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STATE OF ALASKA

THE REGULATORY COMMISSION OF ALASKA

Before Commissioners:

Robert M. Pickett, Chairman  
Stephen McAlpine  
Rebecca L. Pauli  
Norman Rokeberg  
Janis W. Wilson

In the Matter of the Tariff Revision Designated )  
as TA285-4 Filed by ENSTAR NATURAL GAS ) U-16-066  
COMPANY, A DIVISION OF SEMCO )  
ENERGY, INC. )  
\_\_\_\_\_ )

**ENSTAR NATURAL GAS COMPANY'S RESPONSE TO THE OFFICE OF  
THE ATTORNEY GENERAL'S FIRST SET OF DISCOVERY REQUESTS ON  
ENSTAR'S REPLY TESTIMONY (AG-ENSTAR-R1)**

Pursuant to 3 AAC 48.155 and 3 AAC 48.141-145, ENSTAR Natural Gas Company ("ENSTAR") hereby provides its response to the Attorney General's First Set of Discovery Requests on ENSTAR's Reply Testimony ("AG-ENSTAR-R1"), as follows:

**PRELIMINARY STATEMENT**

Discovery in this docket is not complete. As discovery proceeds, facts, information, evidence, documents, and other matters may be discovered which are not set forth in these responses, but which may be responsive to these discovery requests. The following responses are complete based on ENSTAR's current knowledge, information, and belief. Furthermore, these responses were prepared based on

U-16-066 – ENSTAR's Response to AG's First Discovery Requests on ENSTAR's Reply Testimony  
May 8, 2017  
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Date: 6-6-17 Exh # H-8  
Regulatory Commission of Alaska  
U-16-066 By: APS  
Northern Lights Realtime & Reporting, Inc.  
(907) 337-2221

1 ENSTAR's good faith interpretation of the discovery requests and are subject to  
2 correction for inadvertent errors or omissions, if any.

### 3 GENERAL OBJECTIONS

4 1. ENSTAR objects to requests for documents relating to confidential  
5 settlement negotiations. Any and all answers ENSTAR provides in response to these  
6 data requests will be provided subject to, and without waiving, this objection.  
7

8 2. ENSTAR objects to the production of documents, calculations, and  
9 analyses that do not exist. A document is not within a party's "possession, custody, or  
10 control" if it does not exist.  
11

12 3. ENSTAR objects to each and every data request insofar as they are vague,  
13 ambiguous, overly broad, unduly burdensome, or use terms that are subject to multiple  
14 interpretations but are not properly defined or explained for purposes of these data  
15 requests. Any and all answers ENSTAR provides in response to these data requests will  
16 be provided subject to, and without waiving, this objection.  
17

18 4. ENSTAR objects to each and every data request insofar as it is not  
19 reasonably calculated to lead to the discovery of admissible evidence and is not relevant  
20 to the subject matter of this proceeding.

21 5. ENSTAR objects to providing information to the extent such information  
22 is already a matter of public record. The requesting party is not entitled to require other  
23 parties to gather information that is equally available and accessible to it.  
24

1           6.     ENSTAR objects to each and every data request insofar as it seeks  
2 documents or information protected by the attorney-client privilege or the work product  
3 privilege. Nothing contained in these responses is intended as, or shall in any way be  
4 deemed, a waiver of any such privilege or protection, or any other applicable privilege  
5 or doctrine.  
6

7           7.     ENSTAR objects to the instructions contained in AG-ENSTAR-R-1. In  
8 responding to the requests, ENSTAR will abide by the Regulatory Commission of  
9 Alaska's ("RCA") discovery regulations and where applicable, Alaska Rules of Civil  
10 Procedure.  
11

12  
13                           **DISCOVERY RESPONSES**

14           **AG-ENSTAR-R1-1.**     Refer to the attached document titled "AltaGas;  
15 AltaGas to acquire WGL Holdings, *Enhancing a leading, North American diversified*  
16 *energy infrastructure company*, dated January 25, 2017 (computer file named  
17 2017-01-25 – Pr Blue Jay Rollout deck (1PM MT) – Final\_rfs.pdf).  
18

19           (a)     Admit that the document is a true and accurate copy.

20           (b)     If the response to subpart (a) is anything other than an unqualified  
21 admission of the truth of the matter asserted, provide a true and accurate copy of the  
22 document.  
23

24           (c)     Admit that this document is a presentation to AltaGas shareholders.  
25

1           **Response:**

2           (a)     ENSTAR has no such health insurance policies.

3           (b)     ENSTAR objects to this request as it calls for speculation. ENSTAR  
4           cannot prove a negative (i.e., it cannot prove the lack of health care costs). As a  
5           matter of common sense, a healthy workforce is less expensive than one with, for  
6           example, higher rates of obesity and lower cardiovascular health.  
7

8           **Person(s) Supplying Information:** John Sims.

9  
10           **AG-ENSTAR-R1-44.**     Refer to the prefiled reply testimony of John D. Sims,  
11           at 19, line 12-13. Also refer to ENSTAR's proposed credit card processing pro forma  
12           adjustment shown on Attachment C, Schedule E of its revenue requirement filing.  
13

14           What was ENSTAR's actual credit card participation rate between March 2016  
15           and March 2017?

16           **Response:** Please see the attached document labeled ENS08070.

17           **Person(s) Supplying Information:** John Sims.  
18

19  
20           **AG-ENSTAR-R1-45.**     Refer to the prefiled reply testimony of John D. Sims  
21           at 21 discussing Supplemental Executive Retirement Plan accrual and Rabbi Trust fees.

22           (a)     State the number of executives that these amounts are for.

23           (b)     How many of the executives are ENSTAR executives?  
24  
25

1 (c) How many of the ENSTAR executives are currently employed by  
2 ENSTAR?

3 (d) How many of the executives are no longer employed by ENSTAR and/or  
4 SEMCO and when did they leave employment?

5 **Response:** Please reference the response to AG-5-9.

6  
7 (a) There are eleven participants in the Supplemental Executive Retirement  
8 Plan (SERP) and Rabbi Trust.

9 (b) Three of the eleven SERP participants work/worked at SEMCO Energy,  
10 Inc.'s ("SEI") ENSTAR Division.

11 (c) There is one SERP participant in active employment at SEI and that  
12 employee's work location is at SEI's ENSTAR Division.

13  
14 (d) Ten of the eleven SERP participants are no longer employed by SEI. A  
15 list of participants with their termination date and work location is reflected in  
16 the below table:

Participant	Termination Date	Work Location
Angermeier, Kurt A	1/4/2002	SEI
Bredin, David	1/8/2016	ENSTAR
Hatches, Barrett	3/31/2001	ENSTAR
Jackson, Marcus	12/2/2003	SEI
Johnson, William	2/28/2002	SEI
Kosht, Jon	10/31/2002	SEI
Lau, John	N/A	ENSTAR
Palmeri, Michael	8/30/2012	SEI
Schneider, John	7/31/2004	SEI
Smotherman, Lance	8/30/2012	SEI
Stone, Robert	2/15/2002	SEI

1           **Person(s) Supplying Information:** Mark Moses and John Sims.

2  
3           **AG-ENSTAR-R1-46.** Refer to the prefiled reply testimony of  
4 Jared B. Green, at 5 that states in part: "...assuming the Company's revenue  
5 requirement is approved as proposed by ENSTAR, its rates would still be roughly 50%  
6 the price per Mcf of the national average."  
7

8           Please provide all calculations and supporting documents replied on my  
9 Mr. Green in making this statement.

10           **Response:** See the response to AG-ENSTAR-R1-33(c) above.

11           **Person(s) Supplying Information:** John Sims.

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14           **AG-ENSTAR-R1-47.** Refer to the prefiled reply testimony of  
15 Jared B. Green, at 5 that states in part: "For example, RAPA proposes disallowances in  
16 the aggregate that would return ENSTAR's revenue requirement to the level proposed  
17 *in 2009.*" (emphasis in original).

18           (a) Admit that the Commission establishes cost-based rates based upon  
19 controlling law, not rates based upon historical comparisons.

20  
21           (b) If the response to subpart (a) is anything other than an unqualified  
22 admission of the truth of the matter asserted, state what ENSTAR believes the truth of  
23 the matter to be.

24           **Response:**