

Columbia Gas[®]
of Kentucky

A NiSource Company

P.O. Box 14241
2001 Mercer Road
Lexington, KY 40512-4241

RECEIVED

JUL 18 2005

PUBLIC SERVICE
COMMISSION

June 18, 2005

Ms. Beth A. O'Donnell
Executive Director
Kentucky Public Service Commission
P. O. Box 615
Frankfort, KY 40602

RE: PSC Case No. 2005-00239

Dear Ms. O'Donnell:

Enclosed for filing with the Commission are the original and six copies of Columbia Gas of Kentucky's Response to the Initial Data Requests submitted by the Staff of the Public Service Commission in Case No. 2005-00239. The filing includes an original and three copies of the construction drawings in response to Question No. 1, due to its cumbersome nature. Please call me at (614) 460-4648 should you have any questions about this matter.

Very truly yours,

Stephen B. Seiple (gmc)

Stephen B. Seiple
Lead Counsel

Enclosure

cc: Richard S. Taylor

Public Service Commission Staff Data Request Set 1
Question No. 1
Columbia Gas of Kentucky Respondent: Brad Stuck

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 1

Provide a copy of the bid documents and the contract with the successful bidder, including the construction drawings.

Response of Columbia Gas of Kentucky:

The project is in the bid process. A copy of the bid documents and construction drawings are attached. Columbia will advise the Commission of the successful bidder when selected.



NiSource Corporate Services Company
Corporate Supply Chain Services

**NiSource Business
Services Group**

Date: June 27, 2005

Attachment 1: Cover Letter

SUBJECT: NiSource Corporate Services Company
**REQUEST FOR PROPOSAL (RFP) # LP-2621-SP
D E Extension, Lexington KY**

Bidder:

NiSource Corporate Services Company, ("Owner"), representing Columbia Gas of Kentucky, Inc. ("Owner"), is requesting your firm price proposal for the above subject project in accordance with the referenced specifications and the requirements listed herein.

A. PROPOSAL PRICING

The Bidder's proposal shall be submitted in form to allow thorough Owner evaluation. All bids must be comprehensive and complete. The pricing shall be firm for the duration of the project. There are no guarantees of future purchases, either in the numbers of purchases or types of purchases.

B. INTERPRETATION OF THE REQUEST FOR PROPOSAL DOCUMENTS
PRIOR TO BIDDING

The Bidder shall notify Owner immediately of any apparent omissions or conflicts noted in these Request for Proposal Documents ("Request for Proposal Documents"), which affect the pricing, the performance of the Work or the quality thereof. Upon notification of any such disparity, Owner will make a determination of the required interpretation of the section(s) in question. All Bidders will be notified of the correct interpretation. It is Owner's intent that all Bidders receive equivalent information concerning this Request for Proposal and that all proposals submitted are directly comparable for evaluation purposes.

C. QUESTIONS

All questions pertaining to the **specifications** in this document shall be directed to:

Steve Heatwole
sheatwole@nisource.com
Office: 804-768-6422
1809 Coyote Drive
Chester, VA 23836

or

Gary Estep
gestep@nisource.com
Office: 614-460-2091
920 Goodale Blvd.
Columbus, OH 43212

Questions pertaining to this **Request for Proposal's** format, submission, objections, etc. shall be in written form submitted via email or facsimile to:

Amanda Trees
Supply Chain Specialist
(614) 595-2810 Phone
(614) 460-5528 Fax
ajtrees@nisource.com

and

Mike Law
Manager, Materials & Services
(419) 528-1101 Phone
(419) 529-5653 Fax
mlaw@nisource.com

D. EXCEPTIONS TO THE REQUEST FOR PROPOSAL DOCUMENTS

The Bidder shall explicitly and categorically list all exceptions to the Request for Proposal Documents, including exceptions to the GSA, in the same order as they are referenced in the documents. Bidder's standard printed terms and conditions are not considered specific exceptions and shall not be accepted. Deviation from this procedure constitutes the right of Owner to disqualify any or all proposals.

E. RIGHT TO REJECT

Owner reserves the right to reject any or all proposals which may be submitted in response to this Request for Proposal and shall be under no obligation to explain any such rejection. It is expressly understood by each Bidder that Owner will incur no liability by reason of the rejection of or failure to accept the Bidder's proposal.

F. PRE-BID MEETING

An on-site pre-bid meeting will be held on Thursday, June 23, 2005, at 9:00am, at the Columbia Gas of Kentucky office located at 2001 Mercer Road, Lexington, KY 40511. Details of this Request for Proposal and the corresponding Work requirements will be discussed. All Bidders have an opportunity to ask any questions regarding the scope of work or Request for Proposal Documents. There will be only one pre-bid meeting arranged for all bidders at the same time. Failure to attend the pre-bid meeting may be a cause for proposal rejection.

G. GOVERNING CONTRACT

Any work resulting from this Request for Proposal shall be contractually governed by the successful Bidder's properly executed NiSource General Services Agreement (GSA). Such work will be issued under a Service Authorization, which will incorporate, by reference, the signed GSA, the Request for Proposal Documents, including the specifications, and drawings and the Bidder's final negotiated proposal. Proof of proper insurance and workers compensation must be provided before the successful bidder may execute a Service Authorization.

H. REQUEST FOR PROPOSAL DOCUMENTS

The following are attached hereto and form a part of the Request for Proposal Documents:

- Attachment 1:** Cover Letter
- Exhibit A: Scope of Work and Special Conditions
- Exhibit A1: Job Specifications (to be handed out during Pre-Bid Meeting)
- Exhibit B: Line Item Descriptions
- Exhibit C: Contract Specifications
- Exhibit D: Intent to Bid Letter
- Exhibit E: Maps etc. – (note: Will be handed out during the Pre-Bid meeting)
- Attachment 2:** NiSource General Services Agreement (GSA) Sample. (Available upon request.)
- Attachment 3:** Pricing Grid
- Attachment 4:** Environment Construction Standards (Available upon request.)

I. DIRECTIONS FOR THE SUBMITTAL OF THE PROPOSAL

All proposals must be received via e-mail, preferred, fax or mail (note: faxed or mailed bids must also submit Pricing Grid and Additional Information Section in an electronic format), on or before July 14, 2005 at 4:00 P.M. EDT to the following email addresses:

Steve Heatwole - sheatwole@nisource.com , Amanda Trees – ajtrees@nisource.com and Mike Law - mlaw@nisource.com

Please reference RFP #LP-2621-SP in the subject line of your response.

Sincerely,

Amanda Trees
Contract Specialist

EXHIBIT A
For RFP # LP-2621-SP

SCOPE OF WORK AND SPECIAL CONDITIONS
COLUMBIA GAS OF KENTUCKY, INC.
A NISOURCE COMPANY

REQUEST FOR PROPOSAL
D E Extension, Lexington, KY

GENERAL SCOPE OF WORK

The general scope of work for the proposed pipeline installation shall include, but not necessarily be limited to, the following: clearing and preparing right-of-way (to include salvaging timber and disposing of brush), trenching, hauling and stringing pipe (to include fittings and other items generally associated with and necessary for pipeline construction), bending, electric arc welding (unless otherwise specified), coating and wrapping (to include patching, when and where applicable), lowering-in, backfilling (to include acceptable tamping where required), cleaning up (to include disposing of excess excavated material, rock, etc.) and cleaning and testing the constructed pipeline facility and stations. Other related functions considered herein as essential for overall project completion, unless otherwise qualified, specifically deleted, or expanded in this section, shall be as follows: crossing minor streams and drainage ditches, installing necessary erosion and sedimentation control devices, performing open cut or bored road, highway or railroad crossings as required (to include complete installation of casing, and as applicable, cementing, insulating, sealing and venting of same); restoration of open cut roads to governing authority specifications; excavating and backfilling various approaches, building breakers (rock, timber or sack type as directed); riprapping banks, replacing drain tile; repairing fences (material furnished by Contractor); setting fence stiles; providing necessary test connections; performing all phases relative to completing tie-in connections; returning excess construction materials to appropriate Owner's storage area(s) or to loading point(s) designed by Owner; and in general, performing all necessary support functions to complete scope of basic project. All Work and method of construction shall be in accordance with specifications or directions of, and subject to approval and acceptance by Owner and highway, railroad, or other regulating authorities. All Work described above shall be included in basic pipeline installation price(s) unless otherwise specified herein or specifically outlined per separable function(s) within Contractor's Proposal, all per final interpretation by Owner.

It shall be the responsibility of Contractor to carefully examine and become familiar with all contract documents, to inspect facility, site and construction areas, and to acquaint himself thoroughly with all conditions likely to be encountered in performing the Work contemplated herein.

This project is for a 38,500 (approximate) feet extension of 12-inch steel pipeline from an existing main in Georgetown, KY.

A. OVERVIEW OF WORK AND LOCATION

Contractor shall furnish, deliver, and unload materials for; shall furnish all labor, supervision, equipment, tools, materials, transportation and services for; and shall do each and every act necessary to construct, erect, install and/or perform and finish the Work as herein specified. All Work shall be performed in accordance with the requirements of the applicable municipal and county standards for natural gas pipeline construction. The Work shall consist of, but is not limited to the following:

1. Demolition including, but not limited to, the removal of concrete, asphaltic concrete, aggregate, and soil.
2. Installation, as required and as specified herein, of approximately 38,500 feet of 12-inch steel pipeline.
3. Perform temporary and permanent hard surface restoration, all lawn restoration, wetland and stream restoration and all site restoration according to the guidance in the NiSource Environmental Construction Standard.

The following describes the area and description of the proposed Work.

DE Extension Project Summary, Georgetown, KY

The **DE Extension Project** ties into the existing Turner Station located near the intersection of Delaplain Rd. and I-75 with a 12-inch steel pipeline and heads west to an open area to directional drill under I-75 to the west. The route then heads south paralleling a railroad track approximately 11,800 feet then heads west approximately 4,000 feet crossing Route 25 to the west. It then parallels Route 25 to the south, approximately, to the northern edge of the Cardome Academy property. From there it heads west approximately 4,500 feet, then south another 800 feet, approximately. It then heads west approximately 1,200 feet to an existing overhead electrical easement. From there it continues south in the overhead easement for approximately 3,400 feet to a spot where the Elkhorn Creek directional drill will begin. The length of this drill will be approximately 700 feet and will exit on the north side of Route 460 near Route 62. We then continue west paralleling Route 460 to the west approximately 1,400 feet then crossing Route 460 to the south and paralleling Route 62 approximately 4,300 feet and ties into an existing 12-inch steel pipeline at the intersection of Route 62 and Route 460B. The length of the DE Extension project is approximately 38,500 feet of 12-inch steel pipeline.

Owner reserves the right to perform any Work anticipated under this RFP with its own crews or with other outside firms should the necessity arise in its sole judgment.

B. COORDINATION OF WORK WITHIN THE OPERATING AREA

It is Owner's intent that the Work covered by these documents be accomplished with minimal impact to the traffic flow of the area and the adjacent property owners. The Contractor will take whatever actions and precautions necessary to minimize the impact caused by the execution of its Work.

Owner will make all Work assignments in the form of a Service Authorization.

C. MODIFICATION TO SPECIFICATION

No part of the plans, drawings, general conditions, or proposals made a part hereof shall be construed as to modify or supersede any part of the general working of this specification and/or the Service Authorization, unless this specification and/or the Service Authorization specifically accept the change or modification. All change orders must be approved by the Project Manager prior to proceeding with the related Work. Failure to get Project Manger approval may constitute non-payment for services rendered.

D. SAFETY

The Contractor shall be responsible to furnish and erect all required signs and traffic safety devices.

Efforts shall be made to maintain normal traffic flow, but interruptions or obstructions to traffic shall be defined by conditions of the permit.

The roadway surface shall be kept clean of debris at all times and shall be thoroughly cleaned at the completion of the Work. At the completion of the Work, all disturbed areas shall be restored to a condition equal in kind to that, which existed prior to the Work.

Where Contractor is directed to perform Work on pressurized gas facilities, Contractor shall perform such Work only when authorized Owner's Representative is present.

E. COMPLETION SCHEDULE

The proposed Work shall be in service by December 31, 2005. The Contractor shall be required to provide notification of scheduled Work, on a weekly basis, to the Owner's Project Manager or designee.

F. RIGHTS-OF-WAY, PERMITS, LICENSES, AND REGULATIONS

Contractor shall obtain all permits, licenses, easements and rights-of-way of a temporary nature required by the construction operation, including, but not limited to, burning and hauling permits, material storage areas, temporary ingress and egress rights-of-way, all blasting licenses or permits.

Owner will provide all rights-of-way, easements, licenses and permits of a permanent nature, such as, pipeline rights-of-way, easements, street and highway occupancy permits, railroad and stream crossing permits.

Contractor shall comply with all restrictions, special conditions and arrangements set forth by these rights-of-way, easements, licenses and permits. Should Work specified in Pricing Grid Sheet be at variance with these restrictions, special conditions, arrangements or any law, ordinance, rule or regulation of any legally constituted authority, Contractor shall immediately notify Owner and a Change Order will be executed.

G. JOINER QUALIFICATION

Contractor shall cause its joiners to take the appropriate Owner joining tests, given by a qualified Owner's Representative. Each joiner shall be qualified for that joining technique which the joiner will be required to do in the field in accordance with the following Policy and Procedure References:

<u>Policy and Procedure Reference Series</u>	<u>Title</u>
641	Welding
643	Mechanical Joining

H. EXPLOSIVES AND BLASTING

Contractor shall be adequately insured for all damage to persons and property resulting from the use of explosives on or off the right-of-way. Rock or other debris scattered on adjacent land by blasting operations shall be removed by Contractor.

Contractor shall notify the authorized Owner's Representative as to the time and location of the proposed use of explosives. This notice shall not be construed to relieve Contractor of its sole responsibility for damage resulting from the use of explosives.

I. CONTRACTOR'S AND OWNER'S RESPONSIBILITIES WITHIN RIGHT-OF-WAY

Unless otherwise provided in the Contract, Owner shall bear the liability and pay for damage to crops, shrubs, trees, grass, and plantings within the right-of-way, except where Contractor, its agents, employees, or subcontractors through negligence, carelessness, or any other reason, cause unreasonable damage thereto, in which event that portion of the damages so caused shall be the sole liability of the Contractor. Contractor shall pay the damages arising from its exercise of the right of access to and from the right-of-way. Further, when additional width of pavement is damaged by Contractor's equipment through negligence or carelessness on Contractor's part, such restoration beyond normal width will be at Contractor's sole expense.

J. REPORTING REQUIREMENTS

Each day (or at such other interval as the Owner or Contractor may mutually agree) the Contractor shall submit daily progress reports showing the job location by street, town, job order number, and Service Authorization number.

K. TOOLS AND EQUIPMENT

Contractor shall provide the proper tools and equipment to complete the Work. All equipment shall be efficient, serviceable and in good condition, and the Contractor further agrees to replace any equipment and machinery which, in the judgment of the authorized Owner's Representative, is incapable of satisfactorily performing the Work for which it was designed.

L. EXCAVATING IN PAVEMENT

When excavating in pavement, Contractor will be expected to have digging equipment on the job that is designed to keep the trench width (and it follows, the amount of pavement to be replaced) to a minimum. The proper size bucket shall be selected that will just allow the trench width to comply with the minimum set forth in the Scope of Work and Special Conditions and Policy and Procedures. In other words, Contractor will be expected to keep the area of street openings to a minimum. If Contractor does not have the proper equipment on the job, Owner will not pay the cost of extra pavement replacement including backfill.

The use of any compaction equipment (for example, Drop Hammers or Hydra-tamps) MUST be pre-approved by authorized Owner's Representative. Any deviations from the above must be agreed to by both parties before the trenching is started.

M. PAVEMENT CUT-BACK

The cut-back on pavement repairs will comply with State and Local codes. Any greater cut-back will be at Contractor's expense unless agreed upon by both parties before trenching is started.

N. NUMBER OF CREWS

Contractor will be able to supply and supervise the necessary construction crews as required, complete with qualified Welders. Owner will give sufficient notice to Contractor before beginning construction.

O. QUALITY OF CREWS

Contractor shall provide trained and qualified crews to perform covered tasks and shall be experience with underground pipeline construction. This includes all crewmembers, not just the lead person of the crew.

P. IDENTIFICATION

Contractor shall have its name and address in public view on vehicles and equipment used on the job site. Contractor is not permitted to utilize or display the Owner's name/logo, nor are Contractor's employees permitted to wear or display any item containing Owner's name/logo.

Q. ALCOHOL AND DRUG PLAN

Each potential NiSource Contractor who will submit any bid to NiSource to perform DOT related "Covered Functions" at any of the NiSource facilities, or other facilities and areas as directed by NiSource Subsidiary Representatives, must have an approved DOT Drug & Alcohol Program. The Contractor's DOT Drug/Alcohol Program must have been reviewed and approved by NiSource's third party administrator for contractor monitoring. All contractors are required to submit certain DOT related documents to NiSource's third party administrator for review to determine their company's compliance with the DOT Drug/Alcohol testing regulations.

Any contractor who's company name doesn't appear on the third party administrator's Approved Contractor listing for NiSource may not be allowed to submit bids to perform DOT covered functions.

COMPLIANCE WITH FEDERAL DOT PIPELINE SAFETY REGULATIONS;
DRUG TESTING PART

NiSource, Inc. and its direct or indirect subsidiaries (hereinafter referred to as NiSource) have designated National Compliance Management Service, Inc. (NCMS) as their authorized third-party agent to request, review and advise NiSource on the status of all contractors who perform operation, maintenance, or emergency-response functions on NiSource DOT regulated pipelines and pipeline facilities. NCMS shall request, on behalf of NiSource that each contractor provide the following information.

- Copy of Drug and Alcohol plans
- Copy of verification of supervisory training
- Custody and control form (DOT)
- Covered Employee List
- Drug\Alcohol Statistical Data

NCMS is NiSource's agent for monitoring contractor DOT Anti-Drug and Alcohol Misuse Prevention Plans and to obtain contractor drug/alcohol testing data. NCMS is authorized by NiSource to request Anti-Drug and Alcohol Misuse Plans, statistical data and other documentation from contractors who plan to perform an operating, maintenance or emergency response function on NiSource DOT covered facilities.

The Department of Transportation (DOT) continues to report drug/alcohol testing compliance problems with contractors who perform DOT covered work for NiSource. In response to these compliance problems, DOT promises to step up their enforcement of the regulations contained in 49 CFR Parts 199 and 40. DOT places the responsibility upon the pipeline-operator such as NiSource to see that contractors and contractor employees performing DOT covered work are in compliance with the drug testing regulations. Given what we know about DOT drug/alcohol testing plans and contractor monitoring, it is possible that many existing contractor drug plans do not meet the standards required by these regulations. In addition, new alcohol regulations became effective January 1, 1995, for the Research and Special Programs Administration and the Federal Highway Administration. Consequently, reasonable contractor monitoring measures must be undertaken to safeguard against the assessment of potential violations and penalties for failure to adequately monitor the contractor's compliance.

Please forward all items listed on the Contractor Audit Request Form, which is contained within the NCMS Web site, www.nationalcompliance.com, to:

National Compliance Management Service, Inc.
7 Compound Drive
Hutchinson, Kansas 67502
Contact: Richard Rippert
Phone (620) 669-4410 Fax (620) 669-8430

NCMS as NiSource's authorized agent for reviewing contractors DOT anti-drug/alcohol misuse plans and drug/alcohol testing data shall:

1. Review your anti-drug/alcohol misuse plan utilizing the federal inspection forms. These forms contain the same criteria utilized by the federal and state agencies.
2. Based on this review, if your anti-drug/alcohol misuse plan should require revision, NCMS will so advise your company and provide you with the necessary information to bring your plan into

compliance. All contractors must revise their anti-drug/alcohol misuse plan to comply with the regulations as determined by NCMS.

3. Request the necessary drug/alcohol testing data on your company employees, numbers and kinds of tests performed and their results. The drug/alcohol statistical reports shall be requested on a semi-annual basis.

It is the responsibility of each contractor to revise/update their drug and alcohol plans as changes occur in the federal drug/alcohol regulations. Contractors are required to submit semi-annual drug and alcohol statistical data to NCMS as a means of demonstrating their continued compliance with the federal regulations.

The role of NCMS is to advise NiSource on the status of each contractor with regards to the submission of the initial documents to determine their compliance and to monitor the contractor's continued submission of drug/alcohol statistical reports semi-annually. Failure to provide the necessary documentation could result in a change in your satisfactory status with NiSource.

The first review and notice of anti-drug plan/alcohol misuse plan revisions by NCMS is without fee, NiSource has paid for this first review service. However, additional reviews will result in a fee of \$150.00 for the second review; \$300.00 for the third review; and \$450.00 for the fourth review. The contractor shall pay these fees directly to NCMS. There will be no fifth review unless NiSource approves it.

Information on Pipeline Testing Consortium: Pipeline Testing Consortium, Inc. (PTC) is one of several consortia in the Continental United States that is available to provide administration of the DOT anti-drug/alcohol testing regulations. Contractors who become members of PTC are in compliance with the DOT regulations. Although we do not endorse one consortium, if you are interested in their service, please contact them by phone or e-mail at:

Pipeline Testing Consortium, Inc.

9 Compound Drive

Hutchinson, KS 67502

Phone: 1-800-294-8758 Fax: 620-669-0906

E-mail to: mikeneuway@pipelinetesting.com

Only contractors with approved drug/alcohol testing programs will be allowed to perform DOT covered work for NiSource or its affiliates

R. OPERATOR QUALIFICATIONS

1. Contractor shall provide and maintain, as required by Owner, a written plan identifying Contractor's DOT Operator Qualification program. This program must meet all requirements as outlined in 49 CFR PART 192 SUBPART N and receive Owner's approval.
2. Contractor shall supply to Owner a copy of its written Operator Qualification plan, including employee qualification records. This information shall be used by Owner to verify Contractor compliance with 49 CFR 192 SUBPART N as may be required by state PSC audits, or other governmental authority requests. If the Contractor's failure to comply results in a fine and or penalty, the Contractor will be responsible for all associated monetary cost.
3. Contractor shall be allowed to utilize individuals who are not qualified to perform a covered task as long as a qualified individual directly observes the performance and is able to take immediate corrective action when necessary. All Contractor employees will be required to be qualified in Preventing Accidental Ignition of Natural Gas. Owner reserves the right to limit the time a person can perform a covered task before receiving the necessary qualifications. Owner reserves the right to limit the ratio of nonqualified vs. qualified employees performing covered tasks on Owner's facilities.
4. Contractor's employees shall have with them at all times wallet cards or other acceptable means of providing a list of their personal qualifications while performing covered tasks on Owner's facilities.
5. Contractor shall provide Owner, immediately, any changes that are made regarding Contractor's written plan, or changes in an employee's qualification status to perform covered tasks on Owner's facilities.
6. Contractor, upon request, shall provide any information requested by Owner that documents Contractor's compliance with this law.
7. Contractor's method used to evaluate an employee's ability to perform a covered task on Owner's facilities must meet Owner's approval prior to Contractor performing any services under this agreement (3rd party qualifying, Contractor evaluation program, or other). Owner does not accept work performance history as an acceptable evaluation method by the Contractor. Owner does not accept computer-based/video qualification testing as a method of qualification. Owner will only accept qualification methods utilizing an Owner approved validated curriculum, administered by individuals that have successfully completed an Owner approved qualifier program. Contractor's employees must achieve a minimum score of 80% to be qualified for each task.

8. Contractor shall maintain adequate records, including an employee's qualification records, as prescribed in 49 CFR 192.807. Owner shall be granted access to Contractor's records, including the written plan and employee records. This access shall be for as long as Contractor's employee continues to perform covered tasks on Owner's facilities, and for a period of at least five (5) years after an employee no longer performs covered tasks on Owner's facilities
9. Contractor's employee's qualification records shall include: Identification of the qualified individual; Identification of the covered task(s) the individual is qualified to perform; Date(s) of current qualification; Qualification method(s); Person/3rd party that performed the evaluation.
10. Qualification records supporting an individual's current qualification shall be maintained as prescribed in section 192.807 – Record keeping.

S. INCORPORATED BY REFERENCE

The following Owner's Policies and Procedures will be provided to the Contractor. These procedures are to be complied with by Contractor in its normal construction performance to the satisfaction of the authorized Owner's Representative.

Number	Title
430-1	Hazard Communication Program (Employee Right-to-Know)
445-2	Traffic Control at the Job Site
445-3	Excavation Safety
445-4	Working in Excavations and Trenches
530-3	River and Stream Crossings
530-4	Road Crossings
640-1	Main Installation and Abandonment Practices
640-5	Pressure Testing – includes Hydrostatic
640-6	Bypassing and Stopping Gas Flow
640-7	Main Tie-Ins
640-8	Purging Principles
640-9	Installation of Corrosion Control Materials
640-11	Blasting Operations
640-14	Environmental Standards for Pipeline Construction
651-6	Leakage Repair Methods

T. REVISED INSURANCE PROVISION FOR PIPELINE DISTRIBUTION WORK
(This extra insurance is required for large contracts with high risk.

Contractor is requested to provide increased general liability insurance coverage for any project resulting from this RFP. The following changes shall be included in all Services Authorization that will be issued to the Contractors on a project-by-project basis.

“Commercial General Liability (CGL): \$5,000,000 bodily injury and property damage combined single limit per occurrence; \$5,000,000 personal

injury/advertising injury; \$5,000,000 products/completed operations aggregate; and \$5,000,000 general aggregate per project. The CGL policy shall have a per project endorsement to require these limits to apply only to each individual Project. Insurance shall be on an occurrence basis, in Contractor's name, and shall include: Bodily Injury, Personal Injury with employment exclusion deleted, Explosion, Collapse and Underground Damage Liability Endorsement (commonly called XC and U Hazards), products/completed operations which shall be maintained for two years after final payment for the Project, and blanket contractual coverage including Contractor's indemnity obligations and Broad Form Property Damage coverage with bodily injury and property damage of combined single limits of not less than those stated above per occurrence."

"Excess or Umbrella Liability Insurance: Contractor shall provide excess or umbrella liability insurance with a combined single limit of not less than \$5,000,000 per occurrence and project or per location aggregate. These limits apply in excess of the insurance coverage required for specific Projects."

Contractors may provide the \$10,000,000 general liability coverage in any proportion between its primary coverage and excess coverage, as the Contractor is capable of obtaining from its respective brokers and carriers.

Builders Risk Insurance will be procured by Owner. The deductible for this coverage is \$500,000. Contractor shall pay all deductibles or self-insured retentions below \$500,000.

All other terms and conditions of the NiSource General Services Agreement (see copy attached) previously agreed to between the Contractor and Owner will remain the same and shall govern any Work that results from this RFP.

Contractors shall be required to provide proof of insurance prior to the start of any work indicating the increased coverage requested above and shall name NiSource Inc. and its direct and indirect subsidiaries as the Additional Insured.

U. ENVIRONMENTAL COMPLIANCE

Contractor will be provided with an Environmental Management and Construction Plan (EM&CP) prior to the beginning of the project. The EM&CP will include all applicable environmental regulation and permit requirements, which the Contractor is responsible to comply with during the project. The EM&CP will include a project specific Storm Water Pollution Prevention Plan (SWPPP). The base document for the SWPPP is NiSource's Environmental Construction Standards (ECS) for gas distribution companies (ECS) and is included in this bid document for guidance.

Contractor will be required to provide at a dedicated full time on-site environmental compliance specialist as described in section VI-D of the ECS and as shown on the construction drawings. Equipment and manpower (minimum 3 man crew) must be made available to the environmental compliance specialist in a timely manner, on an as needed basis seven (7) days a week including rain days, to ensure that erosion and sediment control measures are maintained at optimum efficiency for the duration of construction activity.

Owner will provide an on-site environmental inspector. This person will have stop-work authority, and will be responsible for insuring Contractor's compliance with the terms and conditions set forth in the ECS.

EXHIBIT A1 –
For RFP # LP-2621-SP

JOB SPECIFICATIONS – Maps, drawings and specifications will be provided at the Pre-Bid Meeting.

EXHIBIT B

For RFP # LP-2621-SP

LINE ITEM DESCRIPTIONS

02 - MAIN

The construction of pipeline facilities includes:

Loading, hauling and stringing of pipe, fittings, casing, valves, coating, drips and all other materials, including the tallying of same, necessary for the construction of the pipeline. Contractor shall be responsible for transporting and handling of all Owner furnished material, including pipe, from vendor or Owner's warehouse locations to the job site. Contractor shall give a minimum notice of 48 hours to vendor or warehouse locations prior to pick up of materials or delivery of surplus items. All associated costs shall be included in Contractor's basic pipeline construction installation costs(s).

All open cut excavation of trench including hand excavation, sloping and shoring where needed, but exclusive of other items covered on the Pricing Grid Sheet. Major river crossings or other major crossings (crossings that cannot be made with normal trenching or boring equipment) will be covered by a separate line item.

Lining up, fusing of plastic pipe, welding and cutting of pipe line by any process, including cleaning, filing, grinding, trimming and beveling where required, installation of anodes, test stations, marker posts and zinc ribbon (where necessary), the installation of warning tape and including all supervision, labor, equipment, welding rod and other materials and supplies, etc., per Owner's specifications. Contractor shall be responsible for the transition required for welding various wall thickness of casing, pipe and fittings. All associated costs shall be included in Contractor's basic pipeline construction installation cost(s). Contractor will provide materials and supplies not provided by Owner as part of the installation.

Bending, laying and lowering of the pipeline including minor stream crossings (defined as crossings that can be made with normal trenching equipment). When steel pipe is installed, cleaning, priming, coating and wrapping per manufacturer's specifications of all bare joints, holidays and damaged coating. "Jeeping" to find holidays in the coating is also required. Contractor is to supply Holiday Detector.

Backfilling of trench and bell holes not otherwise provided for including pneumatic tamping in lifts not to exceed twelve (12) inches loose, backfilling open cut highway and road crossings with specified material, restoring original grade where required, installing breakers, constructing surface drainage and diversion ditches, hand backfilling where required, riprapping stream banks, per specifications. Trench backfill must be compacted to prevent settling of the ditch. If any extras are expected for hand backfilling, riprapping stream banks, building surface drainage structures or breakers, such extras must be clearly stated as an extra and the price and method of payment agreed upon before the project is started.

Tamping of trench and other excavations in specified layers and in accordance with specification of governmental permits or right-of-way restrictions. Installation of warning tape. The welding of any end caps, purge points or pressure verification fittings.

All costs associated with general clearing of Owner's right-of-way from weeds and trees where required by the Owner for main line installation. All cleared material will be removed from the job site and disposed of by the Contractor or as directed by authorized Owner's Representative. This item includes clearing of right-of-way of weeds, brush and trees up to less than three (3) inches in diameter.

Cleaning up right-of-way and construction area is to be done during construction and after completion of the Work. Clean up of construction area and right-of-way shall not take more than ten (10) working days following construction, subject to weather conditions. This includes removal and disposal of all rubbish and debris, rocks and excess excavated material remaining after Work is completed, unloading, hauling and stringing of material for fence stiles, permanent repair of fences and gates, installation of fence stiles and line markers, cleaning out of waterways, ditches and drains, return of unused materials furnished by Owner, including all equipment, materials and supplies to the storage site designated by the Owner.

This item shall include labor, material and equipment for raking, seeding and mulching areas disturbed as part of the construction. Contractor will provide grass seed and straw (fertilizer, lime and mulch if needed) that is compatible with and comparable to the grass surrounding the areas damaged by construction. Contractor will grade and re-seed disturbed areas to original condition. Topsoil, when required, will be included in line item 38.

If the restoration is not completed within ten (10) working days after completion of a given project, subject to weather conditions or by direction of outside governmental entity having jurisdiction, the Owner may have to complete the Work either by using its own personnel or the personnel of another Contractor, and adjust any invoices submitted for payment to reflect the expense of Owner's time and resources expended on doing such Work. This expense will be calculated at the rate according to Owner's Policy and Procedures or by the Agreement.

Hydrostatic testing, air testing, interior cleaning (pigging) and purging of the pipeline, including all supervision, labor, equipment, supplies and materials are the responsibility of the Contractor. Owner will supply the test gauge(s). This item shall include all labor, material and equipment for a complete and successful hydrostatic test. This item also includes the necessary labor, material and equipment for de-watering the pipeline. CKY to provide necessary water discharge permit if required. Environmental control items required as part of the de-water operation shall be paid separately.

Contractor is accountable for maintaining all excavations, until accepted by the Owner, in a safe manner for pedestrian and vehicular traffic by the use of proper backfill, flashers,

barricades, etc. Compliance with government ordinances and permits including traffic control are Contractor's responsibility.

All withdrawals of materials and supplies from Owner's stock and pick-ups of the same by Contractor will be done only with knowledge and approval of Owner's Representative. Contractor will be responsible for the transportation and handling of Owner's furnished materials from McJunkin's branch or Owner's stock location in Lexington. Contractor will give a minimum notice of 48 hours to McJunkin or stock location to pick up materials. All associated costs shall be included in the Contractor's pipeline construction costs.

Contractor is responsible to see that Kentucky Utilities Protection, Inc. (BUD) is called forty-eight (48) hours or two (2) working days before construction begins, and will assume all liability for damages. Contractor is to comply with the Kentucky Utilities Protection Services Act.

The conditions outlined here for main are also applicable to all remaining construction items in the Pricing Grid sheet.

Installation of anodes/test stations will be included in the cost of the pipe lay.

09 – BORING/DIRECTION DRILLING

This item includes all boring where casing is not required, and includes excavation of the approaches, shoring, sloping, supervision, labor, equipment, supplies, etc. This unit is measured from the bore hole face on the near side to the bore hole face on the far side (usable bore length) and the unit size is the nominal carrier diameter. Any bores made for the Contractor's convenience at his discretion and not as specified by authorized Owner's Representative shall be included in Item 02. The insertion of the carrier pipe through the hole is included in this price. Boring can be done by augur, or any approved method.

The depth of trenching required at the approaches shall not warrant a payment for extra depth as defined in Item 26.

This item also includes all directional boring and all supervision, labor, equipment, supplies, etc. The unit is measured from the bore hole face on the near side to the bore hole face on the far side (usable bore length) and the unit size in the nominal carrier diameter. Directional bores made for the Contractor's convenience at his discretion and not as specified by authorized Owner's Representative shall be included in Item 02. The units paid will be lineal feet of bore. The insertion of the carrier pipe through the hole is included in this price.

The depth of trenching required at the approaches shall not warrant a payment for extra depth as defined in Item 26.

Rock Boring/Directional Drilling without casing will apply when rock is encountered while boring and rock equipment must be used during the boring process. The unit of measure will be lineal feet of actual rock bored. The footage will be paid at the lineal foot rate.

10 - BORING WITH CASING

This item includes all boring where casing is required, including excavation, sloping, shoring, trenching, boring, pushing and installation of casing spacers, sealing casing ends, installing vent risers and vent lines, testing, backfilling and tamping, excavation and backfilling of approaches, including all welding incidental to the bore, and all supervision, labor, equipment, materials and supplies, etc. per specifications. The units are measured from the bore hole face on the near side to the bore hole face on the far side (usable bore length) and the unit size is the nominal casing diameter. The insertion of the carrier pipe through the casing is included in this price.

The depth of trenching required at the approaches shall not warrant a payment for extra depth as defined in Item 26.

Above ground portion of vent risers shall be stripped of coating and residue, cleaned for painting, and painted per Owner's specifications.

The cost of the installation of casing filler should be included in this item.

Rock Boring/Directional Drilling with casing will apply when rock is encountered while boring and rock equipment must be used during the boring process. The unit of measure will be lineal feet of actual rock bored. The footage will be paid at the lineal foot rate.

16 - SHORTSTOPP TEE OR SPHERICAL TEE WITHOUT DRILLING

This item shall include verification of pressure and content of the lines, including the installation of a verification fitting, anodes and test stations, coating, welding the tee to the main line, fabricating a bypass, purging, taking the existing line out of service (purging and capping), and backfilling the hole in preparation for surface replacement, equalization of pressure, and the installation of any fittings necessary for pressure equalization. This item includes all supervision, labor, equipment, supplies and hauling. The unit size will be determined by the size of the tee.

19 - WELD-END INSULATOR

This item is to include the welding of weld-end insulators in the facility under construction. Insulator to be installed in a manner so as to avoid external load damage. This unit will be determined by the size of the insulator installed.

23 - ROCK EXCAVATION (TRENCH AND BELL HOLE)

When rock is encountered that cannot be excavated with normal digging equipment, necessitating blasting or other extraordinary rock breaking methods, this item will apply. The unit of measure will be based on lineal foot per foot of depth of actual rock removed regardless of width of rock removed, and will include hauling and disposal of spoil. It

shall be the responsibility of the Contractor to secure all special permits. Any blasting shall be done by properly licensed personnel. Rock excavation for bell holes will be paid on an equivalent trench length basis.

24 - ROCK SHIELD

Rock shield will be furnished by the Owner and only installed at the request of authorized Owner's Representative. Rock shield shall be priced as a separate unit, and the single measure of unit price is lineal feet regardless of pipe diameter.

26 - EXTRA DEPTH

This item includes extra depth of trench which results in a depth in excess of forty-eight (48) inches of cover, in excess of 100 lineal feet at one location, when requested by company's representative will be paid on a lineal foot per foot of depth in excess of forty-eight (48) inches of cover. This item is NOT applicable when involved with Items 09, 10, 11, or 23.

28 - CLEARING & GRUBBING

This item shall include the removal of all trees, shrubs, bushes, overgrowth, and undergrowth to complete construction of this project. All cleared brush will be disposed of by one of the following methods:

- A. Brush may be burned where permitted by law. The necessary burning permits will be obtained by the contractor. Fires will be of reasonable size and located and patrolled so that they will not spread to adjacent property.
- B. The brush may be chipped and given away, buried, or thinly spread (less than 2 inches thick) over the ROW except in agricultural lands or within 50 feet of streams or floodplains. Chipping will be limited to those areas where agreed to with the landowner. During restoration, soil will be augmented by the addition of 12 to 15 pounds of nitrogen per ton of chips to aid re-vegetation.

Tree stumps will be cut or removed, as necessary, to permit construction and to provide adequate clearance for mechanical equipment and other vehicles. Tree stumps will be treated in one of the following manners:

Stumps will be cut below existing grade to permit access for mechanical equipment or vehicles.

Stumps will be hauled from the site and disposed of in an approved landfill or other suitable area.

All cleared timber, including 6-inch and larger, must be removed from the project site and disposed of properly, should the landowner not desire the wood.

This item is only applicable when item 02 will be paid.

38 - SPECIAL BACKFILL

This item includes furnishing, hauling and backfilling with sand, topsoil, crushed limestone, screening, gravel, grits, stone, chips and/or other special materials as may be designated by authorized Owner's Representative and/or at the request of appropriate

governmental authorities. Special backfill material installed by the ton or by the cubic yard will only be paid if copies of the weight slips are turned in to authorized Owner's Representative.

39 - SAWING PAVEMENT/CONCRETE

This item includes sawing of pavement or concrete, and includes supervision, labor, equipment, material and supplies to accomplish the above. The units paid will be lineal feet of concrete sawed. This item will be paid under the direction of Owner's Contract Inspector.

40 - SOD

This item includes furnishing, cutting, removing and relaying of new and existing sod, as authorized by Owner's Representative. The units paid will be square footage of sod cut.

43, 44, 45 - REPLACE STREET - SURFACE RESTORATION

This item includes the replacement and removal of street surface and subsurface, sidewalks, alleys and curbing to original condition or as specified by the appropriate governmental authority (City, County or State). The Contractor will furnish all supervision, labor, equipment, materials and supplies for the complete repair including the removal of select backfill or cold mix from street and sidewalk openings. The Contractor is responsible for and will maintain all openings in a manner safe to pedestrian and vehicular traffic by means of lights, barricades, temporary patch, plating and backfill, until permanent repairs are made. The Contractor will furnish all necessary insurance and permits to comply with any Owner or City requirements in order to operate in such City and obtain all necessary approvals. The Contractor is responsible for any vandalism to concrete or other material before the concrete has properly cured.

All sidewalk, curb and street repairs shall be considered permanent and under guarantee of the Contractor. This guarantee shall be for a period of one (1) year from the date of completion and will be the responsibility of the Contractor to replace, if required, within that time. The repairs will not be considered permanent when permanent repair material such as hot mix blacktop is not available. At such times and before temporary or permanent pavement is installed, Contractor will notify Owner's Representative. Final payment for the job will not be made until the job is completed; the job is completed when the final surface is completed.

Shelving may be required by governmental specifications and will be paid for only where required by ordinance and expressly ordered by the Owner and directed by the Authorized Owner's Representative.

When required, reinforcing steel will be installed as part of the paving. Billing for reinforcing steel will be paid for by the Owner when invoices for the reinforcing steel are turned in to Owner's Representative.

Contractor must remove and dispose of excess spoil in compliance with applicable regulation and cleanup after completion of the installation, including restoration of the areas adjacent to the paving repair.

45-102 – Asphalt - 2-inch	Unit of Measure: Square Feet
45-104 – Asphalt - 4-inch	Unit of Measure: Square Feet
45-106 – Asphalt - 6-inch	Unit of Measure: Square Feet
45-302 - Concrete – 2-inch	Unit of Measure: Square Feet
45-304 - Concrete – 4-inch	Unit of Measure: Square Feet
45-306 - Concrete – 6-inch	Unit of Measure: Square Feet

98- LABOR AND EQUIPMENT RATES

Contractor shall furnish as part of the Pricing Grid sheet their rental schedule showing their hourly rates both regular and overtime for labor and equipment as described on the bid sheet.

99-ENVIRONMENTAL CONTROL

These items shall include the necessary labor, material and equipment for, furnishing, hauling, installation, maintenance, backfilling, proper placement and removal of the following various environmental control items as directed by Owner’s Contract Inspector: (see referenced Environmental Standards found on CD ROM for the Erosion and Sedimentation Control documentation for definitions of the following various items)

Silt Fencing (Item: 99-200) Paid by lineal foot

A temporary sediment barrier consisting of a filter fabric stretched across and attached to supporting posts and entrenched in the earth. The filter fabric may be natural (burlap) or synthetic (geo-textile). The fence is placed across or at the toe of a slope or in a minor drainage way to intercept and detain sediment and decrease flow velocities from drainage areas of limited size; applicable where sheet and rill erosion or small concentrated flows may be a problem.

Hay-Straw Bales (Item: 99-300) Paid by each bale

A temporary sediment barrier composed of straw bales staked across or at the toe of a slope or around a drainage structure inlet to intercept and detain sediment and decrease flow velocities.

Jute Netting (Item: 99-400) Paid by square yard

Large rolls of natural materials that are applied to high erosion areas such as stream banks. These fiber blankets are laid over the ground and must be anchored using metal or wooden pins. They allow vegetation to grow while holding soil in place. Jute is biodegradable and does not cause any environmental damage.

Sack Barrier (Item: 99-500) Paid by each barrier

A barrier made of burlap or geo-textile material sack filled with earth or sand used to prevent the flow of water along a pipeline ditch. May also be used to divert water away from the ditch edge.

Flume Pipe (20" Min) Stream Crossing (Item: 99-600) Paid by lineal foot
Corrugated metal pipe or other suitable pipe material used in temporary stream crossings for construction equipment to cross-flowing streams. Also used to divert water over a pipeline ditch during construction of the stream crossing.

Jennings Regulator Station Relocation (Item 99-700) Each

This item shall include all labor, material, equipment, and supervision necessary to remove and reinstall the Jennings' regulator station to a new site located at the intersection of Route 460B and Route 62 in accordance with the plans and specifications provided by Owner. Owner will provide all pipe, valves, flanges, regulators, and recording gauges. Contractor will supply all construction material such as concrete, anchors, necessary stone, and other non-pipeline material necessary to complete construction.

Contractor shall be responsible for painting all above ground piping and related equipment with Owner supplied paint. All below ground piping shall be cleaned, sandblasted (where required), prepared, coated, and wrapped with supplied materials.

Contractor shall perform all site preparation and excavation for the installation of the station. Contractor is responsible for removing and disposing of any excess soil and debris from the construction site. Contractor will perform any necessary excavation and grading to provide a level site with a 4-inch gravel base (#57 stone) and a 2-inch cap of #21 stone with a suitable landscaping fabric placed beneath the stone to prevent plant growth. A 4-inch base of pea gravel (#8 stone) will be placed as the finished grade around the settings unless otherwise specified by the plans and specifications.

All **ROCK EXCAVATION** necessary for the installation of the stations will be included in this item.

All station piping from the outlet of station inlet valve to the inlet of the station outlet valve and within the limits of the station will be included in this item.

This item shall include the installation of mueller fittings, tie-in weld, safety nipples, and making the weld to the existing main or on the outlet of the tee and/or connecting the existing main or outlet of the tee to the line to be tied into, purging, operating the fitting or tee to make the tie-in.

The integrity of the inlet and outlet regulator station piping will be verified by a minimum air or nitrogen pressure test as outlined on the design specifications provided by Owner. Contractor shall supply all necessary material, including nitrogen, equipment, labor, and supervision.

This item also includes the following:

Loading, unloading of fittings, valves, coating, drips and all other materials, including the tallying of the same, necessary for construction of the station. Hauling material and moving station will be included in Item 99-700. All open cut excavation of trench including hand excavation exclusive of other items covered on the Pricing Grid sheet.

Lining up, welding and cutting of line pipe by any process, including cleaning, filing, grinding, trimming and beveling where required, bending, laying and lowering of the pipeline, anodes and test stations, installation of warning tape and locate wire where required and including all supervision, labor, equipment, welding rod and other materials and supplies, etc., per specifications.

Holiday detection, to include all supervision, labor, and equipment necessary including jeep.

Hand cleaning, priming, coating and wrapping of all bare joints, holidays, and damaged coating.

Backfilling of trench and bellholes not otherwise provided. This may include pneumatic tamping, backfilling open cut highway and road crossings with specified material, restoring original grade where required, installing cribs and breakers, constructing surface drainage and diversion ditches, hand backfilling where required, riprapping per specifications, or as required. Trench backfill must be properly compacted to prevent further settling of the ditch. If any extras are expected for the material necessary for installation of riprapping or building breakers, such extras must be clearly stated as an extra and a lump sum bid will be made before the material is installed.

Replacing all sewer or drain tile damaged during the construction, including replacement tile laid in pipe troughs or replacement with pipe, cutting pipe or troughs to proper lengths, splitting pipe for tile troughs, hauling tile and other tile repair material, backfilling after inspection. Contractor will be responsible for supplying any necessary material to make permanent repairs.

Cleaning up station site after completion of the Work, removal and disposal of all rubbish and debris, rocks and excess excavated material remaining after the Work is completed, unloading, hauling and stringing of material for fence stiles, permanent repair of fences and gates, installation of fence stiles and line markers, cleaning out of waterways, including all supervision, labor, equipment, materials and supplies. All materials remaining at job site must be returned to the designated storage location. Contractor will supply straw or equivalent, fertilizer, lime, and grass seed, at his expense, that is comparable to, and compatible with, the grass surrounding the area damaged by construction. Cost of spreading straw, fertilizer, and grass seed is to be included in Item 99-700. Topsoil, where required, will be included in this item. Contractor may be

required to install matting or jute netting as required for erosion control, Owner will provide the necessary material in such circumstances.

Item 99-700 is intended to be all-inclusive with the exception of units specifically listed on the Pricing Grid sheet as a line item or unusual items, which are negotiated separately prior to construction.

This item shall also include the construction of an entrance from the access road to the District Regulator Station. Contractor shall provide all material, equipment, labor, and supervision to construct the access road. Contractor shall also provide and install a geotextile fabric under the stone for the length of the access road. This item shall also include all material, including stone and culvert pipe to complete the construction of the road. Contractor shall also supply and install two steel posts and cable at the entrance to prevent unauthorized access to the station.

**EXHIBIT C –
For RFP#LP-2621-SP**

CONTRACT PROJECT SPECIFICATIONS

June 11, 1999

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A — General Scope And Expectations –Specific Expectations – General Conditions include:

Public Relations

- Contractor will be working on public and private right-of-way and shall conduct themselves in a professional and respectable manner to avoid customer complaints. Contractor will return property back to original condition or better. Owner will periodically perform a customer satisfaction survey to qualitatively measure Contractor performance.
- Contractors should video or take pictures of job sites prior to and after completion of Work. Contractor will be required to keep the video or pictures for a minimum of one year after Contractor has received payment for Work or until customer complaint or litigation is resolved. Pictures do not have to be developed unless it is necessary to resolve a customer complaint or litigation.
- Contractor may represent Owner at builder and governmental pre-construction meetings and must conduct him or herself in a professional and respectable manner. Contractor may be asked to speak on behalf of Owner and will be expected to take minutes and update Owner on items discussed.
- Owner expects Contractor to put into place a dispute resolution process that will document any customer complaints and the course of action taken to resolve and satisfy the customer. Owner will require documentation of any customer complaints and action taken within twenty-four (24) hours of initial customer contact to Contractor or Owner.
- Owner will require all Contractors to have done a background check on any of its new hires. Documentation of background check shall be forwarded to the local Owner's Representative prior to using employee on Owner's Work.
- Contractor's employee will be expected to have company and employee ID available at all times while on job site.
- Contractor shall have its name and address in public view on all vehicles and equipment used on the job site.

Compliance Responsibility

- Contractor agrees to perform Work in compliance with all laws and regulations, Owner's policy and procedures and in accordance with Owner's General Services Agreement and all attachments are incorporated herein by reference.

B — Terms Of The Service Authorization

- All construction performed by Contractor shall be considered permanent and under the guarantee of Contractor for the period specified in the General Services Agreement. During this period, it will be the responsibility of Contractor to repair or replace any damage, if necessary. Contractor is responsible for trench, excavation and construction site maintenance until the construction is complete, at which time the guarantee will become effective.

C — Contractor's Personnel

Contractor shall be authorized and licensed to perform Work in the location(s) covered by the Service Authorization. Contractor shall supply adequate supervision for the geographical area covered by the Service Authorization. Contractor's supervisors and/or crew foremen shall be equipped with a means of two-way communications by which they can be contacted by Owner. Contractor's supervisor will schedule periodic meetings with Owner's personnel for planning purposes.

D — Sub-Contractors

Contractor will be required to receive Owner's approval and provide Owner advance notice prior to using any sub-contractors to perform fieldwork. Sub-contractors must have an alcohol and drug plan on file or be covered under the primary Contractor's plan. Sub-contractors must have an approved OQ plan unless they are working under direct supervision of someone who is qualified for that task.

E — Inspection And Acceptance Of Work

- Owner will be required to witness all pressure tests.
- Owner's Contract Inspectors and Project Manager have the right and authority to shut down a project if the Contractor is jeopardizing the safety of its employees or the public.
- Owner's Contract Inspectors will be responsible for ensuring Contractors comply with Owner's Policy and Procedure. Owner's Contract Inspectors will also be responsible for completing a performance questionnaire that will provide the data required to quantitatively measure the Contractor's performance and compliance.

F — Exceptions On Changes And Extra Work

- Owner will pay for additional line items as encountered if the additional Work is not specifically defined in the primary bid item description. It is the responsibility of the Contractor, prior to proceeding with Work, to determine what pay items are applicable.
- Contractor will be required to inform Owner prior to incurring any extra work or line items. A price will be agreed upon prior to proceeding if no applicable bid items apply.
- Contractor is encouraged to suggest design or construction changes that will benefit Owner and Contractor. Changes will be discussed and agreed upon before they are made in the field.

G — Safety And Traffic Control

- Contractor shall supply adequate barricades, lights, high-visibility vests, signs and other safety equipment to protect life, limb and property in the construction area. Contractor's personnel must use proper personal safety devices including, but not limited to, head protection, eye and face protection, hearing protection, foot and hand protection, flame retardant clothing, oxygen monitors, as construction conditions warrant and as specified in Owner's safety procedures. Upon request, Contractor will be supplied with Owner's safety requirements, which shows proper equipment and set up to provide the needed protection. Contractor shall comply with all governmental

safety requirements. This shall apply to all parts and units contained in the Service Authorization.

- Owner will pay for unusual and unspecified safety and traffic control items, such as truck mounted crash cushions, and concrete barriers, if required by local governmental authorities. Prices for these items must be agreed upon and approved prior to the start of construction.

H — Underground Facilities

- Contractor shall notify all utilities and property owners affected by any proposed project prior to the start of construction, in accordance with applicable Underground Utility Damage Prevention programs. If notification is made through a one-call system, the Contractor must also notify any operators not belonging to the one-call system.
- Contractor shall ensure that all underground items are marked prior to construction. If Contractor damages underground facilities that are marked or unmarked, Contractor shall notify the owner of the damaged facility.
- Contractor shall repair, replace, or reimburse for the repair of gas lines, drains, sewers, water lines, electrical and telephone conduits and other foreign structures broken as a result of the pipeline construction. Contractor shall settle claims, including any cost of litigation, resulting from said damage.
- Owner will not be responsible for non-productive time incurred by Contractor as the result of a damage or failure of another agency to locate within the specified time frame.

I — Materials, Tools, And Equipment Furnished By Owner

- Owner will provide all pipe, valves and fittings required for construction.
- Contractor will be expected to request materials through Contract Inspector, and then McJunkin and Contractor will be expected to keep a minimum amount of material on hand at anytime. Owner has the right to perform on site inventory reviews of Contractor without notice.

J — Materials, Tools, Equipment And Employees Furnished By Contractor

- All equipment shall be efficient, serviceable, and in good condition. Contractor further agrees to replace any equipment and machinery, which, in the judgment of Owner's Representative, is incapable of performing the Work for which it was designed. Contractor will not be compensated for non-productive time if their equipment is deemed unserviceable.
- Contractor shall supply adequate barricades, lights, high-visibility vests, signs and other safety equipment to protect life, limb and property in the construction area.
- Contractor will furnish all other tools and equipment, including but not limited to pigs, electro-fusion equipment, copper/copper sulfate half cells, multimeters and gas detection equipment, for the construction of the natural gas facilities.
- Contractor will be expected to furnish miscellaneous materials necessary for execution and completion of Work (i.e. welding rods, safety cones, signs and materials, batteries, gloves, safety apparel, lubricants, etc.).
- Use of shields to protect pipe coating from weld splatter

K — Clearing Of Right-Of-Way

- Clearing of right-of-way that can be done with normal excavating equipment is included in the laying of main and service bid items. When clearing requires special equipment such as bulldozers, chain saws, and bushhogs it is covered under a separate line item.

L — Stream Crossings

- The price for major stream crossings (which cannot be excavated with normal excavation equipment) will be paid under Contractor's appropriate hourly labor and equipment rates.

M — Bores

- Bores made for the Contractor's convenience, not specified by Owner, will not be paid.

N — Paving

- Contractor is expected to keep the trench width and area of pavement restoration to a minimum, including the use of pneumatic pavement breakers or saw cutting if necessary. Other excavation equipment shall be selected to comply with the minimum trench width set forth in Owner's Pipeline Construction Procedures. If Contractor does not have the proper equipment on the job, Owner will not pay the cost of extra pavement restoration. Pavement repairs in excess of the authorized quantities that are indicated on the pavement repair order shall be at the expense of the Contractor, unless pre-approved by Owner's Representative.
- The cut-back on pavement repairs will comply with state and local codes. Any greater cut-back will be at Contractor's expense, unless agreed upon by both parties prior to excavation. Contractor will be expected to schedule pavement restoration in accordance with local ordinances and maintain traffic as required.
- Contractor will be responsible for maintaining the temporary paving or plates until the permanent paving restoration is completed.

O — Construction Performed In A Traveled Roadway

The following guidelines will be followed when construction is being performed in a traveled roadway. Refer to Figure 1 below for graphical representation of the following descriptions.

- **Backfill - General**

- Backfill shall be considered as starting six (6) inches above the pipe. All material below this point shall be considered bedding.
- All backfill shall be placed as specified in "Mechanical Compacted Backfill" section detailed below and compaction requirements shall be in accordance with "Compaction Requirements" section that is also detailed below.
- Native material obtained from project excavations may be used as backfill, provided that all organic material, rubbish, debris, and other objectionable material are first removed.

- **Mechanically Compacted Backfill**

- Backfill shall be mechanically compacted by means of tamping rollers, vibrating rollers, stompers (impact-type pavement breakers), whackers, or other hand held mechanical tampers.
- Prior to mechanically compacting backfill, determine proper moisture content of soil. Optimum moisture in all soil types is desirable for obtaining required compaction.
- Material for mechanically compacted backfill shall be placed in horizontal layers of thickness or lifts, which, prior to compaction shall not exceed the thickness specified below for the various types of equipment:
 - Hand-directed mechanical tampers and walk behind vibratory plates maximum uncompacted lift thickness of four (4) inches (102 mm).
 - Rolling equipment, including sheepsfoot (both vibratory and (non-vibratory), grid, smooth-wheel (non-vibratory), pneumatic-tired and segmented wheels – maximum uncompacted lift thickness of one foot (305 mm).
 - Vibratory equipment, vibratory plates, and smooth-wheel rollers attached to backhoe equipment –maximum uncompacted lift thickness of two (2) feet (610 mm).
 - Impact, free-fall, or stomping equipment - maximum uncompacted lift thickness of three (3) feet (914 mm).
- Mechanically compacted backfill should be moistened or dried as necessary to obtain optimum moisture level. Each layer shall be evenly spread and compacted until the specified relative compaction has been attained.
- During the backfill process, verification of relative compaction should be made with an approved compaction measuring device/method. Compaction test results and moisture level should be recorded and permanently retained with the excavation order.

- **Backfill Compaction Requirements**

Backfill shall be densified to the following minimum relative compaction:

- Ninety (90) Percent Relative Compaction:
 - Between the bedding and the concrete base, or the top six (6) inches (152 mm), immediately under the pavement if there is no concrete base and Contractor is not working in a state highway.
 - Adjacent to traveled roadway, in shoulders or in future traveled roadways.
 - Under sidewalks, driveways, parking lots, etc.
- Ninety-Five (95) Percent Relative Compaction:
 - Within state highways and between bedding and concrete base.
 - Where pavement is placed directly on the compacted backfill, the top six (6) inches (152mm) immediately under the pavement shall also meet this requirement.
- **Bedding**
- Bedding shall be defined as that material supporting, surrounding and extending to six (6) inches above the facility.
- Bedding material shall be sand, gravel, and crushed aggregate, native free-draining granular material.

- **Base**
- Base material shall be reconstructed to the same dimensions (thickness, etc.) and with the same or equivalent materials used in the original work.
- Where the original thickness is six (6) inches (152 mm) or less, the base material may be compacted in one layer. Where the original thickness is more than six (6) inches (152 mm) the base material shall be compacted in two or more lifts of approximately equal thickness and the maximum compacted thickness of any one layer shall not exceed six (6) inches (152 mm).
- The relative compaction of each layer of compacted base material shall not be less than ninety-five (95) percent.
- **Pavement Resurfacing**
- Temporary Resurfacing
 - Unless permanent pavement is placed immediately, temporary pavement shall be placed immediately after backfilling. Temporary bituminous resurfacing two (2) inches (51 mm) thick shall be placed and maintained wherever excavation is made through pavement or driveways. In sidewalk areas the temporary resurfacing shall be at least one inch (25 mm) thick. In all other areas, it shall be at least two (2) inches (51 mm) thick. At major intersections and other critical locations, a greater thickness may be required.

Figure 1. Construction Performed In A Traveled Roadway

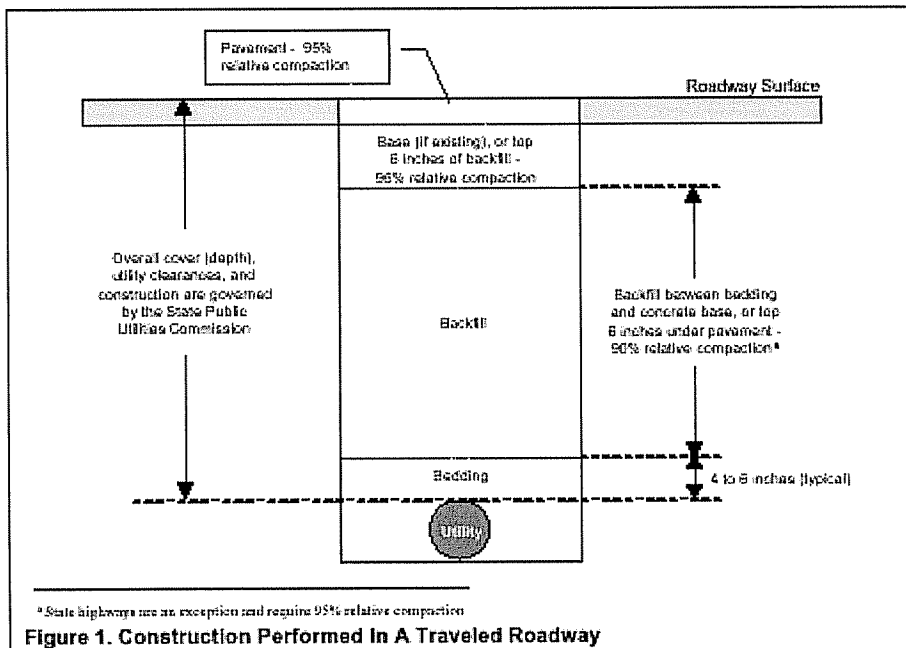


EXHIBIT D
For RFP # LP-2621-SP

Intent to Bid – Copy/print this page and FAX it as specified below.

If you haven't already done so, please complete this Intent to Bid form, and FAX to NiSource on/or before July 1, 2005. Fax #614-460-5528

To: RFP #LP-2621-SP
NiSource Corporate Services Co.
Attn: Amanda Trees 6th Floor
200 Civic Center Drive
Columbus, OH. 43215

Fax #: 614-460-5528

From: Company Name: _____

Contact Name: _____

Telephone: _____

Fax: _____

Email: _____

Please state your intentions with regard to this RFP by checking one of the boxes below:

We intend to respond to this RFP by the specified due date

We are not responding to this RFP

Company Representative Signature: _____

Title: _____

Date: _____

EXHIBIT E

For RFP # LP-2621-SP

Maps, Plans, etc. to be provided at Pre-Bid Meeting.

Attachment 2

For RFP # LP-2621-SP

NiSource General Service Agreement (GSA) Sample
(Referenced and available upon request.)

Attachment 3

For RFP # LP-2621-SP

Pricing Grid (an electronic copy will be provided)

RFP #LP-2621-SP - DE EXTENSION PROJECT					
Attachment 3- Pricing Grids- Bid Response					
Company Name:			Please complete all shaded areas.		
Do not alter the format of this spreadsheet					
DE EXTENSION PROJECT - GEORGETOWN KENTUCKY					
				Enter your bid prices here	Total will automatically calculate
LINE ITEM NO.	ITEM DESCRIPTION	UOM	Estimat ed Units	Unit Price	Total Cost (unit x bid price)
02-040	4" STEEL MAIN	FT	1		\$0.00
02-080	8" STEEL MAIN	FT	1		\$0.00
02-120	12" STEEL MAIN	FT	1		\$0.00
					\$0.00
09-120	12" BORE - DIR. DRILL IN SOIL W/O CASING	FT	1		\$0.00
09-212	12" BORE - DIR. DRILL IN ROCK W/O CASING	FT	1		\$0.00
10-120	12" BORE - DIR. DRILL IN SOIL W/ CASING	FT	1		\$0.00
10-212	12" BORE - DIR. DRILL IN ROCK W/ CASING	FT	1		\$0.00
16-040	4" SPHERICAL TEE W/ WELDER W/O DRILL	EA	1		\$0.00
16-080	8" SPHERICAL TEE W/ WELDER	EA			\$0.00

	W/O DRILL		1		
16-120	12" SPHERICAL TEE W/ WELDER W/O DRILL	EA	1		\$0.00
19-120	12" WELD INSULATOR	EA	1		\$0.00
					\$0.00
23-100	ROCK EXCAVATION	FT	1		\$0.00
24-100	ROCK SHIELD	FT	1		
26-100	EXTRA DEPTH	FF	1		\$0.00
28-100	CLEARING AND GRUBBING	LF	1		\$0.00
					\$0.00
38-100	BACKFILL - ROCK (STONE), DUST / SAND	TN	1		
38-200	TOPSOIL	YD	1		\$0.00
38-300	RIP RAP	TN	1		\$0.00
39-100	SAWING PAVEMENT/CONCRETE	FT	1		\$0.00
40-100	SOD	SF	1		\$0.00
45-102	2-INCH ASPHALT	SF	1		\$0.00
45-104	4-INCH ASPHALT	SF	1		\$0.00
45-106	6-INCH ASPHALT	SF	1		\$0.00
45-302	2-INCH CONCRETE	SF	1		\$0.00
45-304	4-INCH CONCRETE	SF	1		\$0.00
45-306	6-INCH CONCRETE	SF	1		\$0.00

99-001	MISCELLANEOUS (CENTS)	EA	1	\$0.01	\$0.01
99-100	MISCELLANEOUS (DOLLARS)	EA	1	\$1.00	\$1.00
99-200	SILT FENCE	FT	1		\$0.00
99-300	STRAW BALES	EA	1		\$0.00
99-400	JUTE NETTING	SY	1		
99-500	SACK BARRIER	EA	1		\$0.00
99-600	FLUME PIPE (20" MIN) STREAM CROSSINGS	LF	1		\$0.00
99-700	RELOCATE JENNINGS REGULATOR STATION	EA	1		\$0.00
				Total	\$1.01
	Please provide with your bid, a current Labor and Equipment hourly rate sheet				
Date completed:					
Name of who completed this RFP:					

PLEASE ATTACH HOURLY LABOR AND EQUIPMENT RATES.

Attachment 4

For RFP # LP-2621-SP

Environmental Construction Standards
(Referenced and available upon request.)

Public Service Commission Staff Data Request Set 1
Question No. 2
Columbia Gas of Kentucky Respondent: Brad Stuck

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 2

Provide the names of the construction manager and the inspectors who will be supervising the construction work.

Response of Columbia Gas of Kentucky:

Mark McCullough – Construction Manager

Doug Kinder & Randy Sewell – Construction Inspectors

Public Service Commission Staff Data Request Set 1
Question No. 3
Columbia Gas of Kentucky Respondent: Brad Stuck

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 3

Provide the construction schedule for the proposed pipeline and related facilities.

Response of Columbia Gas of Kentucky:

Please see attached pipeline construction timeline.

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 4

Locate the isolation valves in the construction drawings, describe the types of valves and explain how they will be operated.

Response of Columbia Gas of Kentucky:

The valves will be 12-inch ball valves with above ground extensions and wheel operated. The location of the valves is noted on the drawings provided in response to Question No. 1.

Public Service Commission Staff Data Request Set 1
Question No. 5
Columbia Gas of Kentucky Respondent: Brad Stuck

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 5

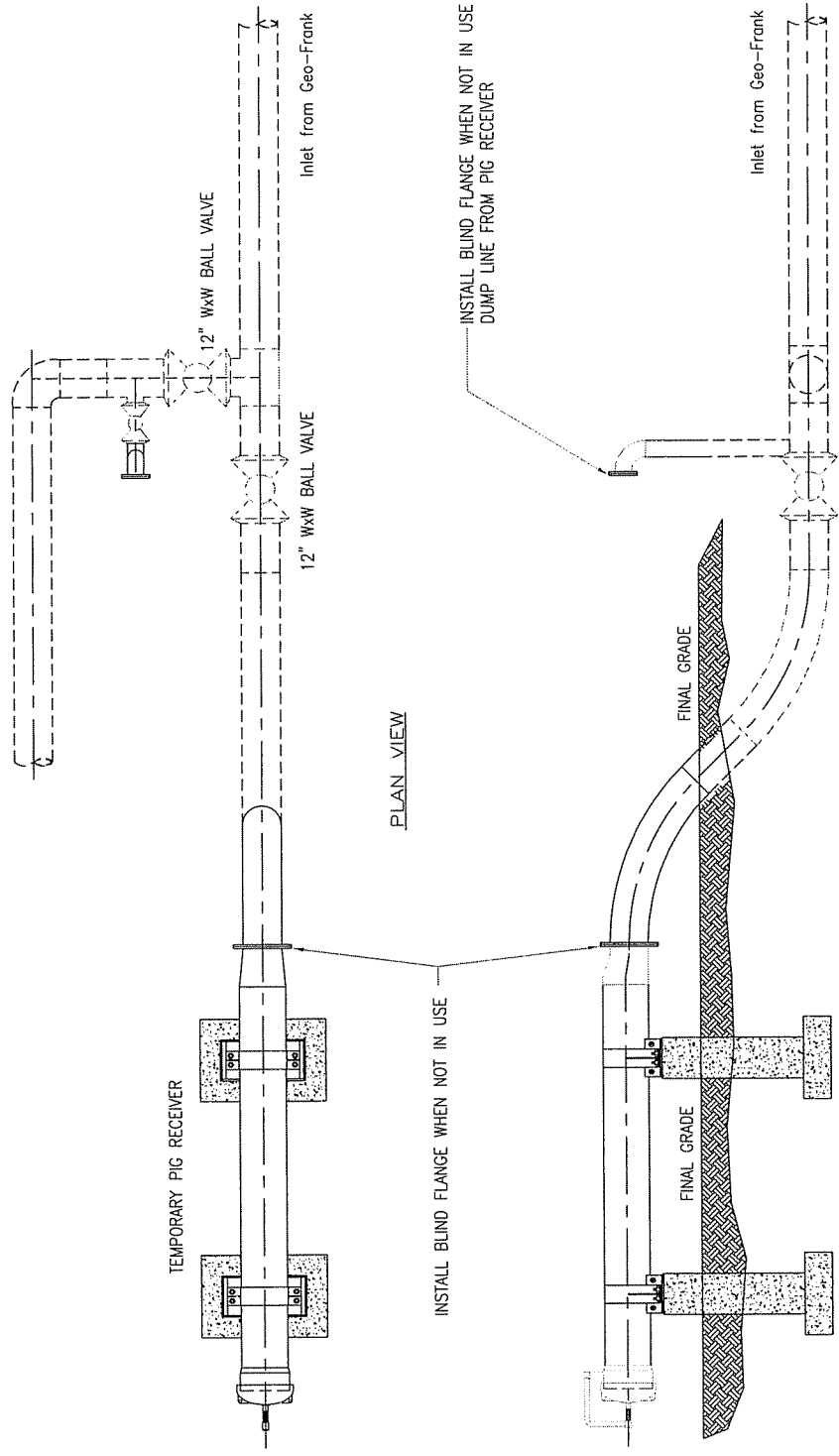
Locate the launcher and receiver stations of smart pigs in the construction drawings.

Response of Columbia Gas of Kentucky:

There will be a temporary pig launcher/receiver setup located at the existing Jim Beam Station in Frankfort, KY which is at the terminal point of the Georgetown - Frankfort Line. The cost of this device is included in the project estimate, but is out of the scope of the project plans. Please see the attached sketch for an example of its appearance.

NOT FOR CONSTRUCTION:
FOR ILLUSTRATION PURPOSES ONLY

JIM BEAM REGULATOR STATION



DESIGN	DATE	ISSUES TITLE	TEMPORARY PIG RECEIVER
CHECKED	DATE	PROJECT TITLE	
ENG. APPROV.	DATE	SIZE	STANDARD DRAWING NO.
CONST. APPROV.	DATE	SCALE	DRAWING NO.
	SCALE: 1/4" = 10'		

NISource
NISource Energy
Distribution

STATE: KY
CITY/PRIORITY:

Public Service Commission Staff Data Request Set 1
Question No. 6
Columbia Gas of Kentucky Respondent: Judy Cooper

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 6

State the types of service Columbia currently provides to the Toyota Plant.

Response of Columbia Gas of Kentucky:

Columbia provides service to Toyota under Rate Schedules IS – Interruptible Service and
DS – Delivery Service.

Public Service Commission Staff Data Request Set 1
Question No. 7
Columbia Gas of Kentucky Respondent: Judy Cooper

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 7

Is Columbia aware of any planned increase in the Toyota Plant's gas usage in the near future? If yes, explain in detail.

Response of Columbia Gas of Kentucky:

Columbia is aware of announced plans for plant growth at Toyota however, natural gas consumption will not be increasing as a result of the new plant increases.

Public Service Commission Staff Data Request Set 1
Question No. 8
Columbia Gas of Kentucky Respondent: Brad Stuck

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 8

What is the present peak firm gas usage for customers on the DKT system in Georgetown and Frankfort?

Response of Columbia Gas of Kentucky:

Columbia's peak day analysis and contracting for capacity is based upon a Point of Delivery/Market Area basis not on an individual system or city basis.

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 9

What is the Maximum Allowable Operating Pressure of the existing pipeline from the Lake Carnico point of delivery to the Georgetown-Frankfort line?

Response of Columbia Gas of Kentucky:

Currently, there are two different pipeline systems between the Lake Carnico point of delivery and the Georgetown-Frankfort line. The first pipeline system is from Lake Carnico to the Turner regulator station and this pipeline has a 720 psig MAOP. The second pipeline system runs from the Turner regulator station to the Georgetown-Frankfort line and this pipeline has a 305 psig MAOP.

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 10

Provide a copy of signed contract between Columbia Transmission Pipeline and Columbia regarding gas delivery at the Turner Regulation station.

Response of Columbia Gas of Kentucky:

TCO does not deliver gas to CKY at Turner regulation station. TCO delivers to CKY at Lake Carnico. (See pages 2-3 of Columbia's application.)

Public Service Commission Staff Data Request Set 1
Question No. 11
Columbia Gas of Kentucky Respondent: Brad Stuck

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 11

Provide a breakdown of the total construction costs for the proposed pipeline.

Response of Columbia Gas of Kentucky:

Please see attached.

DE EXTENSION PROJECT
Georgetown, Kentucky
PRELIMINARY COST ESTIMATE
June 16, 2005

Summary: The project ties into existing Turner Station located near the intersection of Delaplain Rd. and I-75 with a 12-inch steel pipeline and heads west to an open area to directional drill under I-75 to the west. The route then heads south paralleling a railroad track approximately 11,800 feet then heads west approximately 4,000 feet crossing Route 25 to the west. It then parallels Route 25 to the south approximately northern edge of the Cardome Academy property. From there it heads west approximately 4,500 feet, then south another approximately 800 feet. It then heads west approximately 1,200 feet to an existing overhead electrical easement. From there it continues south in the overhead easement for approximately 3,400 feet to a spot where the Elkhorn Creek directional drill will begin. The length of this drill will be approximately 700 feet and will exit on the north side Route 460 near Route 62. We then continue west paralleling Route 460 to the west approximately 1,400 feet then crossing Route 460 to the south and paralleling Route 62 approximately 4,300 feet and tying into an existing 12-inch steel pipeline at the intersection of Route 62 and Route 460B. The length of the DE Extension project is approximately 38,500 feet of 12-inch steel pipeline.

PIPELINE

Materials & Supplies	\$	1,155,586
Construction	\$	2,099,974
Inspection Costs	\$	36,750
Truck Costs Cleared	\$	4,416
Labor (includes overheads)	\$	16,800
Pipeline Total Costs	\$	3,313,525

LAKE CARNICO Controls \$ 25,000

STATION Relocation \$ 7,775

OTHER ASSOCIATED COST

Right of Way	\$	325,000
Engineering Costs (design, permitting, surveying & staking)	\$	192,075
Zoning Boards, Permits, Recording Fees	\$	15,000
Miscellaneous Costs	\$	5,000
Other Costs Total	\$	537,075

PROJECT TOTAL \$ 3,883,375

ASSUMPTIONS

- * Estimate is based on current 2005 contractor prices and material cost as of 06/16/05
- * No environmental issues
- * 25% rock excavation estimated

Public Service Commission Staff Data Request Set 1
Question No. 12
Columbia Gas of Kentucky Respondent: Brad Stuck

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 12

Will the present 8-inch DKT line be abandoned after the operation of the proposed 12-inch pipeline? If yes, will it be removed or abandoned underground? Explain in detail.

Response of Columbia Gas of Kentucky:

The 8-inch DKT line will remain in service.

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 13

Are there any four-story buildings within 220 yards of the route of the proposed pipeline? If yes, provide their locations.

Response of Columbia Gas of Kentucky:

Yes, there is one four story building, the Cardome Academy. It's located on Route #25 just north of the City of Georgetown, Kentucky.

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 14

What percentage of the welded joints will be x-rayed during construction of the proposed pipeline?

Response of Columbia Gas of Kentucky:

100% of the welded joints will be x-rayed

Public Service Commission Staff Data Request Set 1
Question No. 15
Columbia Gas of Kentucky Respondent: Brad Stuck

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 15

Is induced current proposed for cathodic protection of the proposed pipeline? Explain.

Response of Columbia Gas of Kentucky:

The new pipeline will be cathodically protected by magnesium anodes.

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 16

State who will approve the contractor's method of crossing Elkhorn Creek. Explain.

Response of Columbia Gas of Kentucky:

Mark McCullough (Columbia Gas Construction Services Leader). Although the Elkhorn Creek crossing will fall under the "nationwide 12" permit, Columbia is currently completing the required Indiana Bat studies as well as the four endangered mussel species studies to allow for an open cut method of crossing the creek.

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 17

Refer to page 4 of Columbia's June 23, 2005 application.

- a. Explain what Columbia means by the statement "The capital outlay associated with this project will be supported by a contribution from Columbia Transmission."
- b. Explain why Columbia Transmission will be making a contribution to Columbia for this project.
- c. Explain whether the contribution by Columbia Transmission will cover the entire cost of the proposed pipeline. If the contribution will not cover the entire cost, provide the amount of the expected contribution.

Response of Columbia Gas of Kentucky:

In compliance with the recommendations set forth for Columbia in the Final Report of the Commission's Audit of Five Major Kentucky Gas Local Distribution Companies by The Liberty Consulting Group, dated November 15, 2005, Columbia was able to negotiate with Columbia Transmission to provide a Contribution in Aid of Construction to Columbia to cover the cost of the pipeline.

Public Service Commission Staff Data Request Set 1
Question No. 18
Columbia Gas of Kentucky Respondent: Brad Stuck

**BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY
PSC CASE NO. 2005-00239
DATA REQUESTED BY
THE PUBLIC SERVICE COMMISSION STAFF
DATED JULY 11, 2005**

Question No. 18

The projected annual operating cost for the proposed pipeline is \$13,362.66. Provide a detailed breakdown of the individual costs that make up the estimate.

Response of Columbia Gas of Kentucky:

See attached.

Projected Annual Operating Costs
DE Extension

Program Survey & Patrol					
4 Lk Insp/yr x	18 man hrs/Lk Insp x	\$ 37.28	/man hr =	\$ 2,684.16	
4 Lk Insp/yr x	18 vech hrs/Lk Insp x	\$ 11.40	/vech hr =	\$ 820.80	
				<u>\$ 3,504.96</u>	\$ 3,504.96
Odor Investigation					
6 Invest/yr x	2.25 man hrs/Invest x	\$ 37.28	/man hr =	\$ 503.28	
6 Invest/yr x	2.25 vech hrs/Invest x	\$ 11.40	/vech hr =	\$ 153.90	
				<u>\$ 657.18</u>	\$ 657.18
Operation of Main (On-Site to view Excavation by Others)					
8 Insp/yr x	0.5 man hrs/Insp x	\$ 37.28	/man hr =	\$ 149.12	
8 Insp/yr x	0.5 vech hrs/Insp x	\$ 11.40	/vech hr =	\$ 45.60	
				<u>\$ 194.72</u>	\$ 194.72
Critical Valve Inspections					
6 Insp/yr x	0.5 man hrs/Insp x	\$ 37.28	/man hr =	\$ 111.84	
6 Insp/yr x	0.5 vech hrs/Insp x	\$ 11.40	/vech hr =	\$ 34.20	
				<u>\$ 146.04</u>	\$ 146.04
Facility Protection					
50 locates/yr x	3 man hrs/locate x	\$ 37.28	/man hr =	\$ 5,592.00	
50 locates/yr x	3 vech hrs/locate x	\$ 11.40	/vech hr =	\$ 1,710.00	
				<u>\$ 7,302.00</u>	\$ 7,302.00
Annual Monitoring					
10 points/yr x	0.1 man hrs/point x	\$ 37.28	/man hr =	\$ 37.28	
10 points/yr x	0.1 vech hrs/point x	\$ 11.40	/vech hr =	\$ 11.40	
				<u>\$ 48.68</u>	\$ 48.68
Trouble Shooting					
2 TS orders/yr x	8 man hrs/order x	\$ 37.28	/man hr =	\$ 596.48	
2 TS orders/yr x	8 vech hrs/order x	\$ 11.40	/vech hr =	\$ 182.40	
				<u>\$ 778.88</u>	\$ 778.88
Remedial Cathodic Protection					
1 Rem orders/yr x	15 man hrs/order x	\$ 37.28	/man hr =	\$ 559.20	
1 Rem orders/yr x	15 vech hrs/order x	\$ 11.40	/vech hr =	\$ 171.00	
				<u>\$ 730.20</u>	\$ 730.20
					<u>\$ 13,362.66</u>