

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DELTA)	
NATURAL GAS COMPANY, INC. FOR AN)	
ADJUSTMENT OF ITS RATES AND A)	
CERTIFICATE OF PUBLIC)	CASE NO. 2021-00185
CONVENIENCE AND NECESSITY)	

DELTA NATURAL GAS COMPANY, INC.’S NOTICE OF FILING

On March 16, 2022, the Commission issued an order granting in part and denying in part Delta Natural Gas Company, Inc.’s (“Delta”) Petition for Confidential Protection. Ordering paragraph 3 states “Delta’s petition for confidential treatment for the compensation of Delta’s president contained in Tab 60 of the application is denied.” Pursuant to that order, Delta hereby files a public, unredacted version of Tab 60 for which the Commission denied confidential protection. Delta does not object to the Commission’s determination in this proceeding but reserves all rights to seek confidential protection in subsequent proceedings.

Dated: April 14, 2022

Respectfully submitted,

Monica H. Braun

Monica H. Braun
Mary Ellen Wimberly
monica.braun@skofirm.com
maryellen.wimberly@skofirm.com
Stoll Keenon Ogden PLLC
300 West Vine Street
Suite 2100
Lexington, KY 40507
Telephone: (859) 231-3000
Facsimile: (859) 259-3503
Counsel for Delta Natural Gas Company,
Inc.

CERTIFICATE OF COMPLIANCE

In accordance with the Commission's Order of July 22, 2021 in Case No. 2020-00085 (Electronic Emergency Docket Related to the Novel Coronavirus COVID-19), this is to certify that the electronic filing has been transmitted to the Commission on April 14, 2022; and that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means.

Monica H. Braun

Delta Natural Gas Company, Inc.

Case No. 2021-00185

Payroll Costs

Base Period 12ME 8/31/21 Forecast Test Period 12 ME 12/31/22

Tab 60

Sheet 1 of 2

Witness: Packer

Line No.	Description	Base Period	% Change	Forecasted Period
1	Man Hours			
2	Salary/Straight Time Hours	337,691	0.0%	337,691
3	OverTime Hours	9,140	0.0%	9,140
4	Total Man Hours	346,831	0.0%	346,831
5				
6	Ratio of OT Hours to ST Hours	2.7%		2.7%
7				
8	Straight, OT/Premium Dollars			
9	Salary/Straight Time Dollars	8,900,480	4.7%	9,319,133
10	OverTime Dollars	308,434	4.7%	322,942
11	Total Labor Dollars	9,208,914	4.7%	9,642,075
12				
13	Ratio of OT Dollars to ST Dollars	3.5%		3.5%
14				
15	O&M Labor Dollars	7,182,953	4.7%	7,520,819
16				
17	Ratio of O&M Labor Dollars to Total Labor Dollars	78.0%		78.0%
18				
19	Employee Benefits			
20	Medical	1,588,132	32.9%	2,111,410
21	Dental	129,220	63.4%	211,169
22	Disability	50,848	0.0%	50,848
23	Retirement	1,166,858	-42.7%	668,617
24	Other	243,343	0.0%	243,343
25	Total Employee Benefits	3,178,403	3.4%	3,285,388
26				
27	Employee Benefits O&M	2,479,154		2,562,602
28				
29	Ratio of Employee Benefits O&M to Total Employee Benefits	78%		78%
30				
31	Payroll Taxes			
32	F.I.C.A.	585,181		623,246
33	Medicare	140,843		149,745
34	Federal Unemployment	7,056		7,056
35	State Unemployment	9,072		9,072
36	Total Payroll Taxes	742,151	6.3%	789,119
37	Payroll Taxes O&M	579,323	6.4%	616,302
38				
39	Ratio of Payroll Taxes O&M to Total Payroll Taxes	78.1%		78.1%
40				
41	Employee Levels			
42	Average Employee Levels	160	1.4%	162
43	Period-End Employee Levels	162	0.0%	162

Delta Natural Gas Company, Inc.

Case No. 2021-00185

Payroll Costs

Tab 60

Sheet 2 of 2

Witness: Packer

Base Period 12ME 8/31/21 Forecast Test Period 12 ME 12/31/22

Line

No. Title of Executive: President

1

2 **Base Period (September 1, 2020 - August 31, 2021):**

3 Total Salary 313,706

4 Other Allowances and Compensation 187,288

5 Subtotal 500,994

6

7 Employee Benefits:

8 Pension 37,124

9 Medical 22,452

10 Dental 971

11 Vision 106

12 Long Term Disability 2,349

13 Employee Assistance Program 71

14 Life Insurance 192

15 Defined Contribution Plans 9,131

16 Subtotal 72,396

17

18 Payroll Taxes:

19 F.I.C.A. 8,854

20 Medicare 7,164

21 Federal Unemployment 42

22 State Unemployment 54

23 Subtotal 16,114

24

25 Total Compensation and Taxes 589,504

26

Forecasted Period (Calendar 2022):

Total Salary 313,706

Other Allowances and Compensation 187,809

Subtotal 501,515

Employee Benefits:

Pension -

Medical 22,452

Dental 971

Vision 106

Long Term Disability 2,349

Employee Assistance Program 71

Life Insurance 192

Defined Contribution Plans 16,564

Subtotal 42,705

Payroll Taxes:

F.I.C.A. 8,990

Medicare 7,189

Federal Unemployment 42

State Unemployment 54

Subtotal 16,275

Total Compensation and Taxes 560,495

27 The President's compensation is covered under an employment contract entered into 10/4/2017 effective upon the closing of the merger between PNG Companies LLC and Delta Natural Gas Company, Inc. expiring in 2022

28 Note that the labor cost for Officers of the Holding Company who also serve as Officers or Directors of the Kentucky subsidiaries are charged under Management Fees.