

ORIGINAL  
FILED

STATE OF INDIANA

FILED  
June 19, 2018  
INDIANA UTILITY  
REGULATORY COMMISSION

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE INDIANA UTILITY )  
REGULATORY COMMISSION'S INVESTIGATION )  
INTO THE IMPACTS OF THE TAX CUTS AND ) CAUSE NO. 45032 S7  
JOBS ACT OF 2017 AND POSSIBLE RATE )  
IMPLICATIONS )

IURC  
RESPONDENT'S  
EXHIBIT NO. 1  
11-7-18  
DATE REPORTER AT

PREFILED DIRECT TESTIMONY

OF

BONNIE J. MANN

ON BEHALF OF

COMMUNITY NATURAL GAS COMPANY, INC.

COMMUNITY NATURAL GAS COMPANY, INC.  
PREFILED DIRECT TESTIMONY OF BONNIE J. MANN

1           1.     **Q.     PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2                   A.     My name is Bonnie J. Mann. My business address is LWG CPAs &  
3                               Advisors, 1776 North Meridian Street, Indianapolis, Indiana 46202.

4           2.     **Q.     PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND,**  
5                               **PROFESSIONAL QUALIFICATION, AND ANY EXPERIENCES**  
6                               **THAT YOU BELIEVE ARE RELEVANT TO THE CONCLUSIONS**  
7                               **YOU HAVE REACHED IN THIS TESTIMONY.**

8                   A.     I hold a BS degree in Business with a concentration in Accounting. I  
9                               am licensed as a Certified Public Accountant in the State of  
10                              Indiana. LWG CPAs & Advisors (LWG) is a firm that specializes in  
11                              various financial matters including those specifically related to  
12                              utilities. I and other colleagues in LWG regularly testify before the  
13                              Commission on revenue requirements and other matters. Such  
14                              testimony typically includes the calculation federal income taxes  
15                              and depreciation. Finally, I and my colleagues have worked with a  
16                              number of utilities in Cause No. 45032, have reviewed the  
17                              Commission's Docket Entries in Cause No. 45032, and have  
18                              attended the conferences that have been held by the Commission  
19                              under Cause No. 45032.  
20

1           3.     Q.     DO YOU BELIEVE YOU UNDERSTAND THE COMMISSION'S  
2                         INVESTIGATION INTO THE TAX CUTS AND JOBS ACT OF 2017  
3                         UNDER CAUSE NO. 45032.

4           A.     Yes.

5  
6           4.     Q.     ARE YOU WORKING WITH ANY SPECIFIC PUBLIC UTILITIES  
7                         IN THE SUB DOCKETS CREATED UNDER CAUSE NO. 45032?

8           A.     Yes, I and my colleagues are working with the Respondents:  
9                         Midwest Natural Gas Corporation; Indiana Utilities Corporation;  
10                        South Eastern Indiana Natural Gas Company, Inc.; Fountaintown  
11                        Gas Company, Inc.; Community Natural Gas Co., Inc.; Boonville  
12                        Natural Gas Corporation; and Indiana Natural Gas Corporation. I  
13                        and my colleagues have also worked with a number of other utilities  
14                        in 45032, such as Switzerland County Natural Gas Company, Inc.,  
15                        where sub dockets have not been created.

16  
17          5.     Q.     HAVE YOU PREVIOUSLY WORKED WITH THESE  
18                         COMPANIES?

19          A.     Yes, I assisted all of these companies in establishing their current  
20                         base rates.

21  
22          6.     Q.     WHAT IS THE PURPOSE OF YOUR TESTIMONY HERE?

23          A.     We have been asked to assist the above public utilities in  
24                         responding to the Commission's Docket Entry in Cause No. 45032  
25                         dated May 14, 2018 creating sub dockets.

1  
2       7.     **Q.     WHAT IS YOUR UNDERSTANDING OF THE REQUIREMENTS**  
3               **OF THAT DOCKET ENTRY?**

4             A.     It is our understanding that these sub dockets are meant to cover  
5                   all the issues related to the Tax Cuts and Jobs Act that were not  
6                   addressed in Phase I. We believe the docket entry requires that  
7                   each of our Respondents file a Case-in-Chief by June 19, 2018.  
8                   Such Case-in-Chief should consider the material filed by the  
9                   Consumer Parties on May 2, 2018 and any other matters the  
10                  Respondents believe are relevant.

11  
12       8.     **Q.     IS THE PROCESS OF DETERMINING THE AMOUNT OF**  
13               **EXCESS ACCUMULATED DEFERRED FEDERAL INCOME TAX**  
14               **A SIMPLE MATH CALCULATION FOR THESE SUB DOCKETS?**

15            A.     No. An over simplification of the process would describe the  
16                   calculation of excess accumulated deferred federal income taxes  
17                   as the difference between deferred income taxes calculated at the  
18                   prior tax rate and the current tax rate. But deferred federal income  
19                   taxes are created by a series of individual numbers each requiring  
20                   a different measurement and some of those measurements even  
21                   differ by jurisdiction such as federal versus state. Some of those  
22                   deferred income taxes are related to long term assets and will be  
23                   paid by the utility over a number of years in the future. Some  
24                   deferred taxes relate to short term assets and will be paid back by

1 the utility in the year after they are incurred. Additionally for non-  
2 December tax filers there is the added complication that  
3 measurements are not being made at a calendar year end date and  
4 the tax rate on their next tax return will not be 21%. While the  
5 calculation of the excess accumulated deferred federal income  
6 taxes was not different for each group, the calculation of the  
7 accumulated deferred federal income taxes were.

8  
9 **9. Q. WHO ARE THE NON-DECEMBER YEAR END FILERS IN THE**  
10 **GROUP OF UTILITIES YOU ARE REPRESENTING?**

11 A. Midwest Natural Gas, Indiana Natural Gas, Indiana Utilities and  
12 Community Natural Gas do not have tax year ends as of December  
13 31. The remaining utilities Boonville Natural Gas, Fountaintown  
14 Natural Gas, and South Eastern Natural Gas do file tax returns  
15 based on the calendar year.

16  
17 **10. Q. PLEASE DESCRIBE THE DIFFERENCE IN CALCULATING THE**  
18 **ACCUMULATED DEFERRED FEDERAL INCOME TAXES FOR**  
19 **YEAR END TAX FILERS VERSUS FISCAL YEAR TAX FILERS?**

20 A. First I would note that these utilities are small with limited  
21 administrative personnel. As a result, they do not recalculate the  
22 accumulated deferred federal income tax liability each month. For  
23 those utilities with a tax year ending in December 31, 2017 the  
24 accumulated deferred federal income tax liability was calculated at

1 the end of the calendar year at 21%, and an excess accumulated  
2 deferred federal income tax regulatory liability account was created.  
3 For utilities without a tax year ending in December, an estimate was  
4 calculated for the excess deferred federal income tax liability and a  
5 regulatory liability account was created based on that estimate. The  
6 calculation of the final excess deferred income taxes has now been  
7 made as part of this Phase II proceeding. As a result some of the  
8 utilities have had to make adjustments to the previously recorded  
9 estimates.

10  
11 **11. Q. WHAT ARE THE UNDERLYING DEFERRED TAX ELEMENTS**  
12 **FOR THE SMALL NATURAL GAS UTILITIES YOU ARE**  
13 **REPRESENTING IN THE SUB DOCKETS?**

14 A. The exact combination varies by utility. The one that they all have  
15 in common, and is the largest deferred tax item, is the difference  
16 between book and tax depreciation. Other components of deferred  
17 taxes include other comprehensive income components for  
18 retirement benefits; unrealized gains and losses on investments;  
19 tax carryforwards including capital loss carryforwards, and  
20 charitable contribution carryforwards; rate case cost deducted for  
21 federal tax purposes but amortized for regulatory purposes; unbilled  
22 revenue; and other small miscellaneous differences. In most cases  
23 the numbers used here are updated to December 31 for the non-

1 calendar year end filers, but there are some that use the underlying  
2 item value at the end of the prior fiscal year as a basis.

3  
4 **12. Q. HAVE YOU PROVIDED THE CALCULATION OF THE EXCESS**  
5 **ACCUMULATED DEFERRED FEDERAL INCOME TAX FOR**  
6 **EACH UTILITY?**

7 A. Yes. Exhibit 1 for each utility includes the calculation of the excess  
8 accumulated deferred federal income tax showing the individual  
9 components of the calculation including both protected and  
10 unprotected portions of the excess accumulated deferred federal  
11 income tax liability

12  
13 **13. Q. WHY ARE THERE ESTIMATES OF NUMBERS BASED ON THE**  
14 **PRIOR YEAR END?**

15 A. The deferred taxes related to the retirement component would  
16 require a new retirement study to be performed to be updated. The  
17 utilities involved did not believe that it was cost effective to update  
18 the study for this one calculation. As a result the numbers included  
19 for that component match those from the study performed for the  
20 tax year end of the utilities involved.

21  
22 **14. Q. IS THE EXCESS ACCUMULATED DEFERRED FEDERAL**  
23 **INCOME TAX CALCULATION PRESENTED IN EXHIBIT 1 THE**  
24 **AMOUNT THE UTILITY IS PROPOSING TO REFUND?**

1           A.    No. I believe the amount to be refunded to customers is the amount  
2                   that was actually collected from customers in excess of the tax that  
3                   will be paid.

4  
5       15.   Q.    **WHAT IS THE PROPER METHOD TO CALCULATE THE**  
6                   **AMOUNT OF DEFERRED TAXES COLLECTED FROM**  
7                   **CUSTOMERS?**

8           A.    You should begin by looking at the income tax calculation from the  
9                   prior base rate proceeding. The calculation of income tax expense  
10                  included in the prior revenue requirements is not based on actual  
11                  taxable income or the actual marginal tax rate of the utility. It is  
12                  instead calculated on total net operating income from existing  
13                  customers at the stated rate for that level of income. I would note  
14                  that this can be an issue itself if permanent tax differences are  
15                  ignored during the process, or there are components of deferred  
16                  taxes that don't run through income like those associated with other  
17                  comprehensive income. As a result the tax expense calculation for  
18                  revenue requirements is both a current and deferred income tax  
19                  calculation. The amount of deferred income taxes being collected  
20                  from customers is the amount embedded in that income tax  
21                  calculation.

22       16.   Q.    **HAVE YOU DETERMINED THE AMOUNT OF EXCESS**  
23                   **ACCUMULATED DEFERRED FEDERAL INCOME TAXES TO BE**  
24                   **REFUNDED?**



1           A.    If the income tax expense calculation includes the revenue for the  
2                   deferred income taxes then the accumulated deferred income taxes  
3                   at that point will match up to the income tax calculation. Therefore,  
4                   I have recalculated the deferred income taxes from each utility's  
5                   last base rate case assuming a federal tax rate of 21%. The  
6                   difference between those accumulated deferred federal income tax  
7                   calculations is the amount of excess accumulated deferred federal  
8                   income taxes I am proposing be returned to customers. Those  
9                   calculations can be found on Exhibit 3 for each utility.

10  
11       17.   Q.    **THE EXCESS ACCUMULATED DEFERRED FEDERAL INCOME**  
12                   **TAX ON EXHIBIT THREE (3) SHOWS THE REMOVAL OF SOME**  
13                   **ITEMS ORIGINALLY INCLUDED IN THE DEFERRED TAX**  
14                   **AMOUNTS INCLUDED IN THE AMOUNT USED FOR THE LAST**  
15                   **BASE RATE CASE, WHY WERE THESE ITEMS REMOVED?**

16           A.    The items removed fall into two categories. Short term items and  
17                   non-income statement items. Short term items are items that are  
18                   deferred for only one year. As a result those taxes have been  
19                   incurred and paid at the utility's prior tax rate and therefore do not  
20                   need to be refunded. Non-income statement items have been  
21                   removed because they are not included in the tax calculation for the  
22                   rates and therefore were not collected from customers. Going back  
23                   to the discussion above that it is the income tax calculation that  
24                   creates the amount of deferred tax included in rates, any deferred

1 tax items not related to the operating income statement are not  
2 going to be included in that calculation and should not be included  
3 in the refund calculation.

4  
5 **18. Q. WHY DID YOU INCLUDE LESS DOCUMENTATION FOR THE**  
6 **CALCULATIONS IN EXHIBIT 3 THAN INCLUDED FOR EXHIBIT**  
7 **1?**

8 A. The accumulated deferred federal income tax calculation  
9 referenced in exhibit 3 was included in each utilities last rate case  
10 and has therefore been previously vetted by both the OUCC and  
11 the IURC.

12  
13 **19. Q. WHAT IS EXHIBIT 2?**

14 A. Once the amount of the refund to customers has been established,  
15 the time frame of the refund must be determined for each utility.  
16 Exhibit 2 addresses the time frame. Because the majority of the  
17 underlying components are long term, the return of the excess  
18 should also extend over multiple years. Based upon the level of  
19 detail held by the utilities, it was determined that the alternative  
20 weighted average life method should be used. For the protected  
21 portion of the excess accumulated deferred federal income taxes  
22 each utility has calculated the estimated average remaining useful  
23 life of its utility plant in service. The calculations were made based

1 on classes of UPIS and then a weighted average approach was  
2 used to determine the final amortization numbers.

3  
4 **20. Q. IF THE EXCESS ACCUMULATED DEFERRED FEDERAL**  
5 **INCOME TAX REFUND IS BEING CALCULATED BASED ON**  
6 **THE LAST RATE CASE, WHY IS IT APPROPRIATE TO USE**  
7 **THE CURRENT REMAINING LIVES OF THE ASSETS TO**  
8 **RETURN THAT EXCESS?**

9 A. The remaining useful lives of the underlying assets are shorter now  
10 than they were at the time of each utility's last rate case. To use  
11 the older remaining life to amortize the amounts would extend the  
12 refund to the customer beyond the remaining useful life of the  
13 assets involved. It would inappropriate to extend the amortization  
14 period beyond the lives of the assets involved

15  
16 **21. Q. WHAT IS YOUR PROPOSAL FOR THE AMORTIZATION OF THE**  
17 **UNPROTECTED EXCESS ACCUMULATED DEFERRED**  
18 **FEDERAL INCOME TAXES?**

19 A. Due to the smaller amount involved with these numbers, the utilities  
20 have proposed to use the same amortization period for the entire  
21 excess accumulated deferred federal income tax. This also has the  
22 advantage of making the tracking of the amortization easier for both  
23 the small gas utilities and the regulators.

1           22.   Q.    OTHER THAN THE CALCULATION OF THE REFUND FOR THE  
2                   EXCESS ACCUMULATED DEFERRED FEDERAL INCOME  
3                   TAXES, WHAT ELSE WAS REQUIRED BY THE IURC DOCKET  
4                   ENTRY?

5           A.    The remaining requirement was focused on the disposition of the  
6                   over collected revenue from January 1, 2018 through April 30,  
7                   2018. For this portion of the requirement we are again providing a  
8                   calculation and recommending a method for returning the over  
9                   collection over an appropriate period of time.

10           23.   Q.    PLEASE EXPLAIN YOUR CALCULATION OF THE OVER  
11                   COLLECTION FOR EACH UTILITY?

12           A.    My calculation is reflected in my Exhibit 4 for each utility, except for  
13                   Midwest Natural Gas and Indiana Natural Gas. The information for  
14                   those two utilities is being presented by witness David Osmon.  
15                   During Phase I of this proceeding the IURC approved for each  
16                   utility a new set of tariffs. These tariffs were approved on April 30,  
17                   2018 for use starting May 1, 2018. Thus these utilities collected the  
18                   higher revenue for the first four months of 2018. The calculation  
19                   shown on the first page of Exhibit 4 is a calculation of the difference  
20                   in revenue between the pre-April 2018 tariff and the post-April 2018  
21                   tariff based on the actual volumes sold by the utility. For customer  
22                   classes whose bills include an NTA adjustment, the change in tariff  
23                   was calculated for that adjustment and then either added to or  
24

1 removed from the total depending the nature of the NTA in that  
2 billing cycle. The net over collection column reflects the amount due  
3 to each class of customers based on the difference in the tariff.

4  
5 **24. Q. WHAT IS YOUR PROPOSAL FOR RETURNING THE OVER**  
6 **COLLECTED REVENUE?**

7 A. The OUCC has suggested that any over collection should be  
8 returned to customers over the same time period in which such  
9 over collection was created. For the utilities I am representing in  
10 this sub docket, the over collection occurred during the four months  
11 of January through April. As the Commission is aware, natural gas  
12 sales can vary over any given four month period. However, since  
13 the over collection occurred during a heating period, these utilities  
14 believed, and I agreed, that the refund should also occur over a  
15 heating period. Since the Commission has indicated it anticipates  
16 concluding these sub dockets with an Order near the end of the  
17 calendar year, we are proposing to return the over-collection over  
18 the months of January through April 2019.

19  
20 **25. Q. WHAT IS THE METHOD OF REFUND THAT THE UTILITIES ARE**  
21 **PROPOSING FOR THIS OVER COLLECTION?**

22 A. We are proposing a temporary tracker mechanism with a  
23 reconciliation feature. We believe this is the best way to return the  
24 over collection to the actual customers who generated the excess

1 revenue for these seven small gas utilities. With that as the goal  
2 each utility has calculated a tracker based on the expected revenue  
3 for the first four months of 2019. However, even with NTA, there  
4 can be changes in consumption that will mean that the revenue is  
5 not properly returned to customers during that period. As a result,  
6 these utilities are proposing that a reconciliation be completed at  
7 the end of that period. The reconciliation for the four month period  
8 would be included with the work papers in the GCA filing that  
9 includes a reconciliation of April 2019. The difference between the  
10 total revenue over collected by the utilities and the amount of  
11 revenue returned by the utilities would be included in the schedule  
12 12 variances for the GCA.

13  
14 **26. Q. IS THERE ANY OTHER INFORMATION THAT YOU BELIEVE IS**  
15 **RELEVANT TO THIS CAUSE?**

16 A. Yes. There are a number of issues that I don't believe this sub  
17 docket has adequately addressed. Those include blended tax rates,  
18 the cost of these proceedings, the impact of the change in deferred  
19 taxes on the equity structure, and the impact of this proceeding on  
20 risk for these utilities.

21  
22 **27. Q. WHAT ARE YOUR CONCERNS RELATED TO BLENDED TAX**  
23 **RATES?**

1           A. Cause No. 45032 was started based on the tax rate change on  
2           January 1, 2018. There is an embedded assumption that every  
3           utility will only pay 21% on the revenue reflected in the tax return for  
4           tax year 2018. While I understand that assumption, it does not take  
5           into account non calendar year taxpayers. For any tax paying  
6           entity that has a non-calendar year end, their tax rate in 2018 will  
7           not be 21%. It will be a blended rate based on the number of  
8           months at each tax rate during their tax year. In calculating the  
9           refund on the over collection of revenue for the first four months of  
10          2018 and in calculating the change in deferred taxes, all of the  
11          utilities have used a 21% tax rate. However that means that the  
12          utilities not using a calendar tax year end will be returning to  
13          customers more than they should due to the requirement to pay  
14          taxes at a rate higher than 21% during their current tax year.

15  
16       **28. Q. WHAT ARE YOUR CONCERNS RELATED TO THE COSTS OF**  
17       **THIS PROCEEDING?**

18          A. This proceeding was created by the Commission and all of the  
19          small gas utilities were required to be Respondents in this  
20          proceeding. These regulatory proceedings come with a cost. The  
21          small natural gas utilities I am representing are requesting that the  
22          Commission allow them to defer the cost of this proceeding as a  
23          regulatory asset that can be reviewed and eventually recovered in  
24          their next full base rate case.

1  
2       **29.   Q.   WHAT ARE YOUR CONCERNS ABOUT THE IMPACT OF**  
3                   **DEFERRED TAXES ON THE CAPITAL STRUCTURE?**

4           A.   The IURC has asked these utilities to recalculate those deferred  
5                   taxes, and to the extent that they are lower, return the excess to  
6                   customers. Deferred taxes are included in the base rate capital  
7                   structure at a 0% cost. A high deferred tax value with a 0% cost  
8                   within the capital structure will result in a lower overall weighted  
9                   average cost of capital. If the deferred tax number is lowered the  
10                  weighted average cost of capital goes up and the authorized  
11                  earnings on the utility should be increased.

12  
13       **30.   Q.   WHAT ARE YOUR CONCERNS RELATED TO RISK TO THESE**  
14                   **UTILITIES AS A RESULT OF THIS PROCEEDING?**

15          A.   I believe risk for utility investors is created by uncertainty.  
16                  Historically, this Commission has indicated that it would not use  
17                  single issue ratemaking to change base rates. Further, after  
18                  requiring the small gas utilities to appear as Respondents in this  
19                  cause, and instructing each to file a Phase 1 tariff to implement the  
20                  effect of the Tax Cuts and Jobs Act, Switzerland County Natural  
21                  Gas' Phase 1 tariff was denied, apparently because it reflected an  
22                  increase. Since filings under Indiana Code 8-1-2-42 often reflect  
23                  increases, this denial underscores the uncertainty now created by  
24                  this proceeding.



1  
2           **31.   Q.    ARE YOU PRESENTING NEW TARIFFS IN THIS SUB DOCKET**  
3                   **CHANGES?**

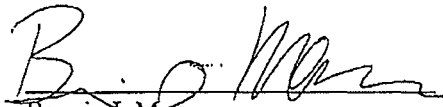
4           A.    No. The tariffs have already been adjusted for the change in the tax  
5                   rate. Therefore the only change will be to add the adjustment for  
6                   the refunding of the excess accumulated deferred federal income  
7                   taxes. The utilities anticipate making a compliance filing once an  
8                   Order in these sub dockets have been received.

9  
10  
11           **32.   Q.    DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

12           A.    Yes, it does.

**VERIFICATION**

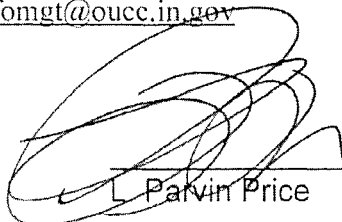
I affirm under the penalties of perjury that the foregoing is true to the best of my knowledge, information and belief as of the date here filed.

  
Bonnie J. Mann

## CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing has been served upon the following counsel of record electronically this 19th day of June, 2018:

Tiffany Murray  
Scott Franson  
Heather Poole  
Indiana Office of Utility Consumer Counselor  
115 West Washington, Suite 1500S  
Indianapolis, IN 46204  
[timurray@oucc.in.gov](mailto:timurray@oucc.in.gov)  
[sfranson@oucc.in.gov](mailto:sfranson@oucc.in.gov)  
[hpoole@oucc.in.gov](mailto:hpoole@oucc.in.gov)  
[infomgt@oucc.in.gov](mailto:infomgt@oucc.in.gov)



L. Parvin Price

**Community Natural Gas Corporation**

**EXHIBITS**

**CAUSE NO. 45032-S7**

Community Natural Gas Corporation

TABLE OF CONTENTS

Exhibit 1

Page 1	Deferred Tax Asset/Liability
Page 2	Accumulated Depreciation Book Balance @ 12/31/17
Page 3	Accumulated Depreciation Federal Tax Balance @ 12/31/17
Page 4	State Deferred Tax Estimate
Page 5	Accumulated Depreciation State Tax Balance @ 12/31/17
Page 6	Deferred Income Tax

Exhibit 2

Page 1	Average Rate Assumption Method ("ARAM")
Page 2	Depreciation Expense - Book
Page 3	Depreciation Expense - Federal
Page 4	Remaining Lives

Exhibit 3

Page 1	Refundable Excess Deferred Income Taxes Calculation
Page 2	Deferred Tax at 34%
Page 3	Deferred Tax at 21%

Exhibit 4

Page 1	Summary of Revenue Over Collection
Page 2	Calculation of Revenue Refund Tracker
Page 3 -6	Monthly Revenue Over Collection

Community Natural Gas Corporation  
Deferred Tax Asset/Liability

<u>Line</u>		<u>After Tax Act</u>	<u>Prior to Tax Act</u>
1	Net Book Value, Exhibit 1 Page 2	12,145,800	12,145,800
2	Plant Costs per Federal Depr Report, Exhibit 1 Page 4	5,091,525	5,091,525
3	Other Adjustments (Exhibit 1 Page 6):		
4	Allowance for Doubtful Accounts	30,000	30,000
5	Difference in NBV ((Sum Line 2 - 7) - Line 1))	(7,024,275)	(7,024,275)
6	State Deferred Tax Estimate, Exhibit 1 Page 9	(214,184)	(214,184)
7	NBV less State Deferred Tax Estimate (Line 8 - Line 9)	(6,810,091)	(6,810,091)
8	Tax Rate	21.0%	34.0%
9	Current Period Deferred (Line 10 * Line 11)	(1,430,119)	(2,315,431)
10	Deferred Tax under old rate (acc 282)	(2,315,431)	
11	Deferred Tax under new rate (Line 12)	(1,430,119)	
12	Reg Liability (acc 253.050) (Line 15 - Line 16)	(885,312)	
Unprotected Accumulated Deferred Income Tax ("ADIT")			
		<u>After Tax Act</u>	<u>Prior to Tax Act</u>
13	Allowance for Doubtful Accounts	30,000	30,000
14		30,000	30,000
15	Tax Rate	21.0%	34.0%
16	Unprotected ADIT	6,300	10,200
17	Unprotected ADIT After Tax Act	6,300	
18	Unprotected ADIT Prior to Tax Act	10,200	
19		(3,900)	
20	State Deferred Tax Estimate (Exhibit 1 Page 4)	(214,184)	
21	Change in tax rates (34% - 21%)	13.0%	
22		(27,844)	
23	Total Unprotected excess ADIT (Line 23 + Line 26)	(31,744)	

Community Natural Gas Corporation  
Book Depreciation Report  
December 31, 2017

MONTHLY ABBREVIATED DEPRECIATION REPORT  
Community Natural Gas - Sep. 30, 2018

Assets: 347 of 347 included  
Include: All Assets  
Method: BOOK - Std Conventions Applied

Sort #1: Group.....

Date Acq	Date Sold	Description	Meth/Life	Cost	Thru Dec '17	To Date	Net Book Val
Group.....: 0070 - COMMUNICATION EQUIPMENT							
03/01/94		Radio Shack Pro-48 Scanner	SLMM / 5	274.20	0.00	274.20	0.00
03/01/95		Radio	SLMM / 5	1,315.38	0.00	1,315.38	0.00
04/09/95		Radio Shack Scanner	SLMM / 5	170.22	0.00	170.22	0.00
07/31/95		Cellular Phone	SLMM / 5	31.45	0.00	31.45	0.00
09/30/95		Data Radio Base	SLMM / 5	1,849.00	0.00	1,849.00	0.00
09/30/95		Spencer Radio Base	SLMM / 5	1,013.14	0.00	1,013.14	0.00
11/30/95		Pro-27 Scanner	SLMM / 5	160.08	0.00	160.08	0.00
12/31/95		Pro-27 Scanner	SLMM / 5	142.73	0.00	142.73	0.00
04/24/96		Radio 187746	SLMM / 5	1,588.44	0.00	1,588.44	0.00
04/24/96		Radio 158323	SLMM / 5	1,588.44	0.00	1,588.44	0.00
05/01/96		Pro-48 Scanner	SLMM / 5	167.97	0.00	167.97	0.00
05/21/96		Radio 83298	SLMM / 5	1,098.90	0.00	1,098.90	0.00
05/31/97		Pro 51 Scanner	SLMM / 5	218.38	0.00	218.38	0.00
08/31/97		FTL 1011H Radio	SLMM / 5	1,114.85	0.00	1,114.85	0.00
10/31/99		Vortex Radio (15825)	SLMM / 5	1,188.75	0.00	1,188.75	0.00
03/31/01		Radio	SLMM / 5	1,045.80	0.00	1,045.80	0.00
03/31/01		Radio	SLMM / 5	1,060.36	0.00	1,060.36	0.00
11/14/07		Vortex 110 Radio	SLMM / 5	786.68	0.00	786.68	0.00
07/13/09		Avery Phone System	SLMM / 5	1,838.32	0.00	1,838.32	0.00
Group..... totals: 0070 - COMMUNICATION EQUIPMENT ( 34 assets )				25,384.76	0.00	25,384.76	0.00
Group.....: 0080 - CIP							
09/30/17		CIP Utility Plant in Service - Patricksburg	SLMM / 33.33	491,867.29	0.00	0.00	491,867.29
09/30/17		CIP Utility Plant in Service - Jordan Village	SLMM / 33.33	187,778.22	0.00	0.00	187,778.22
Group..... totals: 0080 - CIP ( 2 assets )				679,645.51	0.00	0.00	679,645.51
Group.....: 0090 - LAND & ORG. COSTS							
01/01/73		ORGANIZATIONAL COSTS	NONE / 10	17,090.24	0.00	0.00	17,090.24
01/01/73		FRANCHISE CONSENTS	NONE / 10	33,108.22	0.00	3,738.71	29,370.51
01/01/73		LAND & LAND RIGHTS-TRANS	NONE / 10	10,305.18	0.00	0.00	10,305.18
Group..... totals: 0090 - LAND & ORG. COSTS ( 3 assets )				60,503.64	0.00	3,738.71	56,764.93
Grand Totals: ( 347 assets )				21,172,789.22	196,738.14	9,026,988.85	12,145,800.37

Totals for Cost, "To Date", and NBV do not include disposed assets if date sold is before the current period.

F/A		A/D	
9/30/17	20,688,748.20	9/30/17	8,883,837.71
Fy18 Additions	537,628.02	Deprec. thru 12/31	196,738.14
Nov 17 Disposals	(53,587.00)	Nov 17 disposals	(53,587.00)
12/31/17	21,172,789.22	12/31/17	9,026,988.85

Community Natural Gas Corporation  
Accumulated Depreciation Federal Tax Balance @ 12/31/17

MONTHLY ABBREVIATED DEPRECIATION REPORT  
Community Natural Gas - Sep. 30, 2018

Assets: 347 of 347 Included  
Include: All Assets  
Method: TAX - Std Conventions Applied

Sort #1: Group.....

Date Acq	Date Sold	Description	Method	Cost	Thru Dec '17	To Date	Net Book Val
Group.....: 0070 - COMMUNICATION EQUIPMENT							
03/01/94		Radio Shack Pro-40 Scanner	MA200 / 5	274.20	0.00	274.20	0.00
03/31/95		Radio	MA200 / 7	1,315.35	0.00	1,315.35	0.00
04/02/95		Radio Shack Scanner	MA200 / 7	170.22	0.00	170.22	0.00
07/31/95		Cellular Phone	MA200 / 7	31.45	0.00	31.45	0.00
09/30/95		Dale Radio Base	MA200 / 7	1,849.00	0.00	1,849.00	0.00
09/30/95		Spencer Radio Base	MA200 / 7	1,513.14	0.00	1,513.14	0.00
11/30/95		Pro-27 Scanner	MA200 / 7	150.08	0.00	150.08	0.00
12/31/95		Pro-27 Scanner	MA200 / 7	142.73	0.00	142.73	0.00
04/24/96		Radio 157745	MA200 / 5	1,555.44	0.00	1,555.44	0.00
04/24/96		Radio 158323	MA200 / 5	1,555.44	0.00	1,555.44	0.00
05/01/98		Pro-40 Scanner	MA200 / 5	107.97	0.00	107.97	0.00
06/21/98		Radio 63296	MA200 / 5	1,093.90	0.00	1,093.90	0.00
06/21/97		Pro 51 Scanner	MA200 / 5	218.38	0.00	218.38	0.00
08/31/97		RTL 1011H Radio	MA200 / 5	1,114.65	0.00	1,114.65	0.00
10/31/99		Vertex Radio (15525)	MA200 / 7	1,188.75	0.00	1,188.75	0.00
03/31/01		Radio	MA200 / 7	1,048.50	0.00	1,048.50	0.00
03/31/01		Radio	MA200 / 7	1,060.38	0.00	1,060.38	0.00
11/14/07		Veritas 110 Radio	MA200 / 7	795.88	0.00	795.88	0.00
07/13/08		Avers Phone System	MA200 / 7	1,038.33	0.00	1,038.33	0.00
Group..... totals: 0070 - COMMUNICATION EQUIPMENT ( 34 assets )				25,394.75	0.00	25,394.75	0.00
Group.....: 0080 - CIP							
09/30/17		CIP Utility Plant in Service - Pritchardburg	MA150 / 10	491,657.29	0.00	0.00	491,657.29
09/30/17		CIP Utility Plant in Service - Jordan Village	MA150 / 15	187,778.22	0.00	0.00	187,778.22
Group..... totals: 0080 - CIP ( 2 assets )				679,435.51	0.00	0.00	679,435.51
Group.....: 0090 - LAND & ORG. COSTS							
01/01/73		ORGANIZATIONAL COSTS	NONE / 0	17,090.24	0.00	0.00	17,090.24
01/01/73		FRANCHISE CONSENTS	NONE / 0	33,109.22	0.00	0.00	33,109.22
01/01/73		LAND & LAND RIGHTS-TRANS	NONE / 0	10,305.19	0.00	0.00	10,305.19
Group..... totals: 0090 - LAND & ORG. COSTS ( 3 assets )				60,504.65	0.00	0.00	60,504.65
Grand Totals: ( 347 assets )				21,172,789.22	187,613.74	18,091,254.00	8,091,526.22

Totals for Cost, 'To Date', and NBV do not include disposed assets if date sold is before the current period.

Exhibit 1 Page 1



Indiana Utilities Corporation  
State Deferred Tax Estimate

<u>Line</u>		<u>State</u>
1	Net Book Value, Exhibit 1 Page 1	12,145,800
2	State Net Asset Value, Exhibit 1 Page 5	8,546,065
3	Other Adjustments:	
4	Allowance for Doubtful Accounts	30,000
5	Difference in NBV ((Sum Line 2 - 7) - Line 1))	(3,569,735)
6	Tax rate	6.0%
7	State Deferred Tax Estimate (Line 9 * Line 8)	<u>(214,184)</u>

Community Natural Gas Corporation  
Accumulated Depreciation State Tax Balance @ 12/31/17

MONTHLY ABBREVIATED DEPRECIATION REPORT  
Community Natural Gas - Sep. 30, 2018

Assets: 347 of 347 included  
Include: All Assets  
Method: STATE - Std Conventions Applied

Sort #1: Group.....

Date Acq	Date Sold	Description	Method	Cost	Thru Dec '17	To Date	Net Book Val
Group.....: 0070 - COMMUNICATION EQUIPMENT							
03/01/04		Radio Shack Pro-46 Scanner	MA200 / 5	274.20	0.00	274.20	0.00
03/01/04		Radio	MA200 / 7	1,315.33	0.00	1,315.33	0.00
04/20/05		Radio Shack Scanner	MA200 / 7	170.22	0.00	170.22	0.00
07/01/06		Cellular Phone	MA200 / 7	31.45	0.00	31.45	0.00
09/20/05		Dale Radio Base	MA200 / 7	1,645.00	0.00	1,645.00	0.00
09/20/05		Spencer Radio Base	MA200 / 7	1,613.14	0.00	1,613.14	0.00
11/20/05		Pro-27 Scanner	MA200 / 7	150.00	0.00	150.00	0.00
12/01/05		Pro-27 Scanner	MA200 / 7	142.73	0.00	142.73	0.00
04/24/06		Radio 167745	MA200 / 5	1,589.44	0.00	1,589.44	0.00
04/24/06		Radio 158323	MA200 / 5	1,589.44	0.00	1,589.44	0.00
08/01/06		Pro-46 Scanner	MA200 / 5	187.97	0.00	187.97	0.00
05/21/06		Radio C2290	MA200 / 5	1,008.90	0.00	1,008.90	0.00
05/21/07		Pro 51 Scanner	MA200 / 5	218.33	0.00	218.33	0.00
06/21/07		FTL 1011H Radio	MA200 / 5	1,114.65	0.00	1,114.65	0.00
10/21/09		Vertex Radio (16625)	MA200 / 7	1,168.75	0.00	1,168.75	0.00
03/21/01		Radio	MA200 / 7	1,045.50	0.00	1,045.50	0.00
03/21/01		Radio	MA200 / 7	1,060.38	0.00	1,060.38	0.00
11/14/07		Vertex 110 Radio	MA200 / 7	794.88	0.00	794.88	0.00
07/13/03		Auriga Phone System	MA200 / 7	1,638.32	0.00	1,638.32	0.00
Group..... totals: 0070 - COMMUNICATION EQUIPMENT ( 84 assets )				25,394.75	0.00	25,394.75	0.00
Group.....: 0080 - CIP							
06/20/17		CIP Utility Plant In Service - Petricksburg	MA150 / 15	401,867.39	0.00	0.00	401,867.39
09/30/17		CIP Utility Plant In Service - Jordan Village	MA150 / 15	187,778.22	0.00	0.00	187,778.22
Group..... totals: 0080 - CIP ( 2 assets )				589,645.61	0.00	0.00	589,645.61
Group.....: 0090 - LAND & ORG. COSTS							
01/01/73		ORGANIZATIONAL COSTS	NONE / 0	17,090.24	0.00	0.00	17,090.24
01/01/73		FRANCHISE CONSENTS	NONE / 0	33,109.22	0.00	0.00	33,109.22
01/01/73		LAND & LAND RIGHTS-TRANS	NONE / 0	10,305.19	0.00	0.00	10,305.19
Group..... totals: 0090 - LAND & ORG. COSTS ( 3 assets )				60,504.65	0.00	0.00	60,504.65
Grand Totals: ( 347 assets )				211,772,759.22	212,201.15	12,929,724.15	8,646,065.10

Totals for Cost, To Date, and NBV do not include disposed assets if data sold is before the current period.

Community Natural Gas Corporation  
Deferred Tax Analysis

Line		12/31/2017	Federal	State
	<u>Calculation of Deferred Tax Liabilities:</u>			
	(Future) Taxable Differences:			
1	Net Book Value Fixed Assets - Book	12,145,800		
2	Net Book Value Fixed Assets - Fed Tax	5,091,525		
3	Net Book Value Fixed Assets - State Tax	8,546,065		
4	Future State Tax Deduction of Deferred Liability	215,984		
5	Difference	6,838,291	6,838,291	3,599,735
6	Adjusted Future Taxable Income	6,838,291	6,838,291	3,599,735
7	Expected Tax Rates		21.0%	6.0%
8	Deferred Tax Liability	1,652,025	1,436,041	215,984
	<u>Calculation of Deferred Tax Assets:</u>			
	(Future) Deductible Differences:			
9	Allowance for Doubtful Accounts	(30,000)	(30,000)	(30,000)
10				
11	Expected Tax Rates		21.0%	6.0%
12	Deferred Tax Asset	(8,100)	(6,300)	(1,800)
13	Net Deferred Taxes	1,643,925	1,429,741	214,184

Community Natural Gas Corporation  
Average Rate Assumption Method ("ARAM")  
December 31, 2017

Line	Account	Book NBV	Federal NAV	Diff	34%	21%	Difference	Ave. Life	Amortization
1	Utility Plant in Service	9,895,884	3,039,175	6,856,709	2,331,281	1,439,909	891,372	19	46,914.32
2	Power Op Equip	429,095	275,239	153,856	52,311	32,310	20,001	4	5,000.33
3	Small Tools	66,888	53,697	13,191	4,485	2,770	1,715	4	428.71
4	Office Furniture	6,645	2,970	3,674	1,249	772	478	2	238.82
5	Transportation	374,156	229,262	144,894	49,264	30,428	18,836	3	6,278.74
6	Building	543,359	657,670	(114,310)	(38,866)	(24,005)	(14,860)	12	(1,238.36)
7	Land	93,361	93,361	-	-	-	-	-	-
8	Communication Equip	-	-	-	-	-	-	-	-
9	CIP	679,647	679,647	-	-	-	-	-	-
10	Land & Orig Costs	56,766	60,505	(3,739)	(1,271)	(785)	(486)	-	-
11		12,145,800	5,091,525	7,054,275	2,398,454	1,481,398	917,056		57,622.56
12		(Exhibit 2 Page 2)	(Exhibit 2 Page 3)						15.91

Community Natural Gas Corporation  
Calculation of Net Book Value  
December 31, 2017

<u>Line</u>		<u>Cost Basis</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
1	Utility Plant in Service	\$ 17,569,041	\$ 7,673,157	\$ 9,895,884
2	Power Op Equip	\$ 728,361	\$ 299,265	\$ 429,095
3	Small Tools	\$ 238,080	\$ 171,192	\$ 66,888
4	Office Furniture	\$ 187,523	\$ 180,879	\$ 6,645
5	Transportation	\$ 719,418	\$ 345,262	\$ 374,156
6	Building	\$ 871,460	\$ 328,101	\$ 543,359
7	Land	\$ 93,361	\$ -	\$ 93,361
8	Communication Equip	\$ 25,395	\$ 25,395	\$ -
9	CIP	\$ 679,647	\$ -	\$ 679,647
10	Land & Org Costs	\$ 60,505	\$ 3,739	\$ 56,766
11		<u>\$ 21,172,789</u>	<u>\$ 9,026,989</u>	<u>\$ 12,145,800</u>

Cost and accumulated depreciation amounts match book depreciation reports at 12/31/17.

Community Natural Gas Corporation  
Calculation of Net Asset Value  
December 31, 2017

<u>Line</u>		<u>Cost Basis</u>	<u>Accumulated Depreciation</u>	<u>Net Asset Value</u>
1	Utility Plant in Service	\$ 17,569,041	\$ 14,529,866	\$ 3,039,175
2	Power Op Equip	\$ 728,361	\$ 453,121	\$ 275,239
3	Small Tools	\$ 238,080	\$ 184,383	\$ 53,697
4	Office Furniture	\$ 187,523	\$ 184,553	\$ 2,970
5	Transportation	\$ 719,418	\$ 490,156	\$ 229,262
6	Building	\$ 871,460	\$ 213,790	\$ 657,670
7	Land	\$ 93,361	\$ -	\$ 93,361
8	Communication Equip	\$ 25,395	\$ 25,395	\$ -
9	CIP	\$ 679,647	\$ -	\$ 679,647
10	Land & Org Costs	\$ 60,505	\$ -	\$ 60,505
11		<u>\$ 21,172,789</u>	<u>\$ 16,081,264</u>	<u>\$ 5,091,525</u>

Cost and accumulated depreciation amounts match federal depreciation reports at 12/31/17.

EXHIBIT 2  
CAUSE NO. 45032-S7  
PAGE 4

Community Natural Gas Corporation  
Remaining Useful Lives  
December 31, 2017

<u>Line</u>		<u>Average Remaining Lives</u>
1	Utility Plant in Service	19
2	Power Op Equip	4
3	Small Tools	4
4	Office Furniture	2
5	Transportation	3
6	Building	12
7	Land	0
8	Communication Equip	0
9	CIP	0
10	Land & Org Costs	0

Community Natural Gas Corporation  
Refundable Excess Deferred Income Taxes Calculation  
As of September 30, 2015

<u>Line</u>		
1	Accumulated Federal Deferred Income Taxes at 34%	(1,943,833)
2	Accumulated Federal Deferred Income Taxes at 21%	<u>(1,200,603)</u>
3	Excess Accumulated Federal Deferred Income Taxes as of 9/30/2011	<u><u>(743,230)</u></u>



Community Natural Gas Corporation  
Deferred Tax Analysis  
September 30, 2015

<u>Line</u>		<u>9/30/2015</u>	<u>Federal</u>	<u>State</u>
	<u>Calculation of Deferred Tax Liabilities:</u>			
	(Future) Taxable Differences:			
1	Net Book Value Fixed Assets - Book	9,361,387		
2	Net Book Value Fixed Assets - Fed Tax	3,415,336		
3	Net Book Value Fixed Assets - State Tax	5,839,905		
4	Future State Tax Deduction of Deferred Liability	228,896		
5	Difference	<u>5,717,155</u>	<u>5,717,155</u>	<u>3,521,482</u>
6	Adjusted Future Taxable Income	<u>5,717,155</u>	<u>5,717,155</u>	<u>3,521,482</u>
7	Expected Tax Rates		<u>34.0%</u>	<u>6.5%</u>
8	Deferred Tax Liability	<u>2,172,729</u>	<u>1,943,833</u>	<u>228,896</u>
	<u>Calculation of Deferred Tax Assets:</u>			
9	(Future) Deductible Differences:			
10	Allowance for Doubtful Accounts	(30,000)	(30,000)	(30,000)
11	Expected Tax Rates		<u>34.0%</u>	<u>6.5%</u>
12	Deferred Tax Asset	<u>(12,150)</u>	<u>(10,200)</u>	<u>(1,950)</u>
13	Net Deferred Taxes	<u>2,160,579</u>	<u>1,933,633</u>	<u>226,946</u>
14	Protected Items		1,943,833	
15	Unprotected Items			
16	Allowance for Doubtful Accounts (short term)		<u>-</u>	
17	Total Accumulated Federal Deferred Income Taxes		<u>1,943,833</u>	

Community Natural Gas Corporation  
Deferred Tax Analysis  
September 30, 2015

<u>Line</u>		<u>9/30/2015</u>	<u>Federal</u>	<u>State</u>
	<u>Calculation of Deferred Tax Liabilities:</u>			
	(Future) Taxable Differences:			
1	Net Book Value Fixed Assets - Book	9,361,387		
2	Net Book Value Fixed Assets - Fed Tax	3,415,336		
3	Net Book Value Fixed Assets - State Tax	5,839,905		
4	Future State Tax Deduction of Deferred Liability	228,896		
5	Difference	<u>5,717,155</u>	<u>5,717,155</u>	<u>3,521,482</u>
6	Adjusted Future Taxable Income	<u>5,717,155</u>	<u>5,717,155</u>	<u>3,521,482</u>
7	Expected Tax Rates		<u>21.0%</u>	<u>6.5%</u>
8	Deferred Tax Liability	<u>1,429,499</u>	<u>1,200,603</u>	<u>228,896</u>
	<u>Calculation of Deferred Tax Assets:</u>			
9	(Future) Deductible Differences:			
10	Allowance for Doubtful Accounts	(30,000)	(30,000)	(30,000)
11	Expected Tax Rates		<u>21.0%</u>	<u>6.5%</u>
12	Deferred Tax Asset	<u>(8,250)</u>	<u>(6,300)</u>	<u>(1,950)</u>
13	Net Deferred Taxes	<u>1,421,249</u>	<u>1,194,303</u>	<u>226,946</u>
14	Protected Items		1,200,603	
15	Unprotected Items			
16	Allowance for Doubtful Accounts (short term)		<u>-</u>	
17	Total Accumulated Federal Deferred Income Taxes		<u>1,200,603</u>	

Blocks	Customer Count	Step-Rate Therms	Adjustments	Fixed C Therms	Redistribution	Step Therms Final	Pre-TA/CA Rates	Post-TA/CA Rates	Rate Difference	Over Collection	NTA Therms	NTA Rate Diff	NTA Rate Difference	Net Overcollection
Residential														
1 - 100	14,541	1,961,127	-	1,961,127	-	1,961,127	0.44948	0.41032	0.03916	76,797.73				
> 100	11,057	727,503	-	727,503	-	727,503	0.30027	0.27411	0.02616	19,031.48				
	<u>25,598</u>	<u>2,688,630</u>	<u>-</u>	<u>2,688,630</u>	<u>-</u>	<u>2,688,630</u>				<u>95,829.21</u>	(57,522)	0.02616	(1,504.78)	94,324.43
General														
1 - 100	1,034	262,758	-	262,758	-	262,758	0.29281	0.27012	0.02269	5,961.98				
> 100	2,150	1,223,273	-	1,223,273	-	1,223,273	0.23012	0.21228	0.01784	21,823.19				
	<u>3,184</u>	<u>1,486,031</u>	<u>-</u>	<u>1,486,031</u>	<u>-</u>	<u>1,486,031</u>				<u>27,785.17</u>	(17,826)	0.01784	(318.02)	27,467.15
Industrial														
All	39	318,301	-	318,301	-	318,301	0.22358	0.21024	0.01334	4,246.14				
	<u>39</u>	<u>318,301</u>	<u>-</u>	<u>318,301</u>	<u>-</u>	<u>318,301</u>				<u>4,246.14</u>				4,246.14
Large Volume														
1 - 50,000	4	200,000	-	200,000	-	200,000	0.17495	0.16429	0.01066	2,132.00				
> 50,000	-	134,231	-	134,231	-	134,231	0.14306	0.13434	0.00872	1,170.49				
	<u>4</u>	<u>334,231</u>	<u>-</u>	<u>334,231</u>	<u>-</u>	<u>334,231</u>				<u>3,302.49</u>	(5,601)	0.00872	(48.84)	3,253.65
HVIL/Ind														
1 - 90,000	4	280,256	-	280,256	-	280,256	0.11800	0.1106	0.00740	2,073.89				
> 90,000	-	-	-	-	-	-	0.15000	0.04686	0.00314	-				
	<u>4</u>	<u>280,256</u>	<u>-</u>	<u>280,256</u>	<u>-</u>	<u>280,256</u>				<u>2,073.89</u>				2,073.89
				<u>5,107,449</u>	<u>-</u>	<u>5,107,449</u>				<u>133,237</u>	(80,949)		(1,872)	131,365.26

Community Natural Gas  
Determination of Refund Credit Tracker

EXHIBIT 4  
CAUSE NO. 45032-S7  
PAGE 2

	Metered	NTA	Weather		Tariff	Tariff	Tariff	Tariff	Tariff
	Volume	Volume	Adjusted	%	Residential	General	Large Volume	Industrial	LVHLLF
January									
Residential	1,043,736	(64,832)	978,904	53.37%	858,797				
General Service	576,539	(26,762)	549,777	29.98%		482,322			
Large Volume	119,264	(4,728)	114,536	6.25%			100,483		
Industrial	120,040	-	120,040	6.55%				105,312	
HVHLLF Ind	70,769	-	70,769	3.86%					62086
Total GCA	1,930,348	(96,322)	1,834,026	100.00%					
February									
Residential	664,171	166,161	830,332	54.95%	762,147				
General Service	368,797	74,823	443,620	29.36%		407,191			
Large Volume	78,721	16,249	94,970	6.28%			87,171		
Industrial	79,476	-	79,476	5.26%				72,950	
HVHLLF Ind	62,689	-	62,689	4.15%					57541
Total GCA	1,253,854	257,233	1,511,087	100.00%					
March									
Residential	566,517	(57,326)	509,191	50.75%	467,389				
General Service	308,770	(24,885)	283,885	28.29%		260,580			
Large Volume	81,175	(6,816)	74,359	7.41%			68,255		
Industrial	68,695	-	68,695	6.85%				63,056	
HVHLLF Ind	67,241	-	67,241	6.70%					61721
Total GCA	1,092,398	(89,027)	1,003,371	100.00%					
April									
Residential	414,206	(101,525)	312,681	46.12%	233,352				
General Service	231,925	(41,002)	190,923	28.16%		142,485			
Large Volume	55,071	(10,306)	44,765	6.60%			33,408		
Industrial	50,090	-	50,090	7.39%				37,382	
HVHLLF Ind	79,557	-	79,557	11.73%					59373
Total GCA	830,849	(152,833)	678,016	100.00%					
Estimated Tariff Sales January - April, 2019					4,423,000	2,321,685	1,292,578	289,317	278,700
								240,721	
Refund Due Customers					\$ 131,365.26	\$ 94,324.43	\$ 27,467.15	\$ 3,253.65	\$ 4,246.14
								\$ 2,073.89	
Refund Tracker Per Therm					\$ 0.0406	\$ 0.0212	\$ 0.0112	\$ 0.0152	\$ 0.0086

Blocks	Customer Count	Step-Rate Therms	Adjustment	Therms	Subsidiary	Step Therms Final	Pre-TAJCA Rates	Post-TAJCA Rates	Rate Difference	Over Collection	NTA Therms	NTA Rate Diff	NTA Rate Difference	Net Overcollection
Residential	-													
1 - 100	1,380	583,708		583,708	-	583,708	0.44948	0.41032	0.03916	22,858.01				
> 100	4,999	460,028		460,028	-	460,028	0.30027	0.27411	0.02616	12,034.33				
	6,379	1,043,736	-	1,043,736	-	1,043,736				34,892.34	(64,832)	0.02616	(1,696.01)	33,196.33
General	0	-												
1 - 100	122	72,647		72,647	-	72,647	0.29281	0.27012	0.02269	1,648.36				
> 100	675	503,892		503,892	-	503,892	0.23012	0.21228	0.01784	8,989.43				
	797	576,539	-	576,539	-	576,539				10,637.79	(26,762)	0.01784	(477.43)	10,160.36
Industrial	-													
AD	10	120,040		120,040	-	120,040	0.22358	0.21024	0.01334	1,601.33				
	10	120,040	-	120,040	-	120,040				1,601.33				1,601.33
Large Volume	-													
1 - 50,000	1	50,000		50,000	-	50,000	0.17495	0.16429	0.01066	533.00				
	-	69,264		69,264	-	69,264	0.14306	0.13434	0.00872	603.98				
	1	119,264	-	119,264	-	119,264				1,136.98	(4,728)	0.00872	(41.23)	1,095.75
HVHLF In	0													
1 - 90,000	1	70,769		70,769	-	70,769	0.11800	0.1106	0.00740	523.69				
> 90,000	-	-		-	-	-	0.05000	0.04686	0.00314	-				
	1	70,769	-	70,769	-	70,769				523.69				523.69
				1,930,348	-	1,930,348				48,792	(96,322)		(2,215)	46,577.46

	Blocks	Customer Count	Step-Rate Therms	Adjustments	Therms	Redistribution	Step Therms Final	Pre-TAICA Rates	Post-TAICA Rates	Rate Difference	Over Collection	NTA Therms	NTA Rate Diff	NTA Rate Difference	Net Overcollection
Residential		-													
	1 - 100	3,396	516,203		516,203	-	516,203	0.44948	0.41032	0.03916	20,214.51				
	> 100	3,002	147,968		147,968	-	147,968	0.30027	0.27411	0.02616	3,870.84				
		6,398	664,171	-	664,171	-	664,171				24,085.35	166,161	0.02616	4,346.77	28,432.12
General		-													
	0	-													
	1 - 100	214	68,147		68,147	-	68,147	0.29281	0.27012	0.02269	1,546.26				
	> 100	583	300,650		300,650	-	300,650	0.23012	0.21228	0.01784	5,363.60				
		797	368,797	-	368,797	-	368,797				6,909.86	74,823	0.01784	1,334.84	8,244.70
Industrial		-													
	All	10	79,476		79,476	-	79,476	0.22358	0.21024	0.01334	1,060.21				
		10	79,476	-	79,476	-	79,476				1,060.21				1,060.21
Large Volume		-													
	1 - 50,000	1	50,000		50,000	-	50,000	0.17495	0.16429	0.01066	533.00				
	> 50,000	-	28,721		28,721	-	28,721	0.14306	0.13434	0.00872	250.45				
		1	78,721	-	78,721	-	78,721				783.45	16,249	0.00872	141.69	925.14
HVHLF In		-													
	0	-													
	1 - 90,000	1	62,689		62,689	-	62,689	0.11800	0.1106	0.00740	463.90				
	> 90,000	-	-		-	-	-	0.05000	0.04686	0.00314	-				
		1	62,689	-	62,689	-	62,689				463.90				463.90
					1,253,854	-	1,253,854				33,303	257,233		5,823	39,126.07

Blocks	Customer Count	Step-Rate Therms	Adjustments	Therms	Redistribution	Step Therms Final	Pre-TAJCA Rates	Post-TAJCA Rates	Rate Difference	Over Collection	NTA Therms	NTA Rate Diff	NTA Rate Difference	Net Overcollection
Residential	-													
1 - 100	4,268	477,681		477,681	-	477,681	0.44948	0.41032	0.03916	18,705.99				
> 100	2,148	88,836		88,836	-	88,836	0.30927	0.27411	0.02616	2,323.95				
	6,416	566,517	-	566,517	-	566,517				21,029.94	(57,326)	0.02616	(1,499.65)	19,530.29
General	0													
1 - 100	284	64,553		64,553	-	64,553	0.29281	0.27012	0.02269	1,464.71				
> 100	509	244,217		244,217	-	244,217	0.23012	0.21228	0.01784	4,356.83				
	793	308,770	-	308,770	-	308,770				5,821.54	(24,885)	0.01784	(443.95)	5,377.59
Industrial	-													
All	10	68,695		68,695	-	68,695	0.22358	0.21024	0.01334	916.39				
	10	68,695	-	68,695	-	68,695				916.39				916.39
Large Volume	-													
1 - 50,000	1	50,000		50,000	-	50,000	0.17495	0.16429	0.01066	533.00				
> 50,000	-	31,175		31,175	-	31,175	0.14306	0.13434	0.00872	271.85				
	1	81,175	-	81,175	-	81,175				804.85	(6,816)	0.00872	(59.44)	745.41
HVHLF In	0													
1 - 90,000	1	67,241		67,241	-	67,241	0.11800	0.1106	0.00740	497.58				
> 90,000	-	-		-	-	-	0.05000	0.04686	0.00314	-				
	1	67,241	-	67,241	-	67,241				497.58				497.58
				1,092,398	-	1,092,398				29,070	(89,027)		(2,003)	27,067.26

	Blocks	Customer Count	Step-Rate Therms	Adjustments	Therms	Redistribution	Step Therms Final	Pre-TAJCA Rates	Post-TAJCA Rates	Rate Difference	Over Collection	NTA Therms	NTA Rate Diff	NTA Rate Difference	Net Overcollection
<b>Residential</b>															
	1 - 100	5,497	383,535		383,535	-	383,535	0.44948	0.41032	0.03916	15,019.23				
	> 100	908	30,671		30,671	-	30,671	0.30027	0.27411	0.02616	802.35				
		6,405	414,206	-	414,206	-	414,206				15,821.58	(101,525)	0.02616	(2,655.89)	13,165.69
<b>General</b>															
	0	-	-		-	-	-				-				
	1 - 100	414	57,411		57,411	-	57,411	0.29281	0.27012	0.02269	1,302.66				
	> 100	383	174,514		174,514	-	174,514	0.23011	0.21228	0.01784	3,113.33				
		797	231,925	-	231,925	-	231,925				4,415.99	(41,002)	0.01784	(731.48)	3,684.51
<b>Industrial</b>															
	All	9	50,090		50,090	-	50,090	0.22358	0.21024	0.01334	668.20				
		9	50,090	-	50,090	-	50,090				668.20				668.20
<b>Large Volume</b>															
	1 - 50,000	1	50,000		50,000	-	50,000	0.17495	0.16429	0.01066	523.00				
	> 50,000	-	5,071		5,071	-	5,071	0.14306	0.13134	0.01172	44.22				
		1	55,071	-	55,071	-	55,071				577.22	(10,306)	0.00872	(89.87)	487.35
<b>IVTBLF la</b>															
	0	-	-		-	-	-				-				
	1 - 90,000	1	79,557		79,557	-	79,557	0.11800	0.1106	0.00740	588.72				
	> 90,000	-	-		-	-	-	0.02000	0.04686	0.00314	-				
		1	79,557	-	79,557	-	79,557				588.72				588.72
					830,849	-	830,849				22,072	(152,833)		(3,477)	18,594.47