

Improving Procedural Efficiencies

Natural Gas Cases – Cases-in-Chief and Initial Testimonial Information Needed as Compiled by the OUCC’s Natural Gas Division (6/22/2020)

Gas Cost Adjustments (GCAs):

- The OUCC was required to provide a detailed listing of information needed for each individual utility in Cause No. 44374. See the OUCC’s filing submitted on December 1, 2014 in Cause No. 44374.

Special Contract Cases:

- Provide supporting documentation for all natural gas usage, in Dth, of the special contract customer for each of the last 5 calendar years.
- Provide the rate class the special contract customer is currently under, and the rate class the customer will move to once on a special contract.
- Provide identification of alternative transportation/energy sources to which the special contract customer could connect if the special contract is not approved.
- If special contract customer is a bypass threat:
 - Provide any research, analysis or study performed regarding the special contract customer’s cost of making a direct connection with interstate pipeline.
 - Provide any research, analysis or study performed regarding the special contract customer’s relationship in miles to the interstate pipeline.
 - Provide any research, analysis or study performed to identify any geographical or manmade obstacles which might hinder the special contract customer’s ability to economically connect directly to the interstate pipeline.
- Provide all other plants or facilities of the special contract customer that could be operationally and economically utilized if special contract is not approved, which could displace or substantially reduce Petitioner’s rendering of service to the special contract customer.
- Provide all calculations or analyses to show the special contract will help offset costs otherwise borne by the utility’s other customers.
- Provide all calculations or analyses to show the special contract will allow Petitioner to recover its incremental cost of providing service to the special contract customer, but also provide a contribution to the recovery of Petitioner’s fixed costs.
- Explain if Petitioner anticipates the necessity of constructing any additional transmission or distribution lines in order to fulfill the requirements of the proposed special contract. If so, please provide all details, with detailed cost estimates.

Financing Cases:

- Provide a chart that shows how much of Petitioner’s current outstanding debt was issued with fixed interest rates. Include the issuance date, amount, and fixed interest rate for each issuance of current outstanding debt.

- Provide a chart that shows how much of Petitioner’s current outstanding debt was issued with variable interest rates. Include the issuance date, amount, and variable interest rate for each issuance of current outstanding debt.
- Provide how much fixed interest rate debt Petitioner issued as a result of its latest financing authority last approved by the Commission. Include the issuance date, original amount financed, and fixed interest rate for each issuance.
- Provide how much variable interest rate debt Petitioner issued as a result of its latest financing authority last approved by the Commission. Include the issuance date, original amount financed, and variable interest rate for each issuance.
- If Petitioner has unused long-term debt financing from its last financing authority, explain whether Petitioner intends to use any of the remaining long-term debt financing authority before the authority expires.
- If Petitioner has unused equity financing from its last financing authority, explain whether Petitioner intends to use any of the remaining equity financing authority before the authority expires.
- For each note currently outstanding, provide the following:
 - Maturity date.
 - Original amount due for each note.
 - Total amount due for each note as of the latest financial closing period.
 - The monthly required payment (principal and interest listed separately) for each note as of the latest financial closing period.
 - Amortization schedule.
 - The purpose for each note.
- For each bond currently outstanding, provide the following:
 - Maturity Date
 - Original amount due for each bond.
 - Total amount due for each bond as of the latest financial closing period.
 - The monthly required payment (principal and interest listed separately) for each bond as of the latest financial closing period.
 - Amortization schedule.
 - The purpose of the bond.
- For equity infusions:
 - Provide the name(s) of each entity or entities that will be funding the infusion of capital.
 - Provide a breakdown of the requested equity by the amount that will be in the form of paid-in-capital, common, and preferred stock.
 - If the estimated capital will be infused as pure equity or debt due to a related entity or party, indicate the entity that is lending the funds, the rate and repayment terms.
- Provide the expected lender(s) for the requested debt issuance.
- Provide the amount of fixed interest rate debt planned to be issued if the requested financing authority is granted.
- Provide the amount of variable interest rate debt planned to be issued if the requested financing authority is granted.
- Describe how the increase in financing authority will be reflected in Petitioner’s current capital structure.

- Provide Petitioner’s debt/shareholder equity ratio prior to the proposed debt/equity issuance.
- Provide Petitioner’s debt/shareholder equity ratio if the proposed debt/equity issuance in this Cause is approved.
- Explain Petitioner’s 5-year plan for debt/shareholder equity levels.
- Explain if each debt issuance requested be collateralized by an underlying asset, or if each loan be unsecured.
 - Describe the assets that will be pledged as collateral if the proposed loans will be secured by underlying assets.
- Provide Petitioner’s most recent credit rating reports from Fitch, Moody’s and S&P.
- If Petitioner expects to use multi-year credit facilities, provide the following:
 - The financial institution financing the commitment;
 - The total line of credit commitment;
 - Whether the line of credit is secured, and if so, the collateral securing the loan;
 - Whether there is a corporate guarantor, and if so, who the corporate guarantor is;
 - The maturity date; and
 - The financial covenants associated with the line of credit commitment.
- Provide Petitioner’s most recent Securities and Exchange Commission 10-K and 10-Q filings in electronic format.

Certificate of Public Convenience and Necessity Cases (Request for Territory Expansion):

- Explain how Petitioner has the power and authority to obtain the certificate and render the requested service.
- Explain how Petitioner has the financial ability to provide the requested service.
- Explain how the public convenience and necessity requires the providing of the requested service considering the availability of gas service from any gas utility authorized to serve end use customers within the geographic area covered by the application.
- Explain how the public interest will be served by the issuance of a necessity certificate.
- Provide a map of Petitioner’s current territory and requested territory.
- Provide a list of all potential new residential, commercial and industrial customers located in the expansion area.
- Provide a list of any business expansions or construction of new business establishments planned for the expansion area in the next three years.
- Provide a list of any customers in the expansion area to which Petitioner is currently providing service.
- Provide all analyses prepared relating to the estimated margins or revenues Petitioner expects to receive from the expansion area. Include the following:
 - Number of customers requesting service for each rate class.
 - Number of customers expected for each rate class when project is completed, with the rate class noted.
 - Petitioner’s expected usage for each class of customers, with a breakdown of revenue for each class of customers by customer service charge and volumetric charge.

- Provide supporting documentation (in electronic format) of all estimated and/or actual construction costs associated with providing gas service to the expansion areas.
- If the margins or revenues received from new customers will not be sufficient to cover the expansion cost, explain whether Petitioner has informed potential new customers of the additional cost that will be incurred in order to receive gas service. If yes, provide supporting documentation indicating how the additional cost was calculated, and indicate how the information was conveyed to potential new customers.
- Explain whether Petitioner will use its own employees to perform the work related to the expansion area, or if Petitioner will contract the work out.
 - If Petitioner anticipates using contractors to perform work related to the expansion area, please describe in detail the process Petitioner will use in the selection of a contractor for the project.
- Explain whether Petitioner has begun construction of facilities to serve the expansion area.
 - If no, provide Petitioner's expected start and completion dates.
 - If yes, provide the date construction commenced, and whether the project is complete.
 - If the project is complete, explain whether Petitioner is providing service to any customers within the expansion area.
- Explain whether the proposed expansion area is currently certificated to any other gas utility.
- Provide the names of all municipally owned or investor owned utilities closest to the expansion area.
- Provide all written documentation of responses from the closest municipally owned or investor owned utilities, indicating they have no interest in serving the requested expansion area and do not oppose Petitioner's request to serve in the expansion area.

TDSIC Plan Cases:

- Provide an electronic version of all testimony attachments, in excel format with all formulas intact where applicable.
- For all projects included in the filing, please provide the following:
 - Detailed work order level estimates for each project;
 - An explanation in testimony as to the reason and scope of each project; and
 - An explanation in testimony as to how each project is an eligible transmission, distribution or storage system improvement under Ind. Code § 8-1-39-2.
- For each rural extension project/targeted economic development project included in the updated plan for approval, provide Petitioner's expected 20-year margin revenue test.
 - Include detailed cost estimates.
 - Include the number of customers expected for each rate class, with the rate class noted.
 - Include Petitioner's expected usage for each class of customers, with a breakdown of revenue for each class of customers by customer service charge and volumetric charge.
- Provide an explanation as to how the public convenience and necessity requires or will require the eligible improvements included in the plan under Ind. Code § 8-1-39-10(b)(2).

- Provide a description and explanation of any inflation or escalation factor used on any future year estimates, including how Petitioner calculated the amount of the inflation or escalation factor.
- Provide a description and explanation of any contingencies included in the Plan, including how Petitioner calculated the amount of the contingency.
- Provide a detailed explanation as to how the estimated costs of the eligible improvements included in the plan are justified by the incremental benefits attributable to the plan.
- Provide a detailed explanation as to how any indirect capital and AFUDC amounts were estimated, and provide any supporting documentation supporting those amounts.
- If Petitioner is requesting approval of a tracker filing as part of its Plan case, provide a draft copy of the tracker revenue requirement schedules, in excel format, with all formulas intact.
 - Include testimony describing each proposed schedule.

TDSIC Tracker Cases:

The current Natural Gas TDSIC cases have a detailed listing of information needed that is tailored to each utility. For new TDSIC cases, the following list should be used as a basis for information provided in a utility's TDSIC tracker case:

- Provide a copy of the Updated Plan and all Appendices in excel format with all formulas intact.
- Provide a copy of the revenue requirement schedules in excel format with all formulas intact.
- Provide an electronic version of all testimony attachments, in excel format with all formulas intact where applicable.
- Provide a detailed list of charges by work order for all TDSIC projects:
 - For the date of the original Gas TDSIC Order through the current review period; and
 - For the current period activity.
- Provide Petitioner's Allowance for Funds Used During Construction ("AFUDC") rate calculation and methodology.
- Provide the calculation and methodology of depreciation expense included in the revenue requirement, with supporting documentation for amounts and rates used in the calculation.
- Provide the calculation and methodology of post-in-service carrying costs ("PISCC") included in the revenue requirement, with supporting documentation for amounts used in the calculation.
- Provide the calculation and methodology of property tax expense included in the revenue requirement, with supporting documentation for amounts used in the calculation.
- Provide the calculation to adjust the Gas Cost Adjustment ("GCA") Earnings Test, with supporting documentation for amounts used in the calculation.
- Provide a copy of Petitioner's most recent Federal Energy Regulatory Commission ("FERC") Form 2, or annual report filed with the Commission.
- Provide the calculation used to derive the impact of the 7-Year Plan on rates, with supporting documentation for amounts used in the calculation.

- Provide all FERC account balances as of the filing test period end that includes TDSIC charges that Petitioner is seeking recovery for in the filing.
- Provide a balance sheet that coincides with the filing test period end.
- Provide supporting documentation for the derivation of tax rates used in the revenue requirements.
- Provide a cost of long-term debt schedule that ties to Petitioner’s long-term debt included in the calculation of the Weighted Average Cost of Capital (“WACC”).
- Provide a reconciliation or summary of the amounts included in the WACC calculation to the balance sheet provided, with supporting reconciliation information.
- Identify any costs within the Plan that are due to remediate violations of pipeline safety rules, such as PHMSA or the Pipeline Safety Division of the Indiana Utility Regulatory Commission. If costs are included in the Plan, provide a copy of the violation letter, as well as a detailed summary of the costs, including project number, and amount spent.
- For each new project included in the tracker filing, provide the following:
 - Detailed work order level estimates;
 - An explanation in testimony as to the reason and scope of each new project; and
 - An explanation in testimony as to how each new project is an eligible transmission, distribution or storage system improvement under Ind. Code § 8-1-39-2.
- For revised estimates included in the tracker filing with a greater than 20% or \$100,000 change, provide an updated detailed work order level estimate, with an explanation as to why the estimate was changed.
- For all actual costs in excess of the previously approved estimate by more than 20% or \$100,000, provide an explanation as to why the actual cost exceeded the previously approved estimate.
- For each new rural extension project/targeted economic development project included in the updated plan for approval, provide Petitioner’s expected 20-year margin revenue test.
 - Include detailed cost estimates.
 - Include the number of customers expected for each rate class, with the rate class noted.
 - Include Petitioner’s expected usage for each class of customers, with a breakdown of revenue for each class of customers by customer service charge and volumetric charge.
- For each rural extension project/targeted economic development project included for recovery in the tracker filing, provide Petitioner’s 20-year margin revenue test.
 - Include detailed cost estimates.
 - Include the number of customers expected for each rate class, with the rate class noted.
 - Include Petitioner’s expected usage for each class of customers, with a breakdown of revenue for each class of customers by customer service charge and volumetric charge.

FMCA CPCN Cases:

- Provide an electronic version of all testimony attachments, in excel format with all formulas intact where applicable.
- For all projects included in the filing, please provide the following:

- Detailed work order level estimates for each project;
- An explanation in testimony as to the reason and scope of the project; and
- An explanation as to how each project is related to the direct or indirect compliance by the utility with one or more federally mandated requirements, as noted in Ind. Code § 8-1-8.4-2(a). For each project, include the citation of the federal mandate requiring each project to be completed.
- Provide an explanation as to how the public convenience and necessity will be served by the eligible improvements included in the plan under Ind. Code § 8-1-8.4-6.
- Provide a description and explanation of any inflation or escalation factor used on any future year estimates, including how Petitioner calculated the amount of the inflation or escalation factor.
- Provide a description and explanation of any contingencies included in the Plan, including how Petitioner calculated the amount of the contingency.
- Provide a detailed explanation as to how any indirect capital and AFUDC amounts were estimated, and provide any supporting documentation supporting those amounts.
- If Petitioner is requesting approval of a tracker filing as part of its CPCN case, provide a draft copy of the tracker revenue requirement schedules, in excel format, with all formulas intact.
 - Include testimony describing each proposed schedule.

FMCA Tracker Cases:

The current Natural Gas FMCA tracker cases have a detailed listing of information needed tailored to each utility. For new FMCA tracker cases, the following list should be used as a basis for information provided in a utility's FMCA tracker case:

- Provide a copy of the Updated Plan and all Appendices in excel format with all formulas intact.
- Provide a copy of the revenue requirement schedules in excel format with all formulas intact.
- Provide an electronic version of all testimony attachments, in excel format with all formulas intact where applicable.
- Provide a detailed list of charges by work order for all FMCA projects:
 - For the date of the original Gas FMCA Order through the current review period; and
 - For the current period activity.
- Provide Petitioner's Allowance for Funds Used During Construction ("AFUDC") rate calculation and methodology.
- Provide the calculation and methodology of depreciation expense included in the revenue requirement, with supporting documentation for amounts and rates used in the calculation.
- Provide the calculation and methodology of post-in-service carrying costs ("PISCC") included in the revenue requirement, with supporting documentation for amounts used in the calculation.
- Provide the calculation and methodology of property tax expense included in the revenue requirement, with supporting documentation for amounts used in the calculation.
- Provide the calculation to adjust the Gas Cost Adjustment ("GCA") Earnings Test, with supporting documentation for amounts used in the calculation.

- Provide a copy of Petitioner’s most recent Federal Energy Regulatory Commission (“FERC”) Form 2, or annual report filed with the Commission.
- Provide a balance sheet that coincides with the filing test period end.
- Provide supporting documentation for the derivation of tax rates used in the revenue requirements.
- Provide a cost of long-term debt schedule that ties to Petitioner’s long-term debt included in the calculation of the Weighted Average Cost of Capital (“WACC”).
- Provide a reconciliation or summary of the amounts included in the WACC calculation to the balance sheet provided, with supporting reconciliation information.
- Identify any costs within the Plan that are due to remediate violations of pipeline safety rules, such as PHMSA or the Pipeline Safety Division of the Indiana Utility Regulatory Commission. If costs are included in the Plan, provide a copy of the violation letter, as well as a detailed summary of the costs, including project number, and amount spent.
- For each new project included in the tracker filing, provide the following:
 - Detailed work order level estimates;
 - An explanation in testimony as to the reason and scope of the project; and
 - An explanation in testimony as to how each project is related to the direct or indirect compliance by the utility with one or more federally mandated requirements, as noted in Ind. Code § 8-1-8.4-2(a). For each project, include the citation of the federal mandate requiring each project to be completed.
- For revised estimates included in the tracker filing with a greater than 20% or \$100,000 change, provide an updated detailed work order level estimate, with an explanation as to why the estimate was changed.
- For all actual costs in excess of the previously approved estimate by more than 20% or \$100,000, provide an explanation as to why the actual cost exceeded the previously approved estimate.