

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|--------------------------------------|---|------------|
| ELECTRONIC APPLICATION OF NAVITAS KY |) | CASE NO. |
| NG, LLC FOR AN ALTERNATE RATE |) | 2019-00430 |
| ADJUSTMENT |) | |

ORDER

On November 27, 2019, Navitas KY NG, LLC (Navitas KY) tendered its application (Application) for an adjustment of its gas rates pursuant to the procedures set forth in 807 KAR 5:076. On December 9, 2019, the application was rejected for filing due to filing deficiencies. Navitas KY subsequently cured the filing deficiencies, and the Application was deemed filed as of January 17, 2020.

In its Application, Navitas KY requests either a surcharge or a rate adjustment to collect gas transportation charges approved by the Federal Energy Regulatory Commission (FERC) for gas transportation services from its interstate pipeline owner, B&W Pipeline LLC (B&W) between July 17, 2017, and January 31, 2019. In Case No. 2019-00241¹ the Commission ordered Navitas KY to use the FERC approved transportation rate when recovering its gas cost through its Gas Cost Recovery (GCR) rate filings.

Pursuant to 807 KAR 5:076, Section 11, the Commission hereby states that a staff report will not be issued in this proceeding. The information regarding the actual amounts due for the FERC-approved gas transportation charges will be obtained through the

¹ Case No. 2019-00241, *Purchased Gas Adjustment Filing of Navitas KY NG, LLC*. (KY PSC. Jan. 14, 2020).

Application and Commission Staff's Requests for Information. Navitas KY or any party to this proceeding may request a formal hearing pursuant to the procedural schedule attached to this Order.

IT IS HEREBY ORDERED that:

1. The procedural schedule set forth in the Appendix A to this Order shall be followed.

2. a. Navitas KY is to file with the Commission the original and an electronic version of the information requested in Appendix B to this Order.

b. The information requested in Appendix B to this order shall be filed by the date set forth in Appendix A.

c. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable and shall be appropriately bookmarked.

d. 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.

e. Any party 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.

f. For any request to which a party fails or refuses to furnish all or part of the requested information that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

g. Careful attention should 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.

h. A party filing a paper containing personal information shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

3. As set forth in 807 KAR 5:001, Section 4(11)(a), a person requesting permissive intervention in a Commission proceeding is required to demonstrate either (1) a special interest in the proceeding which is not adequately represented in the case, or (2) that the person requesting permissive intervention is likely to present issues or develop facts that will assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings. Further, KRS 278.040(2) requires that a person seeking intervention must have an interest in the rates or service of a utility, as those are the only matters that are subject to the Commission's jurisdiction. Therefore, any person requesting to intervene in a Commission proceeding must state with specificity the person's special interest that is not otherwise adequately represented, or the issues and facts that the person will present that will assist the Commission in fully considering the matter. A mere recitation of the quantity of utility service consumed by the movant or a general statement regarding a potential impact of possible modification

of rates will not be deemed sufficient to establish a special interest. In addition, any motion to intervene filed after March 6, 2020, shall also show good cause for being untimely. If the untimely motion is granted, the movant shall accept and abide by the existing procedural schedule.

4. If a public hearing is scheduled, Navitas KY shall give notice of the hearing in accordance with the provisions set forth in 807 KAR 5:001, Section 9(2)(b). In addition, the notice of hearing shall include the following statement: "This hearing will be streamed live and may be viewed on the PSC website, psc.ky.gov." At the time publication is requested, Navitas KY shall forward a duplicate of the notice and request to the Commission.

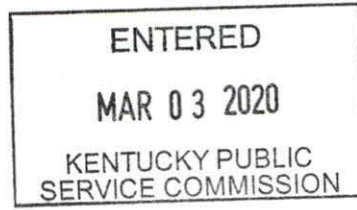
5. If a public hearing is scheduled, neither opening statements nor summarization of direct testimonies shall be permitted.

6. If a public hearing is scheduled, pursuant to KRS 278.360 and 807 KAR 5:001, Section 9(9), a digital video transcript shall be made of the hearing.

7. The Commission does not look favorably upon motions for continuance. Accordingly, motions for extensions of time with respect to the procedural schedule shall be made in writing and will be granted only upon a showing of good cause.

8. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

By the Commission



ATTEST:

A handwritten signature in blue ink, consisting of stylized initials and a surname, positioned above a horizontal line.

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2019-00430 DATED **MAR 03 2020**

- Requests for intervention shall be filed no later than03/06/2020
- Navitas KY shall file responses to the requests for
information in Appendix B no later than03/13/2020
- Supplemental requests for information to Navitas KY shall be filed
no later than.....03/27/2020
- Navitas KY shall file responses to the supplemental requests for
information no later than04/10/2020
- Navitas KY or Intervenors shall request either a hearing or that
the case be submitted for decision based on the record no later than.....04/30/2020

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2019-00430 DATED **MAR 03 2020**

1. Refer to the application, page 6, numbered paragraph 22. Also, refer to the application, page 7, numbered paragraph 24. Explain whether the \$13,987 and \$13,897, referenced respectively, are meant to be the same.

2. Refer to Navitas KY supplemental filing, Exhibit G, the labels listed on the left side of the exhibit. Clearly define each label without abbreviations, describe what the label is representing, and how the numbers related to each label were derived. If the numbers related to a label was derived from a calculation, then provide the calculation.

3. Refer to Navitas KY supplemental filing, Exhibit G.

a. Explain if the “Quantities in MCF” for the month of July 2017 is representative of the whole month of July 2017 or from July 17, 2017 through July 31, 2017. If the amount given is for the whole month of July 2017, then provide the “Quantities in MCF” from July 17, 2017, through July 31, 2017.

b. Refer to Navitas KY supplemental filing, Exhibit G, the row labeled “TN customers sales”. Also, refer to the GCR rate reports filed in Case No. 2018-00228,¹ Case No. 2018-00336;² Case No. 2019-00013;³ and Case No. 2019-00116,⁴ Actual Cost

¹ Case No. 2018-00228, *Purchased Gas Adjustment Filing of Navitas KY NG, LLC*. (filed June 29, 2018).

² Case No. 2018-00336, *Purchased Gas Adjustment Filing of Navitas KY NG, LLC*. (filed Oct. 1, 2018).

³ Case No. 2019-00013, *Purchased Gas Adjustment Filing of Navitas KY NG, LLC*. (filed Jan. 7, 2019).

⁴ Case No. 2019-00116, *Purchased Gas Adjustment Filing of Navitas KY NG, LLC*. (filed Apr. 4, 2019).

Adjustment schedule, the row labeled "Byrdstown/Fentress (TN)." Reconsolidate the differences in Tennessee customer sales for the months of January 2018 through January 2019.

4. Confirm that Navitas KY calculations for the month of July 2017 applies the FERC transmission rate for the entire month rather than beginning on July 17, 2017.

5. Recalculate the month of July 2017 using the FERC rates in place from July 1, 2017, to July 16, 2017, and the FERC rates in place from July 17, 2017, to July 31, 2017.

6. Confirm that Navitas KY uses in its calculations the Mcfs of gas that were sold to its customers rather than the amount of Mcfs of gas that were delivered to the Albany city gate by B&W.

7. Provide the Mcfs of gas delivered to the Albany city gate for each month from July 17, 2017, through January 31, 2019.

8. Confirm that Navitas KY uses in its calculations the Mcfs of gas that were sold to its customers rather than the amount of Mcfs of gas that were delivered to Kentucky and Tennessee customers in allocating the flat rate monthly charge.

9. Provide the Mcfs of gas delivered to Kentucky and Tennessee customers for each month in Exhibit G.

10. Confirm that Navitas KY uses in its calculations the Mcfs of gas that were sold to its customers rather than the amount of Mcfs of gas that were delivered to Kentucky and Tennessee customers in calculating the GCR rates.

11. Confirm that interest charges should be applied to the amount of gas transportation charges owed to B&W.

12. Provide a calculation of the interest charges to be applied to the amount of gas transportation charges owed to B&W.

*Brenda Bott
Navitas KY NG, LLC
3186-D Airway Avenue
Costa Mesa, CA 92626

*Klint W. Alexander
Attorney
1767 Nottage Ct
, WYOMING 82072

*Navitas KY NG, LLC
3186-D Airway Avenue
Costa Mesa, CA 92626