

Columbia Gas
of Kentucky

A NiSource Company

*200 Civic Center Drive
Columbus, Ohio 43215*

August 28, 2013

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

RECEIVED
AUG 28 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,

Enclosed for docketing with the Commission are an original and ten (10) copies of Columbia Gas of Kentucky, Inc.'s Responses to the Kentucky Attorney General's Data Requests Set Two. Should you have any questions about this filing, please contact me at 614-460-5558.

Very truly yours,



Brooke E. Leslie
Senior Counsel

Enclosures

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing *Columbia Gas of Kentucky, Inc.'s Responses to the Kentucky Attorney General's Second Set of Data Requests* by U.P.S. Ground, postage prepaid, to the parties on this 28th 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

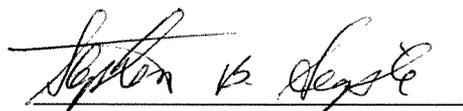
Hon. Dennis G. Howard II
Assistant Attorney General
Office of the Attorney General
1024 Capitol Center Drive, Suite 200
Frankfort, Kentucky 40601

Kentucky Industrial Utility
Customers, Inc.
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Stephen B. Seiple,
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Attorney for
COLUMBIA GAS OF KENTUCKY, INC.

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 001
Respondent: Herbert A Miller, Jr.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

Please refer to files "AG 2-1 Attachment A" and "AG 2-1 Attachment B" on the enclosed CD for the spreadsheets requested. Workpapers supporting the spreadsheets are named "AG 2-1 Attachment C".

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 002
Respondent: Herbert A. Miller, Jr.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

Regulatory lag is the length of time between the utility incurring costs and the recovery of those costs from customers. A delay in recovery results from the use of an historic period as a test year.

An example of regulatory lag follows: Columbia's capital investment in its accelerated main replacement program (AMRP) may occur as early as January of

a calendar year, but the recovery of and on the investment may not begin until June of the following calendar year. Other capital investment may have a longer regulatory lag under a historic test period. Columbia's proposal is to reduce the effect of the regulatory lag for the AMRP and other investments. Columbia has not performed an internal analysis that quantifies the precise impact of regulatory lag.

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 003
Respondents: Herbert A. Miller, Jr. and Eric T. Belle

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

Reference Columbia's Response to AG 1-3(c). Please supply a page and line citation regarding the company's reference to Mr. Belle's testimony.

Response:

Please refer to page 10 lines 5 through 20 and page 11 lines 1 through 3 of Mr. Belle's testimony.

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 004
Respondent: Paul R. Moul

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

The Columbia Gas of Pennsylvania rate case was resolved with a "black box" settlement. That is to say, a stated amount of the revenue increase was included in the settlement, but no other particulars regarding cost of service items, rate base, or return were specified.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

Columbia installed 18,695 automatic meter reading (AMR) devices from 2009 through June 2013. As of June 2013, 18,673 AMRs were in operation which represents approximately 13% of Columbia's customers.

COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013

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?
 - 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?

Response:

- a. Columbia anticipates meter reading costs savings as a result of mass geographic deployment of automated meter reading (AMR) devices along with the transition to mobile "drive by" meter reading. Please refer to Columbia's response to AG Data Request Set 1 No. 295 for AMR business case documents.
- b. As stated in Columbia's response to LFUCG 1-18, Columbia anticipates savings in outside service (contractor) expenses.
- c. Columbia spends approximately \$1.3M per year on meter reading services provided by contractors.
- d. Columbia is not currently anticipating the elimination of meter reading contracts. However, Columbia anticipates reductions in meter reading contractor services starting with the 4th quarter of 2014.

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 007
Respondent: Eric T. Belle

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

Please refer to the enclosed CD and the file 'AG's DR Set 2 No. 007 Attachment A.xls' for the supporting year end annual capital status reports from 2008 through 2012.

PSC Case No. 2013-00167
 AG's DR Set 1 No. 007
 Attachment A

CKY Historical Budget vs Actual
 (\$000,000)

Business Class	2008	2009	2010	2011	2012	2008-2012	2008-2012
	O&12 Dec-YTD Budget	O&12 Dec-YTD Budget	O&12 Dec-YTD Budget	O&12 Dec-YTD Budget	O&12 Dec-YTD Budget	Total Budget	5-Year Average Budget
Non AMRP	14.71	5.76	5.33	4.81	5.53	36.14	7.23
*AMRP		7.10	4.92	7.35	9.12	28.49	5.70
Totals	14.71	12.86	10.25	12.16	14.65	64.63	12.93

Business Class	Dec-YTD Actual	Dec-YTD Actual	Dec-YTD Actual	Dec-YTD Actual	Dec-YTD Actual	2008-2012 Actual	5-Year Average Actual
	Non AMRP	13.58	3.86	5.36	5.13	7.55	35.47
*AMRP		9.14	4.77	9.22	11.36	34.48	6.90
Totals	13.58	13.00	10.13	14.35	18.90	69.96	13.99

Business Class	Variance (Fav)/Unfav	Variance (Fav)/Unfav	Variance (Fav)/Unfav	Variance (Fav)/Unfav	Variance (Fav)/Unfav	Variance (Fav)/Unfav	5-Year Average Variance
	Non AMRP	(1.13)	(1.90)	0.02	0.32	2.02	(0.67)
*AMRP	0.00	2.04	(0.15)	1.87	2.24	5.99	1.20
Totals	(1.13)	0.14	(0.13)	2.19	4.25	5.33	1.07

*Note AMRP not categorized prior to 2009
 2009-2012 Only:

Non AMRP					
Variance %		-33.0%	0.5%	6.7%	36.4%
Cumulative Variance %		-33.0%	-16.9%	-9.8%	2.2%
AMRP					
Variance %		28.7%	-3.1%	25.4%	24.5%
Cumulative Variance %		28.7%	15.7%	25.4%	21.0%
Totals					
Variance %		1.1%	-1.3%	18.0%	29.0%
Cumulative Variance %		1.1%	0.1%	6.2%	12.9%

2008 Capital Status - CKY
December 2008

For Internal Discussion Purposes Only - Not For Distribution

Gross View

Class	Current Month	Year to Date	2008 Approved	2008 Revised	% Fcst Spent to Date	Year-End Forecast	(Risk)/ Opportunity
Growth	101	1,935	2,192	2,192	100.0%	1,935	257
Betterment	9	369	1,292	250	100.0%	369	923
Age & Condition	1,045	10,885	9,427	9,427	100.0%	10,885	(1,458)
Public Improvement	24	938	1,806	1,806	100.0%	938	868
Special	0	0	0	0	0.0%	0	0
Acquisitions	0	0	0	0	0.0%	0	0
Support Services	7	202	100	100	100.0%	202	(102)
Support Services Env	0	0	0	0	0.0%	0	0
Total Gross Capital	1,186	14,328	14,817	13,775	100.0%	14,328	489
Contributions	(15)	(296)	(220)	(220)	100.0%	(296)	76
Reimb - Betterment	0	0	0	0	0.0%	0	0
Reimb - Replacement	(59)	(879)	(747)	(747)	100.0%	(879)	132
Total Cont/Reimb	(74)	(1,175)	(967)	(967)	100.0%	(1,175)	208
Total Net Capital	1,111	13,154	13,850	12,808	100.0%	13,154	696

Net View

Class	Current Month	Year to Date	2008 Approved	2008 Revised	% Fcst Spent to Date	Year-End Forecast	(Risk)/ Opportunity
Growth	86	1,640	1,972	1,972	100.0%	1,640	332
Betterment	9	369	1,292	250	100.0%	369	923
Age & Condition	1,045	10,885	9,427	9,427	100.0%	10,885	(1,458)
Public Improvement	(36)	59	1,059	1,059	100.0%	59	1,000
Special	0	0	0	0	0.0%	0	0
Acquisitions	0	0	0	0	0.0%	0	0
Support Services	7	202	100	100	100.0%	202	(102)
Support Services Env	0	0	0	0	0.0%	0	0
Total Net Capital	1,111	13,154	13,850	12,808	100.0%	13,154	696

Other Capital

Class	Current Month	Year to Date	2008 Approved	2008 Revised	% Fcst Spent to Date	Year-End Forecast	(Risk)/ Opportunity
NISource Retail Services	0	0	0	0	0.0%	0	0
Meter-to-Cash	0	0	0	0	0.0%	0	0
Facilities	0	0	0	0	0.0%	0	0
Finance and Administration	11	427	861	861	100.0%	427	434
Corp Serv Transfers	0	0	0	0	0.0%	0	0
Total Other Capital	11	427	861	861	100.0%	427	434

TOTAL CKY CAPITAL	1,123	13,581	14,711	13,669	100.0%	13,581	1,130
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2009 Capital Status - CKY

December 2009

For Internal Discussion Purposes Only - Not For Distribution

Gross View

Class	Current Month	Year to Date	2009 Approved	2009 Revised	% Fcst Spent to Date	Year-End Forecast	(Risk)/ Opportunity	Variance vs 2009 Approved
Growth	256	2,011	4,477	1,727	100.0%	2,011	(284)	(2,466)
Betterment	(20)	92	178	178	100.0%	92	86	(86)
Age & Condition	985	9,163	7,100	7,100	100.0%	9,163	(2,063)	2,063
Public Improvement	485	2,270	1,755	1,755	100.0%	2,270	(515)	515
Acquisitions	0	0	0	0	0.0%	0	0	0
Support Services	64	170	307	249	100.0%	170	79	(137)
Customer Programs/AMR	0	12	31	11	100.0%	12	(0)	(20)
								0
Support Services IT	91	479	448	448	100.0%	479	(32)	32
Total Gross Capital	1,861	14,198	14,296	11,468	100.0%	14,198	(2,730)	(97)
								0
Contributions	(4)	(117)	(220)	(220)	100.0%	(117)	(103)	103
Reimb - Betterment	0	0	0	0	0.0%	0	0	0
Reimb - Public Improvement	(689)	(1,083)	(1,220)	(1,220)	100.0%	(1,083)	(137)	137
Total Cont/Reimb	(693)	(1,200)	(1,440)	(1,440)	100.0%	(1,200)	(240)	240
								0
Total Net Capital	1,168	12,998	12,856	10,028	100.0%	12,998	(2,970)	143

Net View

Class	Current Month	Year to Date	2009 Approved	2009 Revised	% Fcst Spent to Date	Year-End Forecast	(Risk)/ Opportunity	Variance vs 2009 Approved
Growth	252	1,894	4,257	1,507	100.0%	1,894	(387)	(2,363)
Betterment	(20)	92	178	178	100.0%	92	86	(86)
Age & Condition	985	9,163	7,100	7,100	100.0%	9,163	(2,063)	2,063
Public Improvement	(204)	1,188	535	535	100.0%	1,188	(653)	653
Acquisitions	0	0	0	0	0.0%	0	0	0
Support Services	64	170	307	249	100.0%	170	79	(137)
Customer Programs/AMR	0	12	31	11	100.0%	12	(0)	(20)
								0
Corp. Alloc. (IT/FAC/SEC)	91	479	448	448	100.0%	479	(32)	32
Total Net Capital	1,168	12,998	12,856	10,028	100.0%	12,998	(2,970)	143

Regulatory Initiatives (Included Above)

Class	Current Month	Year to Date	2009 Approved	2009 Revised	% Fcst Spent to Date	Year-End Forecast	(Risk)/ Opportunity	Variance vs 2009 Approved
Bare Steel Replacement	961	9,140	7,100	7,100	100.0%	9,140	(2,040)	2,040
PTF Riser Replacement	0	0	0	0	0.0%	0	0	0
Service Line Replacements	0	0	0	0	0.0%	0	0	0
AMR Deployment	0	0	0	0	0.0%	0	0	0
Total Net Capital	961	9,140	7,100	7,100	100.0%	9,140	(2,040)	2,040

2010 Capital Status - CKY

December 2010

For Internal Discussion Purposes Only - Not For Distribution

Gross View								
Class	MTD Actuals	MTD Original Budget	MTD Variance Fav/(Unfav)	YTD Actuals	YTD Original Budget	YTD Variance Fav/(Unfav)	Year-End Approved Forecast	(Risk)/ Opportunity
Growth	307	106	(201)	1,742	2,020	278	1,300	(442)
Betterment	10	4	(6)	56	150	94	308	252
Age & Condition	825	578	(247)	5,870	6,000	130	5,600	(270)
Public Improvement	358	58	(300)	2,072	2,000	(72)	2,400	328
Acquisitions	0	0	0	(3)	0	3	0	3
Support Services	82	129	47	197	383	186	406	209
Customer Programs/AMR	56	27	(29)	57	80	23	80	23
Segment IT	701	169	(532)	1,042	501	(541)	876	(165)
Corp. Alloc. (IT/FAC/SEC)	25	136	111	48	340	292	57	9
Total Gross Capital	2,363	1,207	(1,156)	11,081	11,474	393	11,027	(54)
Contributions	(15)	(9)	6	(169)	(220)	(51)	(120)	49
Reimb - Betterment	0	0	0	0	0	0	0	0
Reimb - Public Improvement	(563)	(42)	521	(788)	(1,000)	(212)	(250)	538
Total Cont/Reimb	(578)	(51)	526	(956)	(1,220)	(264)	(370)	586
Total Net Capital	1,785	1,155	(630)	10,125	10,254	129	10,657	532

Net View								
Class	MTD Actuals	MTD Original Budget	MTD Variance Fav/(Unfav)	YTD Actuals	YTD Original Budget	YTD Variance Fav/(Unfav)	Year-End Approved Forecast	(Risk)/ Opportunity
Growth	292	97	(195)	1,574	1,800	226	1,180	(394)
Betterment	10	4	(6)	56	150	94	308	252
Age & Condition	825	578	(247)	5,870	6,000	130	5,600	(270)
Public Improvement	(205)	16	221	1,285	1,000	(285)	2,150	865
Acquisitions	0	0	0	(3)	0	3	0	3
Support Services	82	129	47	197	383	186	406	209
Customer Programs/AMR	56	27	(29)	57	80	23	80	23
Segment IT	701	169	(532)	1,042	501	(541)	876	(165)
Corp. Alloc. (IT/FAC/SEC)	25	136	111	48	340	292	57	9
Total Net Capital	1,785	1,155	(630)	10,125	10,254	129	10,657	532

Regulatory Initiatives (Included Above)								
Class	MTD Actuals	MTD Original Budget	MTD Variance Fav/(Unfav)	YTD Actuals	YTD Original Budget	YTD Variance Fav/(Unfav)	Year-End Approved Forecast	(Risk)/ Opportunity
Bare Steel Replacement	171	474	303	4,767	4,920	153	4,920	153
PTF Riser Replacement	0	0	0	0	0	0	0	0
Service Line Replacements	0	0	0	0	0	0	0	0
AMR Deployment	56	27	(29)	57	80	23	0	(57)
Total Net Capital	227	501	274	4,824	5,000	176	4,920	96

2011 Capital Status - CKY

December 2011

For Internal Discussion Purposes Only - Not For Distribution

Gross View											
Class	MTD	MTD	MTD	YTD	YTD	YTD	2011	Current Goal	% Fcst Spent to Date	Year-End Forecast	(Risk)/ Opportunity
	Actuals	Original Budget	Variance Fav/(Unfav)		Actuals	Original Budget					
Growth	325	205	(120)	1,993	1,620	(373)	1,620	1,620	123.0%	1,620	0
Betterment	27	9	(18)	19	290	271	290	290	6.6%	290	0
Age & Condition	1,189	830	(358)	10,138	8,430	(1,708)	8,430	9,430	107.5%	9,430	0
Public Improvement	57	150	93	2,200	1,925	(275)	1,925	1,925	114.3%	1,925	0
Acquisitions	0	0	0	0	0	0	0	0	0.0%	0	0
Support Services	51	71	20	370	211	(159)	211	211	175.4%	211	0
Customer Programs/AMR	145	30	(114)	251	90	(161)	90	90	278.6%	90	0
Segment IT	84	136	52	456	404	(52)	404	404	112.9%	404	0
Corp. Alloc. (IT/FAC/SEC)	143	0	(143)	176	40	(136)	40	40	440.2%	40	0
Total Gross Capital	2,020	1,432	(589)	15,604	13,010	(2,594)	13,010	14,010	111.4%	14,010	0
Contributions	(18)	(13)	5	(221)	(200)	21	(200)	(200)	110.7%	(200)	0
Reimb - Betterment	0	0	0	0	0	0	0	0	0.0%	0	0
Reimb - Public Improvement	(938)	(27)	910	(1,034)	(650)	384	(650)	(650)	159.1%	(650)	0
Total Cont/Reimb	(956)	(41)	915	(1,255)	(850)	405	(850)	(850)	147.7%	(850)	0
Total Net Capital	1,064	1,391	327	14,348	12,160	(2,189)	12,160	13,160	109.0%	13,160	0

Net View											
Class	MTD	MTD	MTD	YTD	YTD	YTD	2011	Current Goal	% Fcst Spent to Date	Year-End Forecast	(Risk)/ Opportunity
	Actuals	Original Budget	Variance Fav/(Unfav)		Actuals	Original Budget					
Growth	307	192	(115)	1,772	1,420	(352)	1,420	1,420	124.8%	1,420	0
Betterment	27	9	(18)	19	290	271	290	290	6.6%	290	0
Age & Condition	1,189	830	(358)	10,138	8,430	(1,708)	8,430	9,430	107.5%	9,430	0
Public Improvement	(881)	123	1,003	1,166	1,275	109	1,275	1,275	91.5%	1,275	0
Acquisitions	0	0	0	0	0	0	0	0	0.0%	0	0
Support Services	51	71	20	370	211	(159)	211	211	175.4%	211	0
Customer Programs/AMR	145	30	(114)	251	90	(161)	90	90	278.6%	90	0
Segment IT	84	136	52	456	404	(52)	404	404	112.9%	404	0
Corp. Alloc. (IT/FAC/SEC)	143	0	(143)	176	40	(136)	40	40	440.2%	40	0
Total Net Capital	1,064	1,391	327	14,348	12,160	(2,189)	12,160	13,160	109.0%	13,160	0

Regulatory Initiatives (Included Above)											
Class	MTD	MTD	MTD	YTD	YTD	YTD	2011	Current Goal	% Fcst Spent to Date	Year-End Forecast	(Risk)/ Opportunity
	Actuals	Original Budget	Variance Fav/(Unfav)		Actuals	Original Budget					
Bare Steel Replacement	339	773	434	9,219	7,350	(1,869)	7,350	8,350	110.4%	8,350	0
PTF Riser Replacement	0	0	0	0	0	0	0	0	0.0%	0	0
Service Line Replacements	0	0	0	0	0	0	0	0	0.0%	0	0
AMR Deployment	0	0	0	0	0	0	0	0	0.0%	0	0
Total Net Capital	339	773	434	9,219	7,350	(1,869)	7,350	8,350	110.4%	8,350	0

**2012 Capital Status - CKY
December 2012**

For Internal Discussion Purposes Only - Not For Distribution

Gross View

Class	MTD			YTD			2012 Approved	Current Goal	% Fcst Spent to Date	Year-End Forecast	(Risk)/ Opportunity	Variance vs 2009 Approved
	MTD Actuals	MTD 10&2 Budget	MTD Variance Fav/(Unfav)	YTD Actuals	YTD 10&2 Budget	YTD Variance Fav/(Unfav)						
Growth	34	38	3	3,982	3,700	(282)	1,700	3,700	94.8%	4,200	(500)	2,282
Betterment	53	20	(33)	398	300	(98)	1,000	300	132.6%	300	0	(602)
Age & Condition	44	1,200	1,156	11,874	10,700	(1,174)	10,200	10,700	101.5%	11,700	(1,000)	1,674
Public Improvement	84	100	16	1,508	1,320	(188)	1,200	1,320	114.2%	1,320	0	308
Acquisitions	0	0	0	0	0	0	0	0	0.0%	0	0	0
Support Services	141	38	(103)	437	300	(137)	200	300	145.7%	300	0	237
Customer Programs/AMR	0	0	0	363	350	(13)	350	350	103.7%	350	0	13
Segment IT	108	29	(79)	389	292	(97)	292	292	133.1%	292	0	97
Corp. Alloc. (IT/FAC/SEC)	42	0	(42)	393	452	59	358	452	86.9%	452	0	35
Total Gross Capital	506	1,425	919	19,343	17,414	(1,929)	15,300	17,414	102.3%	18,914	(1,500)	4,044
Contributions	8	(86)	(94)	(172)	(200)	(28)	(200)	(200)	28.2%	(609)	409	28
Reimb - Betterment	0	0	0	0	0	0	0	0	0.0%	0	0	0
Reimb - Public Improvement	(0)	(137)	(136)	(268)	(450)	(182)	(450)	(450)	111.6%	(240)	(210)	182
Total Cont/Reimb	8	(223)	(230)	(440)	(650)	(210)	(650)	(650)	51.8%	(849)	199	210
Total Net Capital	514	1,203	689	18,904	16,764	(2,140)	14,650	16,764	104.6%	18,065	(1,301)	4,254

Net View

Class	MTD			YTD			2012 Approved	Current Goal	% Fcst Spent to Date	Year-End Forecast	(Risk)/ Opportunity	Variance vs 2009 Approved
	MTD Actuals	MTD 10&2 Budget	MTD Variance Fav/(Unfav)	YTD Actuals	YTD 10&2 Budget	YTD Variance Fav/(Unfav)						
Growth	42	(48)	(91)	3,810	3,500	(310)	1,500	3,500	106.1%	3,591	(91)	2,310
Betterment	53	20	(33)	398	300	(98)	1,000	300	132.6%	300	0	(602)
Age & Condition	44	1,200	1,156	11,874	10,700	(1,174)	10,200	10,700	101.5%	11,700	(1,000)	1,674
Public Improvement	84	(37)	(120)	1,240	870	(370)	750	870	114.8%	1,080	(210)	490
Acquisitions	0	0	0	0	0	0	0	0	0.0%	0	0	0
Support Services	141	38	(103)	437	300	(137)	200	300	145.7%	300	0	237
Customer Programs/AMR	0	0	0	363	350	(13)	350	350	103.7%	350	0	13
Segment IT	108	29	(79)	389	292	(97)	292	292	133.1%	292	0	97
Corp. Alloc. (IT/FAC/SEC)	42	0	(42)	393	452	59	358	452	86.9%	452	0	35
Total Net Capital	514	1,203	689	18,904	16,764	(2,140)	14,650	16,764	104.6%	18,065	(1,301)	4,254

Regulatory Initiatives (Included Above)

Class	MTD			YTD			2012 Approved	Current Goal	% Fcst Spent to Date	Year-End Forecast	(Risk)/ Opportunity	Variance vs 2009 Approved
	MTD Actuals	MTD 10&2 Budget	MTD Variance Fav/(Unfav)	YTD Actuals	YTD 10&2 Budget	YTD Variance Fav/(Unfav)						
Bare Steel Replacement	64	(576)	(640)	11,358	9,620	(1,738)	9,120	9,620	106.1%	10,700	(1,080)	2,238
PTF Riser Replacement	0	0	0	0	0	0	0	0	0.0%	0	0	0
Service Line Replacements	0	0	0	0	0	0	0	0	0.0%	0	0	0
AMR Deployment	0	0	0	0	0	0	0	0	0.0%	0	0	0
Total Net Capital	64	(576)	(640)	11,358	9,620	(1,738)	9,120	9,620	106.1%	10,700	(1,080)	2,238

COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013

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.

Response:

Mr. Miller adopts Mr. Feingold's response Feingold to AG 1-28. Designing a rate structure that addresses the complex issues of customer rates, rate of return and customer usage and conservation is more appropriate for a rate design expert as Mr. Feingold, and he should be the primary respondent to AG 1-28. Columbia does not believe that its proposed rate design is an financial impediment to conservation. Columbia's proposed design is intended to support an acceptable alignment of customer and utility interests of encouraging usage conservation and operating in a business environment of more energy efficient appliances and



building designs, while providing a reasonable opportunity for the utility to earn a reasonable rate of return.



COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013

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.

Response:

- (a.) Please refer to Attachment A on the separate CD.
- (b.) Please refer to work papers WPM-C for test year forecasted Mcf by rate schedule and WPM-B for forecasted bills by rate schedule. Columbia's forecasted average monthly usage for residential rate schedule GSR is 5.5 Mcf = $(6,098,391.7 \text{ Mcf} / 1,099,534 \text{ bills})$. Columbia is not aware of any calculation provided in its Application or in response to data requests supporting an annual average residential usage per customer of 120 Mcf.
- (c.) The calculation reflected in AG 1-33 shows the difference in volumetric base rate charges at current and proposed rates at a forecasted average monthly residential GSR consumption of 5.5 Mcf. A GSR customer's gas delivery charge at current rates using an average monthly usage of 5.5 Mcf is \$10.29 rounded to the nearest cent. A GSR customer's gas delivery charge at proposed rates using an average monthly usage of 5.5 Mcf is \$13.38

rounded to the nearest cent. The difference in average monthly gas delivery charges of $\$3.09 = (\$13.38 - \$10.29)$ multiplied by twelve months is $\$37.08$. Multiplying the difference of $\$.5607 = (\$2.4322 - \$1.8715)$ times 66 is equal to $\$37.01$ rounded to the nearest cent.

(d.) See Attachment A.

Columbia Gas of Kentucky, Inc.
Residential (GSR) Increase

AG DR Set 2-9
Attachment A

		Average <u>Usage</u> (1)	Current <u>Rate</u> (2)	Current <u>Bill</u> (3)	Proposed <u>Rate</u> (4)	Proposed <u>Bill</u> (5)	<u>Difference</u> (6) = (5-3)
Monthly Customer Charge	\$/Bill		12.35	12.35	18.50	18.50	6.15
AMRP Rider	\$/Bill		1.06	1.06	-	-	(1.06)
EECP Rider	\$/Bill		(0.24)	(0.24)	(0.24)	(0.24)	-
Gas Delivery Charge	\$/Mcf	5.5	1.8715	10.29	2.4322	13.38	3.09
Gas Supply Cost (GCA)	\$/Mcf	5.5	4.0634	22.35	4.0634	22.35	-
Uncollectible Gas Gost Rider	\$/Mcf	5.5	0.0603	0.33	0.0243	0.13	(0.20)
Research and Development Factor	\$/Mcf	5.5	0.0150	0.08	0.0150	0.08	-
Energy Assistance Program Surcharge	\$/Mcf	5.5	0.0615	0.34	0.0615	0.34	-
Total Bill at Current Rates				46.56		54.54	7.98

Total Bill at Current Rates

		Average <u>Usage</u> (1)	Current <u>Rate</u> (2)	Current <u>Bill</u> (3)
Monthly Customer Charge	\$/Bill		12.35	12.35
AMRP Rider	\$/Bill		1.06	1.06
EECP Rider	\$/Bill		(0.24)	(0.24)
Gas Delivery Charge	\$/Mcf	5.5	1.8715	10.29
Gas Supply Cost (GCA)	\$/Mcf	5.5	4.0634	22.35
Uncollectible Gas Gost Rider	\$/Mcf	5.5	0.0603	0.33
Research and Development Factor	\$/Mcf	5.5	0.0150	0.08
Energy Assistance Program Surcharge	\$/Mcf	5.5	0.0615	0.34
Charges before Tax				46.56
Lex.-Fay. Urban County Government	3.2%			1.47
School Tax	3.0%			1.40
Sales Tax	6.0%			2.97
Total Bill at Current Rates				52.39

Total Bill at Proposed Rates

			Proposed <u>Rate</u> (4)	Proposed <u>Bill</u> (5)
Monthly Customer Charge	\$/Bill		18.50	18.50
AMRP Rider	\$/Bill		-	-
EECP Rider	\$/Bill		(0.24)	(0.24)
Gas Delivery Charge	\$/Mcf	5.5	2.4322	13.38
Gas Supply Cost (GCA)	\$/Mcf	5.5	4.0634	22.35
Uncollectible Gas Gost Rider	\$/Mcf	5.5	0.0243	0.13
Research and Development Factor	\$/Mcf	5.5	0.0150	0.08
Energy Assistance Program Surcharge	\$/Mcf	5.5	0.0615	0.34
Charges before Tax				54.54
Lex.-Fay. Urban County Government	3.2%			1.72
School Tax	3.0%			1.64
Sales Tax	6.0%			3.47
Total Bill at Current Rates				61.37

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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

Response:

Mr. Katko did not use any proprietary modeling software to develop the revenue requirement components in his testimony. He used information developed for the strategic and financial planning and budgeting process, namely Columbia's O&M expense budget.

In terms of process information, the Corporate Strategic Planning group analyzes and models factors including changes in debt and equity issuances, capital expenditures, revenue, O&M expenses, and taxes to estimate the impact of future events.

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 011
Respondent: Judy M. Cooper

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

Columbia is not aware of a federal requirement that mandates a rider for its DIMP and Columbia's DIMP does not include any such reference. The only new "rider" proposed by Columbia is a rate design proposal for the Revenue Normalization Adjustment mechanism, and it is not related to DIMP.

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 012
Respondent: S. Mark Katko

COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013

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.

Response:

Please refer to page 9, line 9 through page 11, line 15 of my direct testimony for a description of the assumptions reflected in Columbia's O&M expense budget, which makes up the budgeted portion of the base period and the forecasted test period. Also please refer to Columbia's response to AG Set 1 No. 65 for a list of the corporate assumptions included in the base period and forecasted test period and Columbia's response to Staff Set 1 No. 9 for a description of Columbia's O&M budgeting process.

In addition to the use of Columbia's O&M budget in the development of the base period and forecasted test period cost of service, Columbia recognizes that certain O&M expenses are treated differently for regulatory purposes. As the

result of filing based on a fully forecasted test period, it was necessary to review financial plan O&M expenses and make additional adjustments as needed. Schedule D-2.4 contains a listing of the ratemaking adjustment assumptions incorporated into the forecasted test period O&M expenses. Specifically, adjustments 2 through 11 result in a reduction to O&M expense of \$682,098 from Columbia's unadjusted O&M budget.

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 013
Respondent: S. Mark Katko

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.).

Response:

Please see the table below for the percentage increase in compensation granted by type of increase for each employee group for 2008. Please refer to Columbia's response to AG Set 1 No. 193 for the years 2009 through 2013 year-to-date. Please refer to Columbia's response to PSC Set 2 No. 61 for the base period and forecasted test period.

Columbia Gas of Kentucky, Inc.					
2008 Percentage Increase in Compensation					
	Across-the-Board Increase	Progression (avg)	Step Progression (avg)	Adjustment (avg)	Aggregate (avg)
Union	3.0%	-	0.4%	1.9%	5.8%
	Merit/Across-the-Board Increase	Progression (avg)	Adjustment (avg)	Promotion (avg)	Aggregate (avg)
Non-Exempt Non-Union	3.3%	-	-	-	3.2%
	Merit Increase	Progression (avg)	Adjustment (avg)	Promotion (avg)	Aggregate (avg)
Exempt	3.3%	-	-	0.3%	3.4%

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 014
Respondent: S. Mark Katko

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

Please refer to Attachment A of this response which represents the information available for all actual periods up to and including the actual portion of the base period. As stated in my direct testimony, Columbia budgets O&M expenses by cost element and not by FERC, or general ledger, account; therefore, vendor information for Account 923 is not available for forecasted months.

COLUMBIA GAS OF KENTUCKY, INC.
 CASE NO. 2013-00167
 ACCOUNT 923 - OUTSIDE SERVICES EMPLOYED
 FOR THE MOST FIVE RECENT CALENDAR YEARS AND THE BASE PERIOD

<u>YEAR</u>	<u>VENDOR NAME</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
			\$
2008	DAPPLE ADVERTISING	GRAPHIC DESIGN	3,846
	DELOITTE	AUDIT SERVICES	148,883
	FEDEX	COURIER SERVICES	633
	MARKETING SERVICES	PRINTING SERVICES	18,095
	NISOURCE CORPORATE SERVICES CO	MANAGEMENT SERVICES	6,921,205
	NISOURCE CORPORATE SERVICES CO - CONVENIENCE BILL	ENVIRONMENTAL	(37)
	OTHER	OTHER	3
	PICOSEARCH LLC	PROGRAMMING SERVICES	249
	PLATTS	ECONOMIC FORECASTING SERVICES	2,673
	PRICEWATERHOUSE COOPERS	AUDIT SERVICES - FASB ISSUES	1,834
	R L WINGATE & ASSOCIATES, INC	GRAPHIC DESIGN	300
	THINK PATENTED	PRINTING SERVICES	5,382
	UPS	COURIER SERVICES	15
	WHITEHOUSE RIDDLE	CONSULTING SERVICES - LOBBYING	8,750
		2008 TOTAL	7,111,831
2009	ADVANTICA	EDP MAINTENANCE AGREEMENTS	7,429
	DAPPLE ADVERTISING	GRAPHIC DESIGN	519
	DELOITTE	AUDIT SERVICES	143,390
	FAHLGREN INC	FILM, VIDEO AND AUDIO SERVICES	3,165
	FAHLGREN INC	GRAPHIC DESIGN	1,955
	FAHLGREN INC	PROGRAMMING SERVICES	6,038
	FEDEX	COURIER SERVICES	161
	MARKETING SERVICES	PRINTING SERVICES	20,644
	NISOURCE CORPORATE SERVICES CO	MANAGEMENT SERVICES	7,864,742
	NISOURCE CORPORATE SERVICES CO - CONVENIENCE BILL	ENVIRONMENTAL	(555)
	PLATTS	ECONOMIC FORECASTING SERVICES	2,810
	THINK PATENTED	PRINTING SERVICES	1,023
	UPS	COURIER SERVICES	23
	VANANTWERP, MONGE, JONES, EDWARDS & MCCANN, LLP	CONSULTING SERVICES	3,103
	WHITEHOUSE RIDDLE	CONSULTING SERVICES - LOBBYING	16,250
	PROMOTIONS BY DESIGN	PRINTING SERVICES	315
	STRICTLY SPANISH LLC	FILM, VIDEO AND AUDIO SERVICES	1,451
		2009 TOTAL	8,072,463

COLUMBIA GAS OF KENTUCKY, INC.
 CASE NO. 2013-00167
 ACCOUNT 923 - OUTSIDE SERVICES EMPLOYED
 FOR THE MOST FIVE RECENT CALENDAR YEARS AND THE BASE PERIOD

<u>YEAR</u>	<u>VENDOR NAME</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
			\$
2010	DELOITTE	AUDIT SERVICES	148,953
	ENERGY FEDERATION INC	PRINTING SERVICES	184
	MARKETING SERVICES	PRINTING SERVICES	24,128
	NISOURCE CORPORATE SERVICES CO	MANAGEMENT SERVICES	7,845,285
	NISOURCE CORPORATE SERVICES CO - CONVENIENCE BILL	CONSULTING SERVICES	4,782
	NISOURCE CORPORATE SERVICES CO - CONVENIENCE BILL	ENVIRONMENTAL	(252)
	PLATTS	ECONOMIC FORECASTING SERVICES	2,369
	REED CONSULTING	EMPLOYEE TRAINING	6,944
	UPS	COURIER SERVICES	24
	URS CORPORATION	CONSULTING SERVICES - ENVIRONMENTAL COMPLIANCE	285
	WHITEHOUSE RIDDLE	CONSULTING SERVICES - LOBBYING	27,000
		2010 TOTAL	8,059,702
2011	DELOITTE	AUDIT SERVICES	121,398
	FEDEX	COURIER SERVICES	64
	MARKETING SERVICES	PRINTING SERVICES	22,680
	MONSTER AND CAREERBUILDER	EMPLOYEE ADVERTISING	161
	NISOURCE CORPORATE SERVICES CO	MANAGEMENT SERVICES	8,551,793
	NISOURCE CORPORATE SERVICES CO - CONVENIENCE BILL	COMMON GENERAL LEDGER / CHART OF ACCOUNTS	7,890
	NISOURCE CORPORATE SERVICES CO - CONVENIENCE BILL	ENVIRONMENTAL	(285)
	PITNEY BOWES	EXTERNAL COMPUTING SERVICES	4,455
	PLATTS	ECONOMIC FORECASTING SERVICES	1,794
	REED CONSULTING	EMPLOYEE TRAINING	16,406
	SAPERSTEIN	MARKET RESEARCH	8,105
	UPS	COURIER SERVICES	149
	URS CORPORATION	CONSULTING SERVICES - ENVIRONMENTAL COMPLIANCE	3,555
	VANANTWERP, MONGE, JONES, EDWARDS & MCCANN, LLP	CONSULTING SERVICES	189
	WHITEHOUSE RIDDLE	CONSULTING SERVICES - LOBBYING	27,000
		2011 TOTAL	8,765,353

COLUMBIA GAS OF KENTUCKY, INC.
 CASE NO. 2013-00167
 ACCOUNT 923 - OUTSIDE SERVICES EMPLOYED
 FOR THE MOST FIVE RECENT CALENDAR YEARS AND THE BASE PERIOD

<u>YEAR</u>	<u>VENDOR NAME</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
			\$
2012	ACCUPRINT INC	PRINTING SERVICES	1,579
	CITIBANK	PRINTING SERVICES	1,411
	DELOITTE	AUDIT SERVICES	147,019
	FEDEX	COURIER SERVICES	170
	HMB INFORMATION SYSTEM DEVELOPERS	TELECOMMUNICATION EQUIPMENT REPAIR	(4,688)
	IBM	AUDIT SERVICES	11,774
	ITRON	EXTERNAL COMPUTING SERVICES	1,775
	LEXIS-NEXIS OCCUPATIONAL HEALTH SOLUTIONS	DRUG TESTING	3,009
	LYNN IMAGING INC	PRINTING SERVICES	47
	MATRIX GROUP INC	CONSULTING SERVICES - TELEPHONE SURVEY	13,017
	MCJUNKIN	SUPPLY CHAIN SERVICES	41,868
	MONSTER AND CAREERBUILDER	EMPLOYEE ADVERTISING	521
	NATIONAL COMPLIANCE MGMT	DRUG TESTING - CONTRACTORS	2,748
	NISOURCE CORPORATE SERVICES CO	MANAGEMENT SERVICES	8,924,440
	NISOURCE CORPORATE SERVICES CO - CONVENIENCE BILL	COMMON GENERAL LEDGER / CHART OF ACCOUNTS	111,525
	NISOURCE CORPORATE SERVICES CO - CONVENIENCE BILL	EMPLOYEE TRAINING	42,144
	NISOURCE CORPORATE SERVICES CO - CONVENIENCE BILL	ENVIRONMENTAL	(636)
	OTHER	OTHER	34
	PLATTS	ECONOMIC FORECASTING SERVICES	2,329
	UPS	COURIER SERVICES	47
	UPS	COURIER SERVICES	10
	URS CORPORATION	CONSULTING SERVICES - ENVIRONMENTAL COMPLIANCE	3,900
	WHITEHOUSE RIDDLE	CONSULTING SERVICES - LOBBYING	27,000
	IMMEDIATE CARE SPECIALTY GROUP	PHYSICAL EXAMS	60
	LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT	AUDIT SERVICES - COST SHARE AUDIT	10,641
	STRICTLY SPANISH LLC	CONSULTING SERVICES	65
			<hr/>
		2012 TOTAL	9,341,811

COLUMBIA GAS OF KENTUCKY, INC.
 CASE NO. 2013-00167
 ACCOUNT 923 - OUTSIDE SERVICES EMPLOYED
 FOR THE MOST FIVE RECENT CALENDAR YEARS AND THE BASE PERIOD

<u>YEAR</u>	<u>VENDOR NAME</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
			\$
Base	ACCUPRINT INC	PRINTING SERVICES	497
Period	DELOITTE	AUDIT SERVICES	67,884
	HMB INFORMATION SYSTEM DEVELOPERS	TELECOMMUNICATION EQUIPMENT REPAIR	(4,720)
	IBM	AUDIT SERVICES	14,874
	ITRON	EXTERNAL COMPUTING SERVICES	1,775
	LEXIS-NEXIS OCCUPATIONAL HEALTH SOLUTIONS	DRUG TESTING	2,924
	MATRIX GROUP INC	CONSULTING SERVICES - TELEPHONE SURVEY	134
	MCJUNKIN	SUPPLY CHAIN SERVICES	8,506
	MONSTER AND CAREERBUILDER	EMPLOYEE ADVERTISING	609
	NISOURCE CORPORATE SERVICES CO	MANAGEMENT SERVICES	4,683,609
	NISOURCE CORPORATE SERVICES CO - CONVENIENCE BILL	COMMON GENERAL LEDGER / CHART OF ACCOUNTS	89,241
	NISOURCE CORPORATE SERVICES CO - CONVENIENCE BILL	EMPLOYEE TRAINING	7,954
	NISOURCE CORPORATE SERVICES CO - CONVENIENCE BILL	ENVIRONMENTAL	(303)
	OTHER	OTHER	34
	UPS	COURIER SERVICES	41
	URS CORPORATION	CONSULTING SERVICES - ENVIRONMENTAL COMPLIANCE	2,311
	WHITEHOUSE RIDDLE	CONSULTING SERVICES - LOBBYING	13,500
	LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT	AUDIT SERVICES - COST SHARE AUDIT	10,641
		BASE PERIOD TOTAL [1]	4,899,508

[1] THE BASE PERIOD SHOWS ACTUAL OUTSIDE SERVICES EMPLOYED FOR THE MONTHS OF SEPTEMBER 2012 THROUGH FEBRUARY 2013.

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 015
Respondent: S. Mark Katko

COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013

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.).

Response:

Please refer to Attachment A of this response for vendor information related to Account 926 for the years 2008 through 2012, the base period, and the forecasted test period.

Columbia Gas of Kentucky, Inc.
Case No. 2013-00167
Account 926 - Employee Benefits

Cost Element	Description	2008	2009	2010	2011	2012	Base Period	Forecasted Test Period	Vendor Information
		\$	\$	\$	\$	\$	\$	\$	
9041	Medical	776,670	826,666	913,082	1,035,214	976,190	1,031,964	1,134,144	Anthem Blue Cross Blue Shield PPO; High Deductible PPO (self-insured); Anthem Kentucky HMO; Vision Service Plan
9042	Dental	66,647	79,238	76,774	62,214	76,827	76,752	84,432	CIGNA
9043	Group Life	28,038	37,109	(10,169)	31,373	24,117	8,434	28,620	Prudential
9044	Long-Term Disability	50,226	57,378	65,955	64,441	56,646	97,482	74,868	Prudential
9045	Employee Assistance Program	16,948	15,779	14,049	6,297	3,288	11,536	20,064	Value Options
9046	OPEB Medical	429,281	705,252	521,558	204,279	217,316	92,173	58,332	Annual expense calculated by NiSource actuary Aon Hewitt
9047	OPEB Life	(84,119)	6,229	(21,924)	(23,580)	38,280	7,144	(25,143)	Annual expense calculated by NiSource actuary Aon Hewitt
9048	SFAS 106 Amortization	281,707	281,712	281,712	281,707	234,758	46,950	58,947	Not applicable
9049	SFAS 112 Amortization	(306,684)	217,700	218,421	(171,582)	262,785	245,609	9,770	Not applicable
9051	Employee Insurance Plans Transfers	(362,967)	(486,118)	(399,157)	(407,453)	(374,101)	(387,313)	(419,387)	Not applicable
9061	Pension / Retirement Plan	(152,136)	1,352,976	854,793	582,096	827,172	2,066,908	1,179,000	Annual expense calculated by NiSource actuary Aon Hewitt
9071	Retirement Income Plan Transfers	3	(325,934)	(204,469)	(177,872)	(194,203)	(489,504)	(365,136)	Not applicable
9081	Thrift Plan	287,453	302,868	309,051	318,189	353,972	371,636	425,016	Company match through NiSource administrator Fidelity Investments
9091	Thrift Plan Transfers	(73,620)	(65,590)	(64,844)	(79,931)	(78,189)	(108,749)	(129,456)	Not applicable
9095	Profit Sharing	21,695	31,097	88,447	91,943	56,254	57,508	58,044	Company contribution through NiSource administrator Fidelity Investments
	Total Benefits	979,141	3,036,362	2,643,279	1,817,335	2,481,112	3,128,530	2,192,115	
3C11	Benefits Administration Fees	85,988	78,108	79,263	97,200	76,663	69,200	65,491	Aon Hewitt (outsourcing; consulting; actuarial)
3E03	Consultant Fees - Thrift	245	-	-	-	-	-	-	Fidelity Investments (recordkeeping fees)
	Total Outside Services	86,233	78,108	79,263	97,200	76,663	69,200	65,491	
	Total Account 926	1,065,374	3,114,470	2,722,542	1,914,535	2,557,775	3,197,730	2,257,606	

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

Actual expenses for the twelve months ended June 30, 2013 for the requested accounts are as follows:

ACCOUNT	ACCOUNT TITLE	TME 6/30/2013
		\$
870	SUPERVISION AND ENGINEERING	799,224
874	MAINS AND SERVICES EXPENSES	2,862,618
875	MEASURING AND REGULATION STA. EXPENSE - GEN.	193,809
878	METERS AND HOUSE REGULATOR EXPENSE	1,476,667
879	CUSTOMER INSTALLATIONS EXPENSE	1,574,296
880	OTHER EXPENSE	1,177,443
886	STRUCTURES AND IMPROVEMENTS	228,771
887	MAINS	1,537,661
889	MEASURING AND REGULATION STA. EXPENSE - GEN.	237,450
890	MEASURING AND REGULATION STA. EXPENSE - IND.	66,853
892	SERVICES	283,382
893	METERS AND HOUSE REGULATORS	193,147
894	OTHER EQUIPMENT	333,670
902	METER READING EXPENSES	1,500,375
903	CUSTOMER RECORDS & COLLECTIONS - UTIL. SERV	3,011,700
904	UNCOLLECTIBLE ACCOUNTS	397,531
910	MISCELLANEOUS CUSTOMER ACCOUNT EXPENSE	320,282
920	ADMINISTRATIVE AND GENERAL SALARIES	1,139,167
921	OFFICE SUPPLIES AND EXPENSES	502,979
923	OUTSIDE SERVICES EMPLOYED	10,034,761
925	INJURIES AND DAMAGES	784,624
926	EMPLOYEE PENSIONS AND BENEFITS	3,310,243
928	REGULATORY COMMISSION EXPENSE	237,108

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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

Response:

Actual expenses for the twelve months ended July 31, 2013 for the requested accounts are as follows:

ACCOUNT	ACCOUNT TITLE	TME 7/31/2013
		\$
870	SUPERVISION AND ENGINEERING	820,710
874	MAINS AND SERVICES EXPENSES	2,835,419
875	MEASURING AND REGULATION STA. EXPENSE - GEN.	181,758
878	METERS AND HOUSE REGULATOR EXPENSE	1,484,454
879	CUSTOMER INSTALLATIONS EXPENSE	1,609,345
880	OTHER EXPENSE	1,167,292
886	STRUCTURES AND IMPROVEMENTS	235,331
887	MAINS	1,445,222
889	MEASURING AND REGULATION STA. EXPENSE - GEN.	232,146
890	MEASURING AND REGULATION STA. EXPENSE - IND.	61,963
892	SERVICES	288,296
893	METERS AND HOUSE REGULATORS	180,803
894	OTHER EQUIPMENT	340,247
902	METER READING EXPENSES	1,500,637
903	CUSTOMER RECORDS & COLLECTIONS - UTIL. SERV	2,991,563
904	UNCOLLECTIBLE ACCOUNTS	691,364
910	MISCELLANEOUS CUSTOMER ACCOUNT EXPENSE	320,386
920	ADMINISTRATIVE AND GENERAL SALARIES	1,140,538
921	OFFICE SUPPLIES AND EXPENSES	507,201
923	OUTSIDE SERVICES EMPLOYED	9,999,828
925	INJURIES AND DAMAGES	752,912
926	EMPLOYEE PENSIONS AND BENEFITS	3,211,238
928	REGULATORY COMMISSION EXPENSE	229,696

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 018
Respondent: William J. Gresham

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

The energy efficiency variable is provided by Itron, Inc., a consulting company.

Itron's data are not publically available.

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 019
Respondent: William J. Gresham

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

The price variable is an estimate of end user prices derived from Columbia's gas supply model that uses the NYMEX strip as its estimate of gas prices, a simulation of Columbia's gas cost adjustment and current margin rates. Real (inflation adjusted) prices are calculated with price deflators obtained from Global Insight, an economic consulting firm. NYMEX strip data are publically available. The Global Insight data are not publically available. The rest are company data.

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 020
Respondent: William J. Gresham

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

The real income per capita variable is obtained from Global Insight, an economic consulting firm. The data are not publically available.

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 021
Respondent: William J. Gresham

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

Econometric models were developed with data through December 2011.

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 022
Respondent: William J. Gresham

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 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.

Response:

The response to AG 1-156 included all available data. Thirty years of data is not available for model estimation.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

The energy efficiency variable LENCR was removed from the filed residential econometric model of UPC, and the energy efficiency variable LENCC was removed from the filed commercial econometric model of UPC to produce modified econometric models of residential and commercial UPC. The residential model, modified to remove the energy efficiency variable LENCR, contains serious errors and would never be proposed by Columbia as a forecasting tool:

1. Forcing the significant coefficient of LENCR to be zero creates a specification problem for the model that increases the biasedness of all estimators in the model.
2. The error terms of the estimated model become heteroskedastic, which increases the variability of the estimators of the model, making the parameter estimates unreliable.
3. The estimated elasticity with respect to price becomes positive – a clear violation of economic theory and good sense about the relationship between price and demand of a commodity.

Forecasts derived from the modified residential model are very different from those derived from the filed model, as one would expect, due to the differences between the model coefficient estimates. Moreover, these forecasts are biased as are the estimates of the residential model.

Modification of the commercial model is not warranted, as in the residential model, since the filed model reveals that the estimated coefficient of LENCC is statistically significant: omission of this variable causes the same problem of biasedness as in the modified residential model. There are few other differences caused by this modification,

resulting in small differences between the forecasts derived from the modified model and forecasts derived from the filed model.

The forecast for the rate year changes are as follows:

MMCF		MMCF		MMCF	
Filed Models		Requested Models		Difference	
Residential	Commercial	Residential	Commercial	Residential	Commercial
2014	8,000	7,525	8,350	7,475	350 (50)
				4.4%	-0.7%

The model statistics for requested models are as follows:

The SAS System
 The AUTOREG Procedure
 Dependent Variable LAUPC - Residential Model

Maximum Likelihood Estimates

SSE	1.59687582	DFE	235
MSE	0.00680	Root MSE	0.08243
SBC	-463.0596	AIC	-523.05989
Regress R-Square	0.9776	Total R-Square	0.9934

Variable	DF	Estimate	Standard Error	t Value	Approx Pr > t
Intercept	1	-0.0126	0.2126	-0.06	0.9526
M1	1	1.0581	0.0688	15.38	<.0001
M2	1	1.1207	0.0650	17.25	<.0001
M3	1	1.1989	0.0542	22.11	<.0001
M4	1	1.1395	0.0408	27.90	<.0001
M5	1	0.7510	0.0288	26.09	<.0001
M6	1	0.3037	0.0241	12.59	<.0001
M7	1	0.0807	0.0211	3.82	0.0002
M9	1	0.0293	0.0211	1.38	0.1675
M10	1	0.3518	0.0253	13.92	<.0001
M11	1	0.9227	0.0356	25.94	<.0001
M12	1	1.0889	0.0552	19.72	<.0001
LRP	1	0.0835	0.0803	1.04	0.2992
ADDD	1	0.001484	0.0000621	23.90	<.0001
LRYPC	1	0.0500	4.9134E-9	1.018E7	<.0001

The AUTOREG Procedure

Dependent Variable LAUPC - Commercial Model

Maximum Likelihood Estimates

SSE	0.53903333	DFE	172
MSE	0.00313	Root MSE	0.05598
SBC	-467.50761	AIC	-556.42684
Regress R-Square	0.9695	Total R-Square	0.9936

Variable	DF	Estimate	Standard Error	t Value	Approx Pr > t
Intercept	1	2.3517	0.0462	50.93	<.0001
M1	1	0.6926	0.0579	11.95	<.0001
M2	1	0.7002	0.0559	12.52	<.0001
M3	1	0.6893	0.0474	14.54	<.0001
M4	1	0.5524	0.0371	14.91	<.0001
M5	1	0.2625	0.0287	9.15	<.0001
M6	1	0.0643	0.0238	2.70	0.0076
M7	1	0.008016	0.0184	0.43	0.6645
M9	1	0.0414	0.0183	2.26	0.0253
M10	1	0.2467	0.0243	10.13	<.0001
M11	1	0.5095	0.0333	15.32	<.0001
M12	1	0.6593	0.0486	13.58	<.0001
D201012	1	0.2248	0.0565	3.98	0.0001
D201101	1	0.1442	0.0573	2.52	0.0128
D201001	1	0.1078	0.0574	1.88	0.0618
D201002	1	0.1118	0.0639	1.75	0.0821
D201003	1	0.1925	0.0637	3.02	0.0029
D201004	1	-0.1880	0.0562	-3.34	0.0010
D201112	1	-0.1330	0.0599	-2.22	0.0278
D200101	1	-0.1203	0.0508	-2.37	0.0189
D199509	1	0.2902	0.0501	5.79	<.0001
D199507	1	0.2107	0.0507	4.15	<.0001
D200906	1	0.2394	0.0490	4.89	<.0001
LRP	1	-0.0209	0.0231	-0.90	0.3674
ADDD	1	0.001035	0.0000521	19.88	<.0001
LRGCP	1	0.0500	2.7667E-9	1.807E7	<.0001

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 024
Respondent: William J. Gresham

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

The response to AG 1-156 included all available data. Thirty years of data is not available for model estimation.

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 025
Respondents: Russell A. Feingold and William J. Gresham

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

Columbia developed its Design Day Requirements at a Firm and Non-Firm level for 2013/14 in its 2012 Peak Day Forecast. The Firm and Non-Firm

requirements were then allocated to the rate class schedules as shown in Attachment 1, AG Set 2-25 on the enclosed CD. A description is provided below:

Rate Schedule: Shows the 2013/14 Design Day Requirements by Rate Schedule as provided in Columbia's response to AG Data Request 1-266.

Inputs: Shows the calculation of the rate schedule allocation percentages based on the January 2012 data.

Month Jan 2012: The January 2012 volumes by rate schedule and customer class.

Schedule 1 and 2: Reflect the Firm and Non-Firm Design Day Requirements from the 2012 Peak Day Forecast.

Columbia Gas Of Kentucky
2012 Peak Day Forecast, 2012/13 - 2016/17

2013/14 Design Day Requirements by Rate Schedule
Volume in MDth/Day

	Total Demand			Firm Demand			Non-Firm Demand			Standby Service Obligation ⁽¹⁾	Total Firm Obligation
	Tariff	GTS	Throughput	Tariff	GTS	Throughput	Tariff	GTS	Throughput		
Residential											
GSR	98.7	39.9	138.6	98.7	39.9	138.6	0.0	0.0	0.0	0.0	138.6
Commercial											
GSO	43.9	0.0	43.9	43.9	0.0	43.9	0.0	0.0	0.0	0.0	43.9
ISU	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.4	3.4
IS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
GTO	0.0	34.4	34.4	0.0	34.4	34.4	0.0	0.0	0.0	0.0	34.4
DS	0.0	19.0	19.0	0.0	0.0	0.0	0.0	19.0	19.0	0.0	0.0
DS-ML	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
GDS	0.0	1.7	1.7	0.0	0.0	0.0	0.0	1.7	1.7	0.0	0.0
Total Commercial	43.9	55.1	99.0	43.9	34.4	78.3	0.0	20.7	20.7	3.4	81.7
Industrial											
GSO	0.6	0.0	0.6	0.6	0.0	0.6	0.0	0.0	0.0	0.0	0.6
SS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.8	1.8
IS	0.2	0.0	0.2	0.0	0.0	0.0	0.2	0.0	0.2	0.0	0.0
GTO	0.0	0.6	0.6	0.0	0.6	0.6	0.0	0.0	0.0	0.0	0.6
DS	0.0	77.2	77.2	0.0	0.0	0.0	0.0	77.2	77.2	0.0	0.0
DS-ML	0.0	3.1	3.1	0.0	0.0	0.0	0.0	3.1	3.1	0.0	0.0
GDS	0.0	1.0	1.0	0.0	0.0	0.0	0.0	1.0	1.0	0.0	0.0
Total Industrial	0.8	81.9	82.7	0.6	0.6	1.2	0.2	81.3	81.5	1.8	3.0
Other	0.4	0.0	0.4	0.4	0.0	0.4	0.0	0.0	0.0	0.0	0.4
2013/14 Design Day	143.8	176.9	320.7	143.6	74.9	218.5	0.2	102.0	102.2	5.2	223.7

(1) Standby Service Quantities

**Columbia Gas Of Kentucky
2012 Peak Day Forecast, 2012/13 - 2016/17
2013/14 Design Day Requirements by Rate Schedule**

NOTE: STEP 2 IS FOR PRORATING PURPOSES ONLY.

STEP 1: Forecast 2013/2014 Winter Peak Day Volume

STEP 2: Percentage of January 2012 actual monthly Rate Schedule split From Regulatory

<u>From Schedule 1 of 2012 PDF</u>				<u>Step 2 Has been Updated for 2012PDF</u>		
<u>From 2012 PDF</u>	<u>GTS</u>	<u>Total</u>	<u>GTS %</u>	<u>Rate Sch.</u>	<u>Class</u>	<u>Rate Sch.</u>
<u>Company</u>	<u>Volume</u>	<u>Volume</u>	<u>of Total</u>	<u>Volume</u>	<u>Volume</u>	<u>%</u>
CKY - updated 11/13/12****Choice & Non-Firm transpt.				CKY		
Commercial	55.1	99.0	55.7%	Commercial		
Industrial	81.9	82.7	99.0%	GSO-tariff	510,525	510,525 100.0%
				GSR-tariff	0	510,525 0.0%
				ISU-tariff	0	510,525 0.0%
				IS-tariff	0	0 #DIV/0!
				SS-tariff	0	0 #DIV/0!
Industrial Sales = Average January Day				Choice		
				GTO	313,601	313,601 100.0%
Industrial Non-Firm Sales = Average January Day				DS		
				DS	296,597	323,843 91.6%
				DS-ML	0	323,843 0.0%
				GDS	27,246	323,843 8.4%
						637,444
				Industrial		
				GSO-tariff	15,091	15,091 100.0%
				IS-tariff	0	15,091 0.0%
				IS-tariff	5,718	5,718 100.0%
				SS-tariff	0	0 #DIV/0!
				GTO	8,922	8,922 100.0%
				DS	1,491,897	1,576,448 94.7%
				DS-ML	60,661	1,576,448 3.8%
				GDS	23,890	1,576,448 1.5%
						1,585,370

Columbia Gas of Kentucky, Inc.
 Peak Month Volumes
 For the Month of 01/2012

Service Type	Rate Schedule	Ccos Rate Schedule	Rate Schedule Name	Residential	Commercial	Industrial	Other
				Mcf	Mcf	Mcf	Mcf
TARIFF SALES	G1R	GSR	RESIDENTIAL LG&E	354.8	0.0	0.0	0.0
TARIFF SALES	GSR	GSR	RESIDENTIAL SERVICE	1,175,760.9	0.0	0.0	0.0
TARIFF SALES	IN3	GSR	INLAND/CKY GENERAL SERVICE	162.9	0.0	0.0	0.0
TARIFF SALES	IN4	GSR	INLAND/CKY GENERAL SERVICE	19.6	0.0	0.0	0.0
TARIFF SALES	IN5	GSR	INLAND/GENERAL SERVICE	116.4	0.0	0.0	0.0
TARIFF SALES	LG2	GSR	RESIDENTIAL/COMMERCIAL	136.3	0.0	0.0	0.0
TARIFF SALES	LG3	GSR	RESIDENTIAL	70.8	0.0	0.0	0.0
TARIFF SALES	LG4	GSR	RESIDENTIAL	0.0	0.0	0.0	0.0
				1,176,621.7	0.0	0.0	0.0
TARIFF SALES	GSO	GSO	COMMERCIAL INDUSTRIAL SERVICE	0.0	509,777.1	15,091.1	0.0
TARIFF SALES	GST	GSO	GAS TRANSPORTATION SERVICE	0.0	0.0	0.0	0.0
TARIFF SALES	G1C	GSO	COMMERCIAL/INDUSTRIAL LG&E	0.0	566.6	0.0	0.0
TARIFF SALES	IN3	GSO	INLAND/CKY GENERAL SERVICE	0.0	11.1	0.0	0.0
TARIFF SALES	LG2	GSO	RESIDENTIAL/COMMERCIAL	0.0	169.9	0.0	0.0
				0.0	510,524.7	15,091.1	0.0
TARIFF SALES	IS	IS	INTERRUPTIBLE SERVICE	0.0	0.0	5,718.0	0.0
TARIFF SALES	IST	IS	INTERRUPTIBLE SERVICE TRANS	0.0	0.0	0.0	0.0
				0.0	0.0	5,718.0	0.0
TARIFF SALES	IUS	IUS	INTRASTATE UTILITY SERVICE	0.0	0.0	0.0	1,760.0
CHOICE	GTO	GTO	COMMERCIAL INDUSTRIAL CHOICE	0.0	313,601.4	8,921.7	0.0
CHOICE	GTR	GTR	RESIDENTIAL CHOICE	378,746.5	0.0	0.0	0.0
IUS and Residential GSR				1,178,381.7		IUS % :	0.2%
TRANSPORTATION	GDS	GDS	GRANDFATHERED DELIVERY SERVICE	0.0	27,246.0	23,890.0	0.0
TRANSPORTATION	DS3	DS-ML	MAINLINE RATE	0.0	0.0	60,661.0	0.0
TRANSPORTATION	DS	DS	GAS DELIVERY SERVICE	0.0	196,231.0	643,803.0	0.0
TRANSPORTATION	FX1	DS	FLEX RATE 1	0.0	76,784.0	0.0	0.0
TRANSPORTATION	FX2	DS	FLEX RATE 2	0.0	16,139.0	0.0	0.0
TRANSPORTATION	FX4	DS	FLEX RATE 3	0.0	0.0	0.0	0.0
TRANSPORTATION	FX5	DS	FLEX RATE 4	0.0	0.0	310,874.0	0.0
TRANSPORTATION	FX6	DS	FLEX RATE 5	0.0	0.0	0.0	0.0
TRANSPORTATION	FX7	DS	FLEX RATE 6	0.0	0.0	39,921.0	0.0
TRANSPORTATION	FX8	DS	FLEX RATE 7	0.0	0.0	5,054.0	0.0
TRANSPORTATION	SAS	DS	SPECIAL AGENCY SERVICE	0.0	7,443.0	0.0	0.0
TRANSPORTATION	SC2	DS	SPECIAL CONTRACT	0.0	0.0	0.0	0.0
TRANSPORTATION	SC3	DS	SPECIAL CONTRACT	0.0	0.0	492,245.0	0.0
				0.0	296,597.0	1,491,897.0	0.0
Total				1,555,368.2	1,147,969.1	1,606,178.8	1,760.0

Columbia Gas of Kentucky
2012 Peak Day Forecast, 2012/13 - 2016/17

Schedule 2

Commercial and Industrial Design Day Firm Obligation

Demand Units are MDth/Day

	Commercial				Industrial			
	Sales	Choice	Standby	Firm Obligation	Sales	Choice	Standby	Firm Obligation
Total								
2011/12	43.0	34.5	3.4	80.9	0.6	0.6	1.9	3.1
2012/13	42.9	34.5	3.4	80.8	0.6	0.6	1.8	3.0
2013/14	43.9	34.4	3.4	81.7	0.6	0.6	1.8	3.0
2014/15	43.6	34.5	3.4	81.5	0.6	0.6	1.8	3.0
2015/16	43.8	34.3	3.4	81.5	0.6	0.6	1.8	3.0
2016/17	43.7	34.0	3.4	81.1	0.6	0.6	1.8	3.0
PSP 18-10								
2011/12	3.5	5.4	0.4	9.3	0.2	0.2	0.0	0.4
2012/13	3.5	5.4	0.3	9.2	0.2	0.2	0.0	0.4
2013/14	3.7	5.4	0.3	9.4	0.2	0.2	0.0	0.4
2014/15	3.6	5.4	0.3	9.3	0.2	0.2	0.0	0.4
2015/16	3.7	5.4	0.3	9.4	0.2	0.2	0.0	0.4
2016/17	3.7	5.3	0.3	9.3	0.2	0.2	0.0	0.4
PSP 18-11								
2011/12	2.0	0.1	0.0	2.1	0.0	0.0	0.1	0.1
2012/13	2.0	0.1	0.0	2.1	0.0	0.0	0.1	0.1
2013/14	1.9	0.1	0.0	2.0	0.0	0.0	0.1	0.1
2014/15	1.9	0.1	0.0	2.0	0.0	0.0	0.1	0.1
2015/16	1.9	0.1	0.0	2.0	0.0	0.0	0.1	0.1
2016/17	1.8	0.1	0.0	1.9	0.0	0.0	0.1	0.1
PSP 18-12								
2011/12	26.9	26.4	3.0	56.3	0.1	0.1	1.7	1.9
2012/13	27.1	26.4	3.1	56.6	0.1	0.1	1.6	1.8
2013/14	28.1	26.4	3.1	57.6	0.1	0.1	1.6	1.8
2014/15	27.9	26.4	3.1	57.4	0.1	0.1	1.6	1.8
2015/16	28.0	26.2	3.1	57.3	0.1	0.1	1.6	1.8
2016/17	28.0	26.1	3.1	57.2	0.1	0.1	1.6	1.8
PSP 18-13								
2011/12	0.8	0.0	0.0	0.8	0.0	0.0	0.0	0.0
2012/13	0.8	0.0	0.0	0.8	0.0	0.0	0.0	0.0
2013/14	0.8	0.0	0.0	0.8	0.0	0.0	0.0	0.0
2014/15	0.8	0.0	0.0	0.8	0.0	0.0	0.0	0.0
2015/16	0.8	0.0	0.0	0.8	0.0	0.0	0.0	0.0
2016/17	0.8	0.0	0.0	0.8	0.0	0.0	0.0	0.0
PSP 17-15								
2011/12	8.6	2.1	0.0	10.7	0.3	0.3	0.1	0.7
2012/13	8.4	2.1	0.0	10.5	0.3	0.3	0.1	0.7
2013/14	8.3	2.0	0.0	10.3	0.3	0.3	0.1	0.7
2014/15	8.3	2.1	0.0	10.4	0.3	0.3	0.1	0.7
2015/16	8.3	2.1	0.0	10.4	0.3	0.3	0.1	0.7
2016/17	8.3	2.0	0.0	10.3	0.3	0.3	0.1	0.7
PSP 17-16								
2011/12	0.3	0.5	0.0	0.8	0.0	0.0	0.0	0.0
2012/13	0.3	0.5	0.0	0.8	0.0	0.0	0.0	0.0
2013/14	0.3	0.5	0.0	0.8	0.0	0.0	0.0	0.0
2014/15	0.3	0.5	0.0	0.8	0.0	0.0	0.0	0.0
2015/16	0.3	0.5	0.0	0.8	0.0	0.0	0.0	0.0
2016/17	0.3	0.5	0.0	0.8	0.0	0.0	0.0	0.0
PSP 17-18								
2011/12	0.9	0.0	0.0	0.9	0.0	0.0	0.0	0.0
2012/13	0.8	0.0	0.0	0.8	0.0	0.0	0.0	0.0
2013/14	0.8	0.0	0.0	0.8	0.0	0.0	0.0	0.0
2014/15	0.8	0.0	0.0	0.8	0.0	0.0	0.0	0.0
2015/16	0.8	0.0	0.0	0.8	0.0	0.0	0.0	0.0
2016/17	0.8	0.0	0.0	0.8	0.0	0.0	0.0	0.0

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 026
Respondent: William J. Gresham

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

Columbia's Design Day Temperature of -7 degrees Fahrenheit represents an average daily temperature. It is the result of the weighted average Design Day Temperatures for Huntington, West Virginia (-4 degrees) and Lexington, Kentucky (-8 degrees). These temperatures have a 1-in-20 probability that any given winter will have one or more days with an average daily temperature equal to or colder.

**COLUMBIA GAS OF KENTUCKY, INC.
 RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
 REQUEST FOR INFORMATION
 DATED AUGUST 16, 2013**

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.

Response:

Please see table below.

Table 1 Columbia Gas of Kentucky Coldest Day Temperatures For the Winter Period November 1925 Through March 2008 Temperatures in Fahrenheit					
STATION_NAME	Winter	READING_DATE	MID_MID_AVG_TMP	MID_MID_HIGH_TMP	MID_MID_LOW_TMP
HUNTINGTON, WV.	1993-1994	19-Jan-94	-6	6	-20
LEXINGTON, KY.	1962-1963	24-Jan-63	-8	3	-21
LEXINGTON, KY.	1989-1990	22-Dec-89	-8	0	-18
LEXINGTON, KY.	1993-1994	19-Jan-94	-8	3	-20

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 028
Respondent: William J. Gresham

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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.

Response:

Please refer to Table 1 on Attachment 1, AG Set 2-28 for Huntington's 5 coldest average daily temperatures by year. These temperatures are the same temperatures as provided on Table 1 on Attachment 1, AG Set 1-273, except in EXCEL format. Attachment 2, AG Set 2-28 reflects in EXCEL format the 5 coldest average daily temperatures for Lexington. The Lexington daily temperature data matches Table I on Attachment 2, AG Set 1-273.

Table 1
Weather Station 11-Huntington, WV. Using Temperature Variable MIB_MID_AVG_TMP
5 Coldest Daily Temperature Per Period, Ranked
Overall Range Beginning Years: 1925 to 2007; Period Range: 11-01 to 03-31

Period Begins	Rank				
	1	2	3	4	5
1925	7	10	15	17	17
1926	11	16	19	20	20
1927	4	5	8	9	12
1928	15	17	18	20	20
1929	16	17	18	19	20
1930	18	19	25	26	26
1931	19	21	23	26	26
1932	16	16	17	19	20
1933	7	10	11	15	17
1934	12	17	20	21	21
1935	8	9	9	9	10
1936	24	26	27	27	27
1937	14	16	16	18	19
1938	17	22	23	24	25
1939	4	11	11	14	15
1940	19	20	22	22	23
1941	5	13	13	14	16
1942	12	14	15	16	17
1943	16	16	17	18	18
1944	13	14	16	18	19
1945	17	18	19	19	20
1946	8	9	13	18	18
1947	9	10	11	12	13
1948	19	20	25	26	27
1949	14	21	25	25	25
1950	7	10	13	13	17
1951	9	18	19	21	24
1952	23	25	26	26	26
1953	14	14	16	17	23
1954	8	13	14	17	18
1955	17	20	20	22	23
1956	10	17	17	17	19
1957	4	7	11	11	13
1958	6	11	14	14	15
1959	18	19	20	20	20
1960	7	9	9	11	11
1961	5	5	13	13	16
1962	-3	1	3	6	7
1963	7	8	9	9	12
1964	8	10	12	14	14
1965	1	7	10	12	13
1966	8	11	15	16	18
1967	5	10	12	12	13
1968	13	14	15	15	17
1969	1	4	5	8	9
1970	7	10	13	13	14
1971	0	9	17	18	20
1972	14	16	16	17	18
1973	19	21	22	22	22
1974	20	21	22	22	25
1975	8	14	15	16	20

Table 1
Weather Station 11-Huntington, WV. Using Temperature Variable MIB_MID_AVG_TMP
5 Coldest Daily Temperature Per Period, Ranked
Overall Range Beginning Years: 1925 to 2007; Period Range: 11-01 to 03-31

Period Begins	Rank	1	2	3	4	5	
1976		-2		1	6	8	9
1977		4		7	9	12	12
1978		10		10	13	13	14
1979		12		13	13	14	14
1980		8		9	10	12	12
1981		0		1	7	12	15
1982		14		16	20	24	25
1983		-2		-2	5	5	8
1984		-3		-3	13	15	15
1985		10		13	13	15	17
1986		14		17	18	18	20
1987		7		11	12	13	15
1988		18		19	19	20	20
1989		-5		2	4	5	11
1990		13		18	19	20	23
1991		13		17	22	23	24
1992		15		18	19	21	21
1993		-6		0	3	5	10
1994		13		14	14	16	17
1995		2		7	10	13	14
1996		10		10	12	12	14
1997		22		22	24	25	27
1998		12		17	18	20	21
1999		13		14	14	17	17
2000		12		14	16	16	19
2001		18		19	19	20	20
2002		12		14	16	17	18
2003		12		16	17	20	20
2004		12		14	14	16	18
2005		17		21	22	23	24
2006		9		12	17	17	17
2007		14		16	17	17	20

Table 1
 Weather Station 12-Lexington, KY. Using Temperature Variable MIB_MID_AVG_TMP
 5 Coldest Daily Temperature Per Period, Ranked
 Overall Range Beginning Years: 1925 to 2007; Period Range: 11-01 to 03-31

Period Begins	Rank				
	1	2	3	4	5
1925	2	6	12	13	13
1926	6	14	17	18	20
1927	0	2	6	9	12
1928	9	13	15	16	16
1929	5	5	6	6	9
1930	10	16	20	20	20
1931	10	14	16	16	18
1932	3	6	10	14	15
1933	6	7	8	8	9
1934	9	16	16	18	18
1935	-4	-4	1	2	2
1936	20	22	22	24	24
1937	11	13	15	16	18
1938	17	18	19	22	23
1939	-4	2	3	8	10
1940	16	18	20	20	20
1941	0	6	7	8	10
1942	10	10	12	14	16
1943	14	14	16	16	16
1944	8	8	10	16	18
1945	11	15	16	17	18
1946	6	10	10	14	15
1947	6	7	8	8	10
1948	11	18	18	20	20
1949	18	20	22	24	24
1950	-3	5	7	9	10
1951	6	13	14	16	18
1952	22	23	24	24	25
1953	9	9	11	12	20
1954	6	10	13	14	17
1955	15	18	19	20	22
1956	12	13	18	18	20
1957	3	7	7	13	13
1958	5	10	13	13	14
1959	10	13	13	15	16
1960	6	6	7	7	9
1961	-1	2	9	11	12
1962	-8	0	3	4	6
1963	6	9	10	10	13
1964	3	5	7	8	11
1965	-2	4	6	7	10
1966	7	10	16	16	19
1967	9	11	11	13	13
1968	10	16	17	18	18
1969	0	3	3	3	6
1970	7	8	9	11	13
1971	0	2	12	16	17
1972	14	17	18	18	20
1973	18	20	20	20	20
1974	16	22	23	23	23
1975	5	12	13	14	14

Table 1
Weather Station 12-Lexington, KY. Using Temperature Variable MIB_MID_AVG_TMP
5 Coldest Daily Temperature Per Period, Ranked
Overall Range Beginning Years: 1925 to 2007; Period Range: 11-01 to 03-31

Period Begins	Rank				
	1	2	3	4	5
1976	-3	0	2	3	6
1977	3	4	6	7	8
1978	8	9	10	10	11
1979	10	11	11	12	13
1980	9	9	10	11	12
1981	-3	-2	3	10	13
1982	18	20	21	23	24
1983	-4	-1	0	3	4
1984	-7	-1	6	12	12
1985	6	9	10	11	11
1986	11	13	14	16	18
1987	9	10	10	12	14
1988	16	17	17	19	20
1989	-8	-2	-2	2	7
1990	10	14	18	18	21
1991	10	17	20	21	22
1992	10	18	18	19	20
1993	-8	-6	-1	5	8
1994	12	12	13	13	15
1995	-1	4	9	11	11
1996	4	7	8	9	13
1997	19	19	23	24	24
1998	11	13	16	17	19
1999	11	13	14	14	17
2000	7	12	15	15	15
2001	16	17	17	18	18
2002	9	10	10	15	16
2003	8	11	14	18	19
2004	12	13	14	14	16
2005	14	19	20	20	21
2006	9	15	16	16	16
2007	11	13	18	18	18

KY PSC Case No. 2013-00167
Response to AG's Data Request Set Two No. 29
Respondent: Chad E. Notestone

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO ATTORNEY GENERAL'S SUPPLEMENTAL
REQUEST FOR INFORMATION
DATED AUGUST 16, 2013**

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

Response:

Please see Attachment A for a description and the cost breakdown of plant included in this account.

