

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

In the matter of: : CASE NO. 2024-00092

THE ELECTRONIC APPLICATION OF :
COLUMBIA GAS OF KENTUCKY, INC. :
FOR AN ADJUSTMENT OF RATES; :
APPROVAL OF DEPRECIATION STUDY; :
APPROVAL OF TARIFF REVISIONS; AND :
OTHER RELIEF :

**INTERSTATE GAS SUPPLY, INC.’S (“IGS”) AND CONSTELLATION NEW ENERGY-
GAS DIVISION, LLC’S (“CNEG”)
VERIFIED RESPONSE TO COMMISSION STAFF’S REQUEST FOR INFORMATION
DATED AUGUST 29, 2024**

Come Interstate Gas Supply, Inc. (“IGS”) and Constellation New Energy – Gas Division, LLC (“CNEG”), by counsel, and does hereby tender their verified responses to Commission Staff’s Request for Information dated August 29, 2024.

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VERIFICATION OF MATTHEW WHITE

STATE OF OHIO

COUNTY OF Franklin

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared, Matthew White who, being by me first duly sworn deposed and said that:

He has supervised the preparation of discovery responses in the matter before the Kentucky Public Service Commission in an Application filed by Columbia Gas of Kentucky, Inc., and the answers are true and correct to the best of his knowledge and belief formed after reasonable inquiry.



Matthew White

SWORN TO AND SUBSCRIBED BEFORE ME this

11th day of September, 2024


NOTARY PUBLIC



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1. Refer to the Direct Testimony of Matthew White, Exhibit MW-1 and Columbia Gas of Kentucky, Inc.'s response to Joint Intervenors' Second Request for Information, Item 2. Confirm that the "Shopping Customer Distribution Revenue" uses the 2022 distribution revenues instead of 2023. If confirmed, provide a corrected exhibit.

Response:

Confirmed, the original analysis mistakenly used an incorrect year for one input. An updated corrected exhibit is filed herewith.

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2. Confirm that the 0.4170 percent uncollectible rate is based on total revenues including gas costs.

Response:

IGS/CNEG requested this information from Columbia Gas of Kentucky, Inc. ("CKY") in discovery. Without identifying specific dollar amounts, CKY indicated in response to IGS/CNG data request set 2, No 5, that for sales customers "[t]he 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 that same response, CKY indicated that "[b]ase 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."

In Response to IGS/CNG data request set 2, No 6. CKY also indicated "[t]he FTP gas cost uncollectible expense has been matched to FTP gas cost uncollectible revenue recovery resulting in \$0 impact to revenue requirement." And, "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." Currently, the uncollectible factor proposed in this case is 0.4170 for non-gas uncollectible expense recovery. Notwithstanding this response, the uncollectible expense associated with sales customers has no bearing on the discount factor applied to uncollected receivables of shopping customers. To the extent that the discount rate exceeds reality, the rate should be reduced.

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3. Explain whether Joint Intervenors are notified when a CHOICE program's customer's account is in default or becomes uncollectible.

Response:

IGS/CNEG do not receive any preemptive notice. The only notice received is a "drop" transaction when the customer ultimately is disconnected for non-payment of utility charges.

CORRECTED EXHIBIT MW-1

	2023
Shopping Customer Commodity Revenue	\$ 14,074,153.00
Shopping Customer Distribution Revenue	\$ 13,127,442.00
Shopping Allocation Factor	0.52
Distribution Allocation factor	0.482598245
Uncollectible Expense	\$ 59,329.88
Distribution Uncollectible Expenses	\$ 28,632.50
Supplier Uncollectible Expenses	\$ 30,697.38
Actual Shopping Discount Rate	0.002181118

Discount Rate Should be .1%