

290 W. Nationwide Blvd.
Columbus, Ohio 43215
Direct: 614.460.5558
bwancheck@nisource.com


Columbia Gas[®]
of Kentucky
A NiSource Company

April 10, 2017

HAND DELIVERED

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

RECEIVED

APR 10 2017

PUBLIC SERVICE
COMMISSION

RE: *Case No. 2017-00115, Tariff Filing of Columbia Gas of Kentucky, Inc. to
Extend Its Small Volume Gas Transportation Service*

Dear Dr. Mathews,

Enclosed please find the original and eight (8) copies of Columbia Gas of Kentucky Inc.'s Responses to the Attorney General of the Commonwealth of Kentucky's Initial Data Requests in the above reference matter.

Please do not hesitate to contact me should you have any questions.

Sincerely,

Brooke E. Wancheck (gmc)

Brooke E. Wancheck
Assistant General Counsel

Enclosure(s)

CERTIFICATE OF SERVICE

I hereby certify that on this 10th day of April, 2017 an original and eight (8) copies of the foregoing were served and filed by hand-delivery to Dr. Talina Mathews, Executive Director, Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky, 40601. I further certify that true and accurate copies of the foregoing were delivered to the parties as below:

Via e-mail:

Attorney General
Kent A. Chandler – kent.chandler@ky.gov
Rebecca W. Goodman – rebecca.goodman@ky.gov
Lawrence W. Cook – lawrence.cook@ky.gov

Via U.S. Mail, postage prepaid:

William H. May
Matthew R. Malone
Hurt, Deckard & May
The Equus Building
127 West Main Street
Lexington, Kentucky 40507

Brooke E. Wancheck (gmc)

Brooke E. Wancheck

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:)
)
TARIFF FILING OF COLUMBIA GAS OF) Case No. 2017-00115
KENTUCKY, INC. TO EXTEND ITS SMALL)
VOLUME GAS TRANSPORTATION SERVICE)

CERTIFICATION OF RESPONSES TO INFORMATION REQUESTS

This is to certify that I have supervised the preparation of Columbia Gas of Kentucky, Inc.'s responses to the Attorney General's Initial Data Requests dated March 27, 2017 and that the responses are true and accurate to the best of my knowledge, information and belief formed after reasonable inquiry.

DATE: April 10, 2017

Herbert A. Miller, Jr.
Herbert A. Miller, Jr.
President
Columbia Gas of Kentucky, Inc.

COMMONWEALTH OF KENTUCKY

COUNTY OF FAYETTE

SUBSCRIBED AND SWORN to before me by Herbert A. Miller, Jr. on this the
10th day of April, 2017.

Evelyn Long Dean
Notary Public # 419232

My Commission expires: 05/15/2018

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

1. Refer to Page 3 of Herb Miller's direct testimony in Case No. 2016-00162, wherein he states Columbia serves approximately 135,000 customers in 30 counties.
 - a. How many of Columbia's customers are eligible to participate in Columbia's Small Volume Gas transportation Service tariff (hereinafter "Choice program")?
 - b. Of the customers who are eligible to participate in the Columbia Choice program, how many do participate?
 - c. Of the customers who participate, provide a breakout of which tariffs they would otherwise take service under had they not enrolled in the Choice program.

Response:

- a. For the 12 Months Ending February 28, 2017, which is the most recent 12 month period where actual billed data is available, there were an average of 134,283 customers eligible to participate in CHOICE program out of 134,387 CKY customers.
- b. For the 12 Months Ending February 28, 2017, there were an average of 25,210 customers who participated in the CHOICE program.
- c. Of the 25,210 customers who participated in the CHOICE program, 21,538 would otherwise take service under the GSR (General Service – Residential) tariff and the remaining 3,672 would otherwise take service under the GSO (General Service – Other) tariff.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

2. Provide sample bills of a fictional residential customer in the same form as presented to customers, from a given month in the past 12 months as if they were served under tariff General Service (GS) and if they were served under tariff SVGTS GSR.

Assume the customer has been taking under their respective tariff for more than 1 (one) year.

- a. Provide a narrative of any and all differences in costs, expenses or credits between the two sample bills.


Response:

Please see the attachments to this response for two sample bills of a fictional residential customer under the GS and SVGTS GSR tariffs. The differences between the two fictional bills are in the Gas Supply Cost, Lex-Fay. Urban Govt. Franchise Fee, and School Tax. The differences in the Franchise Fee and School





Tax are the direct result of the difference in Gas Supply Cost as part of taxable current utility charges; all other utility charges are the same for the GS and SVGTS GSR bills.

Please note that the results of any such comparison depend on Columbia's Gas Supply Cost per Mcf, which changes quarterly, that is in effect at the time of billing and the specific marketer selected since each may offer a different Gas Supply Cost per Mcf.

Contact Us

-  **Phone**
Emergency Service 24/7
1-800-432-9515
For gas leaks or odors of gas

Customer Call Center Hours
1-800-432-9345
7 a.m. - 7 p.m. Mon. - Fri.
8 a.m. - 12 p.m. Sat.

For hearing-impaired relay call 711.
-  **Web**
Make payments and access your account at ColumbiaGasKY.com
-  **Mobile**
Make payments and access your account at m.ColumbiaGasKY.com
-  **Mail Payments**
Columbia Gas of Kentucky
P.O. Box 742523
Cincinnati, OH 45274-2523
-  **Authorized Payment Locations**
Find locations online at ColumbiaGasKY.com

Your Safety

- In case of an emergency, such as odor of gas, carbon monoxide or fire:
1. Leave the building or area immediately.
 2. Leave windows and doors in their positions and avoid doing anything that could cause a spark.
 3. From a safe place, away from the building or area, call **911** and Columbia Gas at **1-800-432-9515**.

Always Call 8-1-1 Before You Dig
If you're planning a home or landscaping project, call Kentucky 811 at 8-1-1 at least two business days before digging. A representative will mark the approximate location of underground utility lines for free.



Employee Identification
All of our employees and contractors carry photo identification. If someone claims to represent us, ask to see identification. Call the police if you see suspicious activity.

Account Profile

Customer Name: John Doe
Your Contact Information: 123 Main St. Anytown, KY 12345-6789
Type of Customer: Residential
Account Number: 12345678 901 234 5

• Is your contact information correct? Make all changes on the reverse side.

Account Summary

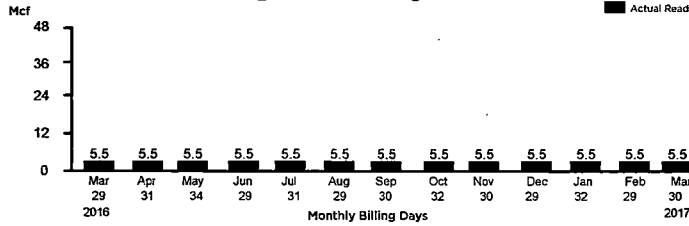
Previous Amount Due on 03/14/2017 \$0.00
Payments Received by 03/14/2017 Thank you -\$0.00

Balance on 03/14/2017 \$0.00
Charges for Gas Service This Period +\$74.72

Current Charges Due by 04/12/2017 \$74.72

- If paid after 04/12/2017 a late payment charge of 5% will be applied.
- For more information regarding these charges, see the Detail Charges on the back.

13 Month Usage History



Meter Number: 999999
Service Address: 123 Main St. Anytown, KY 12345-6789
Meter Readings - 30 Billing Days
Actual Reading on 3/29 965
Actual Reading on 2/27 910

Gas Used (Mcf) 5.5

Usage Comparison - Mcf




Month	Mcf	Avg Temp	Mcf Per Day
Mar 16	5.5	51.0°	0.2
Feb 17	5.5	45.9°	0.2
Mar 17	5.5	46.6°	0.2

Your Average Monthly Usage = 5.5 Mcf
Your Total Annual Usage = 66.0 Mcf
Your next meter reading date is 4/6/2017.

▼ Please fold on the perforation below, detach and return with your payment.

JOHN DOE
123 MAIN ST.
ANYTOWN KY 12345-6789

Columbia Gas of Kentucky
A NiSource Company
P.O. Box 14241
Lexington, KY 40512-4241

-  **Web**
ColumbiaGasKY.com
-  **Mobile**
m.ColumbiaGasKY.com
-  **Phone**
1-800-432-9345

Account Number: 12345678 901 234 5
Amount Due by 04/12/17: \$74.72

Amount Enclosed: \$

000044135 01 AV 0.3601
****AUTO**5-DIGIT 43065
JOHN DOE
123 MAIN ST.
ANYTOWN KY 12345-6789



Make check payable to:
COLUMBIA GAS
P O BOX 742510
CINCINNATI OH 45274-2510



Account Number: 12345678 901 234 5

Statement Date: 03/30/2017

0000

Page 2 of 2

Helpful Definitions

Customer Charge covers a portion of the fixed costs required to ensure that natural gas service is available to your home. This amount is the same with each bill.

Gas Delivery Charges are the costs of delivering the gas to retail customers. The charges for these services are regulated and these services must be purchased from Columbia Gas.

Gas Supply Cost includes the cost of natural gas, interstate pipeline charges, storage costs, and related charges and is passed through to customers at cost without markup.

Gas supply service may be purchased from a participating competitive gas supplier in the Customer CHOICE Program.

Mcf is equal to 1,000 cubic feet and is used to measure your gas usage.

Legal Information

Rate Schedule

Information about rate schedules is available upon request or at ColumbiaGasKY.com

Bankruptcy Notices

Mail to Columbia Gas of Kentucky, Revenue Recovery, 290 W. Nationwide Blvd. Columbus, OH 43215.

Other Correspondence (except payments)

Mail to Columbia Gas of Kentucky, P.O. Box 2318, Columbus, OH 43216-2318 or contact us at ColumbiaGasKY.com.

Detail Charges

Customer Charge	\$16.00
Gas Delivery Charge	\$19.62
Delivery	+\$35.62
Gas Supply Cost 5.5 Mcf at \$6.0227 per Mcf	\$33.12
Supply	+\$33.12
Accelerated Main Replacement Program Rider	\$0.00
Energy Assistance Program Surcharge	\$0.36
Energy Efficiency and Conservation Rider	\$0.55
Research & Development Factor	\$0.08
Lex-Fay, Urban Govt. Franchise Fee	\$2.90
School Tax	\$2.09
Taxes & Fees	+\$5.98
Total Current Utility Charges	\$74.72

Message Board

- Enjoy the convenience of managing your account online by enrolling in Paperless Billing. Monthly email alerts, 24/7 account access and up to two years of past bills and payment history! Enroll today at ColumbiaGasKY.com/PaperlessBilling.
- Take the seasonal highs and lows out by dividing your yearly energy use into 12 equal monthly payments - for budgeting that's a whole lot easier. Enroll today at ColumbiaGasKY.com.

Change Contact Information

If information is incorrect in the Account Profile, please update and print clearly in the space provided below.

Address

City

State Zip Code

Phone Number

Email

WinterCare Contribution

WinterCare, Columbia Gas of Kentucky's fuel fund program, is a fund of last resort for households who have exhausted all other sources of assistance and still have trouble paying their heating bills. The fund is administered by The Community Action Council and is supported through donations from customers and matching contributions from Columbia Gas.

*Your donation is tax-deductible.

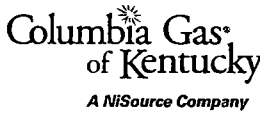
Monthly Contribution

\$10 \$5 \$1

\$

One-Time Contribution

\$



Account Number: 12345678 901 234 5
 Statement Date: 03/30/17
 0000
 Page 1 of 2

Contact Us

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 For gas leaks or odors of gas

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Mail Payments
 Columbia Gas of Kentucky
 P.O. Box 742523
 Cincinnati, OH 45274-2523

Authorized Payment Locations
 Find locations online at ColumbiaGasKY.com

Account Profile

Customer Name: John Doe
Your Contact Information: 123 Main St. Anytown, KY 12345-6789
Type of Customer: Residential
 Customer CHOICE Program

Account Number: 12345678 901 234 5

- Is your contact information correct? Make all changes on the reverse side.

Account Summary

Previous Amount Due on 03/14/17 \$0.00
 Payments Received by 03/14/17 Thank you -\$0.00

Balance on 03/14/17 \$0.00
 Charges for Gas Service This Period +\$70.77

Current Charges Due by 04/12/17 \$70.77

- If paid after 04/12/17 a late payment charge of 5% will be applied.
- For more information regarding these charges, see the Detail Charges on the back.

Your Safety

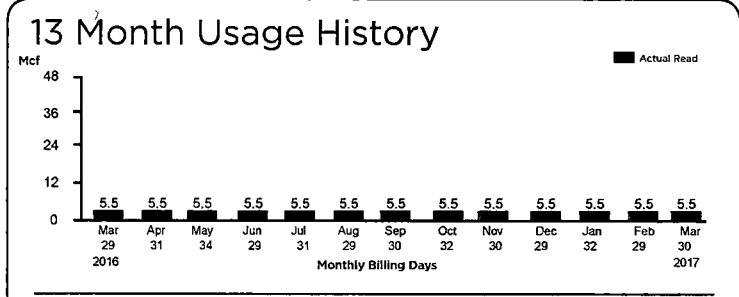
In case of an emergency, such as odor of gas, carbon monoxide or fire:

- Leave the building or area immediately.
- Leave windows and doors in their position and avoid doing anything that could cause a spark.
- From a safe place, away from the building or area, call **911** and Columbia Gas at **1-800-432-9515**.

Always Call 8-1-1 Before You Dig
 If you're planning a home or landscaping project, call Kentucky 811 at 8-1-1 at least two business days before digging. A representative will mark the approximate location of underground utility lines for free.



Employee Identification
 All of our employees and contractors carry photo identification. If someone claims to represent us, ask to see identification. Call the police if you see suspicious activity.



Meter Number: 999999	Usage Comparison - Mcf																
Service Address: 123 Main St. Anytown, KY 12345-6789	<table border="1"> <thead> <tr> <th>Month</th> <th>Mcf</th> <th>Avg Temp</th> <th>Mcf Per Day</th> </tr> </thead> <tbody> <tr><td>Mar 16</td><td>5.5</td><td>51.0°</td><td>0.2</td></tr> <tr><td>Feb 17</td><td>5.5</td><td>45.9°</td><td>0.2</td></tr> <tr><td>Mar 17</td><td>5.5</td><td>46.6°</td><td>0.2</td></tr> </tbody> </table>	Month	Mcf	Avg Temp	Mcf Per Day	Mar 16	5.5	51.0°	0.2	Feb 17	5.5	45.9°	0.2	Mar 17	5.5	46.6°	0.2
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Actual Reading on 3/29 965	Your Total Annual Usage = 66.0 Mcf																
Actual Reading on 2/27 910	Your next meter reading date is 4/6/2017.																
Gas Used (Mcf) 5.5																	

▼ Please fold on the perforation below, detach and return with your payment.

JOHN DOE
 123 MAIN ST.
 ANYTOWN KY 12345-6789

Columbia Gas of Kentucky
 A NiSource Company

P.O. Box 14241
 Lexington, KY 40512-4241

Web
 ColumbiaGasKY.com

Mobile
 m.ColumbiaGasKY.com

Phone
 1-800-432-9345

Account Number: 12345678 901 234 5
Amount Due by 04/12/17: \$70.77

Amount Enclosed: \$

000044135 01 AV 0.3601
 *****5-DIGIT 43065
 JOHN DOE
 123 MAIN ST.
 ANYTOWN KY 12345-6789

Make check payable to:
 COLUMBIA GAS
 P O BOX 742510
 CINCINNATI OH 45274-2510



1068910700100010000001150022621

Account Number: 12345678 901 234 5

Statement Date: 03/30/17

0000

Page 2 of 2

Helpful Definitions

Customer Charge covers a portion of the fixed costs required to ensure that natural gas service is available to your home. This amount is the same with each bill.

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Gas Supply Service may be purchased from a participating competitive gas supplier in the Customer CHOICE program.

Mcf is equal to 1,000 cubic feet and is used to measure your gas usage.

Legal Information

Rate Schedule

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Other Correspondence (except payments)

Mail to Columbia Gas of Kentucky, P.O. Box 2318, Columbus, OH 43216-2318 or contact us at ColumbiaGasKY.com.

Detail Charges

Customer Charge	\$16.00
Gas Delivery Charge	\$19.62
Delivery - Columbia Gas of Kentucky	+\$35.62
Customer CHOICE Program	
Gas Supply Cost 5.5 Mcf at \$5.3500 per Mcf	\$29.43
Supply - ABC Supplier Energy	+\$29.43
Accelerated Main Replacement Program Rider	\$0.00
Energy Assistance Program Surcharge	\$0.36
Energy Efficiency and Conservation Rider	\$0.55
Research & Development Factor	\$0.08
Lex-Fay, Urban Govt Franchise Fee	\$2.75
School Tax	\$1.98
Taxes & Fees	+\$5.72
Total Current Utility Charges	\$70.77

Customer CHOICE Program

You have chosen ABC Supplier Energy as your supplier in Columbia's CHOICE Program. For questions about your gas supply charges, please contact ABC Supplier Energy at 1-800-123-4567.

Message Board

- Enjoy the convenience of managing your account online by enrolling in Paperless Billing. Monthly email alerts, 24/7 account access and up to two years of past bills and payment history! Enroll today at ColumbiaGasKY.com/PaperlessBilling.
- Take the seasonal highs and lows out by dividing your yearly energy use into 12 equal monthly payments - for budgeting that's a whole lot easier. Enroll today at ColumbiaGasKY.com.

Change Contact Information

If information is incorrect in the Account Profile, please update and print clearly in the space provided below.

Address	
<input type="text"/>	
City	
<input type="text"/>	
State	Zip Code
<input type="text"/>	<input type="text"/>
Phone Number	
<input type="text"/>	
Email	
<input type="text"/>	

WinterCare Contribution

WinterCare, Columbia Gas of Kentucky's fuel fund program, is a fund of last resort for households who have exhausted all other sources of assistance and still have trouble paying their heating bills. The fund is administered by The Community Action Council and is supported through donations from customers and matching contributions from Columbia Gas.

*Your donation is tax-deductible.

Monthly Contribution

\$10 \$5 \$1

One-Time Contribution

\$

\$

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

3. Confirm there is an additional monthly cost added to the bills of customers electing to participate in the Columbia Choice program.
 - a. If there is an additional monthly cost to the bills of customers who participate in the Choice program, what is that cost?
 - i. Where is that cost located in the Company's tariffs?
 - b. If there is an additional monthly cost to the bills of customers who participate in the Choice program, explain how that cost is calculated on customers' bills.
 - c. If there is an additional monthly cost to the bills of customers who participate in the Choice program, how does the Company determine this amount is fair, just and reasonable?

Response: a., b. and c.: There is no additional monthly cost added to bills of customers who participate in the CHOICE program. The base rates of customers are the same whether they participate in the CHOICE program or not. The difference is only in the gas commodity cost to customers. For CHOICE customers, Columbia bills the rate per Mcf as provided by the customer's chosen supplier (which is the rate agreed to, from time to time, between the customer and the customer's supplier). If the customer was a sales service customer in the same billing month of the previous calendar year, then the customer is billed the Actual Gas Cost Adjustment. This is shown as a line item on the customer's bill. The purpose of this adjustment is so that any over or under recovery of gas cost attributable to the customer while a sales service customer follows the customer. The applicable rate is authorized pursuant to the Commission's Order in Columbia's quarterly gas cost adjustment filings.

KY PSC Case No. 2017-00115
KY AG's Data Request Set One No. 4
Respondent: Michele Caddell and Michael D. Anderson

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

4. Refer to the Company's Sixth Revised Sheet No. 33, as filed with the
Commission, to answer the following:

a. How many Marketers are certified to participate under tariff Small
Volume Aggregation Service?

i. Were any Marketers provided notification of this tariff filing?

1. If so, what Marketers were provided notification and in what
form was the notification provided?

b. Does the Company expect any new Marketers to participate in the
Choice program should the Commission approve the 5 year extension
of the program, until 2022?

c. How many of these Marketers provide service to customers who take service under other tariffs?

i. Provide the number of customers taking under each tariff for each Marketer who participates in the Choice Program and provides service to customers who take under other tariffs.

d. Provide the Company's policy or definition of "credit worthiness" and provide the process Marketers complete in order for the Company to find a Marketer has completed the requirement set forth in number three (3), under Marketer Certification.

e. How many city gates does Columbia have?

i. Are all city gates available for delivery from Marketers, at all times?

1. If not, provide a narrative of when a city gate or city gates are not available for delivery from Marketers.

2. If a city gate is not available for delivery from Marketers, and the Marketers are prepared to deliver, are Marketers penalized?

a. If the above scenario occurs and Marketers are penalized, would Columbia agree that customers would ultimately pay the penalty?

ii. Are there any other delivery points other than "city gates"

Marketers are able to deliver to?

Response:

a. As of March 2017, there are 10 Marketers certified to participate in Columbia's Small Volume Aggregation Service.

i. Yes, All 10 Marketers were notified of Columbia's CHOICE tariff filing.

1. The Marketers were notified via email.

b. Columbia has no way of projecting new Marketer participation.

c. Four of the 10 Marketers participating in Columbia's Small Volume Aggregation Service, also service customers under Columbia's Delivery Service Rate Schedules.

i. The table below provides the number of customers taking service under Columbia's Small Volume Aggregation Service and Delivery Service Rate Schedules, for each Marketer.

Customer counts as of March 2017		
	# of Customers	
Marketers	SVGTS	Delivery Service
MARKETER C	26	6
MARKETER B	4,605	42
MARKETER A	15,721	5
MARKETER D	108	13
Grand Total	20,460	66

- d. Columbia's credit worthiness process is guided by the Company's Credit Risk Management Policy (Credit Policy) which is approved by the NiSource Board of Directors annually. Per the Columbia Tariff (Sheet Nos. 37a and 37b), credit factors contained in the applicant information package are analyzed to determine a risk profile/rating describing various levels of financial strength and stability. Both quantitative and qualitative credit variables are used to determine the Marketer's risk profile. Some of the assessment factors include the Marketer's operational efficiency; profitability and earnings capacity.

Other measures include the Marketer's liquidity; asset management; coverage ratios; debt management; and capital structure.

Credit profiles/ratings represent different degrees of credit risk. Per the Credit Policy, an applicant's risk profile/rating determines the amount, if any, of unsecured credit approved for the subject applicant. Next in the creditworthiness process, a comparison is made between the estimated risk exposure and the amount of unsecured credit approved. The estimated risk exposure is based upon the level of the Marketer's participation in Columbia's Small Volume Aggregation Service. If the amount of approved credit is sufficient to cover the calculated risk, the Marketer is deemed to have satisfied the creditworthiness requirement. If on the other hand, the calculated risk exposure exceeds the amount of approved credit, the Marketer will be required to provide additional security of acceptable form as described in the Company's tariff Sheet No. 37b.

e. Columbia has approximately 114 points of receipt from pipelines and local producers.

- i. All city gate receipt points except local gas meters and the Mavity receipt point (located in Boyd, County, Kentucky) from Tennessee Gas Pipeline are available for delivery of supplies from CHOICE Marketers at all times. Please note gas supplies are nominated to Market Areas¹ on Columbia Gas Transmission Company (TCO) not individual city gates. Columbia's Pilot CHOICE program provides for Marketers to nominate all CHOICE volumes to the Lexington Market Area (MLI 18-12). Columbia manages and assures deliveries of these nominated volumes to each individual city gate through its contracts with TCO.
 1. Receipt of CHOICE supplies through local gas meters is not allowed as confirmation and delivery of local gas cannot be determined on a daily basis. Deliveries through Mavity are not permitted as: (1) Mavity serves a single, isolated market; and (2) Columbia does not have primary delivery rights to Mavity.

¹ Market Areas are geographical areas defined by TCO which correlate to areas with common operational parameters. Nominations of supplies to all points of delivery (PODs) within a Market Area are managed by the Market Area nomination.

2. This request is not applicable as gas supplies are nominated to Market Areas not individual city gates.
- ii. a. There are no penalties assessed against Marketers as long as their CHOICE volumes are nominated to MLI 18-12 and match their Demand Curve requirements. Columbia is not aware of any current restrictions that limit CHOICE nominations to MLI 18-12. Columbia has no knowledge as to how/if any Marketer penalties are collected from the Marketer's customers. There are no other delivery points available to CHOICE Marketers at this time.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

5. Provide the rationale for setting the cap for participation in the Choice program at 25,000 Mcf annually at any delivery point.
- a. Has this amount increased or decreased since the inception of the Choice program?
 - b. Based upon the language as provided in the Fifth Revised Sheet No. 30, as provided by the Company, is it accurate to say that a customer taking service under two meters whose annual requirements for each meter was 12,500 and 12,400 Mcf, respectively, could take service under tariff SVGTS?

Response:

- a. The cap of 25,000 Mcf annually was established at the origination of the program because all customers with usage greater than 25,000 are eligible

for transportation service under Columbia's Delivery Service Rate Schedule. The cap has not changed.

b. Yes.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

6. Does Columbia conduct any marketing to customers related to the Columbia Choice program?
 - a. If so, provide the cost per annum for doing so, and
 - b. Provide copies of all marketing material provided to customers by Columbia for the past 3 years.

Response:

Columbia does not do any marketing related to the Customer CHOICE program.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

7. Does Columbia provide any education material to customers related to the Columbia Choice program?

- a. If so, provide the cost per annum for doing so, and
- b. Provide copies of all education material provided to customers by Columbia for the past 3 years.

Response: Yes, Columbia does provide education material to its customers in the form of information available on Columbia's website or through information provided through the mail. Columbia does not identify any on-going cost to provide this information. Information from the website is attached.

[Residential](#) | [Business](#) | [Contractors & Plumbers](#) | [Builders](#)
[Emergencia?](#) | [About Us](#) | [Contact Us](#) | [Login](#)
Gas Emergency: 1-800-432-9515
Customer Service: 1-800-432-9345
[Always Call 311 Before You Dig](#)



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- Section Menu
- Get Natural Gas
- Is Natural Gas Available?
- Benefits & Uses of Gas
- Find a Contractor
- Energy Saving Rebates
- Our Gas and Meter Install Process
- Relocate/Remove a Gas Line
- Adding Gas Equipment
- Restoring Your Gas Service
- Residential FAQ
- Natural Gas Vehicles
- Customer CHOICE®
- CHOICE® FAQs
- Help Making the Right CHOICE®
- What is Deregulation?
- Sign-Up and Suppliers
- Classroom Materials
- Hydraulic Fracturing



Take Control of Your Gas Bill

Customer CHOICE® Program

Columbia Gas of Kentucky's Customer CHOICE Program is a voluntary program that offers our customers the option of purchasing their gas from a Columbia Gas of Kentucky certified marketer. Columbia Gas will still deliver the gas to your homes and businesses, provide safe reliable service without interruption, read your meters, and continue to provide exceptional customer service and 24-hour emergency response.

The cost of gas represents a large portion of your total monthly bill, especially during the winter heating season. The price marketers charge is set by the forces of a competitive market. While there is no guarantee that you'll save money, marketers may be able to offer pricing and special incentives not available from a regulated utility. As a Columbia Gas customer, you have the option to sign up for our Customer CHOICE® Program at any time or buy your gas from us. If you are considering enrolling in the program, do your homework so that you make an informed decision that will be advantageous for you. Go ahead, shop around, and make your choice.

For more information about enrollment, [contact us](#) or call Columbia Gas DirectLink at 1-800-432-9345

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- [Natural Gas Prices](#)



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- Section Menu
- Get Natural Gas
- Is Natural Gas Available?
- Benefits & Uses of Gas
- Find a Contractor
- Energy Saving Rebates
- Our Gas and Meter Install Process
- Relocate/Remove a Gas Line
- Adding Gas Equipment
- Restoring Your Gas Service
- Residential FAQ
- Natural Gas Vehicles
- Customer CHOICE®
- CHOICE® FAQs
- Help Making the Right CHOICE®
- What is Deregulation?
- Sign-Up and Suppliers
- Classroom Materials
- Hydraulic Fracturing



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- [Contact Us](#)
- [KY Public Service Commission Choice Cost Comparison](#)
- [Tariff Information](#)
- [Natural Gas Prices](#)

CHOICE® FAQs

Why is Columbia Gas of Kentucky offering this program?

We know that consumers like to shop around for competitively priced products and services. And we believe you should have the same opportunity for your energy needs. That's what the Customer CHOICE® program is all about.

In the past, Columbia has both purchased your gas supply for you and delivered it to your home. As a regulated company, we have simply passed the price we pay for gas directly on to you with no markup. Deregulation has opened up the marketplace so that other gas marketers can now compete for your business, offering natural gas at competitive prices. The Customer CHOICE® program makes it easy for you to take full advantage of this new competition and selectively shop for your best natural gas price.

Aren't you giving away customers?

No. Regardless of who you choose to supply your gas, Columbia Gas of Kentucky will still deliver it to your home or business. We will remain the same dedicated company you trust to deliver your gas, read your meter, assist you with billing and respond quickly to any emergency.

Why should I change my gas supplier?

Potential savings. The cost of the natural gas represents approximately 50-65 percent of your monthly gas bill, depending on the price of the commodity. You may be able to reduce that amount through Customer CHOICE®. Besides cost savings, marketers might offer other incentives as well.

How much could I expect to save?

That depends on the marketer you choose and the program they offer. Some marketers may offer a flat rate for a certain amount of gas. Others may offer guaranteed savings or package incentives. Just remember, gas prices may fluctuate in a competitive market, so the amount of your total savings might vary over time depending upon your marketer's plan.

Are these savings guaranteed?

Only if the marketer you choose provides a guarantee. Columbia Gas of Kentucky can't guarantee any offer made by marketers.

How should I compare offers from marketers?

The most important common denominator for comparing costs and savings is the cost per thousand cubic feet (Mcf). Use it to compare marketer offers to each other and to the Columbia Gas Mcf cost. In addition, as a customer of Columbia during the previous 12 months, you will pay or receive a credit as part of the Actual Cost Adjustment that is made to ensure that customers pay the exact amount we pay for natural gas each year. Depending on whether Columbia has overestimated or underestimated its gas costs, customers either receive a slight credit or charge in the following year. That credit or charge will only remain on your bill for the months during the prior year that you were supplied by Columbia Gas of Kentucky, but it should be considered when comparing marketer offers.

Do I have to make a choice?

No. Participation is voluntary. If you don't choose a marketer, Columbia Gas of Kentucky will continue to provide your gas at the current regulated price.

How will I know if I'm eligible to participate?

If you live in Columbia Gas of Kentucky's service area and use less than 25,000 Mcf of natural gas annually, you are eligible. This would include small businesses. If you're not sure about your eligibility, [contact us](#).

Is there a fee to participate?



There are no application or membership fees attached to your initial choice in the Customer CHOICE® Program. In fact, some marketers may offer you incentives to sign up. Read your marketer's contract carefully to determine if there are any additional fees. Columbia will not charge a fee to return from a marketer, but read your contract carefully to determine if there are any fees charged by the marketer should you leave prior to the end of your contract period.

Is the quality of gas the same?

Yes. There are no "grades" of natural gas. The quality and safety of the gas are the same as you've always received no matter who supplies it. And Columbia still provides safe and reliable delivery of the gas to your home and business.

Why can't Columbia Gas give me lower rates and keep things as they are?

The price Columbia Gas of Kentucky charges for natural gas is adjusted quarterly to reflect current market conditions, interstate pipeline and storage costs and is approved by the Kentucky Public Service Commission. Prices charged by deregulated gas marketers are not, so they can price their gas differently. Natural gas marketers are also able to offer you options that we as a utility cannot. For example, you might be able to lock in your gas price for a year, or buy your gas on a seasonal basis rather than monthly. They may offer different prices to different types of customers.

How does Columbia make a profit?

Columbia earns income from the transportation and delivery of your natural gas and related services we provide... not on the price of the gas itself. Charges for these services are also regulated, based on rates approved by the Kentucky Public Service Commission.

If I choose a new marketer, what services will Columbia provide me?

Columbia will still be your local gas utility. We'll read your meter, respond to emergencies, and maintain company-owned pipelines. Rest assured, we remain fully committed to providing you with the best possible service, whether you purchase your gas from Columbia or another marketer.

What standards must natural gas suppliers meet?

To qualify for the Customer CHOICE® program, all marketers must agree to a Code of Conduct, which requires them to:

- Clearly communicate customers' rights and responsibilities
- Provide to customers pricing and payment terms that are clear and understandable
- Refrain from fraudulent practices
- Submit to a credit check
- Provide a means to resolve disputes between the supplier and the customer

How will I learn about participating marketers?

Qualified marketers may contact you with information using advertising, direct mail, personal contact, or other customary means to promote their services. Or you can call us for a list of participating suppliers and contact them yourself. We will update the list as new suppliers qualify.

How do I sign up for the Customer CHOICE® Program?

It's simple to enroll. You sign a written agreement with your marketer stating the terms and conditions of your purchase agreement, and you fill out a Customer Consent Form including your signature and Columbia Gas of Kentucky account number.

Can I enroll in Customer CHOICE® by telephone?

Yes, you can enroll by telephone on a call initiated by either you or the marketer.

During the telephone call, the marketer will ask you if you've reviewed the contract terms. If you say "yes," the customer enrollment is completed over the phone and you'll have seven business days to cancel. If you say "no," the marketer will review with you the terms of the offer orally. You can still be enrolled during that phone conversation. However, the marketer must mail you a confirmation letter containing the written terms and conditions of the offer within three (3) business days. You then have seven (7) business days, from the postmark date on the confirmation notice sent by the marketer, to rescind/cancel any enrollment. The marketer must record the complete conversation in a date-stamped audio recording and inform you that the conversation is being recorded. If any customer enrolled by phone cancels within the seven business-day cancellation period, the marketer must provide a cancellation number for verification.

How long will I have to stay with a new marketer, and can I change marketer?

The length of your contract will be decided between you and your marketer, though your initial contract can be for no longer than one year. When your contract expires, you may change suppliers, keep the same supplier or return to Columbia Gas as your supplier. Read your marketer contract carefully to see if there might be a penalty for early termination, and to learn your rights if you should move during the contract period.

What if I want Columbia Gas to continue as my supplier?

You don't have to do a thing. If you choose not to participate in the Customer CHOICE® program, we will continue to purchase and deliver gas for you just as we always have. You don't have to notify anyone of your decision.

If I change marketers, how will I be billed?

You will continue to receive your monthly Columbia Gas bill. Your marketer's name and price charged for natural gas will appear on your Columbia Gas bill.

Can I still use Columbia's Budget Payment Plan?

Yes, you can participate in the [Budget Payment Plan](#).

Can I still use the Autopay Service?

Yes, you can participate in the Autopay Service.

Will another gas marketer be as reliable as Columbia Gas?

The Customer CHOICE® program has been designed so that you will always have gas when you need it no matter who your marketer is. We'll work closely with your marketer to make sure you never run out.

What if I have a dispute with the marketer?

First, contact the marketer and try to find a solution. If the marketer fails to make a good-faith attempt to negotiate or resolve customer complaints, Columbia has the right to terminate the marketer's participation in the CHOICE® program. If a marketer does not live up to your contract, you can always switch back to Columbia or to another marketer. Columbia will not terminate or interrupt the delivery of gas to you as a result of a dispute between you and the marketer. You also can notify the [Kentucky Public Service Commission](#) of your situation.

What if I fail to honor the agreement with the supplier?

You should realize that you're signing a contractual agreement, and you must honor the terms. Be sure to read the entire contract carefully to understand your rights to change suppliers or cancel under reasonable circumstances, such as relocation to an area where the program isn't available. Also, be aware of any cancellation fees that might apply. If you have any questions, ask for answers in writing before you sign a contract with a marketer.

If you have any comments or questions about the Customer CHOICE® program, please [contact us](#).

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- Section Menu**
- [Get Natural Gas](#)
- [Is Natural Gas Available?](#)
- [Benefits & Uses of Gas](#)
- [Find a Contractor](#)
- [Energy Saving Rebates](#)
- [Our Gas and Meter Install Process](#)
- [Relocate/Remove a Gas Line](#)
- [Adding Gas Equipment](#)
- [Restoring Your Gas Service](#)
- [Residential FAQ](#)
- [Natural Gas Vehicles](#)
- [Customer CHOICE®](#)
- [CHOICE® FAQs](#)
- [Help Making the Right CHOICE®](#)
- [What is Deregulation?](#)
- [Sign-Up and Suppliers](#)
- [Classroom Materials](#)
- [Hydraulic Fracturing](#)



Related Links

- [Contact Us](#)
- [KY Public Service Commission Choice Cost Comparison](#)
- [Tariff Information](#)
- [Natural Gas Prices](#)

Help Making the Right CHOICE®

We Want You to Have a CHOICE®

Columbia Gas of Kentucky's Customer CHOICE® program is designated to help our customers take advantage of deregulation by making it easy to choose a different gas supplier – one who can sell gas for less than we can. helps our customers save money.

CHOICE® doesn't mean lost business for us. By law, we pass the price we pay for gas on to the consumer dollar for dollar with no mark up. We make no money on the sale of gas. Instead, our profit comes from the transportation and delivery of gas. We'll still handle that no matter who your supplier is. So, your participation in the Customer CHOICE® program is good for everyone.

For more information, visit our [Customer CHOICE® FAQ](#) page.

Choosing a Supplier

We can't make any recommendation about who you should choose. But we do have some suggestions on how to make the best choice.

1) Know What Offers Are Available

Many suppliers are explaining their offers in newspaper, radio, TV and direct mail advertising. Others may call you or come to your home. Or you can call them.

2) Evaluate the Offer

Remember that all marketers are selling the same product: natural gas. While there are many important factors to consider, the biggest difference among suppliers is price. So they may package their offers in many different ways to make them sound attractive. It can be confusing. In order to make the right selection, you should examine the offers closely. For example, an offer of 40 percent savings sounds substantial, but when you discover it's based on 40 percent of Columbia Gas' Gas Cost portion of the bill and not the entire bill, as you might assume, it's not nearly as impressive. (The Gas Cost is the portion of your bill that covers the cost of gas, and not the delivery charges). Similarly, a supplier might advertise savings of 30 percent off the Columbia Gas price for the first three months, followed by a variable rate each month adjusted for current market prices. So your 30 percent savings may change a lot when the variable rate starts. With any impressive offer, take a close look at the terms to get an accurate picture of the potential savings.

3) Compare the Price

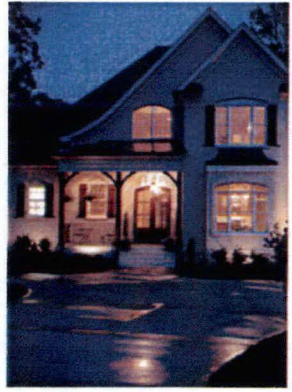
The most important common denominator for comparing costs and savings is the cost per thousand cubic feet (Mcf). Use it to compare marketer offers to each other and to the Columbia Gas Mcf cost. In addition, as a customer of Columbia during the previous 12 months, you will pay or receive an adjustment as part of the Actual Cost Adjustment that is made to ensure that customers pay the exact amount we pay for natural gas each year. Depending on whether Columbia has overestimated or underestimated its gas costs, customers either receive a credit or charge in the following year. That credit or charge will only remain on your bill for the months during the prior year that you were supplied by Columbia Gas of Kentucky, but it should be considered when comparing marketer offers.

Each type of marketer rate offers different risks and rewards:

Offers Based On the Price of Gas:

- Fixed rate – A fixed charge for each thousand cubic feet (Mcf) for the length of the contract, regardless of whether gas prices go up or down
- Variable rate – The charge varies over the term of the contract. Consider how often it changes. Daily? Monthly? Quarterly? What triggers the change? Is there a cap that it can't exceed?
- Percentage off Columbia's price – A flat percentage off Columbia's price.

Offers Based On the Total Monthly Bill:



- Discount off the total monthly bill – A flat percentage off the total Columbia Gas bill, including both gas cost and base rate. Remember, the percentage may appear smaller, but it's taken off a larger total.

Other Types of Offers:

- Flat dollar amount off monthly bill (not a percentage).
- Up front incentive – The supplier offers a cash or merchandise incentive, usually awarded upon enrollment.

4) Compare the Contract Terms

Who bills you? How many bills will you receive? How long is the contract? How do you cancel? What happens if you move?

5) Compare the Companies

What type of company do you prefer to do business with? Large or small? Kentucky-based or a national firm? What sort of customer service reputation do they have? Are they committed to the local community?

Remember that when you select a marketer, you are selecting a new partner with which you are doing business. Please take the time – as you would with any business decision – to know the product you are buying and the company supplying it.

6) Make your Choice

Once all of your questions are answered, you can select the offer that best fits your needs. Then contact the marketer to inform them of your choice. You can enroll by phone, by returning a signed agreement mailed to you by the marketer, or by filling out an Internet enrollment feature on the marketer's website. Either way, you'll need your Columbia Gas account number to enroll. And remember, if you decide to keep Columbia as your supplier, that's okay, too. It's your choice.

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Section Menu

- Get Natural Gas
- Is Natural Gas Available?
- Benefits & Uses of Gas
- Find a Contractor
- Energy Saving Rebates
- Our Gas and Meter Install Process
- Relocate/Remove a Gas Line
- Adding Gas Equipment
- Restoring Your Gas Service
- Residential FAQ
- Natural Gas Vehicles
- Customer CHOICE®
- CHOICE® FAQs
- Help Making the Right CHOICE®
- What is Deregulation?
- Sign-Up and Suppliers
- Classroom Materials
- Hydraulic Fracturing



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- [Contact Us](#)
- [KY Public Service Commission Choice Cost Comparison](#)
- [Tariff information](#)
- [Natural Gas Prices](#)

What is Deregulation?

Deregulation is the movement away from an environment in which a single, regulated utility provides all service to customers, to an environment based more on market competition. In a deregulated environment, unregulated non-utility providers are permitted to serve customers.

How Can Deregulation Benefit the Consumer?

Deregulation can increase competition in the energy marketplace, and encourage more choices and lower prices for consumers by allowing them to "comparison shop" for energy the way they do for other products and services.

If you have any comments or questions about the Customer CHOICE® program, please [contact us](#).

If you are a gas supplier and would like further information about the Customer CHOICE® program, please visit our supplier [website](#).

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Section Menu[Get Natural Gas](#)[Is Natural Gas Available?](#)[Benefits & Uses of Gas](#)[Find a Contractor](#)[Energy Saving Rebates](#)[Our Gas and Meter Install Process](#)[Relocate/Remove a Gas Line](#)[Adding Gas Equipment](#)[Restoring Your Gas Service](#)[Residential FAQ](#)[Natural Gas Vehicles](#)[Customer CHOICE[®]](#)[CHOICE[®] FAQs](#)[Help Making the Right CHOICE[®]](#)[What is Deregulation?](#)[Sign-Up and Suppliers](#)[Classroom Materials](#)[Hydraulic Fracturing](#)**Related Links**[Contact Us](#)[KY Public Service Commission Choice Cost Comparison](#)[Tariff Information](#)[Natural Gas Prices](#)

Sign-Up and Suppliers

It's Easy to Enroll in the Customer CHOICE[®] Program

1. Check out the list of certified marketers in the Customer CHOICE[®] Program.
2. Consider what information you need and what questions to ask marketers.
3. Contact the certified marketers to obtain information regarding their rates and services.
4. Compare gas costs. Don't forget to consider any special offers or incentives that may be available from each marketer.

Customers may enroll by mailings, facsimiles, direct solicitation, Internet, or telephone. Whichever method is used, it is important that you obtain and keep a copy of your contract for the term of the agreement.

Written enrollment – The customer's signature on the contract and their executed written consent form supplied by the marketers constitutes consent, when enrollment occurs by mail, facsimile or direct solicitation. Please note that gas purchase agreements and their rates are not currently regulated by the Kentucky Public Service Commission.

Telephonic enrollment – The marketer must record the complete conversation in a date-stamped audio recording and inform you that the conversation is being recorded. During the call, marketers will ask if you've reviewed the contract terms. If you respond "yes," the enrollment is completed over the phone. If you respond "no," the supplier will review the terms of the offer over the phone. Following the telephonic enrollment, the marketer must mail you a confirmation letter containing the written terms and conditions of the offer within three (3) business days.

Internet enrollment – Enrollment via the Internet must be initiated by the customer and may be used by the marketer provided the terms and conditions are publicly posted and accessible. The public posting must contain the following:

- Statement that customer has seven (7) business days from date of enrollment to cancel agreement.
- Toll-free telephone number and/or email address
- Terms and conditions of the agreement.
- When an enrollment occurs online, prior consent will be obtained by encrypted customer input on the marketer's internet website.

Customer will have seven (7) business days, from the postmark date on the confirmation notice sent by the marketer to rescind/cancel any enrollment.

For More Information

If you would like more information regarding the Customer CHOICE[®] program, contact any of these sources:

Columbia Gas of Kentucky

For general program information or a listing of qualified marketers, call 1-800-432-9345 Monday through Friday, 8:00 a.m. to 5:00 p.m.

TDD/TTY: 711

If you have any comments or questions about the Customer CHOICE[®] program, please [contact us](#).

If you are a gas supplier and would like further information about the Customer CHOICE[®] program, please visit our supplier [website](#).

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CenterPoint Energy Services, Inc.

1111 Louisiana, 20th floor
Houston, TX 77002
800-495-9880

Constellation Energy Gas Choice, Inc.

1221 Lamar St., Ste. 750
Houston, TX 77010
800-785-4373

IGS Energy

6100 Emerald Pkwy
Dublin, OH 43016
877-4IGSGAS (877-444-7427)

Kentucky United Energy

720 E. Main St.
Frankfort, KY, 40601
855-735-7304

Novec Energy Solutions Inc.

10323 Lomond Dr.
Manassas, VA 20109
703-392-1767

Stand Energy Corporation

1071 Celestial Street, Suite 110
Cincinnati, OH 45202
800-598-2046

US Gas & Electric, Inc.

DBA Kentucky Gas & Electric
1303 US Highway 127 South
Suite 402
Frankfort, KY 40601
888-919-5943

Vista Energy

3200 Southwest Freeway, Suite 2240
Houston, TX 77027
888-508-4782

Volunteer Energy Services, Inc.

790 Windmiller Drive
Pickerington, OH 43147
800-977-8374

XOOM Energy Kentucky, LLC

11208 Statesville Road
Suite 200
Huntersville, NC 28078
888-997-8979

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KY PSC Case No. 2017-00115
KY AG's Data Request Set One No. 8
Respondent: Judy M. Cooper

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

8. Other than the annual reports provided to the Commission and the Study provided in Case No. 2012-00132 has the Company performed any other studies or reports regarding the Choice program at any time over the past 7 years?

- a. If so, provide any and all studies or reports regarding the Choice program not previously provided by the Company, which they have performed at any time over the past 7 years.

Response: There have been no other studies or reports.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

9. Confirm Columbia is the supplier of last resort for all customers participating in the Choice program.
- a. Provide the terms or conditions certifying Columbia as the supplier of last resort.
 - b. If Columbia is required to have on hand for consumption the amount of gas anticipated should the supply to be delivered by participating Marketers fail to be delivered, do Columbia customers pay more for having that gas available than they would have had the Choice program not existed? Explain your answer.

Response:

- a. Columbia is the supplier of last resort for all customers participating in the CHOICE program. The service is pursuant to Rate Schedule SVGTS – Small

Volume Gas Transportation Service. It is firm service as set forth on Tariff Sheet Nos. 30 - 32. Rate Schedules SVAS – Small Volume Aggregation Service set forth on Tariff Sheet Nos. 33 – 371 contains the requirements for participating marketers. The terms and conditions of the two rate schedules establish Columbia’s role as the supplier of last resort.

- b. Columbia customers do not pay more for Columbia to have gas available as the supplier of last resort for CHOICE participants. The provisions of Rate Schedule SVAS require the marketer to pay a fee based on market indexes plus the cost incurred by Columbia for any deliveries the marketer fails to deliver.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

10. Has Columbia ever terminated a Marketer participating in its Choice program in Kentucky?
- a. If so, provide the Marketer's name, the date of termination and the reason for terminating.

Response: Columbia has terminated three (3) marketers from the CHOICE program.

1. Kentucky Natural Gas Service - December 23, 2000, due to insufficient delivery of gas.
2. Nicole Energy Services, Inc. - December 30, 2000 due, to insufficient delivery of gas.

3. Gateway Energy Services – October 28, 2014, for being unable to meet the volumetric/customer requirements outlined in the tariff (10,000 MCF annually or 100 customers).

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

11. Does Columbia believe customers who participate in the Choice program pay more than they would had they not elected to participate in the Choice program and received service under the tariff ordinarily available to them?

Explain your answer.

Response: Columbia refers to the filed Annual Reports which reflect the aggregate gas price differences between prices of CHOICE gas marketers and the price of Columbia's gas. However, it is important to note that the CHOICE Pilot Program exists for the purpose of providing gas supply options to customers and does not guarantee cost savings. It is difficult to determine whether individual customers pay more or less than had they not elected to participate in the CHOICE Program. This is because whether any particular customer has saved money over time will depend on the terms of that customer's contract terms as to gas supply costs, dates of participation in the program, length of time in the program, receipt of a fixed marketer gas price or other benefits, etc. As reflected

in the filed Annual Reports, in some years CHOICE customers as a group of customers have paid more for gas and in some years they have paid less.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

12. Are there any differences in costs or cost accounting stemming from Lost and Unaccounted for gas depending on whether a customer or group of customers in a specific geographic area is participating in the Choice Program?

a. If so, explain.

Response: No.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

13. Provide the number of customer complaints regarding the Choice program,
by year and by topic, if available.

Response: The table below provides the number of calls received from May 2014 through February 2017 from customers seeking information about the Customer CHOICE program, and the nature of the concerns of the customers.

CKY CHOICE Program - Calls Received by the Customer Care Center			
Type of Concern	May 2016 - Feb. 2017*	May 2015 - April 2016	May 2014- April 2015
Choice Information	419	653	1228
Customer Exclusion	14	22	12
Marketer Complaint	26	12	15
Marketer Savings	22	39	57
Price to Compare	47	81	83
Send Brochure	3	0	4
Total # of Calls Received	531	807	1399

*Note: March & April 2017 data is currently not available

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

14. Provide Columbia's annual revenues and expenses per year stemming from the Choice program and tariffs.

Response: Since the CHOICE program was last authorized, Columbia has recorded revenues from its Small Volume Aggregation Service Rate Schedule of \$310,321 in Account 495 and \$613,526 in Account 417 in 2014, \$295,660 in Account 495 and \$295,660 in Account 417 in 2015, and \$229,939 in Account 495 and \$367,144 in Account 417 in 2016.

Ongoing operating expenses directly attributable to the CHOICE program are approximately \$145,085 annually. Annual Account 495 revenues that exceed the operating expenses contribute toward the overall revenue requirement that would otherwise be recovered through base rates. Additionally, Columbia is responsible for the risk of collecting payment for the gas commodity from CHOICE customers. Expenses associated with the creation of the CHOICE

program were funded by other mechanisms that have expired since the startup costs are no longer being incurred.

KY PSC Case No. 2017-00115
KY AG's Data Request Set One No. 15
Respondent: Michelle Caddell

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

13. Do Columbia's recent changes to tariff Sheet No. 89, tariff sheet 91 and tariff sheet 92 apply to or affect any Marketers who participate in the Choice program via tariff SVAS? If so, how? Explain your answer.

Response:

No, the referenced tariff sheets are only applicable to Delivery Service Rate Schedules.

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO THE ATTORNEY GENERAL'S
FIRST REQUEST FOR INFORMATION
DATED MARCH 27, 2017**

16. Does the Company retain copies of the agreement(s) Marketers enter into with their customers?

- a. If customers don't enter into agreements with the Marketers, how are the relationships memorialized or enforced? Explain your answer.

Response:

Columbia reviews the initial customer solicitation documents of each Marketer to make sure the terms of the CHOICE program are being met. However, Columbia does not receive copies of the individual customer agreements Marketers enter into with their customers.

- a. Customers must enter into an agreement with a Marketer in order to participate in the CHOICE program. Pursuant to Columbia's tariff (Sheet Nos. 37b - 37f), Marketers enter into agreements with customers

via the following means: written, telephone or internet. Marketers may add customers to their Aggregation Pool monthly and notify Columbia as indicated on tariff Sheet No. 37f.