

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS ADJUSTMENT)	CASE NO.
FILING OF VALLEY GAS, INC.)	2024-00175

ELECTRONIC PURCHASED GAS ADJUSTMENT)	CASE NO.
FILING OF VALLEY GAS, INC.)	2023-00385

COMMISSION STAFF'S SUPPLEMENTAL REQUEST FOR INFORMATION
TO VALLEY GAS, INC.

Valley Gas, Inc. (Valley Gas), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on November 1, 2024. The Commission directs Valley Gas 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.

Valley Gas shall make timely amendment to any prior response if Valley Gas obtains information that indicates the response was incorrect or incomplete when made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

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

Careful attention shall be given to copied and scanned 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, Valley Gas 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 Valley Gas's Gas Cost Recovery (GCR) rate report in Case No. 2023-00385.² Provide the GCR rate report and its respective schedule sheets in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.

² Case No. 2023-00385, *Electronic Purchased Gas Adjustment Filing of Valley Gas, Inc.* (filed Aug. 20, 2024), 1st Quarter 2024 GCR Rate Report.

2. Refer to Case No. 2023-00385, Valley Gas's response to Commission Staff's First Request for Information (Staff's First Request),³ Item 6, Attachment 10 of 16, storage summary sheet. For each column identified in the storage sheet, provide the full title of the column header without abbreviations, a brief description of the information being presented in each column, and the unit of measurement used for the amounts provided (i.e., volume in Ccf or Mcf; or energy content in Btu, MMBtu, or Dth).

3. Refer to Case No. 2023-00385, Valley Gas's response to Staff's First Request, Item 6, Attachments 1 through 16, storage summary sheets. Explain why the provided sheets change in style and in the amount of detail provided from Attachments 1 through 9, to Attachments 10 through 16.

4. Refer to Case No. 2023-00385, Constellation Invoices.⁴

a. Confirm that Valley Gas currently has gas supply contracts in effect with Constellation Energy that include contracted rates for the quantity of gas purchased. If so, provide those contracts. If not, explain if Valley Gas has ever had such contracts. If Valley Gas has previously had such contracts that are no longer in effect, provide them and explain why there is not currently a gas supply contract. If there has never been a gas supply contract with Constellation Energy, explain why not.

b. For the costs related to the Fixed Basis with Fixed Commodity Gas under Gas Supply Charges, explain how each of the rates were determined and how each quantity of gas associated was allocated for each rate.

³ Case No. 2023-00385, (filed Jan. 24, 2024), Valley Gas's Response to Staff's First Request.

⁴ Case No. 2023-00385, (filed Aug. 20, 2024), Constellation Invoices.

5. Refer to Valley Gas's GCR rate report in Case No. 2024-00175.⁵ Provide the GCR rate report and its respective schedule sheets in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.

6. Refer to Valley Gas's GCR rate report in Case No. 2024-00175, unnumbered page 4. Provide the table on unnumbered page 4 in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.

7. Refer to Valley Gas's GCR rate report in Case No. 2024-00175, unnumbered page 4, column labeled, "Total Usage".

a. Confirm the amounts listed in this column correspond to the amount of natural gas Valley Gas has sold to its end-use customers for the monthly period listed. If not confirmed, then explain from what source the amounts in the column are derived.

b. State the unit of measurement used for the amounts provided in the column labeled, "Total Usage" (i.e. volume in Ccf or Mcf; or energy content in Btu, MMBtu, or Dth).

8. Refer to Valley Gas's GCR rate report in Case No. 2024-00175, unnumbered page 4, column labeled, "Usage Pur".

a. Confirm the amounts listed in this column correspond to the amount of natural gas Valley Gas has purchased from Constellation Energy for the monthly period listed. If not confirmed, then explain from what source the amounts in the column are derived.

⁵ Case No. 2024-00175, *Electronic Purchased Gas Adjustment Filing of Valley Gas, Inc.* (filed Aug. 16, 2024), 3rd Quarter 2024 GCR Rate Report.

b. State the unit of measurement used for the amounts provided in the column labeled, “Usage Pur”. (i.e. volume in Ccf or Mcf; or energy content in Btu, MMBtu, or Dth).

9. Refer to Valley Gas’s GCR rate report in Case No. 2024-00175, unnumbered page 4, column labeled, “Usage Thru City Gate”.

a. State the unit of measurement used for the amounts provided in the column labeled, “Usage Thru City Gate”. (i.e. volume in Ccf or Mcf; or energy content in Btu, MMBtu, or Dth).

b. Explain where in the supplemental documents filed along with the GCR rate report the amounts in the “Usage Thru City Gate” column are derived from and why.

10. Refer to Valley Gas’s GCR rate report in Case No. 2024-00175, unnumbered page 4, column labeled, “Inventory Volume”.

a. State the unit of measurement used for the amounts provided in the column labeled, “Inventory Volume”. (i.e. volume in Ccf or Mcf; or energy content in Btu, MMBtu, or Dth).

b. Explain where in the supplemental document filed along with this rate report the amounts in the “Inventory Volume” column are derived and why.

11. Refer to Valley Gas’s GCR rate report in Case No. 2024-00175, unnumbered page 4, column labeled, “Inventory Volume”. Also, refer to Case No. 2023-00385, Valley Gas’s response to Staff’s First Request, Item 6, Attachments 1 through 16, storage summary sheets. Explain why the amounts presented in the column labeled,

“Inventory Volume”⁶ do not correspond to any of the values shown in the storage summary sheets⁷ for each identified accounting period.

12. Refer to Valley Gas’s GCR rate report in Case No. 2024-00175, unnumbered page 5, page titled, “Rate Sheet Jul-Sep 2024.xlsx”. Provide the table in Excel spreadsheet format with all formulas, rows, and columns fully accessible and unprotected.

⁶ Case No. 2024-00175, Aug. 16, 2024 3rd Quarter 2024 Calculations, unnumbered page 4. The amounts provided under the column labeled, “Inventory Volume” for each period between October 2021 and December 2023 are as follows: Dec-21 573.0; Mar-22 20,878.0; Jun-22 2,762.0; Sep-22 (29,444.0); Dec-22 497.0; Mar-23 21,397.0; Jun-23 (4,200.0); Sep-23 (38,213.0); and Dec-23 3,531.0.

⁷ Case No. 2023-00385, Valley Gas’s Response to Staff’s First Requests, Item 6, attachments 1 through 16 of 16, storage summary sheets. The amounts taken from the storage summary sheets for each period between October 2021 and December 2023 are as follows:

Accounting Period	Beg Bal	Injection	Withdrawal	Net	End Bal
10/2021	10,087	3,490	104	3,386	13,473
11/2021	13,473	319	1,241	(922)	12,551
12/2021	12,551	1,227	724	503	13,054
01/2022	13,054	2	5,120	(5,118)	7,936
02/2022	7,936	-	3,526	(3,526)	4,410
03/2022	4,410	235	1,811	(1,576)	2,834
04/2022	2,834	733	818	(85)	2,749
05/2022	2,749	1,227	567	660	3,409
06/2022	3,409	1,534	1,214	320	3,729

ACCT PER	BEGINNING STOR BAL	STOR INJ QUANTITY	STOR W/D QUANTITY	END STOR BAL
Jul-22	3729	322	-	4051
Aug-22	4051	691	-	4742
Sep-22	4742	914	425	5656
Oct-22	5656	-	-	5231
Nov-22	5231	1678	1602	6909
Dec-22	6909	-	233	5307
Jan-23	5307	-	-	5074
Feb-23	5074	1793	2079	6867
Mar-23	6867	-	-	4788
Apr-23	4788	1709	-	6497
May-23	6497	1110	-	7607
Jun-23	7607	4143	-	11750
Jul-23	11750	3091	-	14841
Aug-23	14841	2085	-	16926
Sep-23	16926	3593	-	20519
Oct-23	20519	3399	-	23918
Nov-23	23918	-	2620	21298
Dec-23	21298	-	3813	17485

13. Refer to Valley Gas's GCR rate report in Case No. 2024-00175, unnumbered page 5, page titled, "Rate Sheet Jul-Sep 2024.xlsx". For each row header shown in the sheet, provide the full title of the column header without abbreviations, a brief description of what information is being presented in the column, how each amount is determined or calculated for each row header, and the unit of measurement used for the amounts provided (i.e., volume in Ccf or Mcf; or energy content in Btu, MMBtu, or Dth).

14. Refer to Valley Gas's GCR rate report in Case No. 2024-00175, unnumbered page 5, page titled, "Rate Sheet Jul-Sep 2024.xlsx".

a. Explain the purpose of the sheet in relation to the calculation methodology of Valley Gas's GCR rate.

b. Explain whether the values presented in the sheet are able to be cross referenced to any relevant values located in other parts of the Valley Gas GCR rate report and any supplemental documentation provided with the GCR rate report. If so, for each applicable value, identify the exact location in Valley Gas's GCR rate report that the value is shown.

c. Explain the significance of the row "Volume Hedged."

15. Refer to Valley Gas's 2023 Annual Report, page 28 of 42,⁸ the line labeled, "Gas Delivered to Storage-Credit (808.2) (\$43,126.26)". Explain how the amount was determined and provide any additional supplemental documentation to support the response.

⁸ *Annual Report of Valley Gas to the Public Service Commission for the Year Ending December 31, 2023* (2023 Annual Report), (filed Feb. 23, 2024) at 28.

16. Refer to Valley Gas's 2023 Annual Report. Confirm that Valley Gas has no unrecovered gas cost, as shown in Account 191, Unrecovered Purchased Gas Cost. If not confirmed, then explain the response.

17. Refer to Valley Gas's 2022 Annual Report, page 28 of 42,⁹ in regard to the line labeled, "Gas Withdrawn From Storage-Debit (808.1) \$21,860.52". Explain how the amount was determined and provide any additional supplemental documentation to support the response.

18. Refer to Valley Gas's GCR rate report in Case No. 2024-00175, unnumbered page 4, column labeled, "Usage Pur" for the 12-month period beginning with January 2023 and ending with December 2023.¹⁰ Also, refer to Valley Gas's 2023 Annual Report, page 36 of 42.¹¹

a. Explain if Valley Gas conducted any unit of measurement conversion to the amount listed in the 2023 Annual Report from the sum total of "Usage Pur" for the 12-month period ended December 2023.

b. If so, then explain how the conversion was calculated and provide the conversion factor used.

c. If not, explain why the values between the 2023 Annual Report and the "Usage Pur" for the 12-month period do not match.

⁹ *Annual Report of Valley Gas to the Public Service Commission for the Year Ending December 31, 2022* (2022 Annual Report) (filed Mar. 22, 2023) at 28.

¹⁰ The Sum total of "Usage Pur" column for the 12-months ended December 2023 period is 50,440.0.

¹¹ 2023 Annual Report at 36. The Total Gas Purchases amount in Mcf of gas is reported to be 48,971 Mcf.

19. Refer to Valley Gas's GCR rate report in Case No. 2024-00175, unnumbered page 4, column labeled, "Usage Pur" for the 12-month period beginning with January 2022 and ending with December 2022.¹² Also, refer to Valley Gas's 2022 Annual Report, page 36 of 42.¹³

a. Explain if Valley Gas conducted any unit of measurement conversion to the amount listed in the 2022 Annual Report from the sum total of "Usage Pur" for the 12-month period ended December 2022. If so, explain how the conversion was calculated, provide the conversion factor used.

b. Explain why the values between the 2022 Annual Report and the "Usage Pur" for the 12-month period ended December 2022 match.



Linda C. Bridwell, PE
Executive Director
Public Service Commission
P.O. Box 615
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DATED OCT 16 2024

cc: Parties of Record

¹² The Sum total of "Usage Pur" column for the 12-months ended December 2022 period is 39,572.0.

¹³ 2023 Annual Report at 36. The Total Gas Purchases amount in Mcf of gas is reported to be 39,572.0 Mcf.

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