

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of

ADJUSTMENT OF RATES OF DELTA)
NATURAL GAS COMPANY, INC.) CASE NO. 8528

O R D E R

IT IS ORDERED that Delta Natural Gas Company, Inc. shall file an original and five copies of the following information with the Commission, with a copy to all parties of record, by August 13, 1982. Each copy of the data requested should be placed in a bound volume with each item tabbed.

Staff Request No. 2

1. Provide any policies or guidelines used by Delta in determining pay grades and amount and timing of wage increases granted to both management and non-management employees.
2. Has Delta experienced any difficulty in attracting and retaining either management or non-management employees? If yes, provide documentation and describe management's assessment of the major contributing factors for this difficulty.
3. Provide the information in Format B for each managerial employee.
4. Has Delta made any comparisons of its managerial and non-managerial wage and benefits package with other gas utilities

or other local firms employing individuals with similar qualifications? If yes, provide any studies or reports.

5. Provide management's assessment of the current organizational structure in terms of its effectiveness.

6. Has Delta made any comparisons of its organizational structure with other gas distribution companies in the nation with the same approximate size and scope. Provide copies of any comparative analyses performed.

10. What is the current status of the cited attempts by each of the various municipalities to annex portions of Delta's system and the anticipated effect on Delta's financial integrity?

11. Provide a breakdown by major category of the \$1,207,400 used for the upgrading of the system and the benefits to be experienced by Delta's customers as a result of this upgrading.

12. Provide a depreciation schedule for plant in service at the end of the test period by major account.

13. Does the adjustment to revenues in Jennings Exhibit C-1 annualize revenues for the number of customers being served by Delta at the end of the test period?

14. Provide a breakdown by major addition of the \$4,191,917 increase in utility plant in service shown in item 1, page 3 of 7 of the staff's initial information request from April 1, 1981 to March 31, 1982.

15. Provide a detailed explanation of large increases during the test period over the previous year in the following accounts. Show separately any major non-recurring items of

expense included in the test period figures.

<u>Account</u>	<u>Increase</u>
Payroll (900.1);	46%
Employee Benefits Payroll (926.1);	234%
Customer Accounts Payroll (903.1);	53%
General Office Payroll (920.1);	20%
Miscellaneous (880.3);	111%
Mains Maintenance Payroll (887.0);	72%
Other (887.1);	146%

16. Furnish copies of the local climatological data supporting the weather normalization adjustment.

17. Compute the weather normalization adjustment on the basis of the latest: a) 30 year period (1951 thru 1980), b) 20 year period (1961 thru 1980), and c) 10 year period (1971 thru 1980).

Done at Frankfort, Kentucky, this 26th day of July, 1982.

PUBLIC SERVICE COMMISSION

Marlene M. Voh
For the Commission

ATTEST:

Secretary

FORMAT B

(A) Employee's Name	(B) 1980 Annual salary or wages (excluding overtime)	(C) 1981 Same as (B)	(D) 1982 Est. annual salary and wages (exclud- ing overtime) based on all anticipated wages and salary as evidenced by pro forma adj.	(E) Primary duties and percentage of time allocated to each duty	(F) Number of employee under direct supervision	(G) 1980 Employee benefits excluding payroll taxes (Itemize) Example: insurance pensions automobile	(H) 1981 Same as (G)	(I) 1982 Same as (G) including est. increases as evidenced by pro forma adjustment