

May 3, 2016 Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, KY 40601

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PUBLIC SERVICE COMMISSION

RE: Case No. 2014-00350

Dear Sir or Madam:

Pursuant to the Commission's Order issued on March 27, 2015, in the above referenced case, Columbia Gas of Kentucky, Inc. ("Columbia") submits the following regarding the reports as Ordered therein regarding Columbia's Revenue Sharing Mechanism and PBR.

The GCIM program operated during the months of April through October. The program concluded on October 31, 2014 and the final GCIM Annual Report was submitted to the Commission on December 1, 2014. The corresponding incentive amount was included in Case No. 2015-00036, Columbia's quarterly Gas Cost Adjustment filing on Schedule 6.

Columbia's OSS/CR report was submitted annually in its September quarterly Gas Cost Adjustment filing. The OSS/CR program concluded on March 31, 2015. The final OSS/CR report was submitted on July 29, 2015 and the amounts included in Columbia's Case No. 2015-00270, Schedule 2.

As a result of the above reports, there were no remaining amounts related to the GCIM and OSS/CR RSM and nothing to report on November 30, 2015.

On April 29, 2016, Columbia submitted its PBR report in its Gas Cost Adjustment Case No. 2016-00166, Schedule 6. The results cover the period beginning April 1, 2015 and ending March 31, 2016.

If you have questions, please don't hesitate to contact me at 859-288-0242 or jmcoop@nisource.com. Thank you for your attention to this matter.

Sincerely,

Judy M. Cooper

Director, Regulatory Policy