

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF COLUMBIA)	
GAS OF KENTUCKY, INC. FOR AN)	CASE NO.
ADJUSTMENT OF RATES; APPROVAL OF)	2024-00092
DEPRECIATION STUDY; APPROVAL OF TARIFF)	
REVISIONS; AND OTHER RELIEF)	

COMMISSION STAFF'S POST-HEARING REQUEST FOR INFORMATION
TO COLUMBIA GAS OF KENTUCKY, INC.

Columbia Gas of Kentucky, Inc. (Columbia Kentucky), 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 November 15, 2024. The Commission directs Columbia Kentucky 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.

Columbia Kentucky shall make timely amendment to any prior response if Columbia Kentucky 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 Columbia Kentucky fails or refuses to furnish all or part of the requested information, Columbia Kentucky 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, Columbia Kentucky 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 Hearing Testimony of Kimra Cole, Redirect from Allyson Honaker. Provide a specific example of a review of the project costs referenced in re-direct testimony in which an incorrect cost was found. If an example is provided, provide the length of time it took to resolve and correct the misallocation.

2. Refer to the Hearing Testimony of Judy Cooper, Cross Examination by Ashley Hatcher. Provide the number of customers lost as a result of non-traditional

bypass for the period beginning in 2010 to the present. For each customer, provide the customer class serviced under, the average amount of annual load lost, and describe Columbia Kentucky's attempts, if any, to retain the customer.

3. Refer to the Hearing Testimony of Judy Cooper, Cross Examination by Ashley Hatcher. Provide the number of customers lost as a result of traditional bypass for the period beginning in 2010 to the present. For each customer, provide the customer class serviced under, the average amount of annual load lost, and describe Columbia Kentucky's attempts, if any, to retain the customer.

4. Provide the number of employees of Columbia Kentucky located outside the Commonwealth of Kentucky. If there are employees located outside of the state, provide the number of employees and their corresponding business locations.

5. Refer to Columbia Kentucky's response to the Attorney General's First Request for Information (Attorney General's First Request), Item 147, Attachment B and to Columbia Kentucky's response to Attorney General's Second Request for Information (Attorney General's Second Request), Item 44. Identify and provide the specific rental or lease agreement(s) to account for the increase of \$91,000 in building rent and lease expenses.

6. Refer to Columbia Kentucky's response to the Attorney General's First Request, Item 147, Attachment B and to the Attorney General's Second Request, Item 44.

a. Provide the total cost of the 240 and 290 W. Nationwide Blvd. building lease in the base period and the expected cost in the forecasted test year.

b. Explain the substantial increase in the allocation to Columbia Kentucky for the year 2022 for the 240 and 290 W. Nationwide Blvd Building lease.

7. Refer to Columbia Kentucky's response to Commission Staff's First Request for Information (Staff's First Request), Item 14, Attachment B, pages 15–17.

a. Explain the difference in cost for the same flight between John Spanos and both Fredrick Johnson and Mackenzie Neiderer.

b. Confirm that the costs for these three travelers are included in the rate case expense. If not confirmed, explain why it was included in the evidence submitted for rate case expense.

8. Refer to the Hearing Testimony, Cross-Examination of Beth Owens by Ashley Hatcher. As referenced by Ms. Owens, provide a comparative chart of wages and salaries for union and non-union employees with similar job descriptions.

9. Refer to Columbia Kentucky's response to Commission Staff's Third Request for Information (Staff's Third Request), Item 26a, regarding the single large transportation customer.

a. Provide an update on the status of the customer and describe the most up to date communication between Columbia Kentucky and the single large transportation customer in regard to possible bypass and forecasted usage.

b. Provide an estimate on the distance of nearby lines that could cause a traditional bypass of Columbia Kentucky for this single large transportation customer.

c. Explain what other means of non-traditional bypass Columbia Kentucky may expect for this single large transportation customer to employ outside of the traditional definition related to receiving natural gas from an interstate pipeline directly.

d. Confirm whether the single large transportation customer is currently physically connected to the competing pipeline referenced in the response and eligible to receive gas service from the competing pipeline. If confirmed, explain in detail the type and capacity of the direct connection between the single large transportation customer and the competing pipeline referenced in the response. If there is currently no direct physical connection, then explain the infrastructure needed to be built to facilitate a direct connection between the single large transportation customer and the competing pipeline.

e. Provide documented proof, either through email correspondence, letter, or other means that show the single large transportation customer has discussed or raised the possibility of bypass to Columbia Kentucky.

f. Provide an attachment showing the rates, usage and revenues for the large industrial customer during the base year period. Provide the attachment in Excel Spreadsheet format with all formulas, columns, and rows unprotected and fully accessible,

g. Explain if, based on the actual usage for the large industrial customer during the base year period, Columbia Kentucky considers there to be a likelihood of reduced volumes at the level normalized in Columbia Kentucky's application.

10. Refer to Hearing Testimony, Cross Examination of Nicholas Bly by Moriah Tussey. Refer also to Columbia Kentucky's response to Staff's First Request, Item 11 and Columbia Kentucky's response to Staff's Third Request, Item 11 and the Application, Filing Requirement 807 KAR 5:001 Section 16-(7)(u). Provide the allocation factors in percentage form in a column as well as the total NiSource amount to be allocated between all subsidiaries in an additional column in addition to the same table of information as provided in Columbia Kentucky's response to Staff's First Request, Item 11.

11. Refer to Schedule D.2.3., explain the \$9.1 million change in billing determinants.

12. Refer to Columbia Kentucky's response to Commission Staff's Fourth Request for Information (Staff's Fourth Request), Item 1, Attachment A.

a. For each item, explain who at either Columbia Kentucky or NiSource Corporate Services Company is responsible for reviewing the item.

b. Explain why the misallocations and misclassification only occurred in January and February 2024.

13. Refer to Columbia Kentucky's response to Staff's First Request, Item 6, Attachment B.

a. Explain what Manual Journal Vouchers- Various refers to.

b. Provide a breakdown of these costs, what each manual journal voucher was for, what account each entry was finally recorded in, if any, and how each voucher or entry is reflected in the revenue requirement.

c. Refer to line item 876, Stars Model Management, Inc. Explain why this cost was allocated to Columbia Kentucky and whether this was a reasonable allocation to Columbia Kentucky.

d. Refer to line item 885, Blue Skies HD Video & Film Productions. Explain why this cost was allocated to Columbia Kentucky and whether this was a reasonable allocation to Columbia Kentucky.

e. Explain what activities were performed by consultants from LJ Aviation. Confirm that these are expenses related to aircraft that were removed from the expenses in the forecasted test period.

14. Confirm that the PSC incident fines have been removed from the revenue requirement. If not confirmed, explain why not.

15. Refer to Columbia Kentucky's response to Commission Staff's Fifth Request for Information (Staff's Fifth Request), Item 9. Provide the budget and actuals for Outside Services for the years 2021, 2022 and 2023, by year.

16. Refer to the Rebuttal Testimony of Jeffery Gore, page 4 and the Application, Schedule B-6.B.

a. Explain why an adjustment to accumulated deferred income taxes (ADIT) is necessary if the Commission includes the lead/lag study cash working capital (CWC) in Columbia Kentucky's rate base.

b. Explain whether accelerated depreciation created any of the ADIT related to CWC.

17. Refer to the Settlement, Attachment A.

a. Explain whether the entire \$98,315 of plant related to Columbia Kentucky's defunct Green Path Rider is removed from rate base with the proposed adjustment.

b. Explain whether the adjustment for CWC included in the settlement is net of ADIT.

18. Refer to the Application, Schedule F-6.A.

a. Explain why the forecasted amount for consulting services is approximately one third of the base period amount.

b. Provide the 2023 actuals for consulting services.

19. Provide the most recent NiSource Allocated Cost of Service Study.

20. Refer to Kimra Cole's Testimony, Re-Cross by Ashley Hatcher regarding Columbia Kentucky's initiative to maintain a flat Operating & Maintenance (O&M) expense. Also refer to the Commission's December 28, 2021 Order in Case No. 2021-00183.²

a. Explain why Columbia Kentucky would look at the O&M cost as flat based on the amount of O&M expense included in the revenue requirement request in Case No. 2021-00183 rather than the settlement amount.

b. Reconcile the response in light of the requested revenue requirement and O&M expense in this case and the prior Columbia Kentucky rate case, exclusive of the settlements in either case.

c. Provide any audit report conducted for the calendar year 2023.



Linda C. Bridwell, PE
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

DATED OCT 24 2024

cc: Parties of Record

² Case No. 2021-00183, *Electronic Application of Columbia Gas of Kentucky, Inc. for an Adjustment of Rates; Approval of Depreciation Study; Approval of Tariff Revisions; Issuance of a Certificate of Public Convenience and Necessity; and Other Relief* (Ky. PSC Dec. 28, 2021).

*L. Allyson Honaker
Honaker Law Office, PLLC
1795 Alysheba Way
Suite 1203
Lexington, KENTUCKY 40509

*John G Horne, II
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Columbia Gas of Kentucky, Inc.
290 W Nationwide Blvd
Columbus, OH 43215

*Angela M Goad
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*John R. Ryan
Columbia Gas of Kentucky, Inc.
2001 Mercer Road
P. O. Box 14241
Lexington, KY 40512-4241

*Aaron D Reedy
Hurt, Deckard & May
The Equus Building
127 West Main Street
Lexington, KENTUCKY 40507

*Honorable Kurt J Boehm
Attorney at Law
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 1510
Cincinnati, OHIO 45202

*Brittany H. Koenig
Honaker Law Office, PLLC
1795 Alysheba Way
Suite 1203
Lexington, KENTUCKY 40509

*Larry Cook
Assistant Attorney General
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Heather Temple
Honaker Law Office, PLLC
1795 Alysheba Way
Suite 1203
Lexington, KENTUCKY 40509

*Michael West
Office of the Attorney General Office of Rate
700 Capitol Avenue
Suite 20
Frankfort, KENTUCKY 40601-8204

*Jody Kyler Cohn
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 1510
Cincinnati, OHIO 45202

*Melissa Thompson
Columbia Gas of Kentucky, Inc.
200 Civic Center Drive
P.O. Box 117
Columbus, OHIO 43216-0117

*Judy M Cooper
Director, Regulatory Services
Columbia Gas of Kentucky, Inc.
2001 Mercer Road
P. O. Box 14241
Lexington, KY 40512-4241

*Honorable Matthew R Malone
Attorney at Law
Hurt, Deckard & May
The Equus Building
127 West Main Street
Lexington, KENTUCKY 40507