COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF COLUMBIA GAS OF KENTUCKY, INC. FOR AN ADJUSTMENT OF RATES; APPROVAL OF DEPRECIATION STUDY; APPROVAL OF TARIFF REVISION; AND OTHER RELIEF	)))))	CASE NO. 2026-00099

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 2, 2026. The Commission directs Columbia Kentucky to the Commission's July 22, 2021 Order in Case No. 2020-00085[1] 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. Provide Columbia Kentucky's understanding of how approval of an increased fixed customer charge would likely be viewed by the following.

a. Investors;

b. Shareholders;

c. Ratings agencies.

2. Provide any tangible effects Columbia Kentucky projects if the increased customer charge is approved.

3. Refer to the Direct Testimony of Vincent V. Rea (Rea Direct Testimony) at page 4–5. Explain which of the utilities contained within the "Combination" or "Non-Regulated" Proxy Groups have a residential customer charge at or above the amount proposed by Columbia Kentucky in this case.

4. Refer to Columbia Kentucky's response to Commission Staff's First Request for Information (Staff's First Request), Item 11, Attachment A, Confidential.

a. Provide the basis (numerator and denominator) for the allocation percentages shown effective August 2024, February 2025, and August 2025.

b. Provide the allocation percentages and the basis for those allocation percentages (numerator and denominator), effective August 2022, February 2023, August 2023, and February 2024.

c. Confirm that the allocation percentages are effective starting the 1st of the month shown, e.g., August 2024 allocation percentages are in effect starting August 1, 2024. If not confirmed, indicate when the provided allocation factors went into effect.

d. Describe why, within each allocated entity column, the allocation percentages will change by billing pool within a single allocation basis.

5. Refer to Columbia Kentucky's response to Commission Staff's Second Request for Information (Staff's Second Request), Item 29, Attachment A, page 7 at the line "Grand Total." Describe the drivers behind the approximately $4.5 million increase in costs allocated to Columbia Kentucky from NiSource Corporate Services Company (NCSC) from 2023 to 2024. Quantify in the response the share of the $4.5 million

increase that is a result of the increase in the allocation percentage to Columbia Kentucky as compared to an increase in the overall level of NCSC expense being allocated.

6. Refer to Columbia Kentucky's response to Staff's Second Request, Item 29, Attachment A. Provide the NCSC total expense that was allocated to Columbia Kentucky by allocation basis and FERC account in the same format as Attachment A to Staff's Second Request, Item 29.

7. Provide general ledger detail for each NCSC expense subject to allocation to Columbia Kentucky, including transaction date, amount, expense type, expense category, source cost center, and a narrative description sufficient to determine the business purpose of each entry.

8. Refer to the Application, pages 2-3 where Columbia Kentucky discusses the roll-in of Safety Modification and Replacement Program (SMRP) investment to base rates.

a. Describe the process Columbia Kentucky follows to roll SMRP investment into rate base and ensure there is no double recovery at any time across the SMRP rider and base rates.

b. Explain, when the 2023 and 2024 SMRP investments are rolled into base rates, the time period of SMRP investments will continue to be collected with utilizing the rider.

c. Describe the accounting procedures used for excluding 2025 and forward SMRP costs from base rates.

9. Refer to Columbia Kentucky's response to Staff's Second Request, Item 34 where it shows the detail for the forecasted $23.3 million in "betterment" capital investment for the 2027 FTY.

a. Define "betterment" with specific project examples.

b. Explain whether any "betterment" projects are also included in the SMRP.

c. Explain whether Columbia Kentucky includes "betterment" in the scope of any SMRP projects.

d. Explain whether in the instance when betterment is included in an SMRP project, is the betterment portion of investment costs recovered through base rates or the SMRP rider.

e. Explain how the forecast of base rate betterment capital investment was developed. Include in the explanation a specific breakdown of the components of the forecasted amount.

10. Refer to the Direct Testimony of Chrisley Scott, page 8, lines 12-17 where it shows a planned capital investment forecast of $102.9 million in 2027. Refer also to Columbia Kentucky's response to Staff's First Request, Item 27, Attachment B where it shows historical annual capital expenditures between approximately $63 and $74 million. Describe in detail how Columbia Kentucky intends to execute an approximate 50 percent increase in its capital expenditures in 2027, particularly while holding O&M expenses flat.

11. Provide the monthly historical base rate gross plant and accumulated depreciation balances for 2023 and 2024, respectively.

12. Provide a variance analysis, by FERC account, of the 2025 future test year (FTY) capital forecast provided and approved in the last rate case, compared to the actual 2025 capital expenditures. As part of the response, provide a variance explanation for any FERC account which has seen a 10 percent or greater increase or decrease from the forecasted amount.

13. Refer to the Direct Testimony of Ronald J. Amen (Amen Direct Testimony), Attachment RJA-2, page 22.

a. Identify all analyses, studies, or workpapers relied upon to conclude that the Customer/Demand Study and the Demand/Commodity Study should be averaged on an equal (50/50) basis.

b. If the equal weighting reflects judgement, please identify and explain the justification of the judgement applied.

14. Refer to Amen Direct Testimony, Attachment RJA-2, page 22. Explain the cost-causation basis for classifying any portion of Account 376 investment as commodity related.

15. Refer to the Amen Direct Testimony, pages 22-23. Provide all workpapers associated with the preparation and completion of the zero-intercept study in Excel spreadsheet format with all formulas, rows, and columns unprotected and fully accessible.

16. Refer to Columbia Kentucky's response to the Attorney General's First Request for Information (Attorney General's First Request), Item 58, in which Columbia Kentucky stated that it does not incur any expense when customers make payments via a credit card. Explain why Columbia Kentucky made a ratemaking adjustment to include

the residential credit card transaction fees in the forecasted test period when it is not an expense incurred by Columbia Kentucky.

17. Refer to the Rea Direct Testimony, pages 53-54. Refer also to the Rea Direct Testimony, Attachment VVR-6.

a. With regard to the three anticipated long-term debt issuances with interest rates of 6.50 percent, explain how the expected interest rates were determined.

b. Attachment VVR-6 depicts a different embedded cost of long-term debt at August 31, 2026, and December 31, 2027. Provide when, specifically, Columbia Kentucky anticipates the expected issuances to occur. In the response, explain whether the debt issuance titled "6.5000% Notes, due June 30, 2056" has occurred. If so, provide an update to Attachment VVR-6 reflecting the actual Maturity Date, Interest Rate, Principal Value, and Annual Interest Expense for that debt instrument.

18. Refer to the Rea Direct Testimony, pages 53-54. Refer also to the Rea Direct Testimony, Attachment VVR-6.

a. Explain why Columbia Kentucky proposed to use an estimated short-term debt rate based on the one-month Secured Overnight Financing Rate (SOFR Rate) plus an applicable margin and risk premium, rather than known and measurable short-term debt costs. In the response, provide justification for using the proposed estimated short-term debt cost rate.

b. Provide the calculation for the proposed 5.00 percent cost of short-term debt in Excel spreadsheet format with all columns, formulas, and rows unprotected and fully accessible. In the response, quantify the SOFR Rate used, as well as the applicable margin and risk premium.

c. Refer also to the Application, Schedule J-2. Confirm which of the listed short-term debt issuances have occurred, and which, if any, are expected debt issuances. In the response, provide the actual interest rates for each instrument.

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DATED AUG 17 2026

cc: Parties of Record

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