

Columbia Gas<sup>®</sup>  
of Kentucky  
A NiSource Company

P.O. Box 14241  
Lexington, KY 40512-4241

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MAR 13 2013

PUBLIC SERVICE  
COMMISSION

Mr. Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
P. O. Box 615  
Frankfort, KY 40602

March 13, 2013

RE: Case No. 2012- 00593

Dear Mr. Derouen:

Please find enclosed an original and six (6) copies of the Responses of  
Columbia Gas of Kentucky, Inc., to the Commission Staff's First Request for  
Information dated February 27, 2013.

If you have any questions, please call me at (859) 288-0242 or email  
jmcoop@nisource.com. Thank you.

Sincerely,



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Frankfort, Kentucky 40601

Attorneys for COLUMBIA GAS OF KENTUCKY, INC.

Enclosures

**COLUMBIA GAS OF KENTUCKY, INC.**  
**RESPONSE TO STAFF'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS**  
**DATED FEBRUARY 27, 2013**

1. Refer to Section H of Columbia's application, which discusses the savings to its customers under the Gas Cost Incentive Mechanism ("GCIM") between 2005 and 2011. Given the reduced prices seen in the gas industry in recent years and with the GCIM for 2012 having concluded, provide the following information:

a. The annual savings to Columbia's customers under the GCIM for the years 2005 through 2008; and

b. The annual savings to Columbia's customers under the GCIM for the years 2009 through 2012, with the annual amounts further broken down by month.

**Response:** a and b. Please see attached. The GCIM operates in the months of April through October each calendar year with the savings reflected in the quarterly Gas Cost Adjustment for March of the following calendar year. The naming convention on the attached reflects the year in which the activity occurred. The amount of savings stated in Section H should have been approximately \$2.04 Million, rather than \$1.73 Million, due to a transposition error compiling the application.

GCIM SAVINGS TO CUSTOMERS

1-a.	Year 2005	\$368,263
	Year 2006	\$72,791
	Year 2007	\$299,637
	Year 2008	\$860,406
1-b.	April 2009	\$11,089
	May 2009	\$4,413
	June 2009	\$7,629
	July 2009	\$12,275
	August 2009	\$12,800
	September 2009	\$5,308
	October 2009	<u>\$8,773</u>
	Total 2009	\$62,286
	April 2010	\$0
	May 2010	\$57,516
	June 2010	\$0
	July 2010	-\$1,125
	August 2010	-\$11,731
	September 2010	\$118,936
	October 2010	<u>\$36,000</u>
	Total 2010	\$199,596
	April 2011	\$10,137
	May 2011	\$31,180
	June 2011	\$4,893
	July 2011	\$94,179
	August 2011	\$2,468
	September 2011	\$37,938
	October 2011	<u>\$0</u>
	Total 2011	\$180,795
	April 2012	\$37,703
	May 2012	\$1,318
	June 2012	\$24,940
	July 2012	\$4,830
	August 2012	\$31,154
	September 2012	\$5,400
	October 2012	<u>-\$4,722</u>
	Total 2012	\$100,622

**COLUMBIA GAS OF KENTUCKY, INC.**  
**RESPONSE TO STAFF'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS**  
**DATED FEBRUARY 27, 2013**

2. Refer to Section M of Columbia's application, which discusses the gas cost credits its customers received under its Off-System Sales and Capacity Release Revenue Sharing Mechanism ("OSS/CR RSM") from April 2005 through June 2012. Given the reduced prices seen in the gas industry in recent years and recognizing that it is now roughly two months past the end of 2012, provide the following information:

a. The annual gas cost credits to Columbia's customers under the OSS/CR RSM for the years 2005 through 2008.

b. The annual gas cost credits to Columbia's customers under the OSS/CR RSM for the years 2009 through 2012, with the annual amounts further broken down by month.

**Response:**

a and b. Please see attached. The OSS/CR RSM reflects savings to customers in the quarterly Gas Cost Adjustment for September in year based upon activity for the 12-months ending June of the same calendar year. The naming convention on

the attached reflects the calendar year in which the activity occurred. The amount of savings stated in Section M should have been approximately \$13.4 Million, rather than \$14.2 Million, due to a transposition error in compiling the application.

GAS COST CREDITS TO CUSTOMERS

	Off System Sales	Capacity Release
<b>2-a.</b> Year 2005	\$424,986	\$414,831
Year 2006	\$806,318	\$182,110
Year 2007	\$2,371,926	\$204,368
Year 2008	\$1,358,233	\$244,456
<b>2-b.</b> January 2009	\$21,792	\$54,063
February 2009	\$18,801	\$53,403
March 2009	\$19,503	\$33,357
April 2009	\$73,444	\$26,244
May 2009	\$32,305	\$26,176
June 2009	\$253,296	\$26,356
July 2009	\$67,531	\$26,401
August 2009	\$8,066	\$26,176
September 2009	\$47,148	\$26,176
October 2009	\$50,073	\$38,726
November 2009	\$30,128	\$11,093
December 2009	<u>\$52,727</u>	<u>\$13,603</u>
Total 2009	\$674,813	\$361,773
January 2010	\$419,663	\$18,718
February 2010	\$374,753	\$14,883
March 2010	\$372,350	\$19,911
April 2010	\$138,679	\$1,918
May 2010	\$51,986	\$3,193
June 2010	\$65,202	\$4,782
July 2010	\$297,360	\$6,045
August 2010	\$299,978	\$4,960
September 2010	\$731,020	\$2,258
October 2010	\$481,272	\$1,686
November 2010	\$381,574	\$44,173
December 2010	<u>\$8,880</u>	<u>\$25,484</u>
Total 2010	\$3,622,716	\$148,011
January 2011	\$189,724	\$25,288
February 2011	\$219,257	\$25,942
March 2011	\$207,205	\$19,737
April 2011	\$58,520	\$7,376
May 2011	\$254,401	\$5,256
June 2011	\$248,242	\$7,368
July 2011	\$162,557	\$1,032
August 2011	\$121,700	\$8,841
September 2011	\$141,872	\$1,513
October 2011	\$145,061	\$3
November 2011	\$139,566	\$2,332
December 2011	<u>\$12,046</u>	<u>\$5,587</u>
Total 2011	\$1,900,151	\$110,274
January 2012	\$146,090	\$8,067
February 2012	\$186,419	\$5,744
March 2012	\$147,334	\$2,332
April 2012	\$565	\$6,462
May 2012	\$202,324	\$3,384
June 2012	\$143,762	\$3,739
July 2012	\$50,035	\$5,799
August 2012	\$42,721	\$3,099
September 2012	\$48,330	\$1,818
October 2012	\$78,548	\$1,752
November 2012	\$69,169	\$1,178
December 2012	<u>\$11,876</u>	<u>\$2,583</u>
Total 2012	\$1,127,171	\$45,954