



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

June 10, 2022

Ms. A. Shonta Dunston, Chief Clerk
North Carolina Utilities Commission
Mail Service Center 4325
Raleigh, North Carolina 27699-4300

Re: Docket No. G-39, Sub 46 and G-39, Sub 47 – Cardinal Pipeline Company, LLC Depreciation Rate Study as of December 31, 2020, and Application of Cardinal Pipeline Company, LLC for an Adjustment in its Rates and Charges

Dear Ms. Dunston:

In connection with the above-captioned dockets, I transmit herewith for filing on behalf of the Public Staff the Direct Testimony and Exhibit of Roxie McCullar.

By copy of this letter, we are forwarding copies to all parties of record.

Sincerely,

/s/ Gina C. Holt
Staff Attorney
gina.holt@psncuc.nc.gov

Attachments

cc: Parties of Record

Executive Director (919) 733-2435	Communications (919) 733-2810	Economic Research (919) 733-2902	Legal (919) 733-6110	Transportation (919) 733-7766
Accounting (919) 733-4279	Consumer Services (919) 733-9277	Electric (919) 733-2267	Natural Gas (919) 733-4326	Water (919) 733-5610

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JUN 10 2022

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. G-39, SUB 46
DOCKET NO. G-39, SUB 47

DOCKET NO. G-39, SUB 46)	
)	
In the Matter of)	
Cardinal Pipeline Company, LLC)	TESTIMONY OF
Depreciation Rate Study as of)	ROXIE MCCULLAR
December 31, 2020)	ON BEHALF OF
)	THE PUBLIC STAFF –
)	NORTH CAROLINA
DOCKET NO. G-39, SUB 47)	UTILITIES COMMISSION
)	
In the Matter of)	
Application of Cardinal Pipeline)	
Company, LLC for an Adjustment)	
in its Rates and Charges)	

Table of Contents

I. Introduction 3

II. Life Span Depreciation Rate Calculation..... 5

III. Exclusion of Estimated Future Additions in the Depreciation Rate
Calculation..... 6

IV. Conclusion 8

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. G-39, SUB 46
DOCKET NO. G-39, SUB 47

TESTIMONY OF ROXIE MCCULLAR

ON BEHALF OF THE PUBLIC STAFF
NORTH CAROLINA UTILITIES COMMISSION

June 10, 2022

1 I. Introduction

2 Q. PLEASE STATE YOUR NAME, PRESENT OCCUPATION, AND
3 BUSINESS ADDRESS.

4 A. My name is Roxie McCullar. Since 1997, I have been employed with
5 the firm of William Dunkel and Associates and have regularly
6 provided consulting services in regulatory proceedings throughout
7 the country. My business address is 8625 Farmington Cemetery
8 Road, Pleasant Plains, Illinois 62677.

9 Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND
10 PROFESSIONAL BACKGROUND.

11 A. I have over 20 years of experience consulting and testifying in
12 regulatory rate cases and have addressed depreciation rate issues
13 in numerous jurisdictions nationwide. I am a Certified Public
14 Accountant licensed in the state of Illinois. I am a Certified
15 Depreciation Professional through the Society of Depreciation

1 Professionals. I received my Master of Arts degree in Accounting
2 from the University of Illinois in Springfield. I received my Bachelor
3 of Science degree in Mathematics from Illinois State University in
4 Normal.

5 **Q. HAVE YOU PREPARED AN EXHIBIT THAT DESCRIBES YOUR**
6 **QUALIFICATIONS?**

7 A. Yes. My qualifications and previous experiences are shown on
8 Appendix A.

9 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING?**

10 A. I am testifying on behalf of the Public Staff of the North Carolina
11 Utilities Commission (“Public Staff”).

12 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

13 A. The purpose of my testimony is to address certain depreciation-
14 related issues presented in the testimony and filings of Cardinal
15 Pipeline Company, LLC (“Cardinal Pipeline” or “Company”) in this
16 proceeding.

17 **Q. CAN YOU SUMMARIZE YOUR RECOMMENDATIONS?**

18 A. As discussed, and supported in this testimony, I recommend the
19 necessary adjustment to exclude the estimated future additions from
20 the life span depreciation rate calculations used by Cardinal Pipeline
21 in this proceeding.

1 **II. Life Span Depreciation Rate Calculation**

2 **Q. PLEASE EXPLAIN WHY THE LIFE SPAN METHOD OF**
3 **CALCULATING DEPRECIATION RATES IS BEING USED IN THIS**
4 **PROCEEDING.**

5 A. The Company's proposed depreciation rates assume that the current
6 Plant in Service amounts retire prior to 2050. As stated in response
7 to discovery:

8 The ARL percentage calculated is meant to capture all
9 the December 31, 2021, Plant in Service dollars prior
10 to the terminal date of 2050.¹

11 Since the Company assumes the terminal retirement date of 2050
12 for all the current Plant in Service dollars, the life span calculation
13 method is used. The life span calculation assumes all assets in an
14 account are expected to retire prior to a specific date.

15 The authoritative depreciation text *Public Utility Depreciation*
16 *Practices* explains:

17 A life span group contains units that will concurrently
18 retire in a specific number of years after placement. For
19 life span groups, there may be interim additions and
20 retirements; however, all plant will be subject to a final
21 retirement. Unlike mass property groups, life span
22 groups often contain a small number of large units,
23 such as an electric power generation unit or a
24 telephone central office.²

¹ Cardinal Pipeline Response to Public Staff Data Request No. 12-1-e. "ARL" refers to the Average Remaining Life calculations included in the Company filed depreciation study.

² Page 141, *Public Utility Depreciation Practices* published by the National Association of Regulatory Utility Commissioners (NARUC), 1996.

1 Q. WHAT IS THE MOST SIGNIFICANT ASSUMPTION IN THE
2 CALCULATION OF THE DEPRECIATION RATES IN THIS
3 PROCEEDING.

4 A. The assumption that the current Plant in Service dollars will all retire
5 prior to 2050 is the most significant assumption in the calculation of
6 the depreciation rates in this proceeding.

7 As is pointed out in an authoritative depreciation text: “the final
8 retirement date is the most important factor in the depreciation of a
9 depreciation rate for life span properties.”³

10 III. **Exclusion of Estimated Future Additions in the Depreciation**
11 **Rate Calculation**

12 Q. PLEASE DISCUSS THE CORRECTION TO THE CALCULATION
13 OF THE PROPOSED DEPRECIATION RATES THAT YOU
14 SUPPORT.

15 A. Cardinal Pipeline’s proposed depreciation rates are improperly
16 calculated using estimated future additions.⁴ The use of estimated
17 future additions is contrary to proper depreciation rate calculation
18 methods.

³ *Id.* at 146.

⁴ Exhibit No. CPC-0003 page 6.

1 An authoritative depreciation text makes it very clear that it is
2 improper to include estimated future interim additions in the
3 depreciation rate calculation.

4 NARUC's text *Public Utilities Depreciation Practices*, discussing the
5 life span method, states:

6 Appropriate estimates must be made for such interim
7 retirements; however, *interim additions are not*
8 *considered in the depreciation base or rate until they*
9 *occur.*⁵ (emphasis added)

10 NARUC's *Public Utilities Depreciation Practices* glossary defines:

11 Interim Additions: As used in life span analysis,
12 additions made subsequent to the year in which the
13 unit was placed in service. *Interim additions are not*
14 *considered in the depreciation computation until they*
15 *occur.*⁶ (emphasis added)

16 When using the life span method of calculating depreciation rates,
17 the expected year of final retirement and the expected rate of interim
18 retirements are the factors considered. An interim retirement is a
19 retirement of part of the unit at the location prior to the final retirement
20 of the entire unit.⁷

21 NARUC's *Public Utilities Depreciation Practices* glossary defines:

22 Interim Retirements: As used in life span analysis,
23 retirements of component parts of a major structure

⁵ Page 142, *Public Utility Depreciation Practices* published by the National Association of Regulatory Utility Commissioners (NARUC), 1996.

⁶ *id.* at 321.

⁷ *id.* at 146.

1 prior to the complete removal of the retirement unit
2 from service.⁸

3 **Q. PLEASE DESCRIBE YOUR EXHIBIT RMM-2.**

4 A. Exhibit RMM-2 contains the calculations of the Public Staff's
5 proposed depreciation rates for the Company's Natural Gas Plant in
6 North Carolina, which properly exclude estimated future additions.

7 **IV. Conclusion**

8 **Q. PLEASE SUMMARIZE YOUR RECOMMENDATIONS.**

9 A. For the reasons stated above, I recommend that the Public Staff's
10 proposed depreciation rates shown on Exhibit RMM-1 be approved
11 for Cardinal Pipeline Natural Gas Plant in North Carolina.

12 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

13 A. Yes.

⁸ *id.* at 321.

Roxie McCullar, CPA, CDP
8625 Farmington Cemetery Road
Pleasant Plains, IL

Roxie McCullar is a regulatory consultant, licensed Certified Public Accountant in the state of Illinois, and a Certified Depreciation Professional through the Society of Depreciation Professionals. She is a member of the American Institute of Certified Public Accountants, the Illinois CPA Society, and the Society of Depreciation Professionals. Ms. McCullar has received her Master of Arts degree in Accounting from the University of Illinois-Springfield as well as her Bachelor of Science degree in Mathematics from Illinois State University. Ms. McCullar has 20 years of experience as a regulatory consultant for William Dunkel and Associates. In that time, she has filed testimony in over 50 state regulatory proceedings on depreciation issues and cost allocation for universal service and has assisted Mr. Dunkel in numerous other proceedings.

Education

Master of Arts in Accounting from the University of Illinois-Springfield, Springfield, Illinois

12 hours of Business and Management classes at Benedictine University-Springfield College in Illinois, Springfield, Illinois

27 hours of Graduate Studies in Mathematics at Illinois State University, Normal, Illinois

Completed Depreciation Fundamentals training course offered by the Society of Depreciation Professionals

Relevant Coursework:

- | | |
|---|--|
| - Calculus | - Discrete Mathematics |
| - Number Theory | - Mathematical Statistics |
| - Linear Programming | - Differential Equations |
| - Finite Sampling | - Statistics for Business and Economics |
| - Introduction to Micro Economics | - Introduction to Macro Economics |
| - Principles of MIS | - Introduction to Financial Accounting |
| - Introduction to Managerial Accounting | - Intermediate Managerial Accounting |
| - Intermediate Financial Accounting I | - Intermediate Financial Accounting II |
| - Advanced Financial Accounting | - Auditing Concepts/Responsibilities |
| - Accounting Information Systems | - Federal Income Tax |
| - Fraud Forensic Accounting | - Accounting for Government & Non-Profit |
| - Commercial Law | - Advanced Utilities Regulation |
| - Advanced Auditing | - Advanced Corp & Partnership Taxation |

Current Position: Consultant at William Dunkel and Associates

Participation in the proceedings below included some or all of the following:

Developing analyses, preparing data requests, analyzing issues, writing draft testimony, preparing data responses, preparing draft questions for cross examination, drafting briefs, and developing various quantitative models.

Previous Experience of Roxie McCullar

Year	State	Commission	Docket	Company	Description	On Behalf of
2022	Alaska	Regulatory Commission of Alaska (RCA)	U-21-070/U-21-071	Golden Heart Utilities and College Utilities Corporation	Water and Wastewater Depreciation Issues	Attorney General's Regulatory Affairs and Public Advocacy Section (RAPA)
2021	Kansas	Kansas Corporation Commission	22-CRKT-087-KSF	Craw-Kan Telephone Cooperative, Inc.	Non-Regulated Allocations, State Allocations, Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2021	North Carolina	North Carolina Utilities Commission	G-5, SUB 632	Public Service Company of North Carolina	Natural Gas Depreciation Issues	Public Staff - North Carolina Utilities Commission
2021	Kansas	Kansas Corporation Commission	21-BHCG-418-RTS	Black Hills Energy	Natural Gas Depreciation Issues	Kansas Corporation Commission Staff
2021	Florida	Florida Public Service Commission	20210015-EI	Florida Power & Light Company	Electric Depreciation Issues	Office of Public Counsel
2020	DC	District of Columbia Public Service Commission	FC1137	Washington Gas & Light	Natural Gas Depreciation Issues	District of Columbia Public Service Commission
2020	DC	District of Columbia Public Service Commission	FC1156	Potomac Electric Power Company	Electric Depreciation Issues	District of Columbia Public Service Commission
2020	North Carolina	North Carolina Utilities Commission	E-2, SUB 1219	Duke Energy Progress, LLC	Electric Depreciation Issues	Public Staff - North Carolina Utilities Commission
2020	Kansas	Kansas Corporation Commission	20-BLVT-218-KSF	Blue Valley Tele-Communications, Inc.	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2020	Utah	Public Service Commission of Utah	18-035-36	Rocket Mountain Power	Electric Depreciation Issues	Division of Public Utilities
2020	North Carolina	North Carolina Utilities Commission	E-7, SUB 1214	Duke Energy Carolinas, LLC	Electric Depreciation Issues	Public Staff - North Carolina Utilities Commission
2019	Kansas	Kansas Corporation Commission	20-UTAT-032-KSF	United Telephone Association	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff

Previous Experience of Roxie McCullar

Year	State	Commission	Docket	Company	Description	On Behalf of
2019	Kansas	Kansas Corporation Commission	19-ATMG-525-RTS	Amos Energy	Natural Gas Depreciation Issues	Kansas Corporation Commission Staff
2019	Kansas	Kansas Corporation Commission	19-GNBT-505-KSF	Golden Belt Telephone Association	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2019	Arizona	Arizona Corporation Commission	E-01933A-19-0028	Tucson Electric Power Company	Electric Depreciation Issues	The Utilities Division Staff Arizona Corporation Commission
2019	North Carolina	North Carolina Utilities Commission	E-22, SUB 562	Dominion Energy North Carolina	Electric Depreciation Issues	Public Staff - North Carolina Utilities Commission
2019	Utah	Public Service Commission of Utah	19-057-03	Dominion Energy Utah	Natural Gas Depreciation Issues	Division of Public Utilities
2019	Kansas	Kansas Corporation Commission	19-EPDE-223-RTS	Empire District Electric Company	Electric Depreciation Issues	Kansas Corporation Commission Staff
2019	Arizona	Arizona Corporation Commission	T-03214A-17-0305	Citizens Telecommunications Company	Arizona Universal Service Fund	The Utilities Division Staff Arizona Corporation Commission
2018	Kansas	Kansas Corporation Commission	18-KGSG-560-RTS	Kansas Gas Service	Natural Gas Depreciation Issues	Kansas Corporation Commission Staff
2018	Kansas	Kansas Corporation Commission	18-KCPE-480-RTS	Kansas City Power & Light Company	Electric Depreciation Issues	Kansas Corporation Commission Staff
2018	Rhode Island	Rhode Island and Providence Plantations Public Utilities Commission	4800	SUEZ Water	Water Depreciation Issues	Division of Public Utilities and Carriers
2018	Rhode Island	Rhode Island and Providence Plantations Public Utilities Commission	4770	Narragansett Electric Company	Electric & Natural Gas Depreciation Issues	Division of Public Utilities and Carriers
2018	North Carolina	North Carolina Utilities Commission	E-7, SUB 1146	Duke Energy Carolinas, LLC	Electric Depreciation Issues	Public Staff - North Carolina Utilities Commission

Previous Experience of Roxie McCullar

Year	State	Commission	Docket	Company	Description	On Behalf of
2017	DC	District of Columbia Public Service Commission	FC1150	Potomac Electric Power Company	Electric Depreciation Issues	District of Columbia Public Service Commission
2017	Kansas	Kansas Corporation Commission	17-RNBT-555-KSF	Rainbow Telecommunications Association, Inc.	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2017	North Carolina	North Carolina Utilities Commission	E-2, SUB 1142	Duke Energy Progress, LLC	Electric Depreciation Issues	Public Staff - North Carolina Utilities Commission
2017	Washington	Washington Utilities & Transportation Commission	UE-170033 & UG-170034	Puget Sound Energy	Electric & Natural Gas Depreciation Issues	Washington State Office of the Attorney General, Public Counsel Unit
2017	Florida	Florida Public Service Commission	160186-EI & 160170-EI	Gulf Power Company	Electric Depreciation Issues	The Citizens of the State of Florida
2016	Kansas	Kansas Corporation Commission	16-KGSG-491-RTS	Kansas Gas Service	Natural Gas Depreciation Issues	Kansas Corporation Commission Staff
2016	DC	District of Columbia Public Service Commission	FC1139	Potomac Electric Power Company	Depreciation Issues	District of Columbia Public Service Commission
2016	Arizona	Arizona Corporation Commission	E-01933A-15-0239 & E-01933A-15-0322	Tucson Electric Power Company	Electric Depreciation Issues	The Utilities Division Staff Arizona Corporation Commission
2016	Georgia	Georgia Public Service Commission	40161	Georgia Power Company	Addressed Depreciation Issues	Georgia Public Service Commission Public Interest Advocacy Staff
2016	DC	District of Columbia Public Service Commission	FC1137	Washington Gas & Light	Depreciation Issues	District of Columbia Public Service Commission
2015	Kansas	Kansas Corporation Commission	16-ATMG-079-RTS	Amos Energy	Natural Gas Depreciation Issues	Kansas Corporation Commission Staff
2015	Kansas	Kansas Corporation Commission	15-TWVT-213-AUD	Twin Valley Telephone, Inc.	Cost Study Issues, Allocation of FTTH Equipment, & Support Fund Adjustments	Kansas Corporation Commission Staff

Previous Experience of Roxie McCullar

Year	State	Commission	Docket	Company	Description	On Behalf of
2015	Kansas	Kansas Corporation Commission	15-KCPE-116-RTS	Kansas City Power & Light Company	Electric Depreciation Issues	Kansas Corporation Commission Staff
2015	Kansas	Kansas Corporation Commission	15-MRGT-097-AUD	Moundridge Telephone Company, Inc.	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2014	Kansas	Kansas Corporation Commission	14-S&TT-525-KSF	S&T Telephone Cooperative Association, Inc.	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2014	Kansas	Kansas Corporation Commission	14-WTCT-142-KSF	Wamego Telecommunications Company, Inc.	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2013	Kansas	Kansas Corporation Commission	13-PLTT-678-KSF	Peoples Telecommunications, LLC	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2013	New Jersey	State of New Jersey Board of Public Utilities	BPU ER12121071	Atlantic City Electric Company	Electric Depreciation Issues	New Jersey Rate Counsel
2013	Kansas	Kansas Corporation Commission	13-JBNT-437-KSF	J.B.N. Telephone Company, Inc.	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2013	Kansas	Kansas Corporation Commission	13-ZENT-065-AUD	Zenda Telephone Company, Inc.	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2013	DC	District of Columbia Public Service Commission	FC1103	Potomac Electric Power Company	Depreciation Issues	District of Columbia Public Service Commission
2012	Kansas	Kansas Corporation Commission	12-LHPT-875-AUD	LaHarpe Telephone Company, Inc.	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2012	Kansas	Kansas Corporation Commission	12-GRHT-633-KSF	Gorham Telephone Company	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2012	Kansas	Kansas Corporation Commission	12-S&TT-234-KSF	S&T Telephone Cooperative Association, Inc.	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff

Previous Experience of Roxie McCullar

Year	State	Commission	Docket	Company	Description	On Behalf of
2011	DC	District of Columbia Public Service Commission	FC1093	Washington Gas & Light	Depreciation Issues	District of Columbia Public Service Commission
2011	Kansas	Kansas Corporation Commission	11-CNHT-659-KSF	Cunningham Telephone Company, Inc.	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2011	Kansas	Kansas Corporation Commission	11-PNRT-315-KSF	Pioneer Telephone Association	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2010	Kansas	Kansas Corporation Commission	10-HVDT-288-KSF	Haviland Telephone Company, Inc.	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2009	Kansas	Kansas Corporation Commission	09-BLVT-913-KSF	Blue Valley Tele-Communications, Inc.	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2009	DC	District of Columbia Public Service Commission	FC1076	Potomac Electric Power Company	Depreciation Issues	District of Columbia Public Service Commission
2008	Kansas	Kansas Corporation Commission	09-MTLT-091-KSF	Mutual Telephone Company	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2007	Kansas	Kansas Corporation Commission	08-MRGT-221-KSF	Moundridge Telephone Company	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2007	Kansas	Kansas Corporation Commission	07-PLTT-1289-AUD	Peoples Telecommunications, LLC	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2007	Kansas	Kansas Corporation Commission	07-MDTT-195-AUD	Madison Telephone, LLC	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2007	Kansas	Kansas Corporation Commission	06-RNBT-1322-AUD	Rainbow Telecommunications Assn., Inc.	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff

Previous Experience of Roxie McCullar

Year	State	Commission	Docket	Company	Description	On Behalf of
2006	Kansas	Kansas Corporation Commission	06-WCTC-1020-AUD	Wamego Telecommunications Company, Inc.	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2006	Kansas	Kansas Corporation Commission	06-H&BT-1007-AUD	H&B Communications, Inc.	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2006	Kansas	Kansas Corporation Commission	06-ELKT-365-AUD	Elkhart Telephone Company, Inc.	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2005	Kansas	Kansas Corporation Commission	05-SCNT-1048-AUD	South Central Telephone Association, Inc.	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2005	Utah	Public Service Commission of Utah	05-2302-01	Carbon/Emery Telecom, Inc.	Cost Study Issues & Depreciation Issues	Utah Committee of Consumer Services
2005	Kansas	Kansas Corporation Commission	05-TTHT-895-AUD	Totah Communications, Inc.	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2005	Maine	Public Utilities Commission of the State of Maine	2005-155	Verizon	Depreciation Issues	Office of Public Advocate
2005	Kansas	Kansas Corporation Commission	05-TRCT-607-KSF	Tri-County Telephone Association	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2005	Kansas	Kansas Corporation Commission	05-CNHT-020-AUD	Cunningham Telephone Company, Inc.	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2005	Kansas	Kansas Corporation Commission	05-KOKT-060-AUD	KanOkla Telephone Association, Inc.	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2004	Kansas	Kansas Corporation Commission	04-UTAT-690-AUD	United Telephone Association, Inc.	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2004	Kansas	Kansas Corporation Commission	04-CGTT-679-RTS	Council Grove Telephone Company	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff

Previous Experience of Roxie McCullar

Year	State	Commission	Docket	Company	Description	On Behalf of
2004	Kansas	Kansas Corporation Commission	04-GNBT-130-AUD	Golden Belt Telephone Association	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2004	Kansas	Kansas Corporation Commission	03-TWVT-1031-AUD	Twin Valley Telephone, Inc.	Cost Study Issues	Kansas Corporation Commission Staff
2003	Kansas	Kansas Corporation Commission	03-HVDT-664-RTS	Haviland Telephone Company	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2003	Kansas	Kansas Corporation Commission	03-WHST-503-AUD	Wheat State Telephone Company, Inc.	Cost Study Issues & Support Fund Adjustments	Kansas Corporation Commission Staff
2003	Kansas	Kansas Corporation Commission	03-S&AT-160-AUD	S&A Telephone Company	Cost Study Issues	Kansas Corporation Commission Staff
2002	Kansas	Kansas Corporation Commission	02-JBNT-846-AUD	JBN Telephone Company	Cost Study Issues	Kansas Corporation Commission Staff
2002	Kansas	Kansas Corporation Commission	02-S&TT-390-AUD	S&T Telephone Cooperative Association, Inc.	Cost Study Issues	Kansas Corporation Commission Staff
2002	Kansas	Kansas Corporation Commission	02-BLVT-377-AUD	Blue Valley Telephone Company, Inc.	Cost Study Issues	Kansas Corporation Commission Staff
2001	Kansas	Kansas Corporation Commission	01-PNRT-929-AUD	Pioneer Telephone Association, Inc.	Cost Study Issues	Kansas Corporation Commission Staff
2001	Kansas	Kansas Corporation Commission	01-BSST-878-AUD	Bluestem Telephone Company	Cost Study Issues	Kansas Corporation Commission Staff
2001	Kansas	Kansas Corporation Commission	01-SFLT-879-AUD	Sunflower Telephone Company, Inc.	Cost Study Issues	Kansas Corporation Commission Staff
2001	Kansas	Kansas Corporation Commission	01-CRKT-713-AUD	Craw-Kan Telephone Cooperative, Inc.	Cost Study Issues	Kansas Corporation Commission Staff

Previous Experience of Roxie McCullar

Year	State	Commission	Docket	Company	Description	On Behalf of
2001	Kansas	Kansas Corporation Commission	01-RNBT-608-KSF	Rainbow Telecommunications Association	Cost Study Issues, Support Fund Adjustments	Kansas Corporation Commission Staff
2001	Kansas	Kansas Corporation Commission	01-SNKT-544-AUD	Southern Kansas Telephone Company, Inc.	Cost Study Issues	Kansas Corporation Commission Staff
2001	Kansas	Kansas Corporation Commission	01-RRLT-518-KSF	Rural Telephone Service Company, Inc.	Cost Study Issues	Kansas Corporation Commission Staff
2000	Illinois	Illinois Commerce Commission	98-0252	Ameritech	Cost Study Issues	Government and Consumer Intervenors

Cardinal Pipeline Company, LLC
Summary of Depreciation Rates and Annual Accrual Amounts
As of December 31, 2020

Account	Description	12/31/20 Investment	Current Approved				Cardinal Pipeline Proposed					Public Staff Proposed					
			Plant Rate	Salvage Rate	Total Rate	Accrual Amount	Plant Rate	Salvage Rate	Total Rate	Accrual Amount	Difference from Current	Plant Rate	Salvage Rate	Total Rate	Accrual Amount	Difference from Current	Difference from Company
	A	B	C		D	E		F	G		H		I	J	K		
Intangible Plant																	
302.00	Intangible Plant - Franchises	176,783	4.00%	0.00%	4.00%	7,071	0.55%	0.00%	0.55%	972	(6,099)	0.56%	0.00%	0.56%	990	(6,081)	18
303.00	Misc. Intangible Plant	898,093	2.00%	0.19%	2.19%	19,668	1.57%	0.00%	1.57%	14,100	(5,568)	1.64%	0.00%	1.64%	14,729	(4,940)	629
	Subtotal Intangible Plant	1,074,876			2.49%	26,740			1.40%	15,072	(11,667)			1.46%	15,719	(11,021)	646
Transmission Plant																	
365.11	Land	658,661	0.00%	0.00%	0.00%	0	0.00%	0.00%	0.00%	0	0	0.00%	0.00%	0.00%	0	0	0
365.12	Land Rights	96,745	2.00%	0.00%	2.00%	1,935	1.93%	0.00%	1.93%	1,867	(68)	1.91%	0.00%	1.91%	1,848	(87)	(19)
365.20	Rights of Way	4,011,679	2.00%	0.00%	2.00%	80,234	1.90%	0.07%	1.97%	79,030	(1,204)	1.92%	0.07%	1.99%	79,832	(401)	802
366.10	Compressor Station S & I	2,673,056	2.86%	0.14%	3.00%	80,192	3.03%	0.48%	3.51%	93,824	13,633	3.02%	0.47%	3.49%	93,290	13,098	(535)
366.20	M & R Station S & I	1,428,304	2.50%	0.13%	2.63%	37,564	2.60%	0.25%	2.85%	40,707	3,142	2.61%	0.26%	2.87%	40,992	3,428	286
367.00	Mains	100,830,092	2.00%	0.20%	2.20%	2,218,262	1.75%	0.75%	2.50%	2,520,752	302,490	1.75%	0.76%	2.51%	2,530,835	312,573	10,083
368.00	Compressor Station Equipment	35,393,767	3.03%	0.00%	3.03%	1,072,431	2.63%	0.31%	2.94%	1,040,577	(31,854)	2.62%	0.30%	2.92%	1,033,498	(38,933)	(7,079)
369.00	Meas & Reg Station Equipment	8,764,591	3.03%	0.15%	3.18%	278,714	2.13%	0.36%	2.49%	218,238	(60,476)	2.17%	0.37%	2.54%	222,621	(56,093)	4,382
	Subtotal Transmission	153,856,895			2.45%	3,769,332			2.60%	3,994,996	225,664			2.60%	4,002,916	233,584	7,921
General Plant																	
390.00	Struct. & Impr. - Office Bldg																
	Fully Accrued	5,269			0.00%	0			0.00%	0				0.00%	0		
	Amortized	0			0.00%	0			10.00%	0				10.00%	0		
	Total Struct. & Impr. - Office Bldg	5,269				0			0.00%	0	0			0.00%	0	0	0
391.00	Office Furniture & Equipment																
	OFF001- Tower Office Furniture & Equip	32,228			8.33%	2,685			10.00%	3,223	538			10.00%	3,223	538	0
	DPC001-Data Process & Comp. Equip.	0			25.00%	0			12.50%	0	0			12.50%	0	0	0
	DEV001-Developed Software																
	Fully Accrued	843,871			0.00%	0			0.00%	0				0.00%	0		
	Amortized	113,252			7.69%	8,709			6.67%	7,550				6.67%	7,550		
	DEV001-Developed Software	957,123			0.91%	8,709			0.79%	7,550	(1,159)			0.79%	7,550	(1,159)	0
392.10	Transportation Equipment																
	Fully Accrued	3,761			0.00%	0			0.00%	0				0.00%	0		
	Amortized	0			18.00%	0			16.67%	0				16.67%	0		
	Transportation Equipment	3,761			0.00%	0			0.00%	0	0			0.00%	0	0	0
394.00	Tools Shop & Garage Equipment	565,711			8.33%	47,124			5.00%	28,286	(18,838)			5.00%	28,286	(18,838)	0
396.00	Power Operated Equipment																
	Fully Accrued	10,649			0.00%	0			0.00%	0				0.00%	0		
	Amortized	31,910			7.92%	2,527			10.00%	3,191				10.00%	3,191		
	Power Operated Equipment	42,559			5.94%	2,527			7.50%	3,191	664			7.50%	3,191	664	0
397.00	Communication Equipment																
	Fully Accrued	142,401			0.00%	0			0.00%	0				0.00%	0		
	Amortized	31,632			7.14%	2,259			4.35%	1,375				4.35%	1,375		
	Communication Equipment	174,033			1.30%	2,259			0.79%	1,375	(883)			0.79%	1,375	(883)	0
	Subtotal General Plant	1,780,683			3.55%	63,303			2.45%	43,625	(19,678)			2.45%	43,625	(19,678)	0
Total		156,712,455			2.46%	3,859,374			2.59%	4,053,693	194,318			2.59%	4,062,260	202,885	8,567

Cardinal Pipeline Company, LLC
 Calculation of Depreciation Rates
 As of December 31, 2020

Account	Description	12/31/20 Investment	12/31/20 Book Reserve	12/31/20		Net Plant to be Recovered	Rem. Life	Annual Accrual	Annual Rate
				Book Future Negative Net Salvage Reserve	Estimated Future Negative Net Salvage				
A									
Intangible Plant									
302.00	Intangible Plant - Franchises	176,783	(149,054)	0		27,729	28.1	987	0.56%
303.00	Misc. Intangible Plant	898,093	(509,204)	(6,257)		382,632	26.0	14,717	1.64%
	Subtotal Intangible Plant	1,074,876	(658,258)	(6,257)	0	410,362		15,703	1.46%
Transmission Plant									
365.11	Land	658,661	0	0		658,661	0.0	0	0.00%
365.12	Land Rights	96,745	(48,210)	0		48,535	26.2	1,852	1.91%
365.20	Rights of Way	4,011,679	(1,990,158)	0	79,756	2,101,277	26.3	79,896	1.99%
366.10	Compressor Station S & I	2,673,056	(599,867)	(13,722)	339,294	2,398,761	25.7	93,337	3.49%
366.20	M & R Station S & I	1,428,304	(537,455)	(6,808)	95,416	979,457	23.9	40,981	2.87%
367.00	Mains	100,830,092	(50,908,281)	(1,008,248)	22,728,998	71,642,561	28.3	2,531,539	2.51%
368.00	Compressor Station Equipment	35,393,767	(8,859,071)	1,874	3,053,647	29,590,217	28.6	1,034,623	2.92%
369.00	Meas & Reg Station Equipment	8,764,591	(3,674,653)	11,623	858,746	5,960,308	26.8	222,400	2.54%
	Subtotal Transmission	153,856,895	(66,617,694)	(1,015,281)	27,155,857	113,379,778		4,004,629	2.60%
General Plant									
390.00	Struct. & Impr. - Office Bldg								
	Fully Accrued	5,269	(5,269)					0	0.00%
	Amortized	0						0	10.00%
	Struct. & Impr. - Office Bldg	5,269	(5,269)					0	0.00%
391.00	Office Furniture & Equipment								
	OFF001- Tower Office Furniture & Equip	32,228	(32,228)					3,223	10.00%
	DPC001-Data Process & Comp. Equip.	0	0					0	12.50%
	DEV001-Developed Software								
	Fully Accrued	843,871	(843,871)					0	0.00%
	Amortized	113,252	(58,237)					7,550	6.67%
	DEV001-Developed Software	957,123	(902,108)					7,550	0.79%
392.10	Transportation Equipment								
	Fully Accrued	3,761	(3,761)					0	0.00%
	Amortized	0	0					0	16.67%
	Transportation Equipment	3,761	(3,761)					0	0.00%
394.00	Tools Shop & Garage Equipment	565,711	(345,372)					28,286	5.00%
396.00	Power Operated Equipment								
	Fully Accrued	10,649	(10,649)					0	0.00%
	Amortized	31,910	(25,015)					3,191	10.00%
	Power Operated Equipment	42,559	(35,664)					3,191	7.50%
397.00	Communication Equipment								
	Fully Accrued	10,649	(10,649)					0	0.00%
	Amortized	31,910	(25,015)					1,387	4.35%
	Communication Equipment	42,559	(35,664)					1,387	3.26%
	Subtotal General Plant	1,606,650	(1,324,402)			0		42,250	2.63%
Total		156,580,980	(68,636,018)	(1,021,537)	27,155,857	113,790,139		4,063,970	2.60%

Cardinal Pipeline Company, LLC
Current and Proposed Parameters
As of December 31, 2020

Account	Description	Current Approved			Cardinal Pipeline Proposed				Public Staff Proposed					
		Proj Life	Iowa Curve Shape	Future Net Salvage	AYFR	Proj Life	Iowa Curve Shape	Rem. Life	Future Net Salvage	AYFR	Proj Life	Iowa Curve Shape	Rem. Life	Future Net Salvage
A														
Intangible Plant														
302.00	Intangible Plant - Franchises	25	SQ	0%	01-2050	85	R3	28.6	0%	01-2050	85	R3	28.1	0%
303.00	Misc. Intangible Plant	50	R4	-9.5%	01-2050	60	L3	27.6	0%	01-2050	60	L3	26.0	0%
Transmission Plant														
365.11	Land													
365.12	Land Rights	50	R5	0%	01-2050	65	R2	26.4	0%	01-2050	65	R2	26.2	0%
365.20	Rights of Way	50	R5	0%	01-2050	65	R2	26.8	-2%	01-2050	65	R2	26.3	-2%
366.10	Compressor Station S & I	35	R3	-5%	01-2050	45	R2	25.7	-12%	01-2050	45	R2	25.7	-13%
366.20	M & R Station S & I	40	R3	-5%	01-2050	45	R2	24.2	-6%	01-2050	45	R2	23.9	-7%
367.00	Mains	50	R4	-10%	01-2050	75	R4	28.6	-20%	01-2050	75	R4	28.3	-23%
368.00	Compressor Station Equipment	33	R3	0%	01-2050	85	R3	28.6	-9%	01-2050	85	R3	28.6	-9%
369.00	Meas & Reg Station Equipment	33	R2	-5%	01-2050	60	L3	27.6	-10%	01-2050	60	L3	26.8	-10%
General Plant														
390.00	Struct. & Impr. - Office Bldg					10	SQ		0%		10	SQ		0%
391.00	Office Furniture & Equipment													
	OFF001- Tower Office Furniture & Equip	12	S2	0%		10	SQ		0%		10	SQ		0%
	DPC001-Data Process & Comp. Equip.	4	S2	0%		8	SQ		0%		8	SQ		0%
	DEV001-Developed Software	13	S4	0%		15	SQ		0%		15	SQ		0%
392.10	Transportation Equipment	5	S2	10%		6	SQ		0%		6	SQ		0%
394.00	Tools Shop & Garage Equipment	12	S2	0%		20	SQ		0%		20	SQ		0%
396.00	Power Operated Equipment	12	S3	5%		10	SQ		0%		10	SQ		0%
397.00	Communication Equipment	14	R3	0%		23	SQ		0%		23	SQ		0%

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Jun 10 2022