

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC 2021 SAFETY MODIFICATION)	CASE NO.
AND REPLACEMENT PROGRAM FILING OF)	2020-00327
COLUMBIA GAS OF KENTUCKY, INC.)	

ORDER

On April 30, 2021, the Commission issued an Order in this case that, *inter alia*, determined Columbia Gas of Kentucky, Inc.'s (Columbia Kentucky) 2021 Safety Modification and Replacement Program (SMRP) Rider rates for service rendered on and after the date of the Order.

On May 19, 2021, Columbia Kentucky filed a motion for rehearing with the Commission to address the under-recovery that will result from the SMRP Rider rates not going into effect on January 1, 2021, as designed. Columbia Kentucky calculated an under-recovery of \$879,612, using the same billing determinants that were used to calculate the SMRP Rider rates.¹ Columbia Kentucky proposes to keep the SMRP rates authorized in the Commission's April 30, 2021 Order in effect through June 30, 2021, and then reset the SMRP rates so that the ten months of authorized recovery (January–April and July–December) will occur over the remaining six months of the calendar year.² Alternatively, Columbia Kentucky requests that the Commission grant rehearing to

¹ Motion for Rehearing, Exhibit 1 (filed May 19, 2021) at 2.

² Motion for Rehearing at 3.

confirm that any under-recovery on the SMRP Rider should be recovered through the 2022 Balancing Adjustment filing.³

DISCUSSION

The Commission agrees with Columbia Kentucky's calculation of the under-recovery and the prudence of proactively addressing the under-recovery. Additionally, the Commission notes that Columbia Kentucky has proposed to roll its SMRP into base rates and reset the rider to \$0.⁴ If the SMRP is rolled into base rates, the March 2022 Balancing Adjustment filing would not be appropriate. Since the Accelerated Main Replacement Program was approved in Case No. 2009-00141,⁵ Columbia Kentucky has filed two forecasted test-period base rate cases⁶ and did not file a Balancing Adjustment the following March. The Commission finds that Columbia Kentucky has established good cause to include the under-recovery related to January–April 2021 in the SMRP Rider rates in effect for July–December 2021. However, this finding has no bearing on the Commission's decision on whether or not to allow Columbia Kentucky to roll its SMRP into its base rates.

³ *Id.* at 4.

⁴ 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* (filed May 28, 2021), Direct Testimony of Judy M. Cooper at 5.

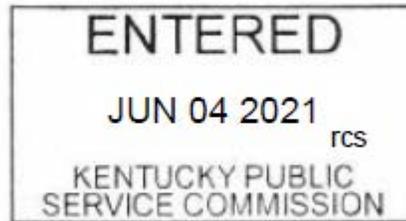
⁵ Case No. 2009-00141, *Application of Columbia Gas of Kentucky, Inc. for an Adjustment in Rates* (Ky. PSC Oct. 26, 2009).

⁶ Case No. 2013-00167, *Application of Columbia Gas of Kentucky, Inc. for an Adjustment of Rates for Gas Service* (Ky. PSC Dec. 13, 2013) and Case No. 2016-00162, *Application of Columbia Gas of Kentucky, Inc. for an Increase in Base Rates* (Ky. PSC Dec. 22, 2016).

IT IS THEREFORE ORDERED that:

1. Columbia Kentucky's motion for rehearing to address the under-recovery of its SMRP Rider rates due to the timing of the Commission's April 30, 2021 Order is granted.
2. The SMRP Rider rates in the Appendix to this Order are approved for service rendered by Columbia Kentucky on and after July 1, 2021.
3. Within 20 days of the date of entry of this Order, Columbia Kentucky shall file with the Commission, using the Commission's electronic Tariff Filing System, its revised tariff sheets setting forth the rates approved herein and reflecting that they were approved pursuant to this Order.
4. This case is closed and removed from the Commission's docket.

By the Commission



ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2020-00327 DATED JUN 04 2021

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, Inc. All other rates and charges not specifically mentioned shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

Revised 2021 Safety Modification and Replacement Program Rider Rates

Per month:

Rate GSR, Rate SVGTS-Residential Service	\$ 7.67
Rate GSO, Rate GDS, Rate SVGTS – Commercial or Industrial	\$ 27.95
Rate IUS, Rate IU DS	\$ 239.00
Rate IS, Rate DS, ¹ Rate SAS	\$1,397.94

¹ Excluding customers subject to Flex Provisions of Rate Schedule DS.

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