

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER of the Joint) REGULATORY DIVISION
Application for Approval to Change and)
Establish Natural Gas Delivery Service) DOCKET NO. D2017.9.80
Rates for Energy West Montana, Inc.)
and Cut Bank Gas Company)

**DATA REQUESTS MCC-080 THROUGH MCC-101
OF THE MONTANA CONSUMER COUNSEL TO
ENERGY WEST MONTANA AND CUT BANK GAS COMPANY**

MCC-080

Regarding: Company Response to MCC-017
Witness: Most appropriate witness

Please explain how the coupon rate of 4.23% was determined to be appropriate for

- a. EWM's \$7.6 million loan from GNI. Please provide supporting documentation.
- b. CBG's \$0.5 million loan from GNI. Please provide supporting documentation.

MCC-081

Regarding: Company Response to MCC-024
Witness: Kevin J. Degenstein

MCC-024 requested that Mr. Degenstein "cite instances during the time prior to the building of the SME pipeline when reliable, safe gas service was not provided by the Company." In the Company's response to the referenced PSC data requests, that question was not answered. Please respond to the question asked.

MCC-082

Regarding: Company Response to MCC-027
Witness: Gregory E. Scheig

Please provide Case Number, Jurisdiction and Date for each of the cost of capital testimonies listed by Mr. Scheig.

MCC-083

Regarding: Company Response to MCC-030
Witness: Gregory E. Scheig

Please provide the S&P Capital IQ source documents.

MCC-084

Regarding: Company Response to MCC-041
Witness: Gregory E. Scheig

Please explain, as specifically as possible, what aspects of his education and continuing education provided support for the outlook for the natural gas industry.

MCC-085

Regarding: Company Response to MCC-042
Witness: Gregory E. Scheig

- a. Please provide any available evidence to show that the long-term historical returns used by D&P to determine the “SSRP” were “often private companies.”
- b. Does a private company have stock that is traded on a stock exchange? Please explain why or why not.
- c. How does D&P calculate the returns for the different stock deciles in its “SSRP” study? Please provide a detailed description from the D&P publication cited by Mr. Scheig.

MCC-086

Regarding: Company Response to MCC-043
Witness: Gregory E. Scheig

Please list the “limitations” of the CAPM cited by Mr. Scheig.

MCC-087

Regarding: Company Response to MCC-044
Witness: Gregory E. Scheig

Please provide support to show that “unsystematic risk premia are often considered by investors.”

MCC-088

Regarding: Company Response to MCC-045(c)
Witness: Gregory E. Scheig

Please explain why the long-term historical return difference between the stock market and Treasury bonds is not a reliable indication of the current cost of capital, but the return difference *over the same time period* between companies of different size is a reliable indication of the current cost of capital.

MCC-089

Regarding: Company Response to MCC-050
Witness: Gregory E. Scheig

- a. Is Mr. Scheig’s use of a 1.13% SSRP a judgment on his part?
- b. Please explain in as much detail as possible how the studies of private equity firms referenced by Mr. Scheig quantified a reduction in the D&P SSRP from 5.59% to 1.13%, showing the quantitative impact of each.

MCC-090

Regarding: Company Response to MCC-056
Witness: Gregory E. Scheig

Please provide support for Mr. Scheig’s response.

MCC-091

Regarding: Purchased Gas
Witness: Jed D. Henthorne

On page 37, lines 12-14, of Mr. Henthorne's direct testimony, a normalizing adjustment to purchased gas is discussed. Please explain why gas and transportation recovery rates in effect at December 1, 2016 were used rather than an average of such rates throughout 2016.

MCC-092

Regarding: Uprate feed from City Gate #2
Witness: Kevin J. Degenstein

Is the project to uprate the feed from city gate #2 discussed in the attachment to the response to Data Request PSC-037, the same project costing \$472,100 referenced in the response to Data Request PSC-019 that was paid for by SME?

MCC-093

Regarding: Gas Plant Instruction 19
Witness: Jed D. Henthorne

Please provide a copy of the text of gas plant instruction 19 from the FERC System of Accounts as referenced in the response to Data Request PSC-048a).

MCC-094

Regarding: Officer Payroll
Witness: Jed D. Henthorne

Referring to the response to Data Request PSC-050 and the associated attachment, please explain why Cheryl Johnson is being transitioned back to EWM from GNI, given her title as Coordinator of Corporate Services. Will any of her work pertain to other GNI entities and if so, why will her salary now be charged entirely to EWM and CBGC?

MCC-095

Regarding: Follow-up to MCC-004
Witness: Charles E. Loy

In reference to EWM ACOS and workpapers provided in electronic format in response to MCC-004:

- a. Please provide the following additional linked files that support files for workpapers provided in the response to MCC-004: “GNI Srvices.xlsx,” “Copy of Statements HM-2016 (002) 8.21.2017.xlsx,” and “Statements H&M-2016.xlsx.”
- b. EWM ACOS (file “EWM COS.xlsx” is linked to a file called “Cut Bank Rate Case Analysis.xlsx.”) Two files were provided as supporting files in the response “Cut Bank Rate Case Analysis – 2016-12-31 (updated 9.18.2017).xlsx” and “Cut Bank Rate Case Analysis – 2016-12-31.xlsx.” Please identify or provide the correct file to be used.
- c. Please verify that all linked files provided as workpapers to EWM ACOS (for example “WYell Rate Case Analysis – 2016-12-31 (updated 9.19.2017).xlsx”) are correct. If not correct, please provide correct linked files.

MCC-096

Regarding: GIRC – Exhibits EWM/CBGC
Witness: Jed D. Henthorne

Please provide electronic copies in Excel format, including all supporting workpapers with all links and formulas intact of Exhibits JDH-EWM-12, and JDH-CBG-8.

MCC-097

Regarding: GIRC – Exhibits EWM/CBGC
Witness: Jed D. Henthorne

Please provide the Company’s best estimates of revised versions of Exhibits JDH-EWM-12 and JDH-CBG-8, under the assumption that the Company’s proposed GIRC mechanism is not approved by the Commission.

MCC-098

Regarding: GIRC – EWM Example Bill Impacts
Witness: Charles E. Loy

With respect to Table 2 at page 12 of Mr. Loy’s testimony:

- a. Do the average annual bill figures shown in Table 2 include gas costs? If so, please provide a restatement of the table by removing gas costs from the average annual bill figures shown, or in the alternative state the amount of gas costs that are included in each average annual bill figure shown in the table.
- b. Please state the cumulative amount of annual GIRC charges for the period 2019 through 2023 for each rate class shown in Table 2.

MCC-099

Regarding: GIRC – CBGC Example Bill Impacts
Witness: Charles E. Loy

With respect to Table 3 at page 13 of Mr. Loy’s testimony:

- a. Do the average annual bill figures shown in Table 3 include gas costs? If so, please provide a restatement of the table by removing gas costs from the average annual bill figures shown, or in the alternative state the amount of gas costs that are included in each average annual bill figure shown in the table.
- b. Please state the cumulative amount of annual GIRC charges for the period 2019 through 2023 for each rate class shown in Table 3.

MCC-100

Regarding: Peak Day Gas Deliveries
Witness: Jed D. Henthorne

Please state the total peak day gas sendout, in Dkt, and the month and date of such sendout, in each calendar year during 2012 through 2016, for each of EWM/Cascade and Cut Bank Gas.

MCC-101

Regarding: Capacity-Related Interruptions
Witness: Jed D. Henthorne

Please state the date(s), the number of customers affected, and the quantities interrupted, in Dkt, for each capacity-related service interruption in each calendar year during the period 2012 through 2016, for each of EWM/Cascade and Cut Bank Gas.