

August 15, 2013

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

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 July updates to continuing Staff data request Nos. 1-45 and 1-54.

Sincerely,

Brooke E. Leslie (gmc)

Brooke E. Leslie
Senior Counsel

Enclosures

cc: All Parties of Record

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing *Columbia Gas of Kentucky, Inc.'s Supplemental Response to the Public Service Commission's First Set of Data Requests Nos. 45 and 54* by ordinary U.S. mail, postage prepaid, to the parties on this 15th day of August, 2013.

Interstate Gas Supply, Inc.
William H. May, III
Matthew R. Malone
The Equus Building
127 West Main Street
Lexington, KY 40507

Hon. Dennis G. Howard II
Assistant Attorney General
Office of the Attorney General
1024 Capitol Center Drive, Suite 200
Frankfort, Kentucky 40601

Kentucky Industrial Utility
Customers, Inc.
Davis F. Boehm
Boehm, Kurtz & Lowery
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202

Lexington-Fayette Urban County
Government
David J. Barberie and Jacob Walbourn
Department of Law
200 East Main Street
Lexington, Kentucky 40507
Counsel for Lexington-Fayette Urban
County Government

Iris G. Skidmore
415 W. Main Street, Suite 2
Frankfort, Kentucky 40601
Counsel for Community Action
Council

Brooke E. Leslie (gmc)

Brooke E. Leslie, Senior Counsel

Attorney for
COLUMBIA GAS OF KENTUCKY, INC.

KY PSC Case No. 2013-00167
Supplemental Response to Staff's Data Request No. 045 – August 14, 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 July 2013.

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

Line No.	Description	March 31, 2013	April 30, 2013	May 31, 2013	June 30, 2013	July 31, 2013
		\$	\$			
1	<u>Operating Income</u>					
2	Total Operating Revenues	13,831,813	11,511,750	6,277,197	5,406,825	5,785,018
3	<u>Operating Income Deductions</u>					
4	Purchased Gas Cost	7,507,681	6,575,442	2,633,518	2,000,428	2,555,889
5	Liquefied Petroleum Gas Production Expenses	347	198	89	138	120
6	Distribution Expenses	1,087,160	796,582	940,433	991,324	887,670
7	Customer Accounts Expenses	510,478	382,097	414,050	405,023	366,217
8	Customer Service & Informational Expenses	196,464	190,500	150,035	75,038	138,703
9	Sales Expenses	13,281	11,539	7,293	6,105	6,576
10	Administrative & General Expenses	2,432,665	1,106,811	1,135,455	1,215,312	1,070,211
11	Total O&M Expenses	<u>11,748,076</u>	<u>9,063,169</u>	<u>5,280,873</u>	<u>4,693,368</u>	<u>5,025,386</u>
12	Depreciation Expenses	583,381	585,381	578,582	580,118	581,720
13	Amortization of Utility Plant Acquisition Adjustment	-	-	-	-	-
14	Taxes Other Than Income Taxes	263,604	252,596	280,427	264,504	258,978
15	Income Taxes - Federal	316,020	474,125	(22,906)	(117,068)	(125,697)
16	Income Taxes - State	83,397	87,554	(3,091)	(20,263)	(21,906)
17	Total Operating Expenses	<u>12,994,478</u>	<u>10,462,825</u>	<u>6,113,885</u>	<u>5,400,659</u>	<u>5,718,481</u>
18	Operating Income (Loss)	<u>837,335</u>	<u>1,048,925</u>	<u>163,312</u>	<u>6,166</u>	<u>66,537</u>
19	<u>Other Income (Deductions)</u>					
20	Non-utility Revenue	84,306	61,163	15,370	7,570	7,945
21	Interest and Dividend Income	64,235	48,281	37,196	42,909	85,623
22	Miscellaneous Non-operating Income	89,099	201,648	205,094	185,936	108,574
23	Other Miscellaneous Deductions	(30,473)	(32,078)	(18,157)	(29,757)	(21,008)
24	Total Other Income	<u>207,167</u>	<u>279,014</u>	<u>239,503</u>	<u>206,658</u>	<u>181,134</u>
25	<u>Interest Expense</u>					
26	Long-Term Interest Expense	427,733	413,935	427,734	413,935	427,734
27	Short-Term Interest Expense	374	20,498	371	343	339
28	AFUDC	(3,109)	(5,321)	(6,244)	(7,172)	(7,924)
29	Total Interest Expense	<u>424,998</u>	<u>429,112</u>	<u>421,861</u>	<u>407,106</u>	<u>420,149</u>
30	Total Other Income (Deductions)	<u>(217,831)</u>	<u>(150,098)</u>	<u>(182,358)</u>	<u>(200,448)</u>	<u>(239,015)</u>
31	Net Income (Loss)	<u>619,504</u>	<u>898,827</u>	<u>(19,046)</u>	<u>(194,282)</u>	<u>(172,478)</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 July 2013 and Attachment B for July 2013 individual invoices for additional supporting documentation.

Columbia Gas of Kentucky, Inc.
 Case No. 2013-00167
 Rate Case Expenses
 Incurred to Date Through July 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		6/30/2013	182	Check #12060743	Outside Counsel	Whitt Sturtevant, LLP				
16							Mark Whitt	9.3	370.00	3,441.00
17							Total			3,441.00
18		6/30/2013	182	Check #12060989	Outside Counsel	Stoll, Keenon & Ogden, PLLC				
19							L. Ingram	1.5	335.00	502.50
20							M. Braun	0.5	220.00	110.00
21							R. Watt	1.2	420.00	504.00
22							Total			1,116.50
23	Consultants: [1]									
24		2/20/2013	182	Check #32011101	Depreciation Study	Gannett Fleming, Inc.				
25							Assistant Analyst	10.0	95.00	950.00
26							Associate Analyst	25.0	135.00	3,375.00
27							John J. Spanos	10.0	225.00	2,250.00
28							Support Staff	3.0	95.00	285.00
29							Total			6,860.00
30		2/28/2013	182	Check #32011350	Class Cost of Service Study and Rate Design	Black & Veatch Corp.				
31							Russell A. Feingold	14.0	400.00	5,600.00
32							Gregory E. Macias	2.0	235.00	470.00
33							Howard E. Overcast	16.0	325.00	5,200.00
34							Alok A. Patil	2.0	185.00	370.00
35							Total			11,640.00

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

Line No.	Category	Transaction Date	FERC Account	Payment Method	Description	Vendor	Consultant	Rates		Amount
								Hours	per Hour	
								\$	\$	\$
1		3/18/2013	182	Check #32011944	Depreciation Study	Gannett Fleming, Inc.				
2							Assistant Analyst	10.0	95.00	950.00
3							Associate Analyst	30.5	135.00	4,117.50
4							John J. Spanos	24.0	225.00	5,400.00
5							<u>Support Staff</u>	2.0	95.00	190.00
6							Total			10,657.50
7		4/12/2013	182	Check #32013479	Class Cost of Service Study and Rate Design	Black & Veatch Corp.				
8							Russell A. Feingold	14.0	400.00	5,600.00
9							Gregory E. Macias	11.0	235.00	2,585.00
10							Howard E. Overcast	17.0	325.00	5,525.00
11							<u>Alok A. Patil</u>	2.0	185.00	370.00
12							Total			14,080.00
13		4/15/2013	182	Check #32013634	Depreciation Study	Gannett Fleming, Inc.				
14							Associate Analyst	4.5	135.00	607.50
15							John J. Spanos	11.0	225.00	2,475.00
16							<u>Support Staff</u>	5.5	95.00	522.50
17							Total			3,605.00
18		4/30/2013	182	Check #32014159	Class Cost of Service Study and Rate Design	Black & Veatch Corp.				
19							Russell A. Feingold	11.0	400.00	4,400.00
20							Gregory E. Macias	32.0	235.00	7,520.00
21							Howard E. Overcast	21.5	325.00	6,987.50
22							<u>Alok A. Patil</u>	31.0	185.00	5,735.00
23							Total			24,642.50
24		5/29/2013	182	Check #32014934	Depreciation Study	Gannett Fleming, Inc.				
25							Associate Analyst	1.0	135.00	135.00
26							John J. Spanos	5.0	225.00	1,125.00
27							<u>Support Staff</u>	1.0	95.00	95.00
28							Total			1,355.00
29		6/10/2013	182	Check #32015287	Class Cost of Service Study and Rate Design	Black & Veatch Corp.				
30							Russell A. Feingold	19.0	400.00	7,600.00
31							Gregory E. Macias	36.0	235.00	8,460.00
32							Howard E. Overcast	11.5	325.00	3,737.50
33							Alok A. Patil	66.0	185.00	12,210.00
34							<u>Andrew Poulin</u>	3.0	185.00	555.00
35							Total			32,562.50
36		7/25/2013	182	Check #32017059	Class Cost of Service Study and Rate Design	Black & Veatch Corp.				
37							<u>Russell A. Feingold</u>	3.0	400.00	1,200.00
38							Total			1,200.00

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

Line No.	Category	Transaction Date	FERC Account	Payment Method	Description	Vendor	Consultant	Hours	Rates per Hour \$	Amount \$
1		6/12/2013	182	Check #32015950	Financial and Regulatory Consulting	P. Moul & Associates				
2							Paul Moul	83.0	290.00	24,070.00
3							Clerical	24.0	72.00	1,728.00
4							Total			25,798.00
5		6/26/2013	182	Check #32015943	Depreciation Study	Gannett Fleming, Inc.				
6							John J. Spanos	2.0	225.00	450.00
7							Support Staff	3.5	95.00	332.50
8							Total			782.50
9		6/28/2013	182	Check #32016068	Class Cost of Service Study and Rate Design	Black & Veatch Corp.				
10							Russell A. Feingold	106.0	400.00	42,400.00
11							Gregory E. Macias	64.0	235.00	15,040.00
12							Howard E. Overcast	23.5	325.00	7,637.50
13							Alok A. Patil	69.0	185.00	12,765.00
14							Total			77,842.50
15	Other Expenses: [1]									
16		3/18/2013	182	Check #32011944	Meals and Lodging	Gannett Fleming, Inc.				373.41
17		3/18/2013	182	Check #32011944	Other Transportation	Gannett Fleming, Inc.				115.35
18		4/15/2013	182	Check #32013634	Other Transportation	Gannett Fleming, Inc.				2,937.20
19		6/12/2013	182	Check #32015950	Financial and Regulatory Consulting	P. Moul & Associates				5.00
20		6/28/2013	182	Check #32016068	Class Cost of Service Study and Rate Design	Black & Veatch Corp.				5.00
21		7/27/2013	182		Meals	Employee Meals				40.30
22		7/27/2013	182		Meals	Employee Meals				7.99
23		7/29/2013	182		Office Supplies	Office Depot				415.33
24		7/29/2013	182		Office Supplies	Office Depot				509.41
25							Total			4,408.99
26	Total Rate Case Expenses									<u>224,956.49</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 - August 14, 2013
Attachment B
Respondent: S. Mark Katko

INVOICES AND OTHER SUPPORTING DOCUMENTATION
FOR RATE CASE EXPENSES



BLACK & VEATCH
Building a world of difference

INVOICE

PLEASE REMIT TO:

BLACK & VEATCH CORPORATION
P.O. BOX 803823
KANSAS CITY MO 64180-3823
FED ID: 431833073

ELECTRONIC FUNDS TRANSFER TO:

BLACK & VEATCH CORPORATION
ACCOUNT NUMBER: 5336422
COMMERCE BANK, KC, MO. USA
ABA NUMBER: 101000019
S.W.I.F.T. NO. CBKCU544

PLEASE INCLUDE INVOICE NUMBER
ORG ID 1204

BILL TO:

JUDY COOPER
COLUMBIA GAS OF KENTUCKY
2001 MERCER ROAD
LEXINGTON KY 40511-1018

CLIENT REF 178795.0100
CUSTOMER PO NUMBER
B&V PROJECT NO 178795
PROJECT NAME 2013 RATE CASE SUPPORT
B&V CONTACT MACIAS, GREGORY E
TELEPHONE +19134582037
INVOICE NO 1162970
INVOICE DATE 5-Jul-2013

BILLED THRU 28-Jun-2013
PAYMENT DUE 4-Aug-2013
PAYMENT TERMS 30 NET
INVOICE CURRENCY USD
INVOICE AMOUNT 1,200.00

DESCRIPTION	HOURS	BILL RATE	LABOR EXPENSE	TOTAL
FEINGOLD, RUSSELLA	3.00	400.00	1,200.00	1,200.00
TOTAL	3.00		1,200.00	1,200.00

TOTAL DUE (USD)	1,200.00
-----------------	----------

INVOICE COMMENTS : Service Authorization Number: 12-6183

**Expense Report
Employee and Expense Summary**

REPORT INFORMATION

Name James Racher
 Employee ID 462918
 Expense dates 07/27/13-07/27/13
 Form ID TEA000167247
 Approver Suzanne Surface
 Total Expenses 48.29 USD

REPORT TOTALS

Report Total 48.29 USD
 Total adjustments 0.00 USD
 Total reimbursable 48.29 USD
 Credit card remittance 48.29 USD
 Amount due Employee 0.00 USD

Report Name Racher - July 2013 EXPENSE DATA SUMMARY

Date	Expense Item	Amount	Payment Type	Country	Ex. Rate	Charge to	USD
07/27/13	Business Lunch	40.30	Corporate Card	United States (US)	1.00	CKY Rate Case	40.30
07/27/13	Lunch	7.99	Corporate Card	United States (US)	1.00	CKY Rate Case	7.99

Charge to

Charge to: CKY Rate Case 2013
 Business Unit: 00012
 Department: 0009100
 Account: 92100000
 Work Order: 00012B
 Charge Code: 0577320032

**Expense Report
Expense and Miscellaneous Detail**

EXPENSE DETAIL SUMMARY

Date	Expense Item	Amount	Expense is	Purpose	Category	Receipt Required
07/27/13	Business Lunch	40.30	Reimbursable		General Travel	No
07/27/13	Lunch	7.99	Reimbursable		General Travel	No

Business Lunch

Date: 07/27/13

Amount: 40.30

City: OH,COLUMBUS

Description: CKY Rate Case Lunch

Attendees: 5

Attendees: James Raohar (NiSource Inc.) Mark Katko Jan Kordel Chad Notestone Dave Mouscr



Order Detail

Order Information

Order Number: 665456236-001	Tracking: 1Z4708410393491122
Order Date: 07/26/2013	1Z4708410393492934
Ordered By: XINT	1Z4708410393492943
Last Modified By: XINT	
Last Modified On: 07/26/2013	
	Status: Shipped
	Shipped Date:
	View Carton Details and Proof of Delivery
	Delivery Date/Time: 07/29/2013
	08:30 AM - 05:00 PM
	Comments:

Shipping Information

Shipping Address:
 NISOURCE INC
 200 CIVIC CENTER DR
 COLUMBUS,
 OH
 43215-4138
 USA

Billing Information

Billing Contact:
 Betsy Palmer
 (614)460-6420Ext.0000
Desktop
PO Number
 40080160
Cost Center
Release
Payment Method:
 Account Billing
 1. Account Billing
 Amount: \$415.33

Order Summary

Description	Your Price / Unit	Quantity	B/O	Shipped	Total	Reorder Price / Unit
-------------	-------------------	----------	-----	---------	-------	----------------------

 ACCO® Presstex® Binder, Side Bound, 11" x 8 1/2", 60% Recycled, Dark Blue Item # 102913	\$1.310 / each	297	0	297	\$389.07	\$1.31 / each
---	----------------	-----	---	-----	----------	---------------

 **BEST VALUE**
 Contains recycled content

Comments:

Subtotal:	\$389.07
Delivery Fee:	\$0.00
Miscellaneous:	\$0.00
Taxes:	\$26.26
Total:	\$415.33

Copyright © 2013 by Office Depot, Inc. All rights reserved. Prices shown are in U.S. Dollars. Please login for your pricing. Prices are subject to change. All use of the site is subject to the Terms of Use. Prices and offers on www.officedepot.com may not apply to purchases made on business.officedepot.com. See Terms and Conditions for details.



Order Detail

Order Information

Order Number: 665455978-001	Tracking: 50 Normal Delivery
Order Date: 07/26/2013	Signed By: HARRISON
Ordered By: XINT	
Last Modified By: XINT	Status: Delivered
Last Modified On: 07/26/2013	Shipped Date:
	View Carton Details and Proof of Delivery
	Delivery Date/Time: 07/29/2013
	08:30 AM - 05:00 PM
	Comments:

Shipping Information

Shipping Address:
 NISOURCE INC
 200 CIVIC CENTER DR
 COLUMBUS,
 OH
 43215-4138
 USA

Billing Information

Billing Contact:
 Betsy Palmer
 (614)460-6420Ext.0000
Desktop
PO Number
 40080158
Cost Center
Release
Payment Method:
 Account Billing
 1. Account Billing
 Amount: \$509.41

Order Summary

Description	Your Price / Unit	Quantity	B/O ⓘ	Shipped	Total	Reorder Price / Unit
 Smead® Expanding Top-Tab File Jackets, 2" Expansion, Letter Size, Item # 710280Red, Box Of 50 HUB  Contains recycled content	\$55.990 / box	1	0 1		\$55.99	\$55.99 / box
Comments:						
 Smead® Expanding File Pockets, 5 1/4" Expansion, Letter Size, 100% Recycled, Redrope, Box Of 10 Item # 839615 HUB  BEST VALUE  Contains recycled content	\$10.370 / box	5	0 5		\$51.85	\$10.37 / box
Comments:						

Description	Your Price / Unit	Quantity	B/O Ⓢ	Shipped	Total	Reorder Price / Unit
 Avery® Laser CD/DVD Labels, Item # 611121Pack Of 40 BEST VALUE	\$8.680 / pack	2	0	2	\$17.36	\$8.68 / pack
Comments:						
 Memorex® CD-R Recordable Media Spindle, 700MB/80 Minutes, Item # 620650Pack Of 100 BEST VALUE	\$17.520 / pack	7	0	7	\$122.64	\$17.52 / pack
Comments:						
 Memorex® Slim CD Jewel Cases, Item # 169424Clear, Pack Of 100 BEST VALUE	\$32.100 / pack	7	0	7	\$224.70	\$32.10 / pack
Comments:						
 3M™ Tartan™ 3710 General Purpose Packaging Tape, 3" Core, 1 7/8" x 54.6 Yd., Clear, Pack Of 6 Item # 452001 BEST VALUE	\$4.660 / pack	1	0	1	\$4.66	\$4.66 / pack
Comments:						
					Subtotal:	\$477.20
					Delivery Fee:	\$0.00
					Miscellaneous:	\$0.00
					Taxes:	\$32.21
					Total:	\$509.41

Copyright © 2013 by Office Depot, Inc. All rights reserved. Prices shown are in U.S. Dollars. Please login for your pricing. Prices are subject to change. All use of the site is subject to the Terms of Use. Prices and offers on www.officedepot.com may not apply to purchases made on business.officedepot.com. See Terms and Conditions for details.