

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS ADJUSTMENT)	CASE NO.
FILING OF NAVITAS KY NG, LLC)	2023-00428

COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION
TO NAVITAS KY NG, LLC

Navitas KY NG, LLC (Navitas KY), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on March 1, 2024. The Commission directs Navitas KY 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 response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

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).

Navitas KY shall make timely amendment to any prior response if Navitas KY 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 Navitas KY fails or refuses to furnish all or part of the requested information, Navitas KY 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, Navitas KY 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 Navitas KY's GCR rate report, the file labeled: "KY_GCA_231231_23-00428_to_be_filed.xlsx", tab labeled: "Cover Page", the section under notes for the Actual Adjustment. The cell in column C, row 29 states, "The Total Cost Difference from the last two previous Quarters, ending April and July respectively had an incorrect formula attached to the cells on the Sales Page where the number originates. The Total Cost Difference affects the Actual Adjustment on the Actual Adjustment page." Provide a detailed description of the error, where the error in the rate

report occurred, how the error affected the rate calculation, and what Navitas KY did to correct for the error.

2. Refer to Navitas KY's response to Commission Staff's First Request for Information (Staff's First Request), Item 1, regarding the Invoice Submissions. For each supplier designate the service each supplier provides to Navitas KY, either "natural gas supply," "transportation," or "other." If "other," provide a detailed description of the service and explain how it relates to Navitas KY's natural gas procurement.

3. Refer to Navitas KY's response to Staff's First Request, Item 2. In the response, it is stated that Navitas KY "also gathers information from the daily spot price, industry trends, and recent actual costs to establish the estimates for Sparta (which correlate to estimates for Diversified)."

a. Provide the daily spot price, industry trends, and recent actual costs discussed in the response to justify the estimated \$9.4999 per Mcf rate for Sparta and Diversified.

b. Explain if Navitas KY conducts a similar analysis for Diversified, or Petrol.

4. Refer to Navitas KY's response to Staff's First Request, Item 2. In the response it states, "Navitas KY has observed the historic trend of supplier Petrol, which is supplying grid gas, being approximately \$2 per unit greater than suppliers Diversified and Sparta."

a. Explain the period of time that incorporates the observed historic trend and provide all documents supporting the historic trend.

b. Provide a side-by-side comparison of the monthly supplier invoice rates for Sparta, Diversified, and Petrol over the 24-month period ended October 31, 2023.

5. Refer to Navitas KY's response to Staff's First Request, Item 2.

a. Provide the location of the proximate well gas supplied by Diversified and Sparta in relation to the Navitas KY gas systems.

b. Explain whether Navitas KY has access to other "grid gas" suppliers. If so, provide the name of those suppliers and if Navitas KY has considered acquiring gas from said suppliers.

6. Refer to Navitas KY's response to Staff's First Request, Item 3a.

a. Provide a detailed breakdown of Navitas KY's justification for the estimated \$11.4999 per Mcf rate for Petrol.

b. Explain whether Navitas KY has had difficulty receiving natural gas from Sparta or Diversified and provide a summary of the reason/cause for each event.

c. Explain why Navitas KY is procuring the majority of its natural gas from a supply source described as "inconsistent."

d. Explain whether Navitas KY has ever failed to supply natural gas to its customers due to pipeline constraints or natural gas being unavailable.

7. Refer to Navitas KY's response to Staff's First Request, Item 6. Explain whether Mr. Bud Rife was made aware that his wells began to supply the Navitas KY gas system in the summer of 2023.



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DATED FEB 16 2024

cc: Parties of Record

Case No. 2023-00428

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