

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:)	
)	
ELECTRONIC TARIFF FILING OF)	
COLUMBIA GAS OF KENTUCKY, INC.)	Case No.
TO EXTEND ITS SMALL VOLUME GAS)	2021-00386
TRANSPORTATION SERVICE)	

**INTERSTATE GAS SUPPLY INC.'S RESPONSE TO STAFF OF THE KENTUCKY
PUBLIC SERVICE COMMISSION'S POST-HEARING DATA REQUEST**

October 21, 2022

REQUEST FOR INFORMATION

Post-Hearing DR: State whether customers enrolled in any of your offerings in the CHOICE program have achieved over-all positive dollar savings in any year compared to Columbia Kentucky's gas cost rate. If so, provide the year and the amount of savings.

Response: As an initial matter, IGS states that it offers fixed-rate, fixed-term plans of 12 and 36-months to residential CHOICE customers in the Columbia Kentucky service territory. These plans provide customers with pricing certainty during periods of volatility (i.e., periods in which commodity pricing is impacted by extreme weather events; geo-political tensions; supply and demand imbalances; etc.) and are priced based, in part, on IGS's forward-looking estimate of its cost to provide commodity supply service to the customer. In other words, the risk associated with commodity price fluctuations are assumed by IGS in its role as a supplier. Given the inherent risk associated with IGS's long-term fixed-rate commodity offering as well as the uncertainty surrounding the long-term viability of the CHOICE program, IGS's fixed-rate plans include risk-based pricing inputs that are absent from Columbia Kentucky's variable gas cost rate, which passes all gas purchasing costs through to the consumer in future months. Further, since August 2020, IGS has exclusively offered a fixed-rate carbon-neutral natural gas product to new customers in the Columbia Kentucky service territory. This product includes pricing inputs that account for the purchase of carbon credits, which are also absent from Columbia Kentucky's default service product.

Stating further, although IGS does not maintain a record of Columbia Kentucky's Gas Cost Rate or a comparison of IGS customer rates to that rate in the ordinary course of its business, and thus cannot easily respond to the above request. However, IGS was able to compare its 12-month and 36-month fixed rate offerings to Columbia's Gas Cost Rate for the period of September 1, 2019, through September 1, 2022. Customers on IGS's 36-month fixed-rate offering appear to have achieved over-all positive dollar savings during the periods listed in the tables below:

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Month/Year	CKY Rate	IGS 36- Month Rate	Difference
December 2021	\$9.79	\$6.69	\$3.10
January 2022	\$7.20	\$6.69	\$0.51
February 2022	\$7.20	\$6.69	\$0.51
March 2022	\$7.20	\$6.69	\$0.51
July 2022	\$9.22	\$6.69	\$2.53
August 2022	\$9.22	\$6.69	\$2.53
September 2022	\$9.79	\$6.69	\$3.10

Customers on IGS's 12-month fixed-rate offering achieved over-all positive dollar savings during the following periods:

Month/Year	CKY Rate	IGS 12- Month Rate	Difference
July 2022	\$9.22	\$7.49	\$1.73
August 2022	\$9.22	\$7.49	\$1.73
September 2022	\$9.79	\$7.49	\$2.30

Additionally, monthly comparison during this three (3) year period (September 1, 2019 – September 1, 2022) showed that IGS's 12 or 36 month rate exceeded the CKY rate during other months than expressed above.

Person Responsible: Joseph Olikier, Counsel for IGS

Respectfully submitted,

HURT, DECKARD & MAY PLLC

/s/Matt Malone

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Counsel for the Petitioner,
INTERSTATE GAS SUPPLY, INC.

And

**CONSTELLATION NEW ENERGY,
GAS DIVISION, LLC**

CERTIFICATE OF SERVICE

I hereby certify that IGS and CNEG's October 21, 2022 electronic filing is a true and accurate copy of IGS and CNEG's pleading and Read 1st Document to be filed in paper medium; that the electronic filing has been transmitted to the Commission on October 21, 2022; that an original and one copy of the filing will not be mailed to the Commission given the pandemic orders; that there are currently no parties excused from participation by electronic service; and that, on October 21, 2022, electronic mail notification of the electronic filing is provided to all parties of record.

/s/Matt Malone

Attorney for Interstate Gas Supply, Inc
And Constellation New Energy, Gas Division, LLC

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STATE OF OHIO)
)
COUNTY OF FRANKLIN)

VERIFICATION

Joseph Oliker, being first duly sworn, on oath deposes that he is Counsel for Interstate Gas Supply, Inc., the foregoing responses of Interstate Gas Supply Inc. to Staff of the Kentucky Public Service Commission's Post Hearing Request for Information was prepared by him or under his direction, and the information contained therein is true and correct to the best of his knowledge, information and belief.



Joseph Oliker
Attorney for Interstate Gas Supply, Inc.

Subscribed and sworn to me
This 21st day of October 2022

