COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| ELECTRONIC APPLICATION OF |) | |
|--------------------------------------|---|------------|
| COMMERCIAL PROPANE SERVICE, LLC |) | CASE NO. |
| D/B/A BRIGHT'S PROPANE SERVICE, INC. |) | 2017-00343 |
| FOR AN ALTERNATIVE RATE ADJUSTMENT |) | |

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO COMMERCIAL PROPANE SERVICE, LLC D/B/A BRIGHT'S PROPANE SERVICE, INC.

Commercial Propane Service, LLC d/b/a Bright's Propane Service, Inc. ("Bright's Propane"), pursuant to 807 KAR 5:001, is to file with the Commission the original in paper medium and an electronic version of the following information. The information requested herein is due no later than February 2, 2018. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the 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.

Bright's Propane shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though

correct when made, is now incorrect in any material respect. For any request to which Bright's Propane fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filling a paper containing personal information, Bright's Propane shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

- 1. Refer to the Application, Tab 3, ARF Form 1.
- a. Confirm that the source of the \$550 in Miscellaneous Service Revenues is the two tap-ons, which are discussed in Tab 25.
- b. State whether Bright's Propane charged the existing \$15 Disconnection/Reconnection or \$7.50 Late Payment charges in the 2016 test year. If so, provide the number of times each charge was billed. If not, state whether it has ever charged these charges, and the average number of each charge in a typical year.
 - 2. Refer to the Application, Tab 3, pages 1 and 2.
 - a. Provide support for round-trip mileage of 110 miles.
- b. Explain whether the same employees perform odorant testing and meter reading.

- c. Provide supporting documentation for labor hours used to calculate distribution and customer account expenses.
- d. Explain whether Bright's Propane has considered having customers read their own meters, as provided in Bright's Propane's current tariff.
- Refer to the Application, Tab 3, page 3. Explain why office rent should be equally allocated to Bright's Propane and Commercial Propane Service, LLC's unregulated operations.
- 4. Refer to the Application, Tab 3, page 3 of 4. Explain what benefits are provided to Bright's Propane's customers by its membership in the National Propane Association/Kentucky Gas Propane Association.
- Refer to the Application, Tab 3, page 4. Confirm that FICA taxes and the
 PSC assessment fee are not included elsewhere in the 2016 annual report.
- 6. Refer to the Application, Tab 3, page 4. Provide the following information concerning the rate case expense for this case:
- a. A detailed schedule of costs incurred to date. Include the date of the transaction, check number or other document reference; the vendor; amount; a description of the services performed; and the account number in which the expenditure was recorded. Indicate any costs incurred for this case during the test year. Include copies of invoices received from the vendors.
- b. An itemized estimate of the total cost to be incurred, detailed explanation of how the estimate was determined, and all supporting work papers and calculations.

- c. Monthly updates of the actual costs incurred during the course of this proceeding, in the manner prescribed above.
 - Refer to the Application, Tab 4.
- a. Given that Bright's Propane is proposing increases in existing charges and proposing to implement several new nonrecurring charges, explain why Other Operating Revenue is shown at only \$550.
- b. Provide the number of incidences that Bright's Propane performed each of the activities represented by the all the proposed increased or new nonrecurring charges shown in the Notice, or the number of times it expects to bill each charge in a typical year.
 - 8. Refer to the Application, Tab 5, ARF FORM 1 ATTACHMENT BA-DB.
- a. Explain whether Bright's Propane has considered using a customer charge and volumetric charge rather than a minimum bill format.
- b. Confirm that in the 2016 test year, Bright's Propane issued 472 bills for only the amount of the \$18.21 minimum bill.
- c. Confirm that the 472 minimum bills represented a total of 174,565
 cubic feet of propane.
- d. The 772 total bills imply 63 customers. Explain the difference between the 59 customers stated in the application, the 63 from the billing analysis, and the 75 stated in the 2016 Annual Report.
 - Refer to the Application, Tab 6.
- a. Provide the calculation of the \$102.77 monthly bill at the proposed rates. State whether the proposed bill should be \$97.35.

- State how Bright's Propane determined the amount of the proposed
 \$29.84 minimum bill, and the amount of the increase allocated to all over 400 cubic feet usage.
- 10. Refer to the Application, Tab 14. Confirm that the computer software is solely for the use of Bright's Propane and not utilized by Commercial Propane Service, LLC's unregulated operations.
- 11. Refer to the Application, Tab 21. State whether a customer requesting a meter relocation will be provided an estimate of the costs involved prior to work commencing.
- 12. Refer to the Application, Tab 22. State what events would cause a service investigation charge to be incurred.
- 13. Refer to the Application, Tab 23. When service is being switched between persons or locations, explain if the meter is read at that time to determine the usage attributable to each party or location.
- 14. Refer to the Application, Tab 24. Provide the calculation of the \$62,393.20 annual bill amount.
- 15. Refer to the Application, Tab 25. State whether a customer requesting to tap-on will be provided an estimate of the costs involved prior to work commencing.
- 16. Refer to the Application, Tab 27. Provide cost justification for the \$450 materials cost for replacing a meter and regulator. The justification should show separately, the cost of the meter and the cost of the regulator, and should also list the type and size of meter.

Leven R. Purson

Gwen R. Pinson Executive Director

Public Service Commission

P.O. Box 615

Frankfort, KY 40602

DATED ______ JAN 1 8 2018

cc: Parties of Record

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