

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 FOURTH 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 on September 11, 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 Application, Tab 84, specifically this footnote found in various places, "in the preparation of this schedule, these costs were identified as misclassifications to O&M expense partially or in entirety. The identified misclassifications will be reclassified as below-the-line expenses (426) or reclassified to the proper affiliate company prior to the base period, and reflected in the company's future updates."

- a. Provide a list of all costs that were misclassifications to O&M.
 - b. Provide approximately when each misclassification was discovered and when each misclassification was corrected.
 - c. Explain how each cost was misclassified.
 - d. Confirm whether “reclassified to proper affiliate company” means that NiSource Corporate Service Company misallocated costs to Columbia Kentucky. If not, explain what is meant.
2. Refer to the Direct Testimony of Jeffery Gore, page 23.
 - a. Provide when the Interactive Voice Response Refinement and Enhances - The Miscellaneous Software Investment was placed into service by error.
 - b. Provide when this error was discovered and when it was corrected.
 - c. Confirm that this error was corrected before information was provided to Gannett Fleming Valuation and Rate Consultants for the Depreciation Study. If not able to confirm, explain how the error may affect the study.
 - d. Describe any steps taken by Columbia Kentucky to alleviate that error.
3. Refer to the Direct Testimony of David Roy, page 9–10.
 - a. Explain why the decision was made to extend the current completion date of the Accelerated Mainline Replacement Program to 2043.
 - b. Provide whether the timeline adjustments are reflected in any other Columbia case filings and provide a list of those filings.
4. Refer to the Direct Testimony of Beth Owens, page 39. Explain whether benefit coverage competitively bid through a request-for-proposal process is specific to

Columbia Kentucky or whether all affiliates provide the same benefits coverage. Explain why this is the case.

5. Refer to Direct Testimony of Beth Owens, Exhibit BO-1 and Exhibit BO-2.

Provide comparative charts for each of the following:

a. The average base salary, overtime compensation, and annual total cash compensation in hourly wages for union and non-employees.

b. Benefits for both non-union and union employees.

6. Refer to the Direct Testimony of Krista King, Attachment KK-1.

a. List each company that has a customer CHOICE program or similar equivalent program.

b. Of those programs, describe how those companies track expenses for those programs.

7. Refer to the Direct Testimony of Gregory Skinner, page 7. Confirm that the new WAM program will not utilize the same software as the One Customer program. If not confirmed, explain why not.

8. Confirm that Columbia Kentucky cannot chose its own billing and customer software. If not confirmed, provide an example of when Columbia Kentucky has chosen its own software.

9. Confirm that Columbia Kentucky maintains customer deposits in a trust account. If not confirmed, explain what type of account Columbia Kentucky maintains customer deposits in.

10. Provide the location of the allocation of the use of the NiSource corporate airplane(s) in the revenue requirement.

11. For the years 2021, 2022, and 2023, provide an accounting with any supporting documentation detailing Columbia Kentucky's use of any NiSource aircraft and the resulting billed costs associated with that use, including but not limited to number of trips, who used the corporate air fleet, reason for flight, flight departure and landings, and estimated expense of each flight.

12. Provide the current written standards for the incentive-based compensation program for NiSource and Columbia Kentucky.

13. Provide the current allocation calculation for incentive compensation from NiSource to Columbia Kentucky.

14. Provide the full amount of American Gas Association (AGA) dues for the years 2021, 2022, and 2023.

15. Provide the *allocated* portion of the AGA dues for the years 2021, 2022, and 2023.

16. Refer to Columbia Kentucky's response to Commission Staff's First Request for Information, Item 54, Attachment A, Workpaper WPD-2.6.D(2).

a. Explain why Columbia Kentucky used the current year provision to calculate the uncollectible percentage instead of the charges to the reserve.

b. Explain whether the uncollectible percentage is specific to destitution expenses, given that the gas cost uncollectibles are separately calculate in the Gas Cost Adjustment.

17. Refer to Columbia Kentucky's response to Commission Staff's Third Request for Information (Staff's Third Request), Item 17. Provide a breakdown of the annual CHOICE customer billed revenues, showing separately the amounts attributable

to the \$0.05 per Mcf of CHOICE program volumes that is paid by marketers, the \$0.20 per customer bill charge, and the 2 percent of CHOICE program revenues Columbia retains.

18. Refer to Columbia Kentucky's response to Staff's Third Request, Item 19. Confirm that rate schedule DS is limited to customers who have normal annual requirements of not less than 25,000 Mcf at any delivery point, and state whether Columbia expects potential renewable natural gas (RNG) producers to be able to meet that requirement.

19. Refer to Columbia Kentucky's response to Staff's Third Request, Item 20 and Columbia Kentucky's responses to Commission Staff's Second Request for Information, Item 23.

a. If there is unknown information about the One Customer phase of the IT upgrades, identify the specific expenditures included in the forecasted test period as they relate to the One Customer phase of the upgrade, if any.

b. Provide the specific amount(s) included in the forecasted test period for the IT upgrades and provide the supporting calculation or documentation for each amount. Include any contracts with independent vendors or NiSource related to these expenses.

c. For each expenditure provided in the response to Item 19.b., identify what portion of the IT upgrade plan the amount is associated with.

20. Refer to Columbia Kentucky's response to Staff's Third Request, Item 22. Provide the likely explanation for the differences in LAUF gas from month to month as shown in column J.

21. Refer to Columbia Kentucky's response to Staff's Third Request, Item 23.

a. Provide each of the 12-month averages used for each annual period in the ten-year average as mentioned by Columbia Kentucky in its response.

b. Explain in detail whether Columbia Kentucky's pipeline replacement program has made a discernible difference in its lost and unaccounted for gas percentages over the prior ten-year period.

22. Refer to Columbia Kentucky's response to Staff's Third Request, Item 24.b. Explain whether Columbia Kentucky received any customer feedback from its email communication to its Main Line Delivery Service customers. If so, describe the feedback.

23. Refer to Columbia Kentucky's response to Staff's Third Request, Item 25. Explain whether non-temperature sensitive usage is considered in the weather normalization process. If not, explain why not and the impact on the results. If so, explain where non-temperature sensitive usage is reflected in the information provided.

24. Refer to Columbia Kentucky's response to Staff's Third Request, Item 25.

a. Step 1(b) states 20 years of data is used in the weather normalization process. The Excel spreadsheet provided in the response reflects the use of ten years of data beginning 2013. Explain how the additional ten years of data is included in the process.

b. Step 4 of the normalization process references historical vs. forecasted growth rates. Explain what specific growth rates are involved in this process and why.

25. Refer to Columbia Kentucky's response to the Attorney General's Second Request for Information (Attorney General's Second Request), Item 15. Provide a

breakdown of the expense for each year. Identify the amount and specific item excluded from the proposed revenue requirement.

26. Refer to Columbia Kentucky's response to the Attorney General's Second Request, Item 17. Provide a breakdown of the expense for each year. Identify the amount and specific item excluded from the proposed revenue requirement.

27. Refer to Columbia Kentucky's response to the Attorney General's Second Request, Item 63.

a. Provide the budgeted payroll for each of the years 2019, 2020, 2021, 2022, 2023, the base period and the forecasted test period.

b. Provide the actual payroll for each of the years 2019, 2020, 2021, 2022, 2023, the base period and the forecasted test period.

c. Provide the budgeted allocated payroll for each of the years 2019, 2020, 2021, 2022, 2023, the base period and the forecasted test period.

d. Provide the actual allocated payroll for each of the years 2019, 2020, 2021, 2022, 2023, the base period and the forecasted test period.



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DATED AUG 28 2024

cc: Parties of Record

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