

Columbia Gas<sup>®</sup>  
of Kentucky

A NiSource Company

200 Civic Center Drive  
Columbus, Ohio 43215

July 15, 2013

Mr. Jeff Derouen, Executive Director  
Public Service Commission  
Commonwealth of Kentucky  
211 Sower Boulevard  
P. O. Box 615  
Frankfort, KY 40602

RECEIVED

JUL 15 2013

PUBLIC SERVICE  
COMMISSION

RE: In the matter of adjustment of rates of Columbia Gas of Kentucky, Inc.,  
KY PSC Case No. 2013-00167

Dear Mr. Derouen,

Pursuant to the Commission's Entry dated May 22, 2013, Columbia hereby  
submits responses to continuing Staff data request Nos. 1-45 and 1-54.

Sincerely,



Brooke E. Leslie  
Senior Counsel

Enclosures

cc: All Parties of Record  
Hon. Richard S. Taylor

KY PSC Case No. 2013-00167  
Supplemental Response to Staff's Data Request No. 045 – July 3, 2013  
Respondent: S. Mark Katko

**COLUMBIA GAS OF KENTUCKY, INC.  
SUPPLEMENTAL RESPONSE TO STAFF'S FIRST REQUEST FOR  
INFORMATION  
DATED MAY 22, 2013**

45. As the historical data becomes available, provide detailed monthly income statements for each forecasted month of the base period, including the month in which the Commission hears this case.

**Response:**

Please refer to Attachment A for the response, which has been updated through May 2013.

Columbia Gas of Kentucky, Inc.  
 Case No. 2013-00167  
 Monthly Income Statement  
 For the Months of March through May 2013

Line No.	Description	March 31, 2013	April 30, 2013	May 31, 2013
		\$	\$	
1	<u>Operating Income</u>			
2	Total Operating Revenues	13,831,813	11,511,750	6,277,197
3	<u>Operating Income Deductions</u>			
4	Purchased Gas Cost	7,507,681	6,575,442	2,633,518
5	Liquefied Petroleum Gas Production Expenses	347	198	89
6	Distribution Expenses	1,087,160	796,582	940,433
7	Customer Accounts Expenses	510,478	382,097	414,050
8	Customer Service & Informational Expenses	196,464	190,500	150,035
9	Sales Expenses	13,281	11,539	7,293
10	Administrative & General Expenses	2,432,665	1,106,811	1,135,455
11	Total O&M Expenses	<u>11,748,076</u>	<u>9,063,169</u>	<u>5,280,873</u>
12	Depreciation Expenses	583,381	585,381	578,582
13	Amortization of Utility Plant Acquisition Adjustment	-	-	-
14	Taxes Other Than Income Taxes	263,604	252,596	280,427
15	Income Taxes - Federal	316,020	474,125	(22,906)
16	Income Taxes - State	83,397	87,554	(3,091)
17	Total Operating Expenses	<u>12,994,478</u>	<u>10,462,825</u>	<u>6,113,885</u>
18	Operating Income (Loss)	<u>837,335</u>	<u>1,048,925</u>	<u>163,312</u>
19	<u>Other Income (Deductions)</u>			
20	Non-utility Revenue	84,306	61,163	15,370
21	Interest and Dividend Income	64,235	48,281	37,196
22	Miscellaneous Non-operating Income	89,099	201,648	205,094
23	Other Miscellaneous Deductions	(30,473)	(32,078)	(18,157)
24	Total Other Income	<u>207,167</u>	<u>279,014</u>	<u>239,503</u>
25	<u>Interest Expense</u>			
26	Long-Term Interest Expense	427,733	413,935	427,734
27	Short-Term Interest Expense	374	20,498	371
28	AFUDC	(3,109)	(5,321)	(6,244)
29	Total Interest Expense	<u>424,998</u>	<u>429,112</u>	<u>421,861</u>
30	Total Other Income (Deductions)	<u>(217,831)</u>	<u>(150,098)</u>	<u>(182,358)</u>
31	Net Income (Loss)	<u>619,504</u>	<u>898,827</u>	<u>(19,046)</u>

**COLUMBIA GAS OF KENTUCKY, INC.  
SUPPLEMENTAL RESPONSE TO STAFF'S FIRST REQUEST FOR  
INFORMATION  
DATED MAY 22, 2013**

54. Provide the following information concerning the costs for the preparation of this case:

a. A detailed schedule of expenses incurred to date for the following categories:

- (1) Accounting;
- (2) Engineering;
- (3) Legal;
- (4) Consultants; and
- (5) Other Expenses (Identify separately).

For each category, the schedule should include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of contracts or other documentation that support charges incurred in the preparation of this

case. Identify any costs incurred for this case that occurred during the base period.

b. An itemized estimate of the total cost to be incurred for this case. Expenses should be broken down into the same categories as identified in (a) above, with an estimate of the hours to be worked and the rates per hour. Include a detailed explanation of how the estimate was determined, along with all supporting workpapers and calculations.

c. Provide monthly updates of the actual costs incurred in conjunction with this rate case, reported in the manner requested in (a) above. Updates will be due when Columbia files its monthly financial statements with the Commission, through the month of the public hearing.

**Response:**

a. Please refer to Attachment A of the response for a schedule of expenses incurred through May 2013 and Attachment B for May 2013 individual invoices for additional supporting documentation.

Columbia Gas of Kentucky, Inc.  
 Case No. 2013-00167  
 Rate Case Expenses  
 Incurred to Date Through May 31, 2013

Line No.	Category	Transaction Date	FERC Account	Payment Method	Description	Vendor	Consultant	Hours	Rates per Hour \$	Amount \$
1	Accounting:									
2	Engineering:									-
3	Legal: [1]									-
4		4/30/2013	182	Check #12058503	Outside Counsel	Whitt Sturtevant, LLP				
5							Mark Whitt	5.3	370.00	1,942.50
6							Gregory Williams	6.5	200.00	1,300.00
7							Total			3,242.50
8		5/31/2013	182	Check #12059675	Outside Counsel	Whitt Sturtevant, LLP				
9							Mark Whitt	1.0	370.00	370.00
10							Andrew Campbell	1.3	300.00	390.00
11							Total			760.00
12		5/31/2013	182	Check #12059675	Outside Counsel	Whitt Sturtevant, LLP				
13							Mark Whitt	2.6	370.00	962.00
14							Total			962.00
15	Consultants: [1]									
16		2/20/2013	182	Check #32011101	Depreciation Study	Gannett Fleming, Inc.				
17							Assistant Analyst	10.0	95.00	950.00
18							Associate Analyst	25.0	135.00	3,375.00
19							John J. Spanos	10.0	225.00	2,250.00
20							Support Staff	3.0	95.00	285.00
21							Total			6,860.00
22		2/28/2013	182	Check #32011350	Class Cost of Service Study and Rate Design	Black & Veatch Corp.				
23							Russell A. Feingold	14.0	400.00	5,600.00
24							Gregory E. Macias	2.0	235.00	470.00
25							Howard E. Overcast	16.0	325.00	5,200.00
26							Alok A. Patil	2.0	185.00	370.00
27							Total			11,640.00
28		3/18/2013	182	Check #32011944	Depreciation Study	Gannett Fleming, Inc.				
29							Assistant Analyst	10.0	95.00	950.00
30							Associate Analyst	30.5	135.00	4,117.50
31							John J. Spanos	24.0	225.00	5,400.00
32							Support Staff	2.0	95.00	190.00
33							Total			10,657.50

Columbia Gas of Kentucky, Inc.  
 Case No. 2013-00167  
 Rate Case Expenses  
 Incurred to Date Through May 31, 2013

Line No.	Category	Transaction Date	FERC Account	Payment Method	Description	Vendor	Consultant	Hours	Rates per Hour	Amount
1		4/12/2013	182	Check #32013479	Class Cost of Service Study and Rate Design	Black & Veatch Corp.	Russell A. Feingold	14.0	400.00	5,600.00
2							Gregory E. Macias	11.0	235.00	2,585.00
3							Howard E. Overcast	17.0	325.00	5,525.00
4							<u>Alok A. Patil</u>	2.0	185.00	370.00
5							Total			14,080.00
6										
7		4/15/2013	182	Check #32013634	Depreciation Study	Gannett Fleming, Inc.	Associate Analyst	4.5	135.00	607.50
8							John J. Spanos	11.0	225.00	2,475.00
9							<u>Support Staff</u>	5.5	95.00	522.50
10							Total			3,605.00
11										
12		4/30/2013	182	Check #32014159	Class Cost of Service Study and Rate Design	Black & Veatch Corp.	Russell A. Feingold	11.0	400.00	4,400.00
13							Gregory E. Macias	32.0	235.00	7,520.00
14							Howard E. Overcast	21.5	325.00	6,987.50
15							<u>Alok A. Patil</u>	31.0	185.00	5,735.00
16							Total			24,642.50
17										
18		5/29/2013	182	Check #32014934	Depreciation Study	Gannett Fleming, Inc.	Associate Analyst	1.0	135.00	135.00
19							John J. Spanos	5.0	225.00	1,125.00
20							<u>Support Staff</u>	1.0	95.00	95.00
21							Total			1,355.00
22										
23	Other Expenses:									
24		3/18/2013	182	Check #32011944	Meals and Lodging	Gannett Fleming, Inc.				373.41
25		3/18/2013	182	Check #32011944	Other Transportation	Gannett Fleming, Inc.				115.35
26		4/15/2013	182	Check #32013634	Other Transportation	Gannett Fleming, Inc.				2,937.20
27							Total			3,425.96
28	Total Rate Case Expenses									<u>81,230.46</u>

[1] Please see Attachment B to PSC DR Set 1 No.054 for detail.

PSC Case No. 2013-00167  
Supplemental Response to Staff Set 1 DR No. 054 - July 3, 2013  
Attachment B  
Respondent: S. Mark Katko

**INVOICES AND OTHER SUPPORTING DOCUMENTATION  
FOR RATE CASE EXPENSES**

**INVOICE**

Project: 056704

Date: May 17, 2013

NISource - Columbia Gas of Kentucky  
Attn: Mr. Kevin Solle, Depreciation Manager  
P.O. Box 117  
Columbus, OH 43215-0117

**GANNETT FLEMING, INC.  
VALUATION AND RATE DIVISION**

Send check payments to:  
Gannett Fleming Companies  
P.O. Box 829180  
Philadelphia, PA 19182-9180

P.O. BOX 67100  
HARRISBURG, PA 17106-7100  
(717) 763-7211

Send ACH/EFT payments to:  
ABA: 031312738  
Acct No: [REDACTED]  
[REDACTED] Gannett Fleming Companies

Federal E.I.N. [REDACTED]



Invoice: 056704\*1304025

Invoice Period: March 23, 2013 through May 3, 2013

Depreciation Study

Summary of Current Charges

Phase 000	- DEPRECIATION STUDY	\$ 1,355.00
	Total Charges	<u>\$ 1,355.00</u>
	<b>Total Due This Invoice .....</b>	<b>\$1,355.00</b>

**Project Manager: John J. Spanos**

**GANNETT FLEMING, INC.**  
**VALUATION AND RATE DIVISION**

Invoice Date: May 17, 2013  
Invoice No: 056704\*1304025

Project: 056704 NISource - Columbia Gas of Kentucky

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Phase 000 -- Depreciation Study

**Labor Costs**

**Labor Classification**

<u>Labor Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Associate Analyst	1.00	\$ 135.00	\$ 135.00
John J. Spanos	5.00	225.00	1,125.00
Support Staff	1.00	95.00	95.00
			<hr/>
	<b>Total Labor Costs</b>		<b>\$ 1,355.00</b>
	<b>Total Phase -- 000</b>		<b>\$ 1,355.00</b>

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INVOICE FOR LEGAL SERVICES TO  
NiSOURCE

REMIT TO:

WHITT STURTEVANT LLP  
THE KEYBANK BUILDING  
88 E. BROAD STREET, SUITE 1590  
COLUMBUS, OHIO 43215

TAX ID: 45-4307472

MATTER: 2013 CGK RATE CASE  
INVOICE DATE: APRIL 18, 2013  
INVOICE NUMBER: 10469  
TOTAL DUE: \$760.00

Services rendered for the period:  
March 1, 2013 – March 31, 2013

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
3/5/2013	M.A.W.	Attend weekly strategy call.	0.80	\$296.00
3/25/2013	A.J.C.	Email exchange with Mr. Whitt re: conference call re: rate-case update.	0.30	\$90.00
3/25/2013	M.A.W.	Confer with Ms. Leslie, Mr. Campbell re: weekly meeting.	0.20	\$74.00
3/26/2013	A.J.C.	Attend call re: updates and status of Ky. rate case per Ms. Leslie.	1.00	\$300.00

**TOTAL DUE: \$760.00**

INVOICE FOR LEGAL SERVICES TO  
NISOURCE

REMIT TO:

WHITT STURTEVANT LLP  
THE KEYBANK BUILDING  
88 E. BROAD STREET, SUITE 1590  
COLUMBUS, OHIO 43215

TAX ID: 45-4307472

MATTER: 2013 CGK RATE CASE  
INVOICE DATE: MAY 06, 2013  
INVOICE NUMBER: 10477  
TOTAL DUE: \$962.00

Services rendered for the period:  
April 1, 2013 – April 30, 2013

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
4/2/2013	M.A.W.	Attend strategy call.	0.80	\$296.00
4/9/2013	M.A.W.	Attend strategy call.	1.00	\$370.00
4/23/2013	M.A.W.	Attend weekly strategy call.	0.80	\$296.00

**TOTAL DUE: \$962.00**