

Company: Delta Natural Gas Company, Inc.

Question Number: AG-I-051

Witness: Brown, John **Title:** State President

CASE NO. 2024-00346

AG INITIAL DATA REQUEST

DATED DECEMBER 17, 2024

51. Refer to the response to Staff Request 1-54 and specifically the forecasted amount of revenue estimated to be recovered from the Pipeline Replacement Program (PRP) (\$1,370,892).

- a. Provide all supporting documentation underlying this forecast.
- b. Identify the amount of PRP revenue recorded in 2023.
- c. Identify the amount of PRP revenue recorded in 2024 through November.

Response:

- a. See attached.
- b. \$671,026, as shown on 2023 Billing Determinants Tab in workbook filed with PSC 2-1.
- c. \$826,682.

February 10, 2025 Response:

- a. See attached. Delta inadvertently provided only Tab 1 of the spreadsheet in its original filing. The attached Excel file includes Tabs 1 and 2. There are no changes to the spreadsheet beyond producing it in its entirety.

	Proposed:	Base	PRP
Rate Base-ave 7/25-6/26	\$ 180,570,376	\$ 166,999,429	\$ 13,570,947
Rate of Return	<u>7.91%</u>	<u>7.91%</u>	<u>7.91%</u>
Operating Income	\$ 14,279,307	\$ 13,206,131	\$ 1,073,176
Purchased Gas	\$ 16,227,683	\$ 16,227,683	\$ -
O&M	\$ 20,136,170	\$ 20,160,666	\$ (24,496)
Depreciation & Amort.	\$ 13,171,785	\$ 12,585,666	\$ 586,120
Taxes Other	\$ 3,344,780	\$ 3,199,850	\$ 144,930
Income Taxes	\$ 2,481,058	\$ 2,218,870	\$ 262,188
Revenue Requirement	\$ 69,640,783	\$ 67,598,866	\$ 2,041,917
Revenues at present rates	\$ 57,360,378	\$ 56,689,352	\$ 671,026
\$ Increase	\$ 12,280,405	\$ 10,909,513	\$ 1,370,891

	PRP Tax Calc.	Base Tax Calc.	Total	Sch A
Revenue Requirement	\$ 2,041,917	\$ 67,598,866	\$ 69,640,783	\$ 69,640,783
Interest	\$ (288,981)	\$ (3,556,106)	\$ (3,845,087)	\$ (3,845,087)
Purchased Gas	\$ -	\$ (16,227,683)	\$ (16,227,683)	\$ (16,227,683)
O&M	\$ 24,496	\$ (20,160,666)	\$ (20,136,170)	\$ (20,136,170)
Depreciation & Amort.	\$ (586,120)	\$ (12,585,666)	\$ (13,171,785)	\$ (13,171,785)
Taxes Other	\$ (144,930)	\$ (3,199,850)	\$ (3,344,780)	\$ (3,344,780)
Taxable for State	\$ 1,046,382	\$ 11,868,895	\$ 12,915,278	\$ 12,915,278
SIT Rate	<u>5.00%</u>	<u>5.00%</u>	<u>5.00%</u>	<u>5.00%</u>
SIT	\$ 52,319	\$ 593,445	\$ 645,764	\$ 645,764
Taxable for Fed	\$ 994,063	\$ 11,275,451	\$ 12,269,514	\$ 12,269,514
FIT Rate	<u>21.00%</u>	<u>21.00%</u>	<u>21.00%</u>	<u>21.00%</u>
FIT	\$ 208,753	\$ 2,367,845	\$ 2,576,598	\$ 2,576,598
Income Taxes	\$ 261,072	\$ 2,961,289	\$ 3,222,362	\$ 3,222,362
EDIT Amort.	\$ -	\$ (752,652)	\$ (752,652)	\$ (752,652)
	\$ 261,072	\$ 2,208,638	\$ 2,469,710	\$ 2,469,710
Sch 7 Break out				
Return, net of tax	\$ 1,073,176	\$ 13,206,131	\$ 14,279,307	
Interest	\$ (288,981)	\$ (3,556,106)	\$ (3,845,087)	
Equity portion of return	\$ 784,194	\$ 9,650,025	\$ 10,434,219	
tax rate 24.95%	\$ 195,656	\$ 2,407,681	\$ 2,603,338	
EDIT Amort.	\$ -	\$ (752,652)	\$ (752,652)	
	\$ 195,656	\$ 1,655,030	\$ 1,850,686	
Tax Expansion Factor	<u>1.332445037</u>	<u>1.332445037</u>	<u>1.332445037</u>	
Total inc tax liab	\$ 260,701	\$ 2,205,236	\$ 2,465,938	\$ 262,188
All-in Tax exp factor	<u>1.340615318</u>	<u>1.340615318</u>	<u>1.340615318</u>	
All-in Total inc tax liab	\$ 262,300	\$ 2,218,758	\$ 2,481,058	
	\$ (112)	\$ 112	\$ 3,773	