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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

AUG 16 2013

PUBLIC SERVICE
COMMISSION

In the Matter of:

THE APPLICATION OF COLUMBIA GAS OF KENTUCKY, INC.)	CASE NO.
FOR AN ADJUSTMENT OF RATES FOR GAS SERVICE)	2013-00167

ATTORNEY GENERAL'S SUPPLEMENTAL DATA REQUESTS

Comes now the intervenor, the Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention, and submits these Supplemental Requests for Information to Columbia Gas of Kentucky, Inc. [hereinafter referred to as "Columbia" or "the company"] to be answered by the date specified in the Commission's Order of Procedure, and in accord with the following:

(1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.

(2) Please identify the witness who will be prepared to answer questions concerning each request.

(3) Please repeat the question to which each response is intended to refer. The Office of the Attorney General can provide counsel for Columbia with an electronic version of these questions, upon request.

(4) These requests shall be deemed continuing so as to require further and supplemental responses if the company receives or generates additional information

within the scope of these requests between the time of the response and the time of any hearing conducted hereon.

(5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

(6) If you believe any request appears confusing, please request clarification directly from Counsel for the Office of Attorney General.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, please identify each variable contained in the printout which would not be self evident to a person not familiar with the printout.

(9) If the company has objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, please notify the Office of the Attorney General as soon as possible.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and

shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-

readable media or other electronically maintained or transmitted information, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

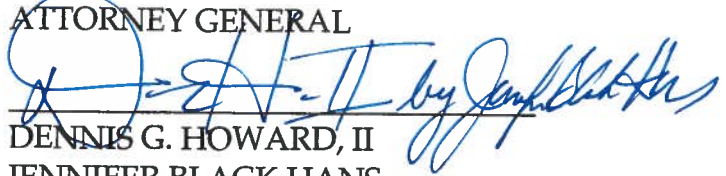
(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) In the event any document called for has been destroyed or transferred beyond the control of the company, please state: the identity of the person by whom it was destroyed or transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(13) Please provide written responses, together with any and all exhibits pertaining thereto, in one or more bound volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations.

(14) The Attorney General reserves the right to pose additional supplemental data requests on or before the due date specified in the Commission's procedural schedule.

Respectfully submitted,
JACK CONWAY
ATTORNEY GENERAL



DENNIS G. HOWARD, II
JENNIFER BLACK HANS
LAWRENCE W. COOK
GREGORY T. DUTTON
ASSISTANT ATTORNEYS GENERAL
1024 CAPITAL CENTER DRIVE
SUITE 200
FRANKFORT, KY 40601-8204
(502) 696-5453
FAX: (502) 573-1009
Dennis.Howard@ag.ky.gov
Jennifer.Hans@ag.ky.gov
Larry.Cook@ag.ky.gov
Gregory.Dutton@ag.ky.gov

Certificate of Service and Filing

Counsel certifies that an original and ten photocopies of the foregoing were served and filed by hand delivery to Jeff Derouen, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky 40601; counsel further states that true and accurate copies of the foregoing were mailed via First Class U.S. Mail, postage pre-paid, to:

Honorable David F Boehm
Attorney at Law
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 1510
Cincinnati, OH 45202

Honorable Stephen B Seiple
Brooke E Leslie
Columbia Gas of Kentucky, Inc.
P.O. Box 117
Columbus, OH 43216-0117

Honorable Iris G Skidmore
415 W. Main Street, Suite 2
Frankfort, KY 40601

Richard S Taylor
225 Capital Avenue
Frankfort, KY 40601

Honorable David J. Barberie
Managing Attorney
Lexington-Fayette Urban County
Government
Department Of Law
200 East Main Street
Lexington, KY 40507

Honorable Matthew R Malone
Attorney at Law
Hurt, Crosbie & May PLLC
The Equus Building
127 West Main Street
Lexington, KENTUCKY 40507

this 15th day of August, 2013.


Assistant Attorney General

**ATTORNEY GENERAL'S SUPPLEMENTAL DATA REQUESTS
TO COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2013-00167**

General Testimonial Questions

- 1) Reference Columbia's Response to AG 1-2. Regarding the data supplied in response to (a) and (b), please furnish the spreadsheet(s) in executable electronic format with cells intact and any supporting workpapers.
- 2) Reference Columbia's Response to AG 1-3(a), which states: "A forecasted test year is recognized by Kentucky law as a rate-making methodology that allows an applicant to request and implement rates based on a utility's forecasted financial position and mitigate the effects of so-called regulatory lag. Columbia's decision to use this methodology is based on this reason." Please describe in detail and quantify the "effects of so-called regulatory lag" that Columbia has experienced and/or anticipated which drove Columbia to decide to use a forecasted test year. Provide copies of any and all internal analyses to this effect.
- 3) Reference Columbia's Response to AG 1-3(c). Please supply a page and line citation regarding the company's reference to Mr. Bell's testimony.
- 4) Reference Columbia's Response to AG 1-5(b). Regarding the table supplied, for references listed as "Settled", please supply the rate of return and the ROE at which Columbia Gas of Pennsylvania agreed to settle.
- 5) Reference Columbia's Response to AG 1-12. Please confirm that Columbia has 18,695 automatic meter readers ("AMR") installed and in operation and advise what percentage of customers this represents in relation to all of Columbia's customers. If this number of AMRs is incorrect, please supply the correct number of AMRS and percentage of customers and explain any variance between this information and the company's response to AG 1-12.
- 6) Reference Columbia's Responses to AG 1-15 and LFUCG 1-18. Regarding these responses, please answer the following questions:
 - a) On what does Columbia rely for its cost savings estimates regarding future/anticipated savings from AMR if "no savings" have resulted from the AMR installations between 2008 and 2013 as stated in response to AG 1-15? Provide copies of any and all internal analyses depicting these cost savings estimates.
 - b) On what does Columbia rely for its cost savings estimates regarding future/anticipated savings from AMR if "Columbia does not anticipate labor savings as the result of automated meter reading" as stated in response to LFUCG 1-18?

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- c) How much money per year does Columbia Gas spend on outside meter reading contracts? If this information has been previously supplied, please provide the relevant reference.
 - d) On what date certain will outside meter reading contracts be cancelled? If not known, over what period of time will Columbia Gas commit to phase-out outside meter reading contracts?
- 7) Reference Columbia's Response to AG 1-24. Regarding the data supplied in response, please furnish the spreadsheet(s) in executable electronic format with cells intact and any supporting workpapers.
- 8) Reference Columbia's Response to AG 1-28. The original data request referenced the pre-filed testimony of Mr. Miller, but the respondent to the data request is listed as Russell A. Feingold. Please clarify Mr. Miller's testimony regarding conservation as it relates to rates and answer the original question as drafted.
- 9) Reference Columbia's Response to AG 1-33, AG 1-71 and AG 1-72. As to these responses, please supply the following information:
- a) Regarding the table supplied in response to AG 1-33, please furnish the spreadsheet(s) in executable electronic format with cells intact and any supporting workpapers.
 - b) Please explain and reconcile how Columbia arrived at an average monthly usage of 5.5 Mcf, when the average annual usage for residential customers is 120 Mcf.
 - c) If the average annual usage for Columbia's residential customers is only 66 Mcf, please confirm that the calculation reflected in AG 1-33 -- $((\$2.45322 - \$1.8715) \times 66)$ -- for a total increase to average volumetric charge of \$37.00.
 - d) Regarding the sample bills supplied in response to AG 1-71 and AG 1-72, please furnish the spreadsheet(s) in executable electronic format with cells intact and any supporting workpapers used to develop these examples.
 - e) Based on the responses to (b) and (c) above, regarding the average residential usage, please update the examples to the current and proposed average residential bill.
- 10) Reference Columbia's Response to AG 1-63. Please supply the "process" information referenced in the response, including but not limited to information regarding

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whether any proprietary modeling software was used by Witness Katko to arrive at the conclusions expressed in his testimony. Please explain in detail.

- 11) Reference Columbia's Response to AG 1-64. Please confirm that Columbia's Distribution Integrity Management Program ("DIMP") does not provide for and does not reference a federal requirement that mandates the various riders that Columbia is seeking in this rate proceeding. If Columbia cannot confirm, please identify the specific mandated provision, federal statute(s) or federal regulation(s) requiring such riders.

Operation and Maintenance Expenses

- 12) Regarding data responses sponsored by Witness Katko, referencing O&M EXPENSES, please provide all assumption reflected in the Company's base and test year budgets.
- 13) Regarding data responses sponsored by Witness Katko, referencing PAYROLL, for each employee group, provide the annual 2008 through 2012, 2013 year-to-date and the base & test years, the aggregate percentage increase in compensation granted and provide a breakdown of the aggregate percentage increase by type of increase (i.e. merit, promotion, step, etc.).
- 14) Regarding data responses sponsored by Witness Katko, referencing O&M EXPENSES, specifically the response to AG 1- 168, for each year shown on Attachment A, page 4 of 5, please provide the amounts paid to each vendor that are contained in Account 923 – Outside Services Employed -- along with a description of what the vendor was paid for.
- 15) Regarding data responses supplied by Witness Katko, referencing O&M EXPENSES, specifically the response to AG 1- 168, for each year shown on Attachment A, page 4 of 5, please provide the amounts paid to each vendor that are contained in Account 926 – Employee Pensions and Benefits -- along with a description of what the vendor was paid for (i.e. pension, health care costs, etc.).
- 16) Regarding data responses sponsored by Witness Katko, referencing O&M EXPENSES, specifically the response to AG 1- 168, by account, please provide actual expenses for the twelve months ended June 30, 2013 for accounts 870, 874, 875, 878, 879, 880, 886, 887, 889, 890, 892, 893, 894, 902, 903, 904, 910, 920, 921, 923, 925, 926, and 928.
- 17) Regarding data responses sponsored by Witness Katko, referencing O&M EXPENSES, specifically the response to AG 1- 168, by account, please provide actual expenses for the twelve months ended July 31, 2013 for accounts 870, 874, 875, 878,

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879, 880, 886, 887, 889, 890, 892, 893, 894, 902, 903, 904, 910, 920, 921, 923, 925, 926, and 928.

Sales Forecast

- 18) Regarding data responses sponsored by Witness Gresham, referencing SALES FORECAST, specifically the response to AG 1- 156, please explain the source of the values used in the energy efficiency variable LENCR and whether this source is publically available.
- 19) Regarding data responses sponsored by Witness Gresham, referencing SALES FORECAST, specifically the response to AG 1-156, please explain the source of the values used in real price variable LRP and whether this source is publically available.
- 20) Regarding data responses sponsored by Witness Gresham, referencing SALES FORECAST, specifically the response to AG 1-156, please explain the source of the values used in the real income per capital LYRPC and whether this source is publically available.
- 21) Regarding data responses sponsored by Witness Gresham, referencing SALES FORECAST, specifically the response to AG 1- 156, regarding the fact that the data provided in response to AG 1-156 is actual through June of 2013, please explain what data was used to run the econometric model used to develop the rate year sales forecast for the residential and commercial classes presented by the Company when it presented its rate case in May of 2013.
- 22) Regarding data responses sponsored by Witness Gresham, referencing SALES FORECAST, specifically the response to AG 1- 156, please provide the sales forecast for the rate year for the residential and commercial classes using 30 years of actual data instead of the 22.5 years that were reported in response to AG 1-156.
- 23) Regarding data responses sponsored by Witness Gresham, referencing SALES FORECAST, specifically the response to AG 1-156, please provide the sales forecast for the rate year for the residential and commercial classes without the energy efficiency variable LENCR in the econometric model.
- 24) Regarding data responses sponsored by Witness Gresham, referencing SALES FORECAST, specifically the response to AG 1- 156, please provide the sales forecast for the rate year for the residential and commercial classes using 30 years of actual data instead of the 22.5 years that were reported in response to AG 1-156 and without the energy efficiency variable LENCR in the econometric model.

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Cost of Service

- 25) Reference Columbia's Response to AG Data Request 1-266. The excel spreadsheet provided in this response (Datasheet.xlsx) simply has hard keyed amounts for class design day demands. Please explain, provide all mathematical models, data inputs, and full documentation as to how each class' design day demand was developed. In this response, please also provide all documentation, modeling, inputs, etc. used to develop estimated class demands per degree day or minimum temperature, etc. (heat sensitive load per degree day or minimum daily temperature). Please provide in sufficient detail to enable the creation and replication of the Company's estimates. Please provide in hardcopy as well as in executable electronic format with cells intact.
- 26) Reference Columbia's Response to AG Data Request 1-273. The Company's response indicates that Columbia has utilized the design day temperature of -7 degrees Fahrenheit which appears to be a weighted average of Huntington, West Virginia (-4 degrees) and Lexington, Kentucky (-8 degrees). Please explain and define whether these amounts represent the minimum temperature on a given day or the average daily temperature.
- 27) Reference Columbia's Response to AG Data Request 1-273. The attachment to this response appears to indicate that the coldest daily temperature recorded for Huntington, West Virginia during the 1925-2007 period was -6 degrees Fahrenheit (1993) and the coldest for Lexington, Kentucky was -8 degrees Fahrenheit (1962, 1989, and 1993). With regard to these observations, please provide:
- a) The dates corresponding to each of these minimums; and,
 - b) The recorded low temperature and high temperature corresponding to each minimum referenced above.
- 28) Reference Columbia's Response to AG Data Request 1-273. Please provide the five coldest average daily temperatures (by year) during the 1925-2007 period individually for Huntington, West Virginia and Lexington, Kentucky in the same format as presented in the attachment to this response. Please provide in hardcopy as well as in executable electronic format with cells intact.
- 29) With regard to Account 303, Miscellaneous Intangible Plant, which totals \$4,186,371 in the Company's class cost of service study, please provide a detailed description and cost breakdown of the specific types of plant and/or equipment included in this account.