

FILE

8

PUCO EXHIBIT FILING

Date of Hearing: 7/11/2019

Case No. 18-1205-GA-AIR, 18-1206-GA-ATA, 18-1207-GA-AAM

PUCO Case Caption: In the Matter of the Application of
Suburban Natural Gas Company for an Increase in
Gas Distribution Rates, Tariff Approval, and
Certain Accounting Authority

Volume III

List of exhibits being filed:

Company 15, 17, 19

RECEIVED-BOOKETING DIV
2019 JUL 22 PM 2:50
PUCO

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
technician AS Date Processed 7/22/19

Reporter's Signature: Karen Sue Gibson

Date Submitted: 7/22/2019

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the Matter of the :
 Application of Suburban :
 Natural Gas Company for an: Case No. 18-1205-GA-AIR
 Increase in Gas :
 Distribution Rates. :
 :

In the Matter of the :
 Application of Suburban : Case No. 18-1206-GA-ATA
 Natural Gas Company for :
 Tariff Approval. :
 :

In the Matter of the :
 Application of Suburban :
 Natural Gas Company for : Case No. 18-1207-GA-AAM
 Approval of Certain :
 Accounting Authority. :
 - - -

PROCEEDINGS

before Ms. Anna Sanyal and Ms. Sarah Parrot, Attorney
 Examiners, at the Public Utilities Commission of
 Ohio, 180 East Broad Street, Room 11-C, Columbus,
 Ohio, called at 9:00 a.m. on Thursday, July 11, 2019.

- - -

VOLUME III

- - -

ARMSTRONG & OKEY, INC.
 222 East Town Street, Second Floor
 Columbus, Ohio 43215-5201
 (614) 224-9481 - (800) 223-9481

- - -

Date Received: May 31, 2019

Date: June 7, 2019

Persons Responsible: Legal and Nichole Clement

STIP-INT-2-1. RE: Stipulation And Recommendation (III) Joint Recommendation of the Signatory Parties (B) Rates and Tariffs (8) Cost allocation – The base revenue distribution excluding gas costs and recommended revenue class allocation shall be based upon actual data as of date certain.

- a) Please provide Schedule E-4 for year 1 in which the “current” revenues reflect actual data as of the date certain. The current revenue, proposed revenue and proposed increase should match Attachment A, Schedule A-1 to the Stipulation. The proposed class revenue allocation should equal the current class revenue allocation.
- b) Please provide Schedule E-4 for years 2 and 3 to the Stipulation.
- c) Please provide Schedule A-1 for years 2 and 3 of the Stipulation.
- d) Please provide Schedule E-5 for years 2 and 3 of the Stipulation.

RESPONSE: Objection. See General Objections. With regard to parts (b) and (d) of the request, Suburban objects that those requests seek documents that do not currently exist in any form and notes that Suburban is not required to create documents in order to respond to discovery under Ohio Adm. Code 4901-1-20(A)(2). Suburban further objects that parts (b) and (d) to the request are speculative, as the requested information is not yet known and cannot be known until Year 2 and Year 3. With regard to part (c) of the request, Suburban objects to the extent that the request seeks information that is already in OCC’s possession, custody, or control. See General Objection No. 6.

Subject to, and without waiver of, these objections, Suburban states as follows:

- a) See Attachment A, which is Schedule E-4 for the first year that the Stipulation is in effect (Year 1).
- b) The requested document does not exist. Indeed, the requested document could not exist because in Year 2 and Year 3 of the Stipulation, Suburban’s customer

count will be updated to the actual number of customers that exist at the time those years begin. This document could not be created without reliance on speculative and forecasted data as to the number of customers that are being served by Suburban at the relevant time.

- c) See Attachment C to the Stipulation filed on May 23, 2019.
- d) The requested document does not exist. Indeed, the requested document could not exist because in Year 2 and Year 3 of the Stipulation, Suburban's customer count will be updated to the actual number of customers that exist at the time those years begin. This document could not be created without reliance on speculative and forecasted data as to the number of customers that are being served by Suburban at the relevant time.

Line No.	Rate Class / Description	Customer Bills (C)	Sales CCF (D)	Proposed Rate (E)	Proposed Annualized		% of Revenue To Total Exclusive of Gas Costs (G)	Annualized Gas Revenue (H)	Proposed Revenue Total (I)=(F)+(H)
					Revenue (F)=(C)(E)	Less Gas Cost (G)			
1	Small General Service								
2	Customer Charge	208,764		\$33.84	\$7,064,574	0			
3	Commodity Charge		14,725,402	0.00000					
4	Total Small General Service				\$7,064,574		77.34%	\$8,389,209	\$15,453,783
5									
6	Large General Service								
7	Customer Charge	3,408		\$175.00	\$596,400				
8	Commodity Charge		4,366,603	0.20290					
9	Total Large General Service				\$1,482,400		16.23%	\$2,276,615	\$3,759,015
10									
11	Large General Service Transport								
12	Customer Charge	300		\$175.00	\$52,500				
13	Commodity Charge		1,462,054	0.22765					
14	Total Large General Service Transport				\$385,337		4.22%	\$202,608	\$587,945
15									
16	Miscellaneous Revenue				\$202,608		2.22%	\$202,608	\$202,608
17									
18	Total				\$9,134,918		100%	\$10,665,824	\$19,800,801

(1) Excludes Gross Receipt Tax, MCF Tax, PIPP, JRP and Uncollectible Riders
(2) Assumes Gas Cost as Filed in the Staff Report

Check Difference \$19,800,742 \$59

Per Stipulation				
\$	19,800,801	A-1 Revenue Requirement		
\$	10,876,952	Gas Cost		
\$	8,923,849	Revenue Requirement Excluding Gas Cost		
Class	Current Revenue	Allocation Percentage	Proposed Revenue	Fixed Rate
SGS	\$6,141,837	0.79103149	\$7,065,765.20	\$33.8458
LGS	\$1,287,561	0.16583008	\$1,481,255.44	\$ 175
LGST	\$334,941	0.004313843	\$385,328.36	\$ 175
	\$7,764,339		\$8,902,389	

SUBURBAN NATURAL GAS COMPANY
CASE NO. 18-1205-GA-AIR
CURRENT
CLASS AND SCHEDULE REVENUE SUMMARY
FOR THE TWELVE MONTHS ENDED FEBRUARY 28, 2019

Date: 12 Months Actual
Type of Filing: "X" Original Updated Revised
WORK PAPER REFERENCE NO(S): WPE-4

SCHEDULE E-4
PAGE 2 OF 2
WITNESS RESPONSIBLE: STAFF

Line No.	Rate Code	Class / Description	Customer Bills	Sales CCF	Most Current Rate	Current Annualized		% of Revenue To Total	Annualized Gas Cost Revenue	Current Revenue Total	
						Current	Revenue Less Gas Cost Revenue				
(A)	(B)	(C)	(D)	(E)	(F)=(C)*(E)	(G)	(H)	(I)=(F)+(H)			
1		Small General Service									
2		Customer Charge	208,764		\$29.42	\$6,141,837					
3		Commodity Charge		14,725,402	\$0	\$0					
4		Total Small General Service				\$6,141,837		77.09%	\$ 8,389,209	\$14,531,046	
5		Large General Service									
6		Customer Charge	3,408		\$150.00	\$511,200					\$6,141,837 0.791031
7		Commodity Charge		4,366,683	\$ 0.177791925	\$76,361					\$1,287,561 0.16583
8		Total Large General Service				\$1,287,561		16.16%	\$ 2,276,615	\$3,564,176	\$334,941 0.043138
9		Large General Service Transport									\$7,764,339
10		Customer Charge	300		\$250.00	\$75,000					
11		Commodity Charge		1,462,054	\$ 0.177791925	\$259,941					
12		Total Large General Service Transport				\$334,941		4.20%		\$334,941	\$1,168,030
13		Miscellaneous Revenue				\$202,608		2.54%		\$202,608	
14		Total	212,472	20,554,139		7,966,947		100.00%	\$ 10,665,824	18,632,771	\$1,379,158
15											
16											
17											
18											

- (1) Excludes Gross Receipt Tax, MCF Tax, PIPP, JRP and Uncollectible Riders
(2) Assumes Gas Cost as Filed in the Staff Report
(3) Gas Cost was updated to reflect the adjustments in usage. The adjustment in usage was not updated on the C-3.1 to reflect the latest gas cost revenues and expenses. This had no effect on the overall

\$ 211,128 18,421,643

SUBURBAN-INT-01-005 Has OCC or any OCC employees, agents, independent contractors, or other individuals conducted any analyses, studies, reviews, or other assessments to determine the effects or consequences of a loss of service on Suburban's natural gas customers?

Response:

Objection. OCC objects to this discovery request to the extent it requires OCC to reveal information that would be protected by the attorney-client privilege or work-product doctrine.

Objection. OCC objects to this discovery request because it seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence under Ohio Adm. Code 4901-1-16(B) because it refers, in part, to research or analyses that may have been performed by individuals other than Mr. Willis, Dr. Duann, and Mr. Fortney, who are not testifying on behalf of OCC in this case. *See Owens v. Bell*, 6 Ohio St. 3d 46, 54 (1983) (Celebrezze, concurring) ("the identity of experts consulted prior to trial but who will not be called as witnesses as well as the findings or opinions of those experts are not subject to discovery by the opposing party"); *Stegman v. Nickels*, 2006-Ohio-4918, ¶ 13 (denying discovery of non-testifying expert based on Ohio R. Civ. P. 26 and *Owens*).

Objection. The words "effects" and "consequences" are vague and overbroad as used in this interrogatory, such that OCC would be speculating as to the intent of Suburban's question.

Without waiving the foregoing objections, and assuming that "effect or consequences of a loss of service on Suburban's natural gas customers" means the steps that Suburban would need to take to restore service to customers in the event of a loss of service, OCC witnesses Willis, Duann, and Fortney did not analyze that issue.

Respondent: As to objections, Legal. As to response, Wm. Ross Willis, Daniel Duann, and Robert Fortney.

SUBURBAN-INT-01-008 At page 9, lines 7-12, of the Supplemental Direct Testimony of Wm. Ross Willis, Mr. Willis discusses the projected pipeline pressure at Lazelle Road for year-end 2018. Is it OCC's contention that pipeline pressure could not be lower than what was modeled if customer usage increased from the amount assumed in the modeling?

Response:

Objection. OCC objects to this discovery request to the extent it requires OCC to reveal information that would be protected by the attorney-client privilege or work-product doctrine.

Objection. OCC objects to this discovery request because it seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence under Ohio Adm. Code 4901-1-16(B) because it refers, in part, to research or analyses that may have been performed by individuals other than Mr. Willis, Dr. Duann, and Mr. Fortney, who are not testifying on behalf of OCC in this case. *See Owens v. Bell*, 6 Ohio St. 3d 46, 54 (1983) (Celebrezze, concurring) ("the identity of experts consulted prior to trial but who will not be called as witnesses as well as the findings or opinions of those experts are not subject to discovery by the opposing party"); *Stegman v. Nickels*, 2006-Ohio-4918, ¶ 13 (denying discovery of non-testifying expert based on Ohio R. Civ. P. 26 and *Owens*).

Objection. This interrogatory calls for speculation regarding pipeline pressures that might or might not occur in the future.

Without waiving the foregoing objections, Mr. Willis does not contend that pipeline pressure could not be lower than what was modeled if customer usage increased from the amount assumed in the modeling.

Respondent: As to objections, Legal. As to response, Wm. Ross Willis.