

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)

**ATTORNEY GENERAL’S SECOND REQUEST FOR INFORMATION TO
COLUMBIA GAS OF KENTUCKY, INC.**

The Attorney General of the Commonwealth of Kentucky, through his Office of Rate Intervention (“Attorney General”), submits the Second Request for Information to Columbia Gas of Kentucky, Inc. (hereinafter “Columbia Kentucky” or the “Company”) to be answered by August 7, 2024, and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate requested item will be deemed a satisfactory response.
- (2) Identify the witness who will be prepared to answer questions concerning each request.
- (3) Repeat the question to which each response is intended to refer.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.
- (5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the

preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

(6) If you believe any request appears confusing, please request clarification directly from undersigned Counsel for the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout, which would not be self-evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, notify the Office of the Attorney General as soon as possible, and in accordance with Commission direction.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings;

calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(13) Provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

(14) “And” and “or” should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.

(15) “Each” and “any” should be considered to be both singular and plural, unless specifically stated otherwise.

Respectfully submitted,

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Certificate of Service and Filing

Pursuant to the Commission's Orders and in accord with all other applicable law, Counsel certifies that the foregoing electronic filing was transmitted to the Commission on July 24, 2024, and there are currently no parties that the Commission has excused from participation by electronic means in this proceeding.

This 24th day of July, 2024,



Assistant Attorney General

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1. Refer to Columbia Kentucky's response to the Attorney General's First Request for Information ("Attorney General's First Request"), Item 1(f), Attachment C. On the map's customer count color key, explain the meaning of MOD stations.
2. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 2(a). Columbia Kentucky objected to the original request as overly broad. The Attorney General amends the question as follows: Provide a general account of the economic issues that the Company's customers are combating at the present time. If the Company is not generally aware of economic issues that its customers are combating at the present time then explain why not.
3. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 3(b). Columbia Kentucky objected to the original request by stating that future rate case filings are outside the scope of this case and therefore irrelevant. However, due to the fact that Columbia Kentucky is requesting a departure from Commission precedent by asking for a one year amortization period for its rate case expense, the original question as posed is absolutely relevant to this case. As originally requested, and based upon the requested one year amortization period of rate case expense, explain whether Columbia Kentucky anticipates filing for another rate increase in one year.
4. Refer to Columbia Kentucky's response to the Attorney General's First Request, Items 7(a) – (e), in which the Attorney General posed questions concerning Board of Directors' fees. Columbia Kentucky objected to the original request by stating that the requested

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information is not included in the calculation for the revenue requirement for this case, and is therefore irrelevant to the current proceeding.

- a. Explain whether Columbia Kentucky has a Board of Directors.
 - b. Explain whether NiSource Gas Distribution Group, Inc. ("NiSource Gas Distribution Group") has a Board of Directors.
 - c. Explain whether NiSource, Inc. ("NiSource") has a Board of Directors.
 - d. Confirm that Columbia Kentucky has included \$0 associated with all Board of Directors' fees (including the Board of Directors for Columbia Kentucky, NiSource Gas Distribution Group, NiSource, etc.) in the revenue requirement of the pending rate case.
 - e. If (d) is not confirmed, provide answers to the Attorney General's First Request, Items 7(a) – (e), as originally requested.
5. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 12. Columbia Kentucky objected to the original question as overly broad and unable to ascertain which funding the request was referring to. As originally requested, has Columbia Kentucky obtained and/or is the Company seeking any funds and/or grants from federal, state, or local sources (e.g. Inflation Reduction Act, Paycheck Protection Program, etc.), which have been or will be made available from 2020 - 2025? If so, identify the source and amount of those funds and/or grants. If not, and funds and/or grants are available for which the Company is eligible, explain why the Company is foregoing those opportunities.

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6. Refer to Columbia Kentucky's response to the Attorney General's First Request, Items 19 and 28(a). Provide a detailed explanation of Columbia Kentucky's WinterCare and Home Energy Assistance Program, including but not limited to the monetary amount that the customers contribute versus the monetary amount that the Company contributes to each program, if any; a breakdown of customer versus Company contributions for the years 2020 – 2024; how much funding is provided to each customer per year under each program; and the requirements for a customer to be eligible for each assistance program.
7. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 21(a). The Company asserted that based on the unit cost results contained in the class cost of service study ("COSS"), the customer-related costs for the residential class total \$45.74, and if the cost of the mains are excluded, the unit customer-related cost is \$34.66, and thus the Company's proposed charge of \$27.00 would only recover 59% or 78% of the respective customer-related costs. Explain in detail whether Columbia Kentucky's goal is to have the residential monthly customer charge to cover 100% of the alleged customer-related costs – either the cited \$45.74, or the \$34.66 excluding the cost of mains.
8. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 21(d). Columbia Kentucky objected to the originally posed question. The Attorney General amends the question as follows: Provide copies of any of the following documentation that Columbia Kentucky relied upon when drafting/compiling its pending application: Kentucky natural gas utilities' monthly residential customer charge, residential volumetric charge, and average residential monthly utility bill.

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9. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 25(b). The Attorney General originally requested for the Company to provide any and all documents in the Company's possession that depict how each such Dues Requiring Organization (i.e. Organizations to which Columbia Kentucky pays dues and/or membership fees of any type or sort) spends the dues it collects from the Company, including the percentage that applies to all covered activities. Columbia Kentucky objected to this question by stating that the request seeks information that is not in the Company's possession. However, according to the American Gas Association's ("AGA") website, the President and CEO of NiSource, is First Vice Chair of the AGA. According to the Kentucky Gas Association's ("KGA") website, a Columbia Kentucky employee is on the Board of Directors, and a multitude of Columbia Kentucky employees are on the committee. Per the Kentucky Oil and Gas Association's ("KOGA") website, a Columbia Kentucky employee is on the Board of Directors. Pursuant to the Southern Gas Association's ("SGA") website, both Columbia Kentucky and NiSource are board members. As such, provide any and all documents in Columbia Kentucky/NiSource/NiSource Gas Distribution Group's possession that depict how each such Dues Requiring Organization spends the dues it collects from the Company, including the percentage that applies to all covered activities.
10. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 25(d). Columbia Kentucky objected to this request stating that it was seeking information in the public domain, and notwithstanding and without waiving the objection, the Company

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refers to the vendors' websites provided in the responses. While the vendors' websites provide some of the names of the employees who participate, but not all, the websites do not provide the rest of the information originally requested. As such, explain whether any Company personnel actively participated on committees and/or perform any other work for any Dues Requiring Organizations or any other industry organization to which the Company belongs. If so, state specifically which employees participate, how they are compensated for their time (amount and source of compensation), and the purpose and accomplishments of any such association related work; and, list any and all reimbursements received from industry associations, for work performed for such organizations by the Company's employees. If the Company refers to a vendor's website to answer any part of the questions, provide a citation to where the specific information can be found.

11. Refer to Columbia Kentucky's response to the Attorney General's First Request, Items 26(a) and (b).
 - a. Provide a detailed list of what Ms. Cole is referring to as a large capital investment that has been made by the Company since the 2021 rate case, and include the amount of the project as well as a brief description of the same.
 - b. Provide a detailed list of what Ms. Cole is referring to as a large capital investment to be made by the Company through the end of 2025, and include the amount of the project as well as a brief description of the same.

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12. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 29.

Explain whether the CI in the chart stands for cast iron, and WI stands for wrought iron. If not, explain what CI and WI stands for in the chart.

13. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 32.

- a. The Attorney General requested for the Company to explain whether the Commission has ever allowed a utility to include an uncollectible expense factor in a pipeline replacement program, and to provide the case citation regarding the same. Columbia Kentucky objected to this request, in part, by stating that it would require Columbia Kentucky to review and compile information which is available in the public domain. The Attorney General amends the question as follows: Provide all Commission precedent that Columbia Kentucky relies upon in support of its proposed uncollectible expense factor in the Safety Modification and Replacement Program ("SMRP") revenue requirement.
- b. Confirm that the uncollectible expense factor in the SMRP revenue requirement is a new proposal. If not, explain where it can be found in Columbia Kentucky's current tariff.
- c. Compare and contrast the proposed uncollectible expense factor in the SMRP revenue requirement versus Columbia Kentucky's gas cost uncollectible rate ("GCUR"), which according to the Company was approved in Case No. 2009-00141.¹

¹ See Columbia Kentucky's Motion for Rehearing in the pending case, filed on July 18, 2024.

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14. SMRP. Refer to the Direct Testimony of Jeffrey Gore (“Gore Testimony”), pages 8 – 9, which states, “Columbia Witness Cooper is supporting the SMRP tariff change reflecting the inclusion of the last approved uncollectible factor in the SMRP revenue requirement.”
 - a. State whether the Company is requesting approval to utilize the uncollectible factor approved in the 2021 rate case or the uncollectible factor that is ultimately approved in the current rate case. If the Company proposes to use the uncollectible factor approved in the 2021 rate case explain why and identify the uncollectible factor approved and provide the calculations showing how the uncollectible factor approved was derived.
 - b. Confirm that the uncollectible factor proposed by the Company in the current case is 0.4170% as shown on the Application, Tab 82, FR 807 KAR 5:001, Section 16(8)(d), page 25 of 32, Workpaper WPD-2.6D(2).
15. SMRP. Refer to the Gore Testimony, page 8. Explain why the Company proposes to use the uncollectible factor applicable to base rate revenues exclusive of SMRP revenue as opposed to an uncollectible factor directly attributed to SMRP revenue (i.e., revenues, charge offs, provision, reserve balances).
16. SMRP. Refer to the Gore Testimony, page 8, which states, “[t]he requested uncollectible expense within this case’s revenue requirement is based on base rate revenues exclusive of SMRP revenue.”
 - a. State whether SMRP revenues were included in the uncollectible factor calculation in prior cases. If not, explain how the Company recovered uncollectibles related to

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SMRP revenues prior to requesting the uncollectible factor in the SMRP in the current case.

- b. If the Company previously did not recover uncollectibles related to SMRP revenues, explain why it should be permitted to do so now.

17. Uncollectible rate. Refer to Application, Tab 82, FR 807 KAR 5:001, Section 16(8)(d), page 25 of 32, Workpaper WPD-2.6D(2).

- a. Explain the reason for the increase in the current year provision on line 4 for 2023 over the 2022 amount.
- b. Provide the calculations showing how the provision amounts were derived for each of the years shown.
- c. Confirm that SMRP revenues are not included on line 6, total company revenues.
- d. Provide a breakdown of total company revenues shown on line 6 by type for each of the years shown.
- e. Provide the amount of SMRP revenues for each of the years 2017, 2018, 2019, 2020, 2021, 2022, and 2023.
- f. Provide a copy of this workpaper in Excel with all formulas intact.

18. Uncollectible rate. Refer to the Application, Tab 82, FR 807 KAR 5:001, Section 16(8)(d), page 25 of 32, Workpaper WPD-2.6D(2). Provide a similar schedule showing data applicable only to the SMRP.

19. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 35. Columbia Kentucky responded that, "[g]enerally speaking, Columbia bills excavators who

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are at fault for damages.” This response indicates that Columbia Kentucky may not always bill excavators who are at fault for damages. Explain in detail why Columbia Kentucky does not always bill excavators who are at fault for damages.

20. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 45(a). The Company objected to the original question. The Attorney General amends the question as follows:

- a. Confirm whether Ms. Owens is aware of the Commission's cited precedent in the below footnote 3, which has, “consistently disallowed recovery of the cost of employee incentive compensation plans that are tied to financial measures because such plans benefit shareholders while ratepayers receive little benefit.”²
- b. Confirm whether Columbia Kentucky is aware of the Commission's cited precedent in footnote 3, which has, “consistently disallowed recovery of the cost of employee incentive compensation plans that are tied to financial measures because such plans benefit shareholders while ratepayers receive little benefit.”
- c. Provide the total monetary amount that Columbia Kentucky included for incentive compensation in the revenue requirement in the pending case.

21. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 47(a). The supplemental response filed by the Company on July 23, 2024, is nonresponsive.

² Case No. 2018-00358, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates* (Ky. PSC June 27, 2019), Order at 43; Case No. 2023-00191, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates, a Certificate of Public Convenience and Necessity for Installation of Advanced Metering Infrastructure, Approval of Regulatory and Accounting Treatments, and Tariff Revisions* (Ky. PSC May 3, 2024), Order at 17.

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As originally requested, confirm that according to the most recent data from the Bureau of Labor Statistics, the average share of premiums paid by the employer for single coverage in private industry is 79%.³

22. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 47(b). The Company's answer is nonresponsive. As originally requested, confirm that according to the most recent data from the Bureau of Labor Statistics, the average share of premiums paid by the employer for family coverage in private industry is 67%.⁴

23. Customer Advances for Construction. Refer to the Application generally. Columbia Kentucky can choose the witness best suited to respond to this question. Provide the monthly customer advances balances for 2019, 2020, 2021, 2022, 2023, the base period and included in the forecasted test period rate base. If customer advances are not reflected in the forecasted test period rate base, explain why not.

24. Customer Advances for Construction. Refer to the Application generally. Columbia Kentucky can choose the witness best suited to respond to these questions.

- a. Provide a copy of the Company's customer advances for construction policy.
- b. Identify all changes to the Company's customer advances policy in the last five years.

³ <https://www.bls.gov/news.release/ebs2.t03.htm>, Table 3.

⁴ <https://www.bls.gov/news.release/ebs2.t04.htm>, Table 4.

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- c. State whether the Company records interest associated with the customer advances for construction held. If so, provide the interest rate applicable to the forecasted test period balances.
 - d. State whether the Company returns the advances for construction to customers.
 - e. Provide a description of the purpose of the customer advances for construction policy.
 - f. Provide the account numbers in which the customer advances for construction and corresponding interest expense are recorded.
 - g. Are the customer advances for construction held in a trust? If not, identify the type of account where the funds are held and describe all restrictions on accessing the funds.
 - h. Explain how the Company treats customer advances for construction for ratemaking purposes.
25. Profit Sharing. Refer to the Direct Testimony of Beth Owens (“Owens Testimony”), page 27.
- a. Explain how the annual profit sharing amounts are determined.
 - b. Identify all employee types (union, non-union, managerial, director, etc.) that are eligible to receive the profit sharing.
 - c. Provide the amount of profit sharing expense for employees who are also covered under a defined benefit plan, for each year 2019, 2020, 2021, 2022, 2023, the base period and the forecasted test period.

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- d. Provide the number of employees eligible to receive profit sharing for each year 2019, 2020, 2021, 2022 and 2023.
 - e. Provide the number of employees who actually received profit sharing in each year 2019, 2020, 2021, 2022 and 2023.
 - f. Explain how ratepayers benefit from the profit sharing expense. Provide supporting documentation.
26. 401(k) expense. Refer to Attorney General's First Request for Information, Item 178 in Case No. 2021-00183. Provide the following information in the same format in the current case.
- a. Provide the amount of 401(k) costs expensed within the i) base period and ii) forecasted test period related to employees who are covered under a defined benefit plan.
 - b. If the Company cannot provide the information in this format, explain in detail why it is no longer able to provide the information as requested.
27. WAM. Refer to the Application, Tab 80, 807 KAR 5:001, Section 16(8)(b), Schedule B-2.1.
- a. Provide the total 13-month average amount associated with the WAM project that is included in the forecasted test period rate base.
 - b. Provide documentation supporting the rate base amounts included in the forecasted test period (e.g., invoices, quotes, bids, contracts).

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28. SMRP Plant Balances. Refer to the Application, Tab 80, 807 KAR 5:001, Section 16(8)(b), Schedules B-1 and B-2. Refer also to Columbia Kentucky's response to the Attorney General's First Request, Item 139. Provide the SMRP additions for 2019, 2020, 2022, 2023, forecasted for 2024, the base period and forecasted test period.
29. Gross Domestic Product Implicit Price Deflator. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 53.
- a. State whether the Company applied the Gross Domestic Product Implicit Price Deflator to expenses in its 2016 and 2021 rate cases.
 - b. State whether the Company applied the Gross Domestic Product Implicit Deflator to all Operations & Maintenance and Administrative & General costs included in the forecasted test period revenue requirement. If not, identify the accounts to which the Gross Domestic Product Implicit Price Deflator was not applied.
30. Board of Directors. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 54.
- a. Explain why and when the Company replaced the Board of Directors meetings with unanimous written consents.
 - b. Explain how the unanimous written consent process works.
31. Contingencies. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 56.
- a. Provide a copy of the Company's policy regarding application of contingencies to capital projects.

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- b. Provide the contingency percentage the Company generally applies to capital projects.
32. Customer Deposits. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 67.
- a. Provide a copy of the Company's customer deposit policy.
 - b. Identify all changes to the Company's customer deposit policy in the last five years.
 - c. State when the Company pays the interest to customers associated with the deposits held.
 - d. State when the Company returns the deposits to customers.
 - e. Provide a description of the purpose of the customer deposit policy.
 - f. Provide the interest expense paid to customers for each of the years 2019, 2020, 2021, 2022, and 2023, and the amount included in the base period and the forecasted test period.
 - g. Provide the account numbers in which the customer deposits and the interest expense are recorded.
 - h. Are the customer deposits held in a trust? If not, identify the type of account where the funds are held and describe all restrictions on accessing the funds.
33. 401(k) expense. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 81. Confirm that the Company has not reflected any adjustments to exclude the 401(k) expense associated with employees also covered under a defined benefit

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program in the current case. If one has been made, provide the amount and schedule reference.

34. Mission Medallion Awards program. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 82.

- a. State whether this program will replace an existing incentive program.
- b. Identify the total costs associated with this program that are reflected in the forecasted test period.
- c. Identify all employee types (e.g., union, non-union, entry level, managerial, etc.) that will be eligible to receive the awards.
- d. Explain how ratepayers will benefit from this expense. Provide supporting documentation.

35. Gains/Losses. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 85.

- a. Explain how the Company treats gains/losses on sales of utility property for ratemaking purposes.
- b. State whether gains and losses on sales of utility property are recorded above or below the line.

36. Gains/Losses. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 85(f). This question originally asked the Company to identify and provide specific details for all planned and pending sales in 2024 and 2025. The Company's response stated there are no pending sales. As originally requested, identify all sales of

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utility property that are planned for 2024 and 2025, including a description of the property, anticipated sales price, original cost of property, and expected closing date.

37. Spot award/discretionary bonus and hire bonus. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 88.
 - a. State whether the Company expects to issue spot awards/discretionary bonus and hire bonus in the adjusted forecasted test period.
 - b. Identify all employee types (e.g., union, non-union, entry level, managerial, etc.) that are eligible to receive the spot awards, discretionary bonus and hiring bonus.
38. Spot award/discretionary bonus and hire bonus. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 88. Explain how ratepayers benefit from the spot award/discretionary bonus and hire bonus expense. Provide supporting documentation.
39. Audit Reports. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 89. Provide copies of the following reports: 2022 Capital Accounting, 2023 Technology Capital Accounting, and 2024 Executive and BOD Travel & Entertainment Expense Review.
40. Incentive Compensation. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 97. Provide the percentage of incentive compensation related to financial goals for 2023 and 2024 for all the incentive plans (e.g., short-term incentive ("STI"), long-term incentive ("LTI"), Performance Share Units ("PSUs"), etc.).

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41. Payroll. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 99, and the Application, Tab 82, FR 807 KAR 5:001, WPD-2.4B, line 1.
- a. Explain why the labor (payroll) amounts are different between the two documents.
 - b. State which amount is correct.
42. Injuries & Damages. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 101. Provide the details regarding the debit amount of \$5,105,455 and the credit amount of \$4,600,000 in June 2023 (i.e., nature of case, settlement or judgment, date incident occurred, amount of payout).
43. Leaks. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 34, Confidential Attachment A, and provide copies of Appendices A through F.
44. Rents and Leases. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 147.
- a. Explain the reason for the decrease in direct lease expense in the forecasted test period over 2023 (Attachment A).
 - b. Explain the reason for the increase in allocated lease expense in the forecasted test period over 2023 (Attachment B).
45. Audit Fees. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 150, Attachment A, line 72 and Attachment B, line 78. Explain the reason for the increase in spending for audit fees in the adjusted forecasted test period over the prior years shown. Provide supporting documentation (e.g., bids, quotes, invoices, etc.).

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46. Utilities Expense. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 150, Attachment A, line 154 and Attachment B, Line 161.
- a. Explain the reason for the increase in spending for utilities expense in the adjusted forecasted test period over the prior years shown on Attachment A. Provide supporting documentation (e.g., bids, quotes, invoices, etc.).
 - b. Explain the reason for the decrease in spending for utilities expense in the adjusted forecasted test period over the prior years shown on Attachment B.
47. Allocated Costs. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 150, Attachment B. Explain why it is appropriate to apply a Gross Domestic Product Implicit Price Deflator to determine the forecasted test period amounts when many of these costs fluctuate or decline in the years shown.
48. Miscellaneous & Other Expense. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 150, Attachment B, line 192.
- a. Explain why the Company has forecasted a negative expense for Miscellaneous & Other Expense in the forecasted test period.
 - b. Explain and show the calculations as to how the unadjusted forecasted test period amount of (\$424,018) was derived.
49. Severance. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 150, Attachment A, line 185 and Attachment B, Line 175, and Columbia Kentucky's response to the Attorney General's First Request, Item 155. In Attachments A & B, the Company has budgeted totals in the adjusted forecasted test period for

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“Miscellaneous & Other.” Given that amounts were incurred for Severance in 2021-2023, explain whether severance expense is embedded in the adjusted forecasted test period.

50. Severance. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 150, Attachment A, line 185. Explain why the severance expense was negative in 2022.

51. SERP. Refer to Columbia Kentucky's response to the Attorney General's First Request, Items 152 – 154, and the Company's response to the Attorney General's First Request, Item 150, Attachment B, lines 45-51. The Company's responses to Items 152, 153, and 154 state that the expense for Supplemental Executive Retirement Plan (“SERP”) for the forecasted test period in this proceeding is -0-. In response to Item 150, Attachment B, the Company has budgeted totals in the adjusted forecasted test period for pension expenses. Given that amounts were incurred for SERP in 2021 – 2023 as part of pension expense, explain how no SERP expense is included in the adjusted forecasted test period. If amounts are embedded for SERP in pension expense, provide the supplemental answers to the Attorney General's First Request, Items 152 – 154, as originally requested.

52. Temporary employee expense. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 161. The Company objected to this request by stating that, “the term ‘temporary help’ is unreasonably broad and not defined. As such, Columbia is uncertain what information is being sought.” However, in the Company's response to the Attorney General's First Request, Item 150, Attachments A and B, the Company uses the

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term "temporary personnel services." The Attorney General clarifies the question as follows:

- a. As originally requested, provide the total (direct and allocated) amounts of expense for temporary employees (i.e. employees retained through a temporary hiring agency, interns, etc.) for each of the years 2019, 2020, 2021, 2022, 2023, the base period and the forecasted test period.
- b. For any year over year increases over 10%, explain the reason for the increase.

53. Third party damages. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 164.

- a. Explain the reason why the Company has forecasted a decrease for third party damages in the forecasted test period over the prior year amounts.
- b. Explain how the forecasted test period amount was derived, and show supporting calculations.

54. Vegetation Management. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 170(a), which requested budgeted vegetation management expense for each of the years 2019, 2020, 2021, 2022, 2023, 2024 and 2025. The Company refers to its response to the Attorney General's First Request, Item 149. The Company's response to the Attorney General's First Request, Item 149 refers to the Company's response to the Attorney General's First Request, Item 150. The Company's response to the Attorney General's First Request, Item 150 provides actual amounts for 2021 – 2023 for its expense categories and the forecasted amounts for the base period and the forecasted

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test period. No other budgeted amounts are shown in the Company's responses to the Attorney General's First Request, Items 149, 150, or 170. As originally requested, provide the budgeted amounts of vegetation management expense for each of the years 2019, 2020, 2021, 2022, 2023, and 2024.

55. Vegetation Management. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 170 (d). Explain why the Company is forecasting a decrease in vegetation management expense in the forecasted test period over the prior years shown.

56. Vegetation Management. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 171.

- a. Explain what the "KY Extra Spend" represents in the table.
- b. Explain what the abbreviation "LF" refers to in the table.

57. Vegetation Management. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 171(a), which requested the total budgeted miles trimmed for each of the following years: 2019, 2020, 2021, 2022, 2023, 2024 and 2025. The response did not provide budgeted miles trimmed. As such, provide the total budgeted miles trimmed for each of the following years: 2019, 2020, 2021, 2022, 2023, 2024 and 2025.

58. WAM O&M. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 174.

- a. Provide a description of the WAM O&M expenses.

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- b. Provide the actual WAM O&M expenses for 2019, 2020, 2021, 2022, 2023, and included in the base period and the forecasted test period.
59. Cost Savings. Refer to Columbia Kentucky's response to the Commission Staff's First Request for Information ("Commission Staff's First Request"), Item 1(b), which states, "however, the revenue requirement in its Application assumes Columbia will achieve certain levels of O&M savings."
- a. Identify the amount of savings and the schedule where these cost savings are reflected. Show all supporting calculations.
 - b. For cost savings that are not reflected in the pending case, but are realized before the Company files its next rate case, explain how those savings would flow back to ratepayers.
60. Capital Projects. Refer to Columbia Kentucky's response to the Commission Staff's First Request, Item 25, Attachment A. Provide a copy of the Company's standard document requesting internal approval for a capital project (e.g., requisition, request for authorization, etc.) for the following projects:
- a. 21026119200 PM Lake Carnico Replacement, and
 - b. 21026120400 PM Toyota ILI Replacements.
61. CWIP. Refer to Columbia Kentucky's response to the Commission Staff's First Request, Item 26, Attachment A. Provide a copy of the Company's standard document requesting internal approval for a capital project (e.g., requisition, request for authorization, etc.) for the following projects:

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- a. Line 42 18026776700,
 - b. Line 55 22026163500,
 - c. Line 57 22026170800, and
 - d. Line 186 22026163100.
62. One Customer Information System. Refer to Columbia Kentucky's response to the Commission Staff's Second Request for Information ("Commission Staff's Second Request"), Item 23.
- a. Provide the 13-month average amount associated with the One Customer Information System that is included in the forecasted rate base.
 - b. Provide documentation supporting the project cost (e.g., bids, contracts, invoices, quotes).
 - c. Provide the anticipated start date and in service date for the One Customer Information System.
63. Payroll. Refer to the application generally. Columbia Kentucky can choose the witness best suited to respond to this question.
- a. Provide the budgeted payroll for each of the years 2019, 2020, 2021, 2022, 2023, the base period and the forecasted test period.
 - b. Provide the actual payroll for each of the years 2019, 2020, 2021, 2022, 2023, the base period and the forecasted test period.
64. Insurance Credits. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 103. Explain why the Company did not reflect any Energy Insurance Mutual

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Limited ("EIM") member distribution credits in the forecasted test period as the credits were received in prior years.

65. Investor Relations. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 104.

- a. Describe the specific tasks that the employees and contractors performing investor relations duties are responsible for.
- b. Explain how investor relations costs benefit Kentucky ratepayers. Provide supporting documentation.

66. Out of Period Costs. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 121. Columbia Kentucky objected to this request stating that Columbia does not track out of period costs, and without a definition of the term, the Company is unable to determine what information is being sought. The Attorney General clarifies the question as follows: Identify all costs that are incurred on a cyclical basis (e.g., incurred once every three years) that are included in the base period and the forecasted test period along with a description of the cost and the cycle in which they are incurred. For each cyclical cost provide the annual amount incurred in each year 2019, 2020, 2021, 2022, 2023, and included in the base period and the forecasted test period.

67. Gas Pipeline Inspection Costs. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 110. Columbia Kentucky objected to this request stating the term "gas pipeline inspection costs" is undefined, vague, and overly broad. The Attorney General clarifies the question as follows: Provide the costs by category that the Company

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incurs annually for inspecting its pipes (e.g., steel, plastic, etc.) for leaks, repairs, damage, in line inspections, etc. for each year 2019, 2020, 2021, 2022, 2023, and included in the base period and the forecasted test period.

68. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 189.

The Attorney General originally requested for the historical 12-month and 13-month average capital structures for Columbia Kentucky for the years 2019 – 2023. However, the Company only provided data from 2021 forward. Provide the requested data for 2019 and 2020, or if the information is contained in a prior Columbia Kentucky case then provide a citation to the same.

69. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 191.

The Attorney General originally asked for supporting documentation for the estimated short-term debt cost of 5.25%. The spreadsheet that Columbia Kentucky provided shows the spread of 1.075% as being from the revolving credit facility agreement. Provide a copy of the agreement that shows where the 1.075% spread came from.

70. Refer to Columbia Kentucky's response to the Attorney General's First Request, Items

1(a), 2(b) and (d), 3, 4, 5, 6, 7, 52, 53, 57, 58, 62, 63, 64(a), 65, 66, 67, 68, 70, 72, 78, 79, 80, 81, 82, 83, 85(a), 86, 87, 88, 91, 99, 101, 102, 103, 104, 108, 112, 113, 115, 116, 119(b), 122, 123, 135, 136, 137, 138, 139, 142, 146, 147, 149, 150, 151, 155, 156, 157, 162, 164, 167, 168, 169, 170, 171, and 189. For each of these requests, the Attorney General asked for information for a specific time period (e.g., 2019 – 2023, plus the base period and forecasted test period; 2017 – 2023; 2014 – 2024; etc.); however, after careful review it

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appears that the Company did not provide the information for all of the years requested. Either provide the originally requested information for the full time period, or provide a citation to a prior Columbia Kentucky case record from which the information can be publicly accessed.