

Company: Delta Natural Gas Company, Inc.

Question Number: PSC-II-01

Witness: Morpew, Jonathan W **Title:** Operations Director

DELTA CASE NO. 2024-00332

PSC SECOND REQUEST

DATED JANUARY 28, 2025

1. Refer to Delta's responses to Commission Staff First Request for Information (Staff's First Request), file named "DELTA_R_PSCDR1_121124.pdf", unnumbered page 45. Explain how Delta determined the need for an annual \$200,000 PRP increase amount starting in 2026.

Response:

The \$200,000 increase indicated in Schedule VIII was calculated using an estimated 3% annual inflation rate for materials and labor.

Company: Delta Natural Gas Company, Inc.

Question Number: PSC-II-02

Witness: Morpew, Jonathan W **Title:** Operations Director

DELTA CASE NO. 2024-00332

PSC SECOND REQUEST

DATED JANUARY 28, 2025

2. Refer to Staff's First Request, Item 5. Identify any segments of pipe selected for replacement because of factors other than prior leak history risk ranking, and explain why these segments were prioritized ahead of pipe that ranked higher in the leak risk ranking.

Response:

No segments of pipe were replaced ahead of pipe that ranked higher in the leak risk ranking. Leak survey results are given first priority when considering PRP project prioritization. Any Class I and Class II leaks that are discovered by leak survey are repaired or replaced as soon as practical and prior to the end of the calendar year. Prompt repair of the Class I and II leaks results in leaving the remaining pipe classifications (vintage plastic, bare steel, unprotected coated steel, and Kentucky Transportation Cabinet relocation projects), as the remaining PRP projects for any given construction season.

Company: Delta Natural Gas Company, Inc.

Question Number: PSC-II-03

Witness: Morphew, Jonathan W **Title:** Operations Director

DELTA CASE NO. 2024-00332

PSC SECOND REQUEST

DATED JANUARY 28, 2025

3. Explain whether Delta's 2025 PRP filing includes the replacement of plastic pipe other than pre-1983 vintage pipe. If so, identify the segments by total footage, age and type of plastic pipe, and provide justification for why Delta proposes to include these segments in its PRP. If not, explain why not.

Response:

The 2025 PRP filing does include plastic pipe other than pre-1983 vintage pipe, but only where it is impacted by Kentucky Transportation Cabinet ("KYTC") highway relocation projects. In these situations, Delta is mandated by KYTC to replace this pipe without consideration of its age or condition. Otherwise, Delta would not be replacing these post-1983 plastic pipe segments in its system. With regard to KYTC projects proposed for 2025, identifying segments of pipe, associated footage, age and type of plastic pipe is impractical at this time due to the fact that Delta has not yet finished designing these projects.