provide the invoices from Bradco Oil Company (Bradco) to Johnson County for any natural gas purchased for each month from April 1, 2013, through January 1, 2015. If Johnson County is not in possession of these records, request a copy of these invoices from the supplier. Be sure to explicitly state if, during any period under review, Johnson County did not purchase any natural gas for any month from Bradco and thus did not receive an invoice for service.

7. Refer to Johnson County's responses to Staff's First Request, Item 8. Provide the invoices from EQT Transmission (EQT) to Johnson County for any natural gas purchased for each month from April 1, 2013, through January 1, 2015. Include any invoices from Diversified Oil and Gas (Diversified) after they took over properties from

EQT on October 2018. Explicitly state if, during any period under review, Johnson County did not purchase any natural gas for any month from Diversified or EQT and thus did not receive an invoice for service. Explicitly state if, during any period under review, Johnson County did not purchase any natural gas for any month from Bradco and thus did not receive an invoice for service.

8. Refer to Johnson County's responses to Staff's First Request, Item 17. Explain why Johnson County did not to seek to replace the records destroyed in the mentioned office fire with copies from their suppliers.

9. Provide copies of a customer's bills for a random Johnson County residential customer for each month from April 1, 2013, through September 3, 2019. Johnson County should include actual copies of the bills sent to this random residential customer. Redact any personal information from the bills, such as customer names, customer addresses, and any other additional identifiable information. The bills should include the monthly usage, the rates billed, and the meter reading dates.



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Lindsey L. Flora  
Deputy Executive Director  
Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

DATED SEP 14 2020

cc: Parties of Record

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