

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 2021-00185

FIRST ATTORNEY GENERAL DATA REQUEST
DATED JULY 14, 2021

35. **Expensed and Capitalized Payroll (UPDATE).** Please provide payroll information in the spreadsheet format shown below (provide in working Excel format) for the calendar years 2017, 2018, 2019, 2020, August 31, 2021 Base Period as filed (show actual and budget amounts separately, and provide periodic monthly updates for actual information) and the December 31, 2022 Forecasted Test Period:
- a. The amount of regulated payroll expensed by type of payroll cost (straight time, overtime, incentives, etc.). Also, provide capitalized payroll included in construction accounts, capitalized in deferred regulatory accounts, and other capitalized accounts. Finally, provide non-regulated and below-the-line payroll costs. It is not necessary to provide capitalized payroll or non-regulated/below-the-line payroll by type of payroll (such as straight time, overtime, etc.), the amounts can be provided in total.
 - b. Provide the percent of payroll expensed and capitalized for each of the periods.
 - c. Explain why the percent of payroll expensed and capitalized changed for each of the periods (for example, explain if the percent of payroll capitalized will increase in years where the construction budget is larger, etc.).
 - d. Identify source documents for the data provided.

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Description	Payroll Expensed	Payroll Capitalized	Total Payroll	Source Document
Regulated:				
Straight time				
Overtime				
Incentives				
Other Bonuses and Awards (Describe)				
Holiday				
Illness and Leave				
Paid Time Off				
Severance and Separation Pay				
Other Regulated (Affiliates)				
Other Regulated (Describe)				
Capitalized in Construction Accounts				
Capitalized in Deferred Accounts				
Total Regulated Payroll				
Non-Regulated and Below-the-Line:				
Non-Regulated/Below-the-Line (Describe)				
Other (Affiliates)				
Other (Describe)				
Total Non-Regulated/Below-the-Line Payroll				
Grand Total Payroll				
Percent Payroll Expensed				
Percent Payroll Capitalized				

Response:

- a. See attached.
- b. See attachment to (a).
- c. The capitalization percentage is relatively consistent for the periods presented but it does tend to increase slightly in years with higher construction spend.
- d. The source for Delta's information is the PSC Annual Report. The source for PKY's data is internal capital allocation reports from Peoples.

Sponsoring Witness: William C. Packer

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September 22, 2021 Supplemental Response:

- a. Delta subsequently updated this attachment in response to AG 2-27. Delta is providing an updated attachment with actual data through August 2021 in response to AG 2-27.