

A NiSource Company

August 15, 2016

Ms. Talina Mathews Executive Director Kentucky Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, KY 40602

RECEIVED

AUG 1 5 2016

PUBLIC SERVICE COMMISSION

Re: Gas Cost Adjustment Case No. 2016 – 00285

Dear Ms. Mathews:

Columbia Gas of Kentucky, Inc., ("Columbia") hereby submits an original and six (6) copies of Substitute Revised Schedule 2, Revised Schedule 3 and other impacted pages previoulsy filed in support of its Gas Cost Adjustment to be effective on August 29, 2016 (September Unit 1 billing). The Substitute corrects the calculation of the current quarter Actual Cost Adjustment to reflect the elimination of the previous Annual Actual Cost Adjustment that was authorized in Case No. 2015-00270 and will expire at the end of Columbia's August 2016 billing cycle.

Pursuant to Case No. 2016-00060, Columbia implemented quarterly Actual Cost and Balancing Adjustments effective with its June 2016 billing cycle in Case No. 2016-00166. The Balancing Adjustment included in September rates should reconcile prior adjustments that expired at the end of Columbia's May 2016 billing cycle. Due to the conversion beginning only in June, there were no adjustments expiring on May 31, 2016 so the proposed Balancing Adjustment for the September 2016 quarterly filing is \$0.0000 per Mcf as shown on Revised Schedule 3.

Please feel free to contact me at <u>imcoop@nisource.com</u> if there are any questions.

Sincerely,

Judy Cooper Judy M. Cooper

Judy M. Cooper Director, Regulatory Policy

Enclosures

### Columbia Gas of Kentucky, Inc. Actual Cost Adjustment Summary of Rates For the Period Beginning Billing Unit 1 September 2016

Line

,

•

۰ĩ.

<u>No.</u>	Effective Month	Expiration Month	Case Number	ACA Rate
1 2 2 3	September 2015 June 2016 September 2016 Cumulative Rate	<del>August 2016</del> May 2017 August 2017	<del>2015-00270</del> 2016-00166 2016-xxxxx	\$ (1.9760) \$ 0.0233 <u>\$ (0.4021)</u> <b>\$ (0.3788)</b>

•

.

.

### COLUMBIA GAS OF KENTUCKY, INC.

,

١.

### CALCULATION OF BALANCING ADJUSTMENT Effective Billing Unit 1 September 2016

Line <u>No.</u>	Description	<u>Detail</u> \$	<u>Amount</u> \$
1 2 3 4 5	RECONCILIATION OF PREVIOUS ACTUAL COST AD Total adjustment to have been collected from customers in Case No. Less: actual amount collected REMAINING AMOUNT	<u>JUSTMENT</u> \$0 \$0	- \$0
6 7 8 9	RECONCILIATION OF A PREVIOUS REFUND ADJUST Total adjustment to have been distributed to customers in Case No. Less: actual amount distributed REMAINING AMOUNT	<u>TMENT</u> \$0 \$0	- \$0
10 11 12 13 14	RECONCILIATION OF A PREVIOUS BALANCING AD. Total adjustment to have been distributed to customers in Case No. Less: actual amount distributed REMAINING AMOUNT	<u>JUSTMENT</u> \$0 \$0	- \$0
15 16 17	TOTAL BALANCING ADJUSTMENT AMOUNT Divided by: Projected Sales Volumes for the three mont	hs	\$0 \$0
18 19 20	ending November 30, 2016 BALANCING ADJUSTMENT (BA) TO EXPIRE November 30, 2016		0.0000

Columbia Gas of Kentucky, Inc.

1

.

Revised Comparison of Current and Proposed GCAs

Line		June-16	September-16	
<u>No.</u> 1	Commodity Cost of Gas	CURRENT \$2.3814	PROPOSED \$3.0437	DIFFERENCE \$0.6623
2	Demand Cost of Gas	<u>\$1.4722</u>	<u>\$1.4727</u>	<u>\$0.0005</u>
3	Total: Expected Gas Cost (EGC)	\$3.8536	\$4.5164	\$0.6628
4	SAS Refund Adjustment	<b>\$0</b> .0000	\$0.0000	\$0.0000
5	Balancing Adjustment	(\$0.0755)	\$0.0000	\$0.0755
6	Supplier Refund Adjustment	(\$0.0016)	(\$0.0010)	\$0.0006
7	Actual Cost Adjustment	(\$1.9527)	(\$0.3788)	\$1.5739
8	Performance Based Rate Adjustment	<u>\$0.3668</u>	<u>\$0.3668</u>	<u>\$0.0000</u>
9	Cost of Gas to Tariff Customers (GCA)	\$2.1906	\$4.5034	\$2.3128
10	Transportation TOP Refund Adjustment	\$0.0000	\$0.0000	\$0.0000
11	Banking and Balancing Service	\$0.0209	\$0.0209	\$0.0000
12	Rate Schedule Fl and GSO		•	
13	Customer Demand Charge	\$6.8121	\$6.8133	\$0.0012

( <sup>1</sup>

Columbia Gas of Kentucky, Inc. Revised Gas Cost Adjustment Clause Revised Gas Cost Recovery Rate Sep - Nov 16

•

,

Line <u>No.</u>			Amount	Expires
1	Expected Gas Cost (EGC)	Schedule No. 1	\$4.5164	11-30-16
2	Actual Cost Adjustment (ACA)	Schedule No. 2	(\$0.3788)	Various
3	Supplier Refund Adjustment (RA)	Schedule No. 4	(\$0.0010)	08-31-17
4	Balancing Adjustment (BA)	Schedule No. 3	\$0.0000	11-30-16
5	Performance Based Rate Adjustment (PBRA)	Schedule No. 6 Case No. 2016-00166	\$0.3668	05-31-17
6 7	Gas Cost Adjustment Sep - Nov 16		<u>\$4.5034</u>	
8 9	Expected Demand Cost (EDC) per Mcf (Applicable to Rate Schedule IS/SS and GSO)	Schedule No. 1, Sheet 4	<u>\$6.8133</u>	

.

DATE FILED: August 15, 2016

BY: J. M. Cooper

COLUMBIA GAS OF KENTUCKY CASE NO. 2016- Effective September 2016 Billing Cycle のあるち CALCULATION OF DEMAND/COMMODITY SPLIT OF GAS COST ADJUSTMENT FOR TARIFFS	Si	lbshitute Revised
Demand Component of Gas Cost Adjustment Demand Cost of Gas (Schedule No. 1, Sheet 1, Line 23) Demand ACA (Schedule No. 2, Sheet 1, Case No. 2015-00270, Case No. 2016-00166 & Case No. 2016-) Refund Adjustment (Schedule No. 4, Case No. 2016-) Total Demand Rate per Mcf	\$/MCF \$1.4727 \$0.1094 <u>(\$0.0010)</u> \$1.5811	< to Att. E, line 16
Commodity Component of Gas Cost Adjustment Commodity Cost of Gas (Schedule No. 1, Sheet 1, Line 22) Commodity ACA (Schedule No. 2, Sheet 1, Case No. 2015-00270, Case No. 2016-00166 & Case No. 2016-) Balancing Adjustment Performance Based Rate Adjustment (Schedule No. 6, Case No. 2016-00166) Total Commodity Rate per Mcf	\$3.0437 (\$0.4882) \$0.0000 <u>\$0.3568</u> \$2.9223	
CHECK: COST OF GAS TO TARIFF CUSTOMERS (GCA)	\$1.5811 <u>\$2.9223</u> \$4.5034	
Calculation of Rate Schedule SVGTS - Actual Gas Cost Adjustment Commodity ACA (Schedule No. 2, Sheet 1, Case No. 2015-00270, Case No. 2016-00166 & Case No. 2016-) Balancing Adjustment Performance Based Rate Adjustment (Schedule No. 6, Case No. 2016-00166) Total Commodity Rate per Mcf	(\$0.4882) \$0.0000 <u>\$0.3668</u> (\$0.1214)	

#### Attachment E

# Columbla Gas of Kentucky, Inc. CKY Choice Program 100% Load Factor Rate of Assigned FTS Capacity Balancing Charge Sep - Nov 16

Line No.	Description		Contract Volume	Retention	Monthly demand charges	# months A/	Assignment proportions	Adjustment for retention on downstream		
			Dth		\$/Dth	74	proportions	pipe, if any	Annual	
			Sheet 3	(-)	Sheet 3		llnes 4, 5		\$/Dth	\$/MCF
			(1)	(2)	· (3)	(4)	(5)	(6) = · 1 / (100%-	(7) =	
								col2)	3*4*5*6	
City g 1	ate capacity assigned to Contract	Choice n	narketers							
2 3	CKT FTS/SST TCO FTS		28,000 20,014	0.663% 2.042%						
4 5	Total		48,014	2.04270						
6	Assignment Proportions									
7	CKT FTS/SST	2/4	58.32%							
8	TCO FTS	3/4	41.68%							
	,									
Annua	I demand cost of capacit	v asslan	ed to chok	o markator		•				
9	CKT FTS	,		se marketers	\$0.5090	12	0 5000	4.0000	<b>4 -</b>	
10	TCO FTS				\$6.1900	12	0.5832	1.0000	\$3.5622	
11	Gulf FTS-1, upstream to C	KT FTS			\$4.2917	12	0.4168	1.0000	\$30.9599	
12	TGP FTS-A, upstream to	TCO FTS			\$4.5823	12	0.5832 0.4168	1.0067 1.0208	\$30.2355 \$23.3966	
13	Total Demand Cost of Ass	igned FT	S, per unit						\$88.1542	\$94.1487
14	100% Load Factor Rate (L	ine 13 / 3	65 days)							\$0.2579
					•					AAVENIA
Balano 15	ing charge, paid by Choi	ce marke	eters							
16	Demand Cost Recovery Fa	actor in G	CA, per Mo	of per CKY Ta	ariff Sheet I	No. 5				\$1.5811
17	Less credit for cost of assigned to a significant the storage commodity of	gned cap	acity							(\$0.2579)
	Plus storage commodity co			tor the Choi	ce markete	) <b>r</b>				\$0.0668
18	Balancing Charge, per Mcf	' sum(1	5:17)							\$1.3900

Substitue Revised

SubstituteRevised

### COLUMBIA GAS OF KENTUCKY, INC.

SALES SERVICE	Base Rate <u>Charge</u> \$		Adjustment <sup>y</sup> <u>Commodity</u> \$	Total Billing <u>Rate</u> \$	
RATE SCHEDULE GSR					
Customer Charge per billing period	15.00			15.00	
Delivery Charge per Mcf	2.2666	1.5811	2.9223	6.7700	I
RATE SCHEDULE GSO Commercial or Industrial					
Customer Charge per billing period Delivery <u>Charge per Mcf</u>	37.50			37.50	
First 50 Mcf or less per billing period	2.2666	1.5811	2.9223	6,7700	r
Next 350 Mcf per billing period	1.7520	1.5811	2.9223	6.2554	i
Next 600 Mcf per billing period	1.6659	1.5811	2.9223	6.1693	i
Over 1,000 Mcf per billing period	1.5164	1.5811	2.9223	6.0198	i
RATE SCHEDULE IS					-
Customer Charge per billing period Delivery Charge per Mcf	1,007.05			1007.05	
First 30,000 Mcf per billing period	0.5443		2.9223 <sup>2/</sup>	3.4666	r
Over 30,000 Mcf per billing period	0.2890		2.9223 2/	3.2113	i
Firm Service Demand Charge					•
Demand Charge times Daily Firm					
Volume (Mcf) in Customer Service Agreement		6.8133		6.8133	I
RATE SCHEDULE IUS					
Customer Charge per billing period Delivery Charge per Mcf	477.00			477.00	
For All Volumes Delivered	0.8150	1.5811	2.9223	5.3184	I

- 1/ The Gas Cost Adjustment, as shown, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets 48 through 51 of this Tariff. The Gas Cost Adjustment applicable to a customer who is receiving service under Rate Schedule GS or IUS and received service under Rate Schedule SVGTS shall be \$4.5164 per Mcf only for those months of the prior twelve months during which they were served under Rate Schedule SVGTS.
- 2/ IS Customers may be subject to the Demand Gas Cost, under the conditions set forth on Sheets 14 and 15 of this tariff.

DATE OF ISSUE August 15, 2016

DATE EFFECTIVE August 29, 2016 (Unit 1 September)

ISSUED BY

President A. Miller, Jr.

Substitute Revised

### COLUMBIA GAS OF KENTUCKY, INC.

GAS TARIFF PSC KY NO. 5 ONE HUNDRED FIFTH REVISED SHEET NO. 6 CANCELLING PSC KY NO. 5 ONE HUNDRED FOURTH SHEET NO. 6

#### CURRENTLY EFFECTIVE BILLING RATES (Continued)

TRANSPORTATION SERVICE	Base Rate Charge	Demand		Total Billing <u>Rate</u>	
RATE SCHEDULE SS Standby Service Demand Charge per Mcf Demand Charge times Daily Firm Volume (Mcf) in Customer Service Agreement Standby Service Commodity Charge per Mcf	\$	\$ 6.8133	\$ 2.9223	\$ 6.8133 2.9223	I I
RATE SCHEDULE DS					
Administrative Charge per account per billing period Customer Charge per billing period <sup>2/</sup> Customer Charge per billing period (GDS only) Customer Charge per billing period (IUDS only)				55.90 1007.05 37.50 477.00	
<u>Delivery Charge per Mcf<sup>2/</sup></u> First 30,000 Mcf Over 30,000 Mcf – Grandfathered Delivery Service First 50 Mcf or less per billing period Next 350 Mcf per billing period Next 600 Mcf per billing period All Over 1,000 Mcf per billing period – Intrastate Utility Delivery Service All Volumes per billing period	0.5443 0.2890			0.5443 0.2890 2.2666 1.7520 1.6659 1.5164 0. 8150	
Banking and Balancing Service Rate per Mcf		0.0209		0.0209	
RATE SCHEDULE MLDS					
Administrative Charge per account each billing period Customer Charge per billing period Delivery Charge per Mcf Banking and Balancing Service Rate per Mcf	b	0.0209		55.90 200.00 0.0858 0.0209	
1/ The Gas Cost Adjustment, as shown is an adjus	tment ner Mcf		cordance with the		

1/ The Gas Cost Adjustment, as shown, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets 48 through 51 of this Tariff.

2/ Applicable to all Rate Schedule DS customers except those served under Grandfathered Delivery Service or Intrastate Utility Delivery Service.

DATE OF ISSUE

August 15, 2016

DATE EFFECTIVE

August 29, 2016 (Unit 1 September)

ISSUED BY TITLE Herbert A. Miller, gr.

## Substitute Revised

4

•

GAS TARIFF PSC KY NO. 5 NINETY SEVENTH REVISED SHEET NO. 7 CANCELLING PSC KY NO. 5 NINETY SIXTH REVISED SHEET NO. 7

CURRENTLY EFFECTIVE BILLING RATES (Continued)						
RATE SCHEDULE SVGTS	Base Rate Charge					
General Service Residential (SGVTS GSR)	\$					
Customer Charge per billing period Delivery Charge per Mcf	15.00 2.2666					
General Service Other - Commercial or Industrial (St	VGTS GSO)					
Customer Charge per billing period Delivery Charge per Mcf -	37.50					
First 50 Mcf or less per billing period Next 350 Mcf per billing period Next 600 Mcf per billing period Over 1,000 Mcf per billing period	2.2666 1.7520 1.6659 1.5164					
Intrastate Utility Service						
Customer Charge per billing period Delivery Charge per Mcf	477.00 \$ 0.8150					
	Billing Rate					
Actual Gas Cost Adjustment <sup>1/</sup>						
For all volumes per billing period per Mcf	(\$0.1214) I					
RATE SCHEDULE SVAS						
Balancing Charge – per Mcf	\$1.3900 I					

1/ The Gas Cost Adjustment is applicable to a customer who is receiving service under Rate Schedule SVGTS and received service under Rate Schedule GS, IS, or IUS for only those months of the prior twelve months during which they were served under Rate Schedule GS, IS or IUS.

DATE OF ISSUE August 15, 2016

DATE EFFECTIVE August 29, 2016 (Unit 1 September)

ISSUED BY Jubut A. Milly, g. . TITLE President