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RECEIVED

NOV 27 2017

PUBLIC SERVICE
COMMISSION

November 27, 2017

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

**RE: Columbia Gas of Kentucky, Inc.
2017 Accelerated Main Replacement Program Filing
PSC Case No. 2017-00413**

Dear Ms. Pinson,

Enclosed please find the original and ten copies of Columbia Gas of Kentucky Inc.'s Responses to the Commission's information requests dated November 15, 2017. Should you have any questions about this filing, please contact me at 614-460-5558.

Sincerely,

A handwritten signature in blue ink that reads "Brooke E. Wancheck".

Brooke E. Wancheck
Assistant General Counsel

Enclosure(s)

COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO STAFF'S INITIAL REQUEST FOR INFORMATION
DATED NOVEMBER 15, 2017

1. Provide an electronic copy of the application in Excel format with all formulas intact and cells unprotected.

RESPONSE:

The information is provided on the attached CD.

COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO STAFF'S INITIAL REQUEST FOR INFORMATION
DATED NOVEMBER 15, 2017

2. Refer to AMRP Form 2.0. Provide specific details concerning the forecasted plant additions, retirements, and removals for 2018, including separately identified projects and their locations, number, length, and size of mains and service lines, and associated costs. Also, include the projected construction start and completion months for each identified project.

RESPONSE:

Please see the detail in the attachment.

CKY 2018 AMRP Project List

Project Name	Project ID	City	Affected Streets	Type to Install	Size(s) to Install	Install Footage	Retirement Footage	Stations Retired	Total Replacement Services	Start Month	Completion Month	Main Cost	Service Replacement Cost	Proposed Blanket Estimate	Total Cost
First Avenue AMRP		South Shore	First Avenue, Second Avenue, Ridge Avenue	PE	2	3,306	3,306	0	15	September	November	\$363,660	\$61,500	\$0	\$425,160
2018 DKZ AMRP 17026730900	1748226	Winchester	DKZ Right-of-Way	CS	12	2,100	2,000	0	0	April	May	\$500,000	\$0	\$0	\$500,000
Ashworth AMRP 17026726400	1747947	Ashland	Ashworth Street, Ally, Edgewood, Lucille, Clara, Highland, Calvin, blevins, Lula, Roberts Dr., Shelby, Cogan, Forgey,	PE	2,4	4,717	4,717	0	36	April	October	\$518,870	\$147,600	\$0	\$666,470
Prospect Street AMRP 17026734800	1748620	Ashland	Prospect Ave. (1520-1570), Prospect Pl, Chestnut Hill (1520), 1st Circle (1111,1117)	PE	2	1,200	1,102	0	9	July	August	\$132,000	\$36,900	\$0	\$168,900
Friel Ct. Coupled Pipe 17026726500 & 17026730700	1747765	Ashland	Friel Ct. and Right-of-way	HDPE	8	1,810	2,632	0	2	February	March	\$171,810	\$8,200	\$0	\$180,010
Buffalo Trail AMRP 17026732600	1748493	Frankfort	Buffalo Trail, Valley View	PE	2	2,024	3,273	0	33	January	April	\$204,424	\$135,300	\$0	\$339,724
Limestone Terrace Cast Iron Elimination 17026734200	1748617	Maysville	Lexington St., Limestone Terrace, Buckley	PE	2	700	1,200	1	17	October	November	\$77,000	\$69,700	\$0	\$146,700
Wood St. Cast Iron Abandonment 17026734500	1748618	Maysville	Wood, Elizabeth	PE	N/A	0	1,100	0	0	April	April	\$0	\$0	\$0	\$0
Elkhorn Drive AMRP 17026725600	1747734	Frankfort	Elkhorn Drive, Laffoon, Patricia, Elkhorn Ct.	PE	2,4	2,442	2,439	0	73	April	November	\$479,616	\$299,300	\$0	\$778,916
Thorn Hill AMRP (AKA Swigert) 17026730000	1747736	Frankfort	Dalley, Hall St, Brown St, Fifth Avenue, Clements Ave, Moscoe, Grand, Grant, Alexander, Swigert, Fields, Winston, Henry, Letcher, and Noel	PE	2	14,248	15,663	0	253	January	October	\$2,558,388	\$1,037,300	\$0	\$3,595,688
Bryant Circle AMRP (Maysville) JOB 17026731700	1748365	Maysville	Bryant Circle, Jerry Lane, Ernst Ave, Forest Ave, Carolina Ave.	PE	2	6,312	6,229	1	62	January	June	\$784,189	\$254,200	\$0	\$1,018,389
Rolling Acres AMRP - AKA Sunset 17026731300	1748294	Frankfort	Sunset, Rolling Acres, Bender, Lyons, Beckham, Smith, Dewey	PE	2,4,6	16,843	16,102	0	344	January	November	\$2,626,124	\$1,410,400	\$0	\$4,036,524
Blackburn Avenue AMRP 17026736600	1748738	Ashland	Blackburn Ave	PE	4	40	440	0	6	September	October	\$12,000	\$24,600	\$0	\$36,600
St. Charles AMRP 17026726000	1747738	Frankfort	Main, Hardy, St. Charles, Maryland	PE	2,6	3,812	3,812	1	38	January	June	\$581,330	\$155,800	\$0	\$737,130
Old Frankfort Pike Abandonment Phase 4 17026734700	1748619	Frankfort	DKT Right-of-Way	N/A	N/A	0	5,000	0	0	October	November	\$45,000	\$0	\$0	\$45,000
Campbell St. Cast Iron Elimination		Frankfort	Campbell	PE	2	320	320	0	8	October	October	\$38,400	\$32,800	\$0	\$71,200

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CKY 2018 AMRP Project List

Project Name	Project ID	City	Affected Streets	Type to Install	Size(s) to Install	Install Footage	Retirement Footage	Stations Retired	Total Replacement Services	Start Month	Completion Month	Main Cost	Service Replacement Cost	Proposed Blanket Estimate	Total Cost
Lindsey Avenue AMRP 17026735400	1748624	Frankfort	Lindsey	PE	2	491	491	0	10	October	November	\$63,830	\$41,000	\$0	\$104,830
T-1 South Coupled Pipe Replacement 16026676400	1641740	Ashland	T-System Right-of-Way	HDPE	8	1,950	1,248	0	0	April	June	\$262,243	\$0	\$0	\$262,243
Bank Street AMRP		Maysville	Bank Street, Sixth Street, Happy Alley	PE	4	1,100	1,100	0	16	September	November	\$121,000	\$65,600	\$0	\$186,600
US 68 Cast Iron Elimination JO# 17026720700	1747077	Maysville	U.S. 68	PE	4	1,866	1,890	0	3	January	March	\$307,890	\$12,300	\$0	\$320,190
Broadway Street Versailles AMRP 17026736300	1748704	Versailles	170-200 Broadway St.	PE	4	3,369	5,749	0	25	September	November	\$437,970	\$102,500	\$0	\$540,470
Midland Place AMRP JO# 17026699000	1744261	Lexington	Midland Pl. fm Midland Ave. to Jiff Plant Nelson St fm 3rd Ave to EOM	PE	2	1,600	1,700	0	9	July	August	\$225,925	\$36,900	\$0	\$262,825
Patton Ct. AMRP JO# 17026727900	1747934	Catlettsburg	Patton Ct.	PE	4	165	149	0	2	April	May	\$19,800	\$8,200	\$0	\$28,000
Frogtown Road AMRP 17026728300	1747760	Hindman	Frogtown Road & Right-of-Way	PE	4	1,200	1,250	0	12	July	September	\$144,000	\$49,200	\$0	\$193,200
Bethlehem Road AMRP JO# 17026728800	1747968	Paris	Bethlehem Road	PE	4	1,200	1,209	0	13	September	November	\$156,000	\$53,300	\$0	\$209,300
Levee Road AMRP 17026722400	1747361	Mt. Sterling	Right of Way	CS	8	250	200	0	0	January	February	\$56,919	\$0	\$0	\$56,919
Brittney Farm AMRP JO # 17026721000	1747158	Versailles	Right-of-Way	CS	12	2,800	2,750	0	2	April	July	\$588,000	\$8,200	\$0	\$596,200
Meadowthorpe Phase 2 JO# 17026717000	1746427	Lexington	Townley Dr, Forbes Pepper Dr, Meadowthorpe Ave	PE	6,4,2	3,305	3,250	0	43	April	July	\$480,060	\$176,300	\$0	\$656,360
Pleasant Street Cast Iron Elimination JO# 17026708900	1745023	Paris	3rd, Pleasant	PE	4,2	3,900	6,000	0	42	April	July	\$429,000	\$172,200	\$0	\$601,200
Flynn CT AMRP JO# 17026715800	1746240	Georgetown	Flynn Ct.(102-115) & Military St.	PE	2	1,200	1,186	0	14	January	March	\$219,000	\$57,400	\$0	\$276,400
Short Street Cast Iron JO# 17026696200	1743926	Lexington	Short Street fm Esplanade to Elm Tree (~236-300)	PE	2	855	1,100	0	21	April	May	\$141,511	\$86,100	\$0	\$227,611
Madison Street Cast Iron Elimination JO# 17026714900	1746168	Lexington	Madison PL	PE	4	675	614	0	12	April	May	\$81,000	\$49,200	\$0	\$130,200

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CKY 2018 AMRP Project List

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Picadome Golf Course JO# 13026484701	1319386	Lexington	Across Picadome Golf Course	CS	8	2,225	2,225	0	0	November	December	\$356,000	\$0	\$0	\$356,000
Bluegrass Ave AMRP		Lexington	Bluegrass Avenue bxn Limestone and Highlawn (102 to 218 Blue Grass & 1330, 1400, 1404 N. Limestone)	PE	4	1,060	1,047	0	32	September	November	\$116,600	\$131,200	\$0	\$247,800
Lane Allen HP (Glen Dale School to Parker's Mill) JO# 16026677500	1641860	Lexington	Lane Allen	CS	12	2,850	2,744	0	0	April	August	\$798,000	\$0	\$0	\$798,000
Woodland Avenue Cast Iron Elimination JO# 17026707300	1744922	Lexington	Woodland Avenue	PE	2.4	1,500	1,485	0	26	April	June	\$180,000	\$106,800	\$0	\$286,800
Old Frankfort Pike AMRP at ATS JO# 17026717900	16-42281	Lexington	Right-of-Way	CS	8	1,300	1,600	0	3	January	June	\$344,275	\$12,300	\$0	\$356,575
Jefferson Street JO# 17026696600	1314148	Lexington	Jefferson Street	PE	8	1,000	900	0	20	January	February	\$282,070	\$82,000	\$0	\$364,070
W Third Street (Lexington) JO# 17026695600 (Spec Budget 76077708)	1743881	Lexington	Ross Ave, Hampton Ct, 3rd Street	PE	4	3,800	3,800	0	57	April	August	\$456,000	\$233,700	\$0	\$689,700
565 - Scattered Replacement Services			Multiple				0	0	574	January	December	\$0	\$2,353,400	\$0	\$2,353,400
579 - Blanket Meter Install Replacement			Multiple				0	0	0	January	December	\$0	\$0	\$1,086,000	\$1,086,000
581 - House Regulators Replacement			Multiple				0	0	0	January	December	\$0	\$0	\$63,000	\$63,000
Totals:						99,836	113,022	3	1,832			\$15,339,904	\$7,611,200	\$1,149,000	\$24,000,104

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COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO STAFF'S INITIAL REQUEST FOR INFORMATION
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3. Refer to AMRP Form 3.0. Explain in full detail why Columbia projects \$0 in projected O&M savings in Account 887.

RESPONSE:

Columbia is forecasting 2018 Account 887 O&M to equal the Account 887 budget amount following Case No. 2016-00162, therefore, no O&M savings are projected.

Should there be an actual savings, it would be credited as part of the Balancing Adjustment in March 2019.

As cast iron and unprotected steel pipe are replaced in the AMRP, it was contemplated that, in time, there would be savings in Account 887. It was also recognized that new leaks would continue to be found and leak severities could change during the duration of the program and would be increases to cost. This activity is expected to continue in 2018 which is why \$0 savings are projected in 2018. Columbia's AMRP provides for the return of savings in Account 887 but does not provide recovery for increases in Account 887 cost.

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4. Refer to Case No. 2009-00141,¹ Direct Testimony of David E. Mueller, page 8.

Provide a comparison of the original estimate of the projects included in the AMRP with those completed and with those yet to be completed.

RESPONSE:

In 2008, Columbia estimated the then total cost of projects associated with the 30 year Accelerated Main Replacement Program to be \$210 million. By the end of 2017, Columbia will have spent approximately \$127 million and retired 138 miles of bare steel and cast iron pipe. Columbia has 387 miles of pipe yet to be completed as part of the program. The total cost of the projects yet to be completed requires a study that has not been performed. Columbia anticipates having all cast iron removed from the system by December of 2022 and the remainder of the bare steel eliminated by the end of 2037.

¹ Case No. 2009-00141, *Application of Columbia Gas of Kentucky, Inc. for an Adjustment in Rates* (Ky. PSC Oct. 26, 2009).