

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF NAVITAS KY)	CASE NO.
NG, LLC FOR AN ALTERNATE RATE)	2019-00430
ADJUSTMENT)	

Navitas KYNG, LLC's Response to Commission's Fourth Set
of Data Requests

1. State whether B&W or Navitas KY owns the metering equipment at the transfer point, and which entity is responsible for testing.

WITNESS: THOMAS HARTLINE

B&W has a billing meter at the connection between Navitas KYNG and the B&W Pipeline. Navitas also has a check meter at the same location.

2. Provide the results of the past three meter tests conducted on the transfer point meter.

WITNESS: THOMAS HARTLINE

Navitas will request the results of the last three meter proofs from B&W and submit them to the Commission as a supplement to this response upon receipt. Generally, Navitas does not have its check meters proven on a regular basis.

3. Confirm that, since August 8, 2019, Navitas KY has collected from its customers the FERC approved B&W transportation rate for its gas cost recovery (GCR) rate approved in Case No. 2019-00241.

WITNESS: THOMAS HARTLINE

In case 2019-00241 Navitas submitted an expected cost of gas including the FERC rate applied to all units (both those transported by Sparta as well as those transported by Navitas). Navitas also submitted an actual cost of gas including all units for February, March, and April 2019.

In case 2019-00372 Navitas submitted an expected cost of gas excluding the disputed Sparta units from the transportation charge. Navitas also submitted an actual cost of gas for May, June, and July 2019 excluding the disputed Sparta units from the transportation charges.

In case 2020-00012 Navitas submitted an expected cost of gas excluding the disputed Sparta units from the transportation charge. Navitas also submitted an actual cost of gas for August, September, and October 2019 excluding the disputed Sparta units from the transportation charges.

In case 2020-00103, based on the Commissions reticence to interpret FERC orders, Navitas restored the disputed transportation charges. Collection of the disputed charges from May, June, July, August, and September 2019, as well as the expected of gas including the FERC charge on the units transported for Sparta will begin with the billing on June 7, 2020 with much of it to be collected over the subsequent twelve months through May 2021.

Thus beginning May 2019 through May 2020 the customer has neither

been charged or paid for the gas transported to market by Sparta. Additionally, this can be seen in the underbilling of customer on row one (1) sheet V of the GCA, of the Balance Adjustment spreadsheet. Based on our filing in 2020-00103, since April 2019 Navitas has under billed its GCA costs to customers by as much as ninety-two thousand dollars; with the amount of underbilling, (e.g. the total billings less the total costs) has a balance of \$82,130.

4. Refer to the response to Staff's Third Request, Spreadsheet Exhibit A. Column G, labeled "KY's Share," shows the TRA fixed rate allocated to Navitas KY for the months through September 2019. State whether Navitas KY is paying B&W the FERC rate for gas transportation costs that was approved in Case No. 2019-00241 for the months beginning August 2019 or the former allocation of the TRA fixed rate to B&W.

WITNESS: THOMAS HARTLINE

Please see response to question 3 above. Despite it not being included in the expected cost of gas, Navitas has paid the FERC tariff on the gas transported to market by Sparta since October 2019.

While the dispute remains, the cost of pursuing the matter with FERC is prohibitive, literally thousands of dollars per hour. Moreover, beginning in October 2019, Sparta made it a condition of the sale that the buyer would pay for the transport to market.

As noted in the response above, Navitas should begin collecting for the disputed amounts associated with the transport of Sparta gas to market between February 2019 and September 2019 beginning with the July 7, 2020 billing and intends, unless otherwise directed, to pay B&W these funds. Note, these amounts are not requested, included, or a part of this preceding, 2019-00430 (Other than arising out of the same FERC order).

Dated this 22 day of May, 2020.

Respectfully submitted,

Klint Alexander

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*w/ permission
by BB*

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VERIFICATION OF NAVITAS KY NG, LLC

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE) ss.


I, Thomas Hartline, Secretary of Navitas KY NG, LLC, being duly sworn according to law, makes oath and affirm that I have read the foregoing documentation, know the contents thereof, and that the same is true and accurate to the best of my knowledge, information and belief.



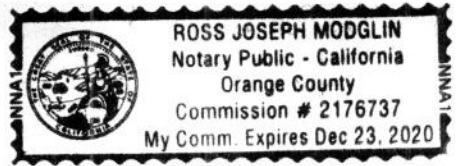
THOMAS HARTLINE

Subscribed and sworn to (or affirmed) before me on this 22nd day of May, 2020, by Thomas Hartline, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Notary Public Seal



Notary Public Signature



CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 22 day of May, 2020, a true and correct copy of the foregoing instrument was deposited in the United States

Mail with postage prepaid, and addressed to the following:

Gwen Pinson

Executive Director
Public Service Commission
Commonwealth of Kentucky
211 Sower Blvd.
Frankfort, KY 40601

Larry Cook

Office of the Attorney General
Rate Intervention
700 Capitol Ave. Suite 20
Frankfort, KY 40601

Klint W. Alexander

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*w/ permission
by BB*