

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the matter of:)
ELECTRONIC APPLICATION OF)
COLUMBIA GAS OF KENTUCKY, INC) Case No. 2020-00378
TO EXTEND ITS GAS COST)
INCENTIVE ADJUSTMENT)
PERFORMANCE BASED RATE)
MAKING MECHANISM)

**MOTION OF COLUMBIA GAS OF KENTUCKY, INC.
FOR A DECISION ON THE RECORD**

Now comes Columbia Gas of Kentucky, Inc. ("Columbia"), by counsel, and, pursuant to the January 27, 2021 Procedural Order, hereby moves the Kentucky Public Service Commission ("Commission") to decide the above captioned proceeding on the record already established in this case and without the need for a formal hearing. Columbia respectfully states as follows:

On November 30, 2020, Columbia filed an Application to renew its Performance-Based Ratemaking ("PBR") Mechanism for a three year term, submitted its evaluation report on the results of the PBR from April 2015 as required by the Commission's October

22, 2019 Order¹ in Case No. 2017-00453, and incorporated by reference the record in Case No. 2017-00453. On January 27, 2021, the Commission issued an Order establishing a procedural schedule and approving Columbia's current PBR Mechanism, with no change to any aspect of its calculation for continued use pending a final Order in this proceeding. The schedule provided a deadline for intervention and two sets of data requests. There were no intervenors in the case and Columbia answered both sets of data requests from the Commission.

Columbia's application in the instant case seeks to renew its PBR Mechanism for a three year period, according to the terms established by Commission Order dated July 24, 2020 in Case No. 2017-00453, following a formal hearing held on May 27, 2020. The July 24, 2020 Order modified the terms of Columbia's program from the design that had been in place prior to October 22, 2019.

The basic issue that well-designed incentives produce positive results for all beneficiaries has been a common tenet since performance-based rate mechanisms were first approved by the Commission for Atmos (formerly Western Kentucky Gas Company, a division of Atmos Energy Corporation) and Louisville Gas and Electric Company. Columbia believes that the record sufficiently and accurately evidences the PBR Mechanism will continue to provide these positive results for all beneficiaries.

¹ Case No. 2017-00453 Application of Columbia Gas of Kentucky, Inc., to Extend Its Gas Cost Adjustment Performance Based Rate Mechanism.

Accordingly, Columbia is willing to waive its right to a hearing and requests the Commission continue its current PBR terms, that were decided less than one year ago, thereby allowing both the Commission and Columbia to save significant time and resources. However, should the Commission or Commission Staff have any remaining questions concerning the application or the relief sought by Columbia, the Company would be willing to participate in an informal conference in lieu of a formal hearing.

Dated at Columbus, Ohio, this 25th day of May 2021.

Respectfully submitted,

COLUMBIA GAS OF KENTUCKY, INC

/s/ Joseph M. Clark

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