

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:

THE ELECTRONIC APPLICATION OF	)	
COLUMBIA GAS OF KENTUCKY, INC.	)	CASE NO.
FOR AN ADJUSTMENT OF RATES;	)	2024-00092
APPROVAL OF DEPRECIATION STUDY;	)	
APPROVAL OF TARIFF REVISIONS; AND	)	
OTHER RELIEF	)	

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**COLUMBIA GAS OF KENTUCKY, INC.’S VERIFIED RESPONSE TO  
INTERSTATE GAS SUPPLY AND CONSTELLATION NEW ENERGY’S  
SECOND REQUEST FOR INFORMATION ENTERED JULY 24, 2024**

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Comes now Columbia Gas of Kentucky, Inc.’s (“Columbia”), by counsel, and does hereby tender its Verified Response to Interstate Gas Supply and Constellation New Energy’s Second Request for Information entered July 24, 2024

Entered August 7, 2024

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

In the Matter of: )  
 )  
ELECTRONIC APPLICATION OF COLUMBIA GAS )  
OF KENTUCKY, INC. FOR AN ADJUSTMENT OF ) Case No. 2024-00092  
RATES; APPROVAL OF DEPRECIATION STUDY; )  
APPROVAL OF TARIFF REVISIONS; AND OTHER )  
RELIEF )

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**VERIFICATION OF TAMALEH SHAEFFER**

STATE OF OHIO )  
 )  
COUNTY OF FRANKLIN )

Tamaleh Shaeffer, Rate Case Execution Manager for NiSource Corporate Services Company, being duly sworn, states that she has supervised the preparation of responses to discovery in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

Tamaleh Shaeffer  
Tamaleh Shaeffer

The foregoing Verification was signed, acknowledged and sworn to before me this 6<sup>th</sup> day of August, 2024, by Tamaleh Shaeffer.

[Signature]  
Notary Commission No. N/A  
Commission expiration: N/A



John R Ryan III  
Attorney At Law  
Notary Public, State of Ohio  
My commission has no expiration date  
Sec. 147.03 R.C.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of: )
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ELECTRONIC APPLICATION OF COLUMBIA GAS )
OF KENTUCKY, INC. FOR AN ADJUSTMENT OF ) Case No. 2024-00092
RATES; APPROVAL OF DEPRECIATION STUDY; )
APPROVAL OF TARIFF REVISIONS; AND OTHER )
RELIEF )

VERIFICATION OF JULIE C. WOZNIAK

STATE OF OHIO )
)
COUNTY OF FRANKLIN )

Julie C. Wozniak, Manager of Regulatory Studies for NiSource Corporate Service Company, a management and services subsidiary of NiSource Inc. for Columbia Gas of Kentucky, Inc., being duly sworn, states that she has supervised the preparation of responses to discovery in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

Julie C. Wozniak
Julie C. Wozniak

The foregoing Verification was signed, acknowledged and sworn to before me this 6th day of August, 2024, by Julie C. Wozniak.

Notary Commission No. NA
Commission expiration: NA



John R Ryan III
Attorney At Law
Notary Public, State of Ohio
My commission has no expiration date
Sec. 147.03 R.C.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of: )  
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ELECTRONIC APPLICATION OF COLUMBIA GAS )  
OF KENTUCKY, INC. FOR AN ADJUSTMENT OF )  
RATES; APPROVAL OF DEPRECIATION STUDY; )  
APPROVAL OF TARIFF REVISIONS; AND OTHER )  
RELIEF )

Case No. 2024-00092

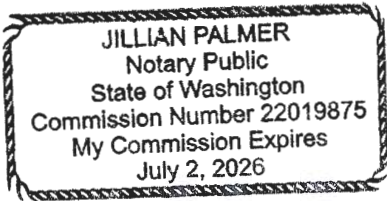
VERIFICATION OF RONALD J. AMEN

STATE OF WASHINGTON )  
 )  
COUNTY OF KING )

Ronald J. Amen, Managing Partner of Atrium Economics, LLC, consultant for Columbia Gas of Kentucky, Inc., being duly sworn, states that he has supervised the preparation of responses to discovery in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

*Ronald J. Amen* 8/7/24  
Ronald J. Amen

The foregoing Verification was signed, acknowledged and sworn to before me this 7 day of August, 2024, by Ronald J. Amen.



*Jillian Palmer*  
Notary Commission No. 22019875  
Commission expiration: 07-02-2026

KY PSC Case No. 2024-00092  
Response to the IGS/Constellation's Data Request Set Two No. 1  
Respondent: Julie Wozniak

**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO INTERSTATE GAS SUPPLY, INC.'S ("IGS") AND  
CONSTELLATION NEW ENERGY- GAS DIVISION, LLC'S ("CNEG")'S  
SECOND REQUEST FOR INFORMATION  
DATED JULY 24, 2024**

For the last two (2) years on an annual basis please identify and provide the total amount of revenue invoiced to Choice customers on behalf of retail natural gas suppliers.

**Response:**

The amount of revenue invoiced to Choice customers on behalf of retail natural gas suppliers was \$18,074,281.74 for calendar year 2022 and \$14,074,153.45 for calendar year 2023.

KY PSC Case No. 2024-00092  
Response to the IGS/Constellation's Data Request Set Two No. 2  
Respondent: Julie Wozniak

**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO INTERSTATE GAS SUPPLY, INC.'S ("IGS") AND  
CONSTELLATION NEW ENERGY- GAS DIVISION, LLC'S ("CNEG")'S  
SECOND REQUEST FOR INFORMATION  
DATED JULY 24, 2024**

For the last two (2) years on an annual basis please identify and provide the total amount of revenue (distribution and commodity) collected from Choice customers.

**Response:**

The total amount of revenue (distribution and commodity) collected from Choice customers was \$ 31,775,647.31 for calendar year 2022 and \$27,201,595.45 for calendar year 2023.

KY PSC Case No. 2024-00092  
Response to the IGS/Constellation's Data Request Set Two No. 3  
Respondent: Julie Wozniak

**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO INTERSTATE GAS SUPPLY, INC.'S ("IGS") AND  
CONSTELLATION NEW ENERGY- GAS DIVISION, LLC'S ("CNEG")'S  
SECOND REQUEST FOR INFORMATION  
DATED JULY 24, 2024**

For the last two (2) years on an annual basis please identify and provide the total uncollectible amounts arising from Choice customers.

**Response:**

The total uncollectible amounts arising from Choice customers were \$91,677.90 for calendar year 2022 and \$59,329.88 for calendar year 2023.

**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO INTERSTATE GAS SUPPLY, INC.'S ("IGS") AND  
CONSTELLATION NEW ENERGY- GAS DIVISION, LLC'S ("CNEG")'S  
SECOND REQUEST FOR INFORMATION  
DATED JULY 24, 2024**

For the last two (2) years on an annual basis, identify Columbia Gas of Kentucky's administrative and labor expenses associated with customer collections for outstanding receivables. Specifically identify the amount proposed for recovery in base rates in this proceeding.

**Response:**

Amounts recorded to Account 903 – Customer Records and Collections Expense are as follows: 2022 - \$2,731,206; 2023 - \$2,589,832; Base Period - \$2,702,174 (Application, Tab 81 FR 807 KAR 5:001 Section 16(8)(c), Page 5, Schedule C-2.1.A, Line 14); Unadjusted FTP - \$2,497,619 (Application, Tab 81 FR 807 KAR 5:001 Section 16(8)(c), Page 7, Schedule C-2.1.B, Sheet 2, Line 14); and Adjusted FTP - \$2,497,402 (Application, Tab 82 FR 807 KAR 5:001 Section 16(8)(d), Page 6, Schedule D-1.B, Line 25, Column 16). Please note that the forecasted portion of the Base Period and FTP budget by Account was derived by utilizing calendar year 2023 as a basis of allocation as the budget is not maintained at an Account-level.



**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO INTERSTATE GAS SUPPLY, INC.'S ("IGS") AND  
CONSTELLATION NEW ENERGY- GAS DIVISION, LLC'S ("CNEG")'S  
SECOND REQUEST FOR INFORMATION  
DATED JULY 24, 2024**

In response to IGS's/CNG's First Set No. 3, Columbia Gas of Kentucky indicated with respect to uncollectible expenses that "The sales service customers charge-offs for this period are \$1,571,193." Regarding this response, identify where the amount was collected, i.e., through distribution rates or from sales customers through by passable commodity rates.

**Response:**

Recovery of uncollectible expense is as follows:

- Base rate uncollectible expense is calculated in a base rate case by applying a normalized uncollectible expense factor based on historic uncollectible provisions to total Company revenues. The uncollectible expense factor is applied to the Company's non-gas cost revenues to arrive at the level of non-gas cost uncollectible expense recovered in base rates. Base rate uncollectible expense is recovered from all customers.

- The Gas Cost Uncollectible Rate (“GCUR”) is calculated by multiplying the Expected Gas Cost (“EGC”) by the normalized uncollectible factor approved in the Company’s most recent rate case (as described above). In a base rate case, the gas cost uncollectible expense is matched to the gas cost uncollectible revenues resulting in \$0 impact to the base rate revenue requirement. Gas cost uncollectible expense is recovered from sales customers (who purchase natural gas from the Company) via the Columbia’s Gas Cost Adjustment (“GCA”). Billings related to gas cost for Choice suppliers included in Choice customer bills are not recorded to the Company revenues. The inclusion of the gas cost uncollectible revenues and expenses in the revenue requirement is necessary to ensure the bill impact studies prepared within this case are fully representative of the customer bill impacts.

Please refer to Columbia’s Response to the Attorney General’s Second Request for Information, No. 13 for additional details on the recovery of uncollectible expense.

**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO INTERSTATE GAS SUPPLY, INC.'S ("IGS") AND  
CONSTELLATION NEW ENERGY- GAS DIVISION, LLC'S ("CNEG")'S  
SECOND REQUEST FOR INFORMATION  
DATED JULY 24, 2024**

Identify whether Columbia Gas of Kentucky is proposing to allocate any portion of its uncollectible expenses exclusively to sales service customers. If the answer is yes, identify the amount.

**Response:**

Gas Cost Uncollectible Expense Recovery

Yes, the gas cost uncollectible expense is proposed to be recovered from sales customers. The uncollectible factor is currently utilized in the Company's quarterly gas cost filings allows the gas cost uncollectible expense recovery to align with the variability of the gas cost expense recovery of the customer bill. Akin to the Company's last rate case, the uncollectible factor utilized in determining gas cost uncollectible expense recovery will be updated to reflect the factor determined in this proceeding following Commission approval. The FTP gas cost uncollectible expense has been matched to FTP gas cost uncollectible revenue recovery resulting in \$0 impact to revenue requirement (as show in

Application, Tab 82, FR 807 KAR 5:001 Section 16(8)(d), Page 24, Workpaper WPD-2.6.D(1), Lines 6 through 8).

Non-Gas (Base Rate) Uncollectible Expense Recovery

The uncollectible factor proposed this case is 0.4170% and applied to total Company FTP (2025) non-gas cost revenues to arrive at a level of uncollectible expense base rate recovery of \$477,222 (Application, Tab 82, FR 807 KAR 5:001 Section 16(8)(d), Page 24, Workpaper WPD-2.6.D(1), Line 3). This amount has been allocated to all customers.