

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF INTENT OF COLUMBIA GAS OF)
KENTUCKY, INC. TO FILE AN APPLICATION) CASE NO. 94-179
TO ADJUST ITS RATES)

O R D E R

IT IS ORDERED that Columbia Gas of Kentucky, Inc. ("Columbia") shall file, no later than 20 days from the date of this Order, the original and 15 copies of the following information with the Commission, with a copy to all parties of record. Each copy of the data should be bound and tabbed. When numerous sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will respond to questions relating to the information provided. Ensure that copied material is legible. Where requested information has been provided with the original application, in the format requested, reference may be made to the specific location of the information in responding to this request. When applicable, the information should be provided for total company operations and jurisdictional operations, separately. Each response should include complete details of any items which are allocated among Columbia and other affiliates.

1. Provide Columbia's internal accounting manuals, directives, and policies and procedures.

2. Provide all budget instructions, assumptions, directives, manuals, policies and procedures, and timelines used in 1992 and 1993.

3. Provide a comparison of the original operating budget to the actual result, by account, for each year for the period 1989 through 1993. Explain any yearly account variance greater than 5 percent.

4. Provide all service agreements and contracts reflecting the pricing policies of Columbia and its affiliates with regard to affiliate company transactions.

5. a. List and describe all services which have been rendered to Columbia by its sister companies for the last five years and the base period.

b. What benefits does Columbia derive from having affiliates render the services enumerated in Item 5(a)?

6. Provide an organization chart that reflects the planning process used by Columbia, including those planning processes of regional headquarters that have a direct impact on Columbia. Identify functional responsibility for data sources and responsible personnel. Identify budget inputs, all computer models or applications employed, and all personnel responsible for maintaining such models.

7. Reconcile any differences in the capitalization and the net investment rate base of Columbia for the base period and the forecasted period.

8. Provide a consolidated capitalization and cost of capital schedule for the past five years for Columbia Gas Distribution Companies.

9. Provide a rate base, capital structure and statement of income for Columbia for the 12-month period preceding the filing of this case and for the base period used in this case. Reconcile this data with the filed base period revenue requirement information.

10. Provide the information requested in Schedule 10 for each construction project begun during the last five calendar years. For each project, include the amount of any cost variance and delay encountered, and explain in detail the reasons for such variances and delays.

11. Complete Schedule 11 for each employee group, for each month within the most recent two years available. Explain any variance exceeding five percent in any one month. Update as further information becomes available.

12. a. Provide all wage, compensation, and employee benefits studies, analyses, or surveys conducted by or for Columbia or utilized by Columbia for 1992, 1993, 1994 and for the forecasted period.

b. For each document provided, describe how Columbia used it, state its cost to Columbia, and indicate the accounts in which such cost was recorded and the month recorded.

13. a. Describe Columbia's policy regarding general wage and merit pay increases.

b. State, for each employee group, the amount, percent of increases, and effective date for each general wage increase granted in: (1) 1992; (2) 1993; (3) the base period; and (4) the forecasted period.

c. Provide the same information requested in (b) for merit pay increases.

14. Provide complete details of all early retirement plans or other downsizing activities which Columbia offered in the last 2 years or intends to offer its employees during the forecasted test period. Provide all cost-benefit analyses used to develop or review such programs.

15. Provide workpapers and salary listings supporting the FICA wage base used by Columbia to compute FICA expense for the forecasted test year and the actual FICA expense for the preceding two years.

16. List all fringe benefits available to Columbia employees in the forecasted test year and the expected cost of each. Provide comparative cost information for the two years preceding the base year and the base year. Indicate which fringe benefits, if any, are available only to management employees. Identify and explain all changes in fringe benefits occurring over this period.

17. Specify any changes in the level of its work force during the base period, the forecasted test period, or the preceding two years Columbia has projected or experienced. For any changes in the workforce, specify the number of Columbia employees, the number

of contract employees, and the number of current Columbia employees that are filling positions formerly held by contract personnel.

18. Separately list the budgeted and actual number of full- and part-time employees by employee group, by month and by year, for the five years immediately preceding the base period, the base period, and the forecasted period.

19. Provide all current labor contracts and the contracts which preceded them.

20. Provide Columbia's current medical insurance policy.

21. Provide all actuarial studies and other documents used to determine the level of the SFAS 106 cost, Other Postretirement Benefits recorded by Columbia.

22. Provide all actuarial studies and other documents used to determine the level of the SFAS 112, Postemployment Benefits recorded by Columbia.

23. Provide complete details of the financial reporting and rate-making treatment of Columbia's pension costs.

24. Describe the weather and customer data which Columbia maintains. Explain how such data is integrated into the sales forecast model.

25. Provide in the format set out in Schedule 25 all revenue data by accounts, on an annual basis, for the last five calendar years through 1993.

26. Provide the following monthly account balances and a calculation of the average (13 month) account balances for the total company and jurisdictional operations (original cost):

- a. Plant in Service;
- b. Plant Purchased or Sold;
- c. Property Held for Future Use;
- d. Construction Work in Progress (Separate this balance into CWIP eligible for capitalized interest and other CWIP);
- e. Completed Construction Not Classified;
- f. Accumulated Depreciation and Amortization;
- g. Plant Acquisition Adjustment;
- h. Amortization of Utility Plant Acquisition Adjustment;
- i. Materials and Supplies;
- j. Balance in Accounts Payable Applicable to each account in i) above; (If actual is indeterminable, give reasonable estimate.)
- k. Unamortized Investment Tax Credit - Pre-Revenue Act of 1971;
- l. Unamortized Investment Tax Credit - Revenue Act of 1971;
- m. Accumulated Deferred Income Taxes;
- n. A Summary of Customer Deposits;
- o. Computation and Development of Minimum Cash Requirements;
- p. Balance in accounts payable applicable to amounts included in utility plant in service; (If actual is indeterminable, give reasonable estimate.)

q. Balance in accounts payable applicable to prepayments by major category or subaccount;

r. Balance in accounts payable applicable to amounts included in plant under construction; (If actual is indeterminable, give reasonable estimate);

s. All Current Assets and Current Liability Accounts not included above.

27. Provide, on a total company and jurisdictional basis, a trial balance as of the last day of the base period (all income statement accounts should show activity for 12 months) showing account number, account title, and actual base period accounts.

28. a. State the date which Columbia implemented Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes."

b. Describe the effect of implementation on Columbia's financial statements;

c. Does the base year or forecasted period reflect the effect of implementing SFAS No. 109? If yes, describe the effect.

29. Identify all economic and econometric publications and studies used to develop budget and forecast escalation assumptions in sales, construction or cost projects.


Done at Frankfort, Kentucky, this 7th day of June, 1994.

PUBLIC SERVICE COMMISSION

ATTEST:



Executive Director



For the Commission

Columbia Gas
Case No. 94-179
Monthly Payroll Variance Analysis
As of _____

Type of Filing: Original Updated Revised
Workpaper Reference No(s): _____

Schedule 11
Page 1 of 1
Witness Responsible:

Date	Employee Group	<u>Monthly Budget</u>			<u>Monthly Actual</u>			<u>Variance Percent</u>		
		Reg.	OT	Total	Reg.	OT	Total	Reg.	OT	Total

Columbia Gas
Case No. 94-179

Data: ___ Base Period ___ Forecasted Period
Type of Filing: ___ Original ___ Updated ___ Revised
Workpaper Reference No(s).: _____

Schedule 25
Page 1 of 1
Witness Responsible: _____

	Total Company	Jurisdic- tional %	Jurisdictional Total
Revenue	\$		\$
Residential			
Commercial			
Industrial			
Other			
