

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DELTA)	
NATURAL GAS COMPANY, INC. FOR AN)	CASE NO.
ADJUSTMENT OF ITS RATES AND A)	2021-00185
CERTIFICATE OF PUBLIC CONVENIENCE AND)	
NECESSITY)	

COMMISSION STAFF'S POST-HEARING REQUEST FOR INFORMATION
TO DELTA NATURAL GAS COMPANY, INC.

Delta Natural Gas Company, Inc. (Delta), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due no later than December 3, 2021. The Commission directs Delta to the Commission's July 22, 2021 Order in Case No. 2020-00085¹ regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made, and 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

¹ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Delta shall make timely amendment to any prior response if Delta obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Delta fails or refuses to furnish all or part of the requested information, Delta 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 filing a paper containing personal information, Delta shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Provide the adjustment necessary to remove the \$1,750,299 for the right-of-way acquisition of the entire Nicholasville Project from 2022, including the calculation in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

2. Provide a clear delineation of what portion of the \$1,750,299 will be used for actual purchase of land or an interest in land for the purpose of constructing the Nicholasville Project and what portion of the \$1,750,299 will be used for other costs.

3. Identify all costs that are included in the \$1,750,299 and how they will be recorded on Delta's books prior to construction.
4. Explain the accounting treatment for rights-of-way that are purchased before construction if the project is ultimately abandoned.
5. Provide the complete capital structure, including the balances of each component, percent of total for each balance, cost rates, and the 13-month average cost rates for the proposed Stipulation.
6. Provide the Cost of Service Study that supports the Stipulation in Excel format with all formulas, columns, and rows unprotected and accessible.
7. Provide the class rate of returns based on the Stipulation.
8. Provide the amount of revenue by month, from each nonrecurring charge and the number of times each charge was assessed each month starting in April 2021 to present.
9. Provide the amount of revenue from each nonrecurring charge by month for the period of September through August for each of the years 2016 through 2020; also include the number of times each charge was assessed each month during this period.
10. Provide the percentage of Delta's system that will be replaced through Delta's PRP at the conclusion of the PRP under the current plan.
11. Refer to Delta's response to Commission Staff's Fifth Request (Response to Staff's Fifth Request), Item 14, in which Delta indicates that the Reconnection Charge only includes the cost of reconnection, and Delta's response to Commission Staff's Second Request, Item 4, in which Delta provided cost support which referred to the charge as Reconnect-Disconnect. Explain why the cost support provided labeled the

reconnection charge “Reconnection-Disconnect” if the cost of disconnection is not included the reconnection charge.

12. Explain whether the Collection Charge is charged to the customer if service is disconnected at the time Delta employees visit the premises for the purpose of collecting the amount owed or disconnecting service.

13. Explain whether Delta charges a Collection Charge, a Disconnect Charge, and a Reconnect Charge to a customer for whom Delta made a trip to the premises for the purposes of terminating service if the service is disconnected and subsequently reconnected.

14. Explain whether the Reconnection Charge includes the cost of the disconnection and reconnection.

15. Provide a flow chart showing how Delta collects payment, credits the customer’s account, and provides internal controls when a Delta employee is sent to visit a customer’s premises for the purpose of terminating service and the customer opts to pay the outstanding balance to avoid disconnection. Include the steps for payment made by cash, check, and credit card.

16. Provide the portions of Delta’s Operations and Maintenance Manual dealing with farm taps.

17. Provide the costs Delta has incurred for each of the last three years to perform maintenance and leakage surveys on the farm taps located on Delta’s transmission lines.

18. State whether Delta has any customers on its high pressure distribution lines that Delta considers to be farm tap customers.

19. Provide the costs Delta has incurred for each of the last three years to perform maintenance and leakage surveys on the farm taps located on the Vinland line.

20. Provide the costs to date of performing maintenance and leakage surveys on farm taps formerly operated by Peoples Gas KY, LLC.

21. Explain whether Delta would be able to provide financial statements that separately identify the revenues and expenses related to farm tap customers. If not, explain why not.

22. Refer to Delta's response to Commission Staff's Fourth Request, Item 2, page 2 of 2. Indicate where in the tariff it indicates that the following information is required to be provided to receive service: Social Security Number or Driver's License Number and photo identification.

23. Refer to Delta's Response to Staff's Fifth Request, Item 16a, for the instances in which a perspective customer was unable to supply the requested identification. State specifically what form of identification was accepted in lieu of the identification Delta required.

24. Explain whether Delta uses customers' Social Security Number or Driver's License Number to preform credit checks.

25. Explain whether Delta plans to continue to charge the \$25.00 farm tap turn-on fee in situations not related to service that has been disconnected for nonpayment and subsequently reconnected. If so, explain the circumstances under which the \$25.00 farm tap turn-on fee will be assessed.

26. State whether the case expenses submitted in this proceeding include the cost of meals, travel, or witness preparation. If so, provide those amounts by category.

27. Refer to Delta's response to the Attorney General's First Data Request, Item 88(d). This response explains that the balance of excess accumulated deferred income taxes (ADIT) included non-rate base excess ADIT.

a. Confirm that Delta's base period update and rebuttal testimony did not include this adjustment

b. Explain whether Delta has discovered any reason that the adjustment is not appropriate.

28. Provide a reconciliation between rate base and capitalization for the revenue requirement proposed in the Joint Stipulation and Recommendation.



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DATED NOV 18 2021

cc: Parties of Record

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