

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|--|---|------------|
| ELECTRONIC APPLICATION OF KENTUCKY |) | |
| FRONTIER GAS, LLC FOR AN ALTERNATIVE |) | CASE NO. |
| RATE FILING PURSUANT TO 807 KAR 5:0076 |) | 2025-00277 |
| AND OTHER GENERAL RELIEF |) | |

THE ATTORNEY GENERAL'S RESPONSE TO KENTUCKY FRONTIER GAS, LLC's FIRST REQUEST FOR INFORMATION

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, through his Office of Rate Intervention ("Attorney General"), and submits the following response to Kentucky Frontier Gas, LLC's (hereinafter "Frontier" or the "Company") Request for Information in the above-styled matter.

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Respectfully submitted,

RUSSELL COLEMAN
ATTORNEY GENERAL



T. TOLAND LACY
J. MICHAEL WEST
LAWRENCE W. COOK
ANGELA M. GOAD
JOHN G. HORNE II
ASSISTANT ATTORNEYS GENERAL
1024 CAPITAL CENTER DRIVE, STE. 200
FRANKFORT, KY 40601-8204
PHONE: (502) 696-5433
FAX: (502) 564-2698
Thomas.Lacy@ky.gov
Michael.West@ky.gov
Larry.Cook@ky.gov
Angela.Goad@ky.gov
John.Horne@ky.gov

Certificate of Service and Filing

Pursuant to the Commission's Orders and in accord with all other applicable law, Counsel certifies that, on January 16, 2026 an electronic copy of the foregoing was served via the Commission's electronic filing system.

This 16th day of January, 2026.

A handwritten signature in blue ink, appearing to read "Thomas John Jay".

Assistant Attorney General

WITNESS RESPONSIBLE:
JOHN DEFEVER

QUESTION NO. 1

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Referring to the Direct Testimony of John Defever, CPA pages 3-4 and Kentucky Frontier's Response to Staff's DR 1-9 and the AG's DR 2-27 wherein Kentucky Frontier stated that the wage and salary information was based upon confidential discussions with a large regional gas utility in Kentucky.

- a. Please provide any information Mr. Defever has regarding salaries paid to Gas Technicians in Kentucky or surrounding states.
- b. Please state whether Mr. Defever was aware of the hourly rates paid to technicians by Columbia Gas of Kentucky. If not, please refer to Columbia's responses to Staff's First Request for information No. 37 in Case No. 2024-00921 where Columbia provided a copy of its union contract showing that personnel of similar status, such as Customer Service A-B, General Utility A-B, Leakage Inspector A B, and Meter Readers are making wages from \$39.40 for Step 1 personnel to \$43.26 for Step 3 personnel and explain the discrepancy in employee wage raises being allowed to Kentucky Frontier.
- c. Please state whether Mr. Defever was aware of the hourly rates paid to technicians by Duke Energy Kentucky, Inc.. If not, please refer to Duke Energy's responses to Staff's First Request for Information No. 35 in Case No. 2025-001252 where Duke energy provided a copy of its union contract showing employee wages through 2020 on pages 533-534 and showing expected increases through 2025 on page 691.

These charts show Construction Assistants, Service Mechanics A-B, and Gas System Operations Mechanics I-II-III from Levels 5-7 making \$29,33 to \$31.32 in May of 2020

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JOHN DEFEVER

QUESTION NO. 1

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and predicted to escalate by 3.5% in 2022-2022. Assuming those employees received the same increase in 2021 and the forecasted 4% increase in 2025, their wages would increase as follows:

| | | | |
|--------|----------|----------|------|
| May-20 | \$ 29.33 | \$ 31.32 | |
| May-21 | \$ 30.36 | \$ 32.42 | 3.5% |
| May-22 | \$ 31.42 | \$ 33.55 | 3.5% |
| May-23 | \$ 32.52 | \$ 34.73 | 3.5% |
| May-24 | \$ 33.66 | \$ 35.94 | 3.5% |
| May-25 | \$ 35.00 | \$ 37.38 | 4% |
| Nov-25 | \$ 35.70 | \$ 38.13 | 2% |

Please explain the discrepancy in employee wage raises being allowed to Kentucky Frontier.

d. Each of the five large Kentucky local distribution companies has been in recently for a rate increase and the AG was an intervenor in each of those cases. Please use any publicly available information to compare the wages paid in each of those cases to Kentucky Frontier's request in this proceeding and explain why Kentucky Frontier should not be able to pay its employees competitive wages.

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JOHN DEFEVER

QUESTION NO. 1

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RESPONSE:

- a. This question demonstrates a misunderstanding of my testimony. My recommendation was not based on a disagreement with the level of wages requested in the proforma test year for Kentucky Frontier employees or a comparison to other companies. The adjustment was based on the lack of sufficient support for the Company's request. As stated in my testimony, the Attorney General requested supporting documentation multiple times for the requested increase to payroll expense and sufficient support was not provided.
- b. As described above, my testimony was not based on a comparison of such data.
- c. As described above, my testimony was not based on a comparison of such data.
- d. As described above, my testimony was not based on a comparison of such data but instead on the Company's failure to provide sufficient supporting documentation for its request. The witness declines the invitation to conduct additional analysis more appropriately performed by Kentucky Frontier.

AFFIDAVIT

STATE OF MICHIGAN)
COUNTY OF WAYNE)

John Defever, Senior Regulatory Consultant, being duly sworn, states that his responses in the above referenced case are true and accurate to the best of his knowledge, information and belief.

John Defever
John Defever

Sworn to and subscribed before me on this 16th day of January 2026.

Christine Miller

Notary Public

CHRISTINE MILLER
NOTARY PUBLIC, STATE OF MI
COUNTY OF WAYNE
MY COMMISSION EXPIRES Nov 8, 2028
ACTING IN COUNTY OF
Wayne