COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF AN ADJUSTMENT)	
OF GAS RATES OF COLUMBIA GAS)	CASE NO. 2013-00167
OF KENTUCKY, INC.)	

VOLUME 4

FILING REQUIREMENTS

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51	12-n	4	Latest 12 months of the monthly managerial reports providing financial results of operations in comparison to forecast	S. Mark Katko
52	12-0	4	Complete monthly budget variance reports, with narrative explanations or the 12 months prior to base period	S. Mark Katko

Columbia Gas of Kentucky, Inc. CASE NO. 2013-00167 Forecasted Test Period Filing Requirements Filing Requirement 12-n

Description of Filing Requirement:

The latest twelve (12) months of the monthly managerial reports providing financial results of operations in comparison to the forecast;

Response:

Please refer to the attached.

Responsible Witness:

S. Mark Katko

Columbia Gas of Kentucky Plan vs. Plan - April 2012 (\$ millions)

2012 4&8	Mo Actual	YTD Actual	2012 4&8	2013 4&8
Net Revenues	3.7	24.5	58.7	61.3
O&M Expense	2.5	10.3	30.9	31.3
Depreciation	0.6	2.2	6.6	6.9
Other Taxes	0.3	1.1	3.2	3.4
*Operating Earnings	0,3	10.9	17.9	19.7
Other Income	0.1	0.3	0.8	0.5
Interest Expense	0.4	1,6	4.8	5.3
*Operating Earnings before Taxes	(0.0)	9.6	13.9	14.9
Income Tax	0.2	4.4	6.1	5.9
Net Operating Earnings	(0.2)	5.1	7.8	9.0

2012 0812	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Net Revenues	4.5	27.5	60.9	60.8
O&M Expense	2.5	10.3	30.8	31.1
Depreciation	0.5	2.1	6.6	6.9
Other Taxes	0.3	1.1	3.1	3.3
*Operating Earnings	1.2	14.0	20.35	19.6
Other Income	0,1	0.3	0.7	0.5
Interest Expense	0.4	1.6	4.8	5.3
*Operating Earnings before Taxes	0.9	12,7	16.2	14.8
Income Tax	0.4	5.0	6.3	6.0
Net Operating Earnings	0.6	7.7	9.9	8.7

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	(0.9)	(3.0)	(2.2)	0.5
O&M Expense	0.0	(0.0)	0.1	0.3
Depreciation	0.0	0.0	(0.0)	-
Other Taxes	0.0	0.1	0.1	0.1
*Operating Earnings	(0,9)	(3.1)	(2,4)	0.1
Other Income	(0.0)	(0.0)	0.1	0.0
Interest Expense	(0.0)	0.0	0.0	0.0
*Operating Earnings before Taxes	(0.9)		(2.3)	0.1
Income Tax				
Net Operating Earnings	(0.9)	(3.1)	(2.3)	0.1

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

12 4&8	Mo Actual	YTD Actual	2012 4&8	2013 4&8
Base Margin (less LCR)	3.1	21.4	49.2	50.4
LCR	0.3	1.8	5.0	4.9
LCR (Prior Dec. True-Up)	•	(0.1)	(0.1)	•
ESS	0.1	0.3	2,4	2.8
Regulatory Outcome	•	-	0.4	1.4
Other OGDR	0.1	0.5	1.1	1.1
CKY Purchase Receivable	0.0	0.3	0.4	0.4
Uncollectibles - NonTracked	0.0	0.2	0.3	0.3
Uncollectibles - Tracked	0.0	0.1	0.2	0.2
Trackers	0.1	0.5	0.7	0.5
Total Revenue	3.8	25.0	59.6	62.1
Total Revenue w/o Trackers	3.7	24.5	58.7	61.3

2 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Base Margin (less LCR)	3.7	23,4	51.1	50.4
LCR	0.4	2.0	5.1	4.9
LCR (Prior Dec. True-Up)	-	-	-	_
ESS	0.2	0.9	2.4	2.8
Regulatory Outcome	-	.	0.3	0.6
Other OGDR	0.1	0.6	1.2	1.2
CKY Purchase Receivable	0.0	0.4	0.5	0.5
Uncollectibles - NonTracked	0.0	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.1	0.2	0.2
Trackers	0.0	0.3	0.5	0.5
Total Revenue	4.6	27.9	61.6	61.6
Total Revenue w/o Trackers	4.5	27.5		60.8

Var	iance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Base Margin (less LCR)	(0.7)	(2.0)	(1.9)	0,0
•	LCR	(0.1)	(0.2)	(0.1)	-
	LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
B)	ESS	(0.1)	(0.6)	0.0	-
	Regulatory Outcome	- '-	- '	0.1	0.9
C)	Other OGDR	(0.0)	(0.0)	(0.1)	(0.1)
C)	CKY Purchase Receivable	(0.0)	(0.1)	(0.1)	(0,1)
C)	Uncollectibles - NonTracked	(0.0)	(0.0)	(0.1)	(0.1)
•	Uncollectibles - Tracked	- '	(0.0)	(0.0)	-
	Trackers	0.1	0.2	0.2	(0.0)
	Total Variance	(0.8)	(2.9)	(2.1)	0.5
	Total Variance w/o Trackers	(0.9)	(3.0)	(2.2)	0.5

Variance Explanations:

- A) Variance due to customer and usage erosion
- B) Variance represents downward revision to Off-System sales assumptions due to lack of price volatility
- C) Variance due to declining gas costs

Columbia Gas of Kentucky
Other Gas Department Revenues - Plan-vs.-Plan
(\$ millions)

2012 488	Mo Actual	YTD Actual	2012 4&8	2013 4&8
Penalty Charges	0.1	0.2	0.4	0.3
Return Check	0.0	0.1	0.2	0.2
Other Fees	0.0	0.2	0.3	0.3
Other Revenue	0.0	0.0	0.1	0.1
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	_	-	*
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	-	0.0	0.0	
Total OGDR	0.1	0.5	1.1	1.1

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Penalty Charges	0.1	0.2	0.3	0.3
Return Check	0.0	0.0	0.1	0.1
Other Fees	0.0	0.2	0.4	0.4
Other Revenue	0.0	0.1	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	•	-	•	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	-	-	-	-
Total OGDR	0.1	0.6	1.2	1.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	0.0	0.0	0.0	(0.0)
Return Check	0.0	0.0	0.0	0.0
Olher Fees	(0.0)	(0.0)	(0.0)	(0.0)
Other Revenue	(0.0)	(0.1)	(0.1)	(0.0)
Pub Util-Flex	0.0	0.0	0.0	÷
Company Use	(0.0)	(0.0)	(0.0)	0.0
Balancing Services	· ·	· ·	-	_
Other Misc Income	-	-	-	-
Misc Merchant Revenue	**	0.0	0.0	-
Total OGDR	(0.0)	(0.0)	(0,1)	(0.1)

Columbia Gas of Kentucky 2012 Customer & Usage Information - 0&12 vs. 4&8

Customer & Usage Change (\$ million)

ıstomer Change Month		YTD
Residential	0.1	0.5
Commercial	0.0	0.0
Totai	0.1	0.5

Usage Change	Month	YTD
Residential	0.4	0.5
Commercial	0.7	0.3
Industrial (Non-LCR)	(0.0)	0.2
Total	1.0	1.0

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	4,2	41.1
Comm	39.1	275.2
Ind	7,610.2	34,769.0

Budget	Month	YTD
Residential	4.4	41.4
Commercial	36.2	276.4
Industrial	7,442.0	34,066.0

Variance	Month	Mo. %	YTD	YTD %
Residential	(0.2)	-4.4%	(0.3)	-0.7%
Commercial	2.9	7.9%	(1.2)	-0.4%
Industrial	168.2	2.3%	703.0	2.1%

Customer Count

Actual	Month	YTD Avg
Residentlal	120,207	120,962
Commercial	13,990	14,074
Industrial	177	176
Total	134,374	135,212

Budget	Month	YTD Avg
Residential	120,562	121,346
Commercial	13,969	14,057
Industrial	181	179
Total	134,712	135,582

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	(355.0)	-0.3%	(384.0)	-0.3%
Commercial	21.0	0.2%	17.0	0.1%
Industrial	(4.0)	-2.2%	(3.0)	-1.7%
Total	(338.0)	-0.3%	(370.0)	-0.3%

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 4&8	Mo Actual	YTD Actual	2012 4&8	2013 4&8
Labor	0.6	2.5	6.8	6.8
Benefits	0.2	0.8	2.2	1.9
Materials & Supplies	0.1	0.5	1.5	1.5
Outside Services	0.3	1.3	4.1	5.0
Management Fee	0.9	3.8	11.8	12.2
Uncollectibles	0.1	0.2	0.5	0,5
Other *	0.3	1.3	4.0	3.4
Trackers	0.1	0.6	0.9	8.0
Total O&M	2.7	10.9	31.8	32.1
Total O&M w/o Trackers	2.5	10.3	30.9	31,3

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Labor	0.6	2.3	6.6	6.9
Benefits	0.2	0.7	1.9	1.6
Materials & Supplies	0.1	0.5	1,5	1.5
Outside Services	0.3	1.4	4.3	5.0
Management Fee	1.0	4.0	11.9	12.2
Uncollectibles	0.0	0.2	0.5	0.5
Other *	0.3	1.3	3.9	3.4
Trackers	0.1	0.4	8.0	0.7
Total O&M	2.6	10.7	31.5	31.8
Total O&M w/o Trackers	2.5	10,3	30.8	31.1

	Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Labor	(0.0)	0.2	0.2	(0.0)
B)	Benefits	0.0	0.1	0.3	0.3
-	Materials & Supplies	(0.0)	0.0	(0.0)	-
C)	Outside Services	0.0	(0.1)	(0.2)	0.0
D)	Management Fee	(0.0)	(0.2)	(0.1)	-
-	Uncollectibles	0.0	(0.0)	-	-
	Other *	(0.0)	(0.0)	0.0	(0.0)
E)	Trackers	0.1	0.2	0.1	0.0
	Total Change	0.1	0.2	0.3	0.3
	Total Change w/o Trackers	0.0	(0.0)	0.1	0.3

Variance Explanations:

- A) YTD & 2012 Yr Var Primarily under runs in capital.
- B) 2012 and 2013 Yr Var primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
 C) 2012 Yr Var Primarily leak repairs.
 D) YTD Var Primarily Legal and NGD Operations.

- E) Offset in revenue.

Columbia Gas of Kentucky
O&M - Other Cost Element View - Plan-vs.-Plan
(\$ millions)

2012 4&8	Mo Actual	YTO Actual	2012 4&8	2013 4&8
Other				
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.1	0.2	0.3
Corporate Insurance	0.1	0.3	8.0	0.9
Employee Expenses	0.0	0.1	0.3	0.4
Company Memberships	0.0	0.0	0.1	0.1
Utlities	0.0	0.1	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.1	0.1	(0.0)
Amortizations *	0.0	0.2	0.5	0.4
Deferred Credits	(0.0)	(0.3)	(0.1)	(0.7)
I&D Accrual	(0.0)	0.3	0.1	0.1
Well/Lease Rent/Royalty	- 1	-	-	_
Advertising	•	0.0	0.1	0.1
Auto/Trucks Cleared	0.1	0.4	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M	-	•	-	
	0.3	1.3	4.0	3.4

2012 0812	Mo Budget	YTD Budget	2012 08:12	2013 0&12
Other				•
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.1	0.3	0.3
Corporate Insurance	0.1	0.3	0.9	0.9
Employee Expenses	0.0	0.1	0.3	0.4
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.1	0.3	0.3
Misc Revenues	(0.0)	(0.0)	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	(0.0)
Amortizations *	0.0	0.2	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0.0	0,0	0.1	0.1
Well/Lease Rent/Royalty	-	-		-
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	0.5	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M				-
	0.3	1.3	_ 3.9	3.4

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Buildings and Land	(0.0)	(0.0)	(0.0)	•
Rents/Leases	(0.0)	(0.0)	(0.1)	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	-
Employee Expenses	(0.0)	(0.0)	`0 .0	-
Company Memberships	0.0	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.0
Misc Revanues	0.0	(0.0)	(0.0)	•
Misc & Other Expenses	0.0	0.1	0.1	(0.0)
Amortizations *	_	_	-	` ′
Deferred Credits	(0.0)	(0.2)	0.0	(0.0)
i&D Accruał	(0.0)	0.2	-	-
Well/Lease Rent/Royalty	- '			
Advertising	(0.0)	(0.0)	(0.0)	_
Auto/Trucks Cleared	(0.0)	(0.0)	(0.0)	_
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M	- '	` '	V	11
	(0.0)	(0.0)	0.0	(0.0)

Variance Explanations:

(*) Amortizations; IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2012 4&8	Mo Actual	YTD Actual	2012 4&8	2013 4&8
Distribution Ops	0.9	3.9	10.9	11.2
Meter To Cash	0.0	0.2	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0,0	0.1	0.3	0.4
Presidents	0.1	0.4	1.6	1.6
Other Dept	-	-	-	_
Management Fee	0.9	3.8	11.8	12.2
Benefits	0.2	0.8	2.2	1.9
Uncollectibles	0.1	0.2	0.5	0.5
Other Corporate *	0.2	1.0	2.9	3.0
Trackers	0.1	0.6	0.9	0.8
Total O&M	2.7	10.9	31,8	32.1
Total O&M w/o Trackers	2.5	10.3	30,9	31.3

2012 0812	Mo Budget	YTD Budget	2012 0812	2013 0&12
Distribution Ops	0.9	3.6	10,9	11.2
Meter To Cash	0.0	0.2	0,6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.1	0.4	0.4
Presidents	0.1	0.6	1.6	1.6
Other Dept	-	-	•	
Management Fee	1.0	4.0	11.9	12.2
Benefits	0.2	0.7	1.9	1.6
Uncollectibles	0.0	0.2	0.5	0.5
Other Corporate *	0.2	1.0	2.9	3.0
Trackers	0.1	0.4	0.8	0.7
Total O&M	2.6	10.7	31.5	31.8
Total O&M w/o Trackers	2.5	10.3	30.8	31.1

Var	iance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Distribution Ops	0.1	0.2	0.0	_
	Meter To Cash	(0.0)	(0.0)	0.0	-
	Customer Call Center	(0.0)	(0.0)	(0.0)	-
	Integration Center	(0.0)	(0.0)	(0.0)	_
	Presidents	(0.0)	(0.1)	(0.0)	-
	Other Dept	-	-	<u>-</u>	-
B)	Management Fee	(0.0)	(0.2)	(0.1)	-
C)	Benefits	0 .0	0.1	0.3	0.3
	Uncollectibles	0.0	(0.0)	=	•
	Other Corporate *	(0.0)	0.0	(0.0)	(0.0)
D)	Trackers	0.1	0.2	0.1	0.0
	Total Change	<u></u>	0.2	0.3	0.3
	Total Change w/o Trackers	0.0	(0.0)	0.1	0.3

Variance Explanations:

- A) YTD Var Primarily under runs in capital offset by leak repairs.
 B) YTD Var Primarily Legal and NGD Operations.
 C) 2012 and 2013 Yr Var primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
 D) Offset in revenue.

^{*} See O&M Other Corp Tab

Columbia Gas of Kentucky O&M - Other Corporate View - Plan-vs.-Plan (\$ millions)

2012 488	Mo Actual	YTO Actual	2012 488	2013 488
Other Corporate				
Net Labor	0.0	0.1	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.1	0.1
Consulting Fees	0.0	0.0	0.0	0,2
Legal Fees	•		•	-
Outside Services	0.0	0.0	0.1	0.2
Buildings and Land	_	-	•	-
Rents/Leases	0,0	0.1	0.2	0.3
Corporate Insurance	0.1	0.3	8.0	0.9
Employee Expenses	-	•	-	
Company Memberships	0.0	0.0	0.1	0,1
Utilities	0.0	0.1	0.1	0.0
Misc Revenues	-	•	•	•
Misc & Other Expenses	0.0	0.1	0.2	0.2
Amortizations *	0.0	0.2	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1
I&D Accrual	(0.0)	0.0	0.1	0.1
Well/Lease Rent/Royalty	-			-
Advertising	-	-		-
Auto/Truck Cleared	•	•	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Stores Clearing	•		-	-
Below the line O&M	-			_
Total Other Corporate	0.2	1.0	2.9	3:0

12 0&12	Mo Budget	YTD Budget	2012 08.12	2013 0&12
Other Corporate				
Net Labor	0.0	0.1	0.4	0.
Materials/Supplies	0.0	0.0	0.0	0.
Audit Faes	0.0	0.0	8.1	0.
Consulting Fees	0.0	0.0	0.0	0.
Legal Fees	-	-	•	•
Outside Services	0.0	0.1	0.2	0.
Buildings and Land		-		-
Rents/Leases	0.6	0.1	0.3	0.
Corporate Insurance	0.1	0.3	0.9	0.
Employee Expenses	-	•	-	
Company Memberships	-	0.0	0.1	0.
Utilities	0.0	0.0	0.0	0.
Misc Revenues	-		-	
Misc & Other Expenses	0.0	0.1	0.2	O.
Amortizations *	0.0	0.2	0.5	0
Deferred Credits	(0.0)	(0.0)	(0.1)	(0
I&D Accrual	0.0	0.0	0.1	a
Well/Lease Rent/Royalty		-	-	
Advertising	-	•	•	•
Auto/Truck Cleared	-	•	•	
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0
Stores Clearing	-	-	-	-
Below the line O&M		·	_	-
Total Other Corporate	0.2	1.0	2.9	3.

Variance	Mo Var	YTD Var	2012 Yr Var	2813 Yr Var
Other			-	
Net Labor	(0.0)	0.0	(0.0)	(0.0)
Materials/Supplies	0.0	0.0	0.0	-
Audit Fees	0.0	0.0	0.0	
Consulting Fees	0.0	(0.0)	(0.0)	_
Legal Fees	•	•	•	
Outside Sarvices	0.0	(0.0)	(0.0)	0.0
Buildings and Land	-	-	•	
Rents/Leases	(0.0)	(0.0)	(0.1)	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	_
Employee Expenses	•	-	- '	-
Company Memberships	0.0	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.0
Misc Revenues	-	•		
Misc & Other Expenses	0.0	0.0	0.0	(0.
Amortizations *	-	-	-	
Deferred Credits	(0.0)	(0.0)	(0.0)	(0.
I&D Accrual	(0.0)	(0.0)	-	
Wel/Lease Rent/Royally	•	•	•	
Advertising	-	-	•	
Auto/Truck Cleared	-	•	-	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.
Stores Clearing	-	-		
Below the line O&M	-	•	·	-
Total Other Corporate	(0.0)	0.0	(0.0)	(0.0

Variance Explanations:

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2012 4&8	Mo Actual	YTD Actual	2012 4&8	2013 488
Depreciation	0.6	2.2	6.6	6.9
Other Taxes				
Gross Receipts	-	-	_	-
Property Tax	0.2	0.8	2.5	2.6
Payroll	0.0	0.2	0.5	0.5
Distribution	-	-	-	-
Other	-	-	-	-
Total Other Taxes	0.2	1.0	3.0	3.1
Total Other Taxes w/o Trackers	0.3	1.1	3.2	3.4

2 0&12 N	lo Budget	YTD Budget	2012 0&12	2013 0&12
Depreciation	0.5	2.1	6.6	6.9
Other Taxes				
Gross Receipts	-		-	-
Property Tax	0.2	0.8	2.4	2.6
Payroll	0.0	0.2	0.5	0.5
Distribution	-	-	-	-
Other	-		_	-
Total Other Taxes	0.2	1.0	2.9	3.1
Total Other Taxes w/o Trackers	0.3	1.1.		र्म विक्रिक्त 3.

Variance Mc	yar var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.0	(0.0)	
Other Taxes				
Gross Receipts	-	-	-	•
Property Tax	0.0	0.0	0.1	0.1
Payroll	0.0	0.0	0.0	-
Distribution	-		-	_
Other				-
Total Other Taxes Change	0.0	0.0	0.1	0.1
Total Change w/o Trackers	. 0.0	0.1	0.1	0.1

Columbia Gas of Kentucky Other Income and Interest - Plan-va.-Plan (\$ millions)

2012 488	Mo Actual	YTD Actual	2012 488	2013 488
Miscellaneous			-	
AFUDC	0.0	0.0	0.1	0.1
Hedging Interest Income	0.0	0.0	0.1	0.1
Under-Collection Interest Income	-		-	
Sels Receivables	-	-	-	-
Customer Tax Contribution	•	-	-	-
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1)
Tamp Cash investment interest income	0.1	0.2	0.7	0.5
Total Other Income	0.1	0.3	0.8	0.5
Long-Term Interest Expense	0.4	1.5	4.7	5.2
Short-Term Interest Expense	-	-	-	0.0
Customer Deposits Interest Expense	0.0	0.0	0.2	0.2
Rate Refund Interest Expense		-	=	
Over-Collection Interest Expense		_	-	_
Other Interest Expense	-	-	-	
Carrying Cost Interest Expense		_	-	
Hedging Interst Expense		_	_	~
PISCC		_		
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.1)	(0.1)
Interest Expense	0.4	1.6	4.8	5,3
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	

012 0&12	Mo Budget	YTD Budget	2012 0812	2013 08.12
Miscellaneous		•	•	
AFUDC	0.0	0.0	0.1	0.1
Hedging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income		•	-	-
Sale Receivables	-	-	-	
Customer Tax Contribution	-	-	-	-
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.1	0.3	0.6	0.5
Total Other Income	0.1	0.3	0.7	0.5
Long-Term Interest Expense	0.4	1.5	4.7	5.2
Short-Term Interest Expense	•	_	-	
Customer Deposits Interest Expense	0.0	0.0	0.2	0.2
Rate Refund Interest Expense	-	-	-	=
Over-Collection Interest Expense		-		-
Other Interest Expense	-	_		
Carrying Cost Interest Expense	-	-	-	•
Hedging Interst Expense	-		-	-
PISCC		-	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	0.4	1.6	4.8	5.3
NET INCOME FROM SUBSIDIARIES	-			

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous		•	-	•
AFUDC	0.0	0.0	0.0	0.0
Hedging Interest Income	(0.0)	(0.0)	(0.0)	0.0
Under-Collection Interest Income	<u>-</u> '		-	-
Sale Receivables	-	-	=	-
Customer Tax Contribution	_	-	-	_
Charitable Contributions	0.0	0.0	(0.0)	-
A) Temp Cash investment interest income		(0.0)	0.1	(0.0)
Total Other Income	(0.0)	(9.0)	0.1	0.0
Long-Term Interest Expense	0.0	0.0	0.0	_
Short-Term Interest Expense	-			0.0
Customer Deposits Interest Expense	-	-	4	•
Rate Refund Interest Expense	•		-	•
Over-Collection Interest Expense	•	-	-	
Other Interest Expense	-		-	
Carrying Cost Interest Expense	-			
Hedging Interst Expense	-		-	
PISCC	_		•	
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	(0.0)	0.0	0,0	0.0
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	-

Variance Explanations:

A) Variance represents changes to the interest earned on operating cash sent to Corp. Money Pool.

Assets Net Property Plant and Equipment Total Investments Cash and Cash Equivilents Restricted Cash Accounts Receivable Gas inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets Intangible Assets	207.1 0.4 0.6 3.0 59.7 34.2 - 0.1 - 0.4 3.0 1.8	211.6 0.4 - 3.0 48.4 44.9 - - 0.4 2.8 3.0	211 2 2 4 1
Net Property Plant and Equipment Total Investments Cash and Cash Equivilents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Intangible Assets	0.4 0.6 3.0 59.7 34.2 - 0.1 - 0.4 3.0 1.8	0.4 - 3.0 48.4 44.9 - - - 0.4 2.8 3.0	2 4 1
Cash and Cash Equivilents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Intangible Assets	0.4 0.6 3.0 59.7 34.2 - 0.1 - 0.4 3.0 1.8	0.4 - 3.0 48.4 44.9 - - - 0.4 2.8 3.0	2 4 1
Cash and Cash Equivilents Restricted Cash Accounts Receivable Gas inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Intangible Assets	0.6 3.0 59.7 34.2 - 0.1 - 0.4 3.0 1.8	3.0 48.4 44.9 - - 0.4 2.8 3.0	2 2 4 1
Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets Intangible Assets	3.0 59.7 34.2 - 0.1 - 0.4 3.0 1.8	48.4 44.9 - - - 0.4 2.8 3.0	41 1 - -
Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets Intangible Assets	59.7 34.2 - 0.1 - 0.4 3.0 1.8	48.4 44.9 - - - 0.4 2.8 3.0	41 1 - -
Gas inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets Intangible Assets	34.2 - 0.1 - 0.4 3.0 1.8	44.9 - - - 0.4 2.8 3.0	4 1
Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets Intangible Assets	- 0.1 - 0.4 3.0 1.8	- - 0.4 2.8 3.0	1
Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets Intangible Assets	0.4 3.0 1.8	2.8 3.0	
Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets Intangible Assets	0.4 3.0 1.8	2.8 3.0	
Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets Intangible Assets	0.4 3.0 1.8	2.8 3.0	
Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets Intangible Assets	3.0 1.8	2.8 3.0	
Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets Intangible Assets	3.0 1.8	2.8 3.0	
Prepayments and Other Assets Total Current Assets NC Regulatory Assets Intangible Assets	1.8	3.0	
Total Current Assets NC Regulatory Assets Intangible Assets			
NC Regulatory Assets Intangible Assets	•		<u>9</u>
Intangible Assets			
	17.7	16.9	1
D. A.D. Marian and D. a. etc. M.O. A. a. d.	-	~	
Post Retirement Benefits NC Assets	-	-	
Other Receivables Affiliated		-	
Deferred Charges	1.7	1,8	
Total Other Assets	19.4	18,7	1
Total Assets	329.4	333.1	32
Capitalization & Liabilities			
Total Common Stock Equity	94,3	92.1	9
Long Term Debt , excluding amounts due within one year	67.3	58.3	8
Total Capitalization	161.6	150.4	18
Obligations Due in One Year	14.7	28.7	
Accounts Payable	9,3	11.6	1
Customer Deposits and AR Credit Balance	13.1	17.7	1
Taxes Accrued	4.1	4.5	Į.
Interest Accrued	0.1	0.1	
Overrecovered Gas and Fuel Costs	17.7	8.8	
Price Risk Management Liabilities (Current)	1.2	1,2	
Exchange Gas Payable	12.5	14.0	
Current Regulatory Liabilities	2.6	2.3	
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	
Environmental	-	-	
Other Accruals	(1.1)	(1.3)	
Total Current Liabilities	74,4	87.7	
Price Risk Management Liabilities - NC	1.3	1.3	
Deferred Income Taxes			
	45.4	46.8	4
	0.5	0.4	_
Deferred Investment Tax Credits	26.4	26.6	2
Deferred Investment Tax Credits Noncurrent Regulatory Liabilities	4~ 4	9.9	
Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	10.1	40.0	
Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities	9.8	10.0	1
Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities		95.0	1

0&12	Mo	2012	2013
Assets			
Net Property Plant and Equipment	205.5	211.6	219.
Total Investments	0.4	0.4	0.
V • • • • • • • • • • • • • • • • • • •			
Cash and Cash Equivilents	•	-	-
Restricted Cash	3.5	3.6	-
Accounts Receivable	62.1	39.2	31.
Gas Inventory	27.5	45.1	44.
Unrecovered Purchase Costs	-	•	0.
Material & Supplies	0.0	0.0	0.
Price Risk Management Assets	-	-	_
Exchange Gas Receivables & Reserve	0.1	0.1	0.
Current Regulatory Assets	2,9	2.7	2
Prepayments and Other Assets	2.0	2.9	3
Total Current Assets	98.2	93.6	82
•	*		
NC Regulatory Assets	18.1	17.4	16
Intangible Assets	-		-
Post Retirement Benefits NC Assets	-	-	-
Other Receivables Affiliated	-	-	-
Deferred Charges	1.7	1.7	1
Total Other Assets	19.8	19.1	18
Total Assets	323.9	324.7	321
Total Assets	325.5	324.3	32 I
Capitalization & Liabilities			
Total Common Stock Equity	97.2	94.4	95
·	67.3	58.3	
Long Term Debt , excluding amounts due within one year	_ 		89
Total Capitalization	164.5	152.7	185
Obligations Due in One Year	14.7	28.7	_
Accounts Payable	13.5	11.1	11
Customer Deposits and AR Credit Balance	4.8	17.7	17
Taxes Accrued	5.9	5.0	5
Interest Accrued	0.0	0.0	0
	11.2	7.9	U
Overrecovered Gas and Fuel Costs		·	-
Price Risk Management Liabilities (Current)	0.6	0.6	0
Exchange Gas Payable	13.8	4.7	4
Current Regulatory Liabilities	2.2	2.2	2
	0.1	0.1	0
Accrued Liability for Post Retirement Benefits - Cur	0.1	•••	
Environmental		•	-
Environmental Other Accruals	(0.7)	(0.8)	(0
Environmental Other Accruals		•	(0
Environmental Other Accruals Total Current Liabilities	(0.7)	(0.8)	<u>(0</u>
Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC	(0.7) 66.2 1.1	(0.8) 77.2	(0 41 1
Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes	(0.7) 66.2 1.1 45.3	(0.8) 77.2 1.1 46.8	(0 41 1 47
Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits	(0.7) 66.2 1.1 45.3 0.5	(0.8) 77.2 1.1 46.8 0.4	(0 41 1 47 0
Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities	(0.7) 66.2 1.1 45.3 0.5 26.5	(0.8) 77.2 1.1 46.8 0.4 26.7	(0 41 1 47 0 27
Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	(0.7) 66.2 1.1 45.3 0.5 26.5 10.2	(0.8) 77.2 1.1 46.8 0.4 26.7 10.0	(0 41 1 47 0 27 8
Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities	(0.7) 66.2 1.1 45.3 0.5 26.5 10.2 9.7	(0.8) 77.2 1.1 46.8 0.4 26.7 10.0 9.8	(0 41 47 0 27 8
Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits	(0.7) 66.2 1.1 45.3 0.5 26.5 10.2	(0.8) 77.2 1.1 46.8 0.4 26.7 10.0	(0 41 1 47 0 27 8 10

Var	iance	Mo Var	2012 Var	2013 Var
	Assets			
A)	Net Property Plant and Equipment	1.5	(0.0)	(0.0)
·	Total investments	0.0	0.0	0.0
B)	Cash and Cash Equivilents	0.6	-	_
C)	Restricted Cash	(0.6)	(0.6)	-
D)	Accounts Receivable	(2.5)	9,2	(4.7)
E)	Gas Inventory	`6.6´	(0.2)	2.1
F)	Unrecovered Purchase Costs	-		10.7
• •	Material & Supplies	0.1	(0.0)	(0.0)
	Price Risk Management Assets	-	\y	
	Exchange Gas Receivables & Reserve	0.2	0.2	0.2
	Current Regulatory Assets	0.1	0.1	0.1
	Prepayments and Other Assets	(0.2)	0.0	0.0
	Total Current Assets	4.3	8.8	8.4
	NC Regulatory Assets	(0.4)	/0 E\	(4.0)
		(0.4)	(0.5)	(1.0)
	Intangible Assets Post Retirement Benefits NC Assets	•	-	-
		-	-	•
	Other Receivables Affiliated	0.4	0.4	
	Deferred Charges Total Other Assets	0.1 (0.3)	0.1 (0.4)	0.2
	Total Ottiel Assets	; (0.a).	(0.4)	(8,0)
	Total Assets	5.5	8.4	7.5
	O			
~	Capitalization & Liabilities	(0.0)	(0.0)	
G)	Total Common Stock Equity	(2.9)	(2.3)	(2.6)
G)	Long Term Debt , excluding amounts due within one year		**	-
	Total Capitalization	(2.9)	(2.3)	(2.6)
G)	Current Portion of Long Term Debt	-		2.0
D)	Accounts Payable	(4.2)	0.5	0.8
D)	Customer Deposits and AR Credit Balance	8.3	_	_
H)	Taxes Accrued	(1.7)	(0.4)	0.1
•	Interest Accrued	0.0	0.0	0.0
F)	Overrecovered Gas and Fuel Costs	6.5	0.9	-
l)	Price Risk Management Liabilities (Current)	0.6	0.6	0.6
Ĵ)	Exchange Gas Payable	(1.4)	9.3	3.4
,	Current Regulatory Liabilities	0.5	0.1	0.1
	Accrued Liability for Post Retirement Benefits - Cur	-	-	-
	Environmental	•	_	_
	Other Accruals	(0.5)	(0.4)	3.1
	Total Current Liabilities	8.2	10.5	10.0
	Price Risk Management Liabilities - NC	0.2	0.2	0.2
	Deferred Income Taxes	0.1	0.0	(0.5)
	Deferred Investment Tax Credits	0.0	(0.0)	(0.0)
	Noncurrent Regulatory Liabilities	(0.1)	(0.1)	(0.1)
	Accrued Liab for Post Retirement Benefits - NC	(0.1)	(0.1)	0.5
	Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities	(0.1) 0.1	(0.1) 0.1	(0.0)
	Accrued Liab for Post Retirement Benefits - NC	(0.1)	(0.1)	

Variance Explanations:

- A) Variance due to timing Issues around 2012 In-Service (\$1.1M) and Decreciation (\$425K)
- B) Increase in Money Pool funding
- C) Variance due to changes to the required reserves related to the Hedging Program, and MF Global bankruptcy (\$256K).
- D) April A/R variance due to decreases to Tariff receivables (\$5.3M), Choice Receiveables (\$4.3), and Off-Systems Sales of (\$1.3M), partially offset by increased Money Pool deposits of \$9.9M. The \$8.3M Customer Deposits variance is due to an \$8,3M Increase to A/P Factoring related to budget payment plans resulting from warmer than expected weather. The 2012 A/R variance is due to decreased Tariff receivables (\$1.7M), Unbilled receivables (\$2.3M), and Off-Systems Sales (\$1.3M), outset by \$15.7M in Money Pool funding. A/P Variance due to decreased payables related to declining Gas Costs (\$4.1M).
- E) April variance due to Rate Differential and Usage variances of \$3.02M and \$3.59M respectively. 2012 annual variance due to Rate Differential and Usage variances of (\$609K) and \$790K respectively. 2013 annual variance is due to Rate Differential and Usage variances of \$1.4M and (\$700K) respectively.
- F) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA fillings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to an unfavorable \$1.5M increase to Federal Income tax payable.
- 1) Variance due to changes in the Hedging obligations.
- J) March variance due to a decrease in the number of outstanding exchange obligations vs. the 0&12, while the variance in 2012 & 2013 indicate an increase in the number of outstanding exchange obligations.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 4&8	Mo Actual	YTD Actual	2012 4&8	2013 4&8
New Business	0.1	1.0	1.7	1.7
Betterment	0.0	0.3	1.0	0.2
Replacement	1.5	4.1	11.4	11.7
Support Services	0.3	0.5	1.2	1.6 _
Gross Capital	2.0	5.8	15.3	15.1
Contributions & Reimbursements	0.0	(0.0)	(0.7)	(0.7)
Total NGD	2.0	5.7	14.7	14.5
Infrastructure/AMR	1.4 1.4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	3.4	9.1	8.2

2012 0&12	Mo Budget	YTD	2012 0&12	2013 0&12
New Business	0.1	0.5	1.7	1.7
Betterment	0.3	0.6	1.0	0.2
Replacement	1.1	3.5	11.4	11.7
Support Services	0.0	0.2	1.2	1.6_
Gross Capital	1,5	4.8	15.3	15.1
Contributions & Reimbursements	(0.1)	(0.4)	(0.7)	(0.7)
Total NGD	1.4	4.4	14.7	14.5
Infrastructure/AMR	am 1 - <u>1</u> 0.93 a 4:	: . / 3.1] we leave said (9.1) = 1.60 () =	8.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	(0.0)	0.5	-	-
Betterment	(0.3)	(0.4)	-	-
Replacement	0.4	0.6	-	-
Support Services	0.3	0.3	•	-
Gross Capital	0.4	1.0	-	-
Contributions & Reimbursements	0.1	0.3	•	-
Total NGD	0.6	1.3	was to the land of the	
Infrastructure/AMR	0.5	0.2		:

Variance Explanations:

Primarily mild weather and contractor availability.

Columbia Gas of Kentucky Plan vs. Plan - May 2012 (\$ millions)

2012 587	2012	2013
Net Revenues	58.6	61.3
O&M Expense	31.0	31.0
Depreciation	6.6	7.0
Other Taxes	3.0	3.2
Operating Earnings	18.0	20.1
Other Income	8.0	0.5
Interest Expense	4.8	5.4
Net Operating Income	13.9	15.2
Income Tax	5.3	5.9
Net Operating Earnings	8.6	9.3

2012 0&12	2012	2013
Net Revenues	60.9	60.8
O&M Expense	30.9	31.1
Depreciation	6.6	6.9
Other Taxes	3.1	3.3
Operating Earnings	20.2	19.6
Other Income	0.7	0.5
Interest Expense	4.8	5.3
Net Operating Income	16.1	14.8
Income Tax	6.3	6.0
Net Operating Earnings	9.8	8.7

Variance	2012	2013
Net Revenues	(2.3)	0.5
O&M Expense	0.1	(0.0)
Depreciation	0.0	0.1
Other Taxes	(0.2)	(0.1)
Operating Earnings	(2.3)	0.5
Other Income	0.1	0.0
Interest Expense	0.0	0.1
Net Operating Income	(2.2)	0.5
Income Tax	(1.0)	(0.1)
Net Operating Earnings	(1.2)	0.6

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

2012 5&7	2012	2013
Base Margin (less LCR)	48.9	50.4
LCR	5.0	4.9
LCR (Prior Dec. True-Up)	(0.1)	_
Supply Optimization	2.4	2.8
Regulatory Outcome	0.4	1.4
Other OGDR	1.4	1.1
CKY Purchase Receivable	0.4	0.4
Uncollectibles - Non Tracked	0.3	0.3
Uncollectibles - Tracked	0.2	0.2
Trackers	0.7	0.5
Total Revenue	59.5	62.0
Total Revenue w/o Trackers	58.6	61.3

2012 0&12		2012	2013
Base Margin (less LCR)		51.1	50.4
LCR		5.1	4.9
LCR (Prior Dec. True-Up)		-	-
ESS		2.4	2.8
Regulatory Outcome		0.3	0.6
Other OGDR		1.2	1.2
CKY Purchase Receivable		0.5	0.5
Uncollectibles - Non Tracked		0.3	0.4
Uncollectibles - Tracked		0.2	0.2
Trackers		0.5	0.5
Total Revenue	ara, Kuar 🗇	61.6	61.6
Total Revenue w/o Tracker		60.9	

Variance	-		2012	2013
Base Margin (less LCR)			(2.2)	(0.0)
LCR			(0.1)	-
LCR (Prior Dec. True-Up)			(0.1)	-
ESS			0.0	-
Regulatory Outcome			0.1	8.0
Other OGDR			0.2	(0.1)
CKY Purchase Receivable			(0.1)	(0.1)
Uncollectibles - Non Tracked			(0.1)	(0.1)
Uncollectibles - Tracked			(0.0)	_
Trackers			0.2	(0.0)
Total Variance		+ 7	(2.1)	0.4
Total Variance w/o Trackers		. :	(2.3)	0.5

Columbia Gas of Kentucky

O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 5&7	2012	2013
Labor	6.8	6.8
Benefits	2.2	1.9
Materials & Supplies	1,5	1.6
Outside Services	4.3	4.3
Management Fee	11.6	11.8
Uncollectibles	0.5	0.5
Other *	4.047	4.126
Trackers	0.9	0.8
Total O&M	31.933	31.791
Total O&M w/o Trackers	31.0	31.0

012 0&12	2012	2013
Labor	6.6	6.9
Benefits	2.0	1.6
Materials & Supplies	1.5	1.5
Outside Services	4.3	4.5
Management Fee	11.9	12.2
Uncollectibles	0.5	0.5
Other *	3.9	3.9
Trackers	8.0	0.7
Total O&March Carry 1997 1997 1997	31.6	31.8
Total O&M w/o Trackers	30.9	31.1

Vai	iance	2012	2013
	Labor	0,2	(0.0)
A)	Benefits	0.2	0.3
	Materials & Supplies	0.0	0.0
	Outside Services	(0.0)	(0.2)
B)	Management Fee	(0.4)	(0.4)
	Uncollectibles	-	-
	Other *	0.1	0.2
C)	Trackers	0.2	0.0
	Total Change	0.3	(0.0)
	Total Change w/o Trackers	0.1	(0.0)

- A) 2013 Primarily revised assumptions for pension, OPEB, active medical and capital transfer percentages.
- B) 2012 Primarily revised capital transfers, legal and NGD Operations. '2013-2014 Primarily revised management fee transfers.
- C) Offset in revenues.

Columbia Gas of Kentucky
O&M - Other Cost Element View - Plan-vs.-Plan
(\$ millions)

2012 5&7	2012	2013
Other		
Buildings and Land	0.1	0.1
Rents/Leases	0.2	0.3
Corporate Insurance	0.8	0.9
Employee Expenses	0.3	0.4
Company Memberships	0.1	0.1
Utilities	0.3	0.3
Misc Revenues	(0.1)	(0.1)
Misc & Other Expenses	0.2	0.2
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.2)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	•	-
Advertising	0.1	0.1
Auto/Trucks Cleared	1.3	1.4
O&M Reclass - Regulatory to GAAP	0.2	0.2
Below the Line O&M		
	4.047	4.126

2012 0&12	2012	2013
Other		
Buildings and Land	0.1	0.1
Rents/Leases	0.3	0.3
Corporate insurance	0.9	0.9
Employee Expenses	0.3	0.4
Company Memberships	0.1	0.1
Utilities	0.3	0.3
Misc Revenues	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.2)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	-	-
Advertising	0.1	0.1
Auto/Trucks Cleared	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.2	0.2
Below the Line O&M	-	-
	3.9	3.889

Variance	2012	2013
Other		
Buildings and Land	(0.0)	_
Rents/Leases	(0.1)	-
Corporate Insurance	(0.0)	-
Employee Expenses	0.0	-
Company Memberships	0.0	0.0
Utilities	0.1	0.0
Misc Revenues	(0.0)	_
Misc & Other Expenses	0.2	0.2
Amortizations *	•	-
Deferred Credits	0.0	(0.0)
I&D Accrual	(0.0)	
Well/Lease Rent/Royalty		-
Advertising	(0.0)	-
Auto/Trucks Cleared	(0.0)	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)
Below the Line O&M	· , ,	<u>`</u> '
	0.1	0.2

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2012 5&7	2012	2013
Distribution Ops	11.2	11.2
Meter To Cash	0.6	0.6
Customer Call Center	0.0	0.0
Integration Center	0.4	0.4
Presidents	1.6	1.6
Other Departments	-	-
Management Fee	11.6	11.8
Benefits	2.2	1.9
Uncollectibles	0.5	0.5
Other Corporate*	2.861	2.956
Trackers	0.9	8.0
Total O&M	31.933	31.791
Total O&M w/o Trackers	31.0	- 21.0
IOTOLOGINI MIN TIECKALS.	31.0	31,0

2012 0&12	2012	2013
Distribution Ops	10.9	11.2
Meter To Cash	0.6	0.6
Customer Call Center	0.0	0.0
Integration Center	0.4	0.4
Presidents	1.6	1.6
Other Departments	•	-
Management Fee	11.9	12.2
Benefits	2.0	1.6
Uncollectibles	0.5	0.5
Other Corporate*	2.9	3.0
Trackers	0.8	0.7
Total O&M	31.6	31.8
Total O&M w/o Trackers		31.1

Vai	íance .	2012	2013
A)	Distribution Ops	0.3	0.0
	Meter To Cash	0.0	-
	Customer Call Center	(0.0)	-
	Integration Center	0.0	-
	Presidents	(0.0)	0.0
	Other Departments		-
B)	Management Fee	(0.4)	(0.4)
C)	Benefits	0.2	0.3
	Uncollectibles	-	-
	Other Corporate*	(0.1)	(0.0)
D)	Trackers	0.2	0.0
	Total Change	0.3	(0.0)
	Total Change w/o Trackers	8 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(0.0)

- A) 2012 Primarily fleet adj., right of way (ROW) clearing and tools and uniforms. '2014-2017 -Primarily fleet adj. and decreased AMR Savings.
- B) 2012 Primarily revised capital transfers, legal and NGD Operations. '2013-2014 Primarily revised management fee transfers.
- C) 2013 Primarily revised assumptions for pension, OPEB, active medical and capital transfer percentages.
- D) Offset in revenues.

Columbia Gas of Kentucky O&M - Other Corporate View - Plan-vs.-Plan (\$ millions)

2012 5&7	2012	2013
Other Corporate		
Net Labor (CIP)	0.4	C.4
Materials/Supplies	0.0	0.0
Audit Fees	0.2	C.1
Consulting Fees	0.0	0.2
Legal Fees	•	-
Outside Services	0.1	0.2
Buildings and Land	-	-
Rents/Leases	0.2	0.3
Corporate Insurance	0.8	0.9
Employee Expenses	•	-
Company Memberships	0.1	0.1
U:likles	0.1	0.0
Misc Revenues	•	•
Misc & Other Expenses	0.2	0.2
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(G.1)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	•	-
Advertising	•	-
Auto/Truck Cleared		-
O&M Reclass - Regulatory to GAAP	0.2	0.2
Stores Clearing		
Below the line O&M		
Total Other Corporate	2.861	2,958

2012 0&12	2012	2013
Other Corporate		
Nat Labor (CIP)	0.4	0.4
Materials/Supplies	0.0	0.0
Audit Fees	0.1	0.1
Consulting Fees	0.0	0.2
Legel Fees	•	•
Outside Services	0.2	0.2
Buildings and Land	-	-
Rents/Leases	0.3	0.3
Corporate Insurance	0.9	0.9
Employee Expenses	-	-
Company Memberships	0.1	0.1
Litifiles	0.0	0.0
Misc Revenues	•	-
Misc & Other Expenses	0.2	0.2
Amortizations *	0.5	0.4
Deferred Credita	(0.1)	(0.1)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royally	-	-
Advertising	-	-
Auto/Truck Cleared	•	-
O&M Reclass - Regulatory to GAAP	0.2	0.2
Stores Clearing	•	-
Below the line O&M		-
Total Other Corporate	2.A	3.0

rlance	2012	2013
Other	•	
Net Labor (CIP)	(0.0)	(0.0)
Materials/Supplies	0.0	-
Audit Fees	0.0	-
Consulting Fees	(0.0)	-
Legal Fees	•	
Outside Services	(0.0)	0.0
Buildings and Land	- '	-
Rents/Leases	(0.1)	-
Corporate Insurance	(0.0)	-
Employee Expenses	•	
Company Memberships	0.0	0,0
Utilities	0.1	0.0
Misc Revenues		-
Misc & Other Expenses	0.0	(0.0)
Amortizations *	-	-
Deferred Credits	(0.0)	(0.0)
I&D Accruel	(0.0)	•
Well/Lease Rent/Royally	•	•
Advertising		
Auto/Truck Cleared	•	
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)
Stores Clearing	-	-
Below the line O&M	-	•
Total Other Corporate	(0.1)	(0.0)

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2012 5&7	20	12	2013
Depreciation		6.6	7.0
Other Taxes			
Gross Receipts		-	-
Property Tax		2.5	2.7
Payroll		0.5	0.5
Distribution		•	-
Other		0.0	-
Total Other Taxes	· · · · · · · · · · · · · · · · · · ·	3.0	3.1
Total Other Taxes w/o Trackers		3.0	3.2

2012 0&12	2012	2013
Depreciation	6.6	6.9
Other Taxes		
Gross Receipts	_	-
Property Tax	2.4	2.6
Payroll	0.5	0.5
Distribution	-	-
Other	-	_
Total Other Taxes	2.9	3.1 3.1
Total Other Taxes w/o Trackers	3.1 °	3.3

Var	iance			2012	2013
A)	Depreciation Change			0.0	0.1
	Other Taxes				
	Gross Receipts			-	_
	Property Tax			0.1	0.1
	Payroll			0.0	-
	Distribution			-	
	Other			0.0	-
	Total Other Taxes Change	the second	11	0.1	0.1
	Total Change w/o Trackers			(0.2)	(0.1)

A) Variance due to increased Capital spend

Columbia Gas of Kentucky Other income and interest - Pian-vs.-Pian (\$ millions)

2012 587	2012	2013
Miscellaneous		
AFUDC	0.1	0.2
Hedging Interest Income	0.1	0.1
UnderCollection Income	-	-
Sales Receivable	-	-
Customer Tax Contribution	-	-
Charitable Contributions	(0.1)	(0.1)
Temp Cash inv int inc	0.7	0.5
Total Other Income	0.8	0.5
Long-Term Interest Expense	4.7	5.3
Short-Term Interest Expense	-	0.1
Customer Deposits	0.2	0.2
Rate Refund Expense	•	-
OverCollection Interest Expense	•	-
Other Interest Expense	•	-
Carrying Cost Interest Expense	-	-
Hedging Interest Expense	•	-
AFUDC	(0.1)	(0.1)
Interest Expense	4.8	5.4

2012 0&12	2012	2013
Miscellaneous	•	-
AFUDC	0.1	0.1
Hedging Interest Income	0.1	0.0
UnderCollection Income	-	-
Sales Receivable	-	-
Customer Tax Contribution	-	-
Charitable Contributions	(0.1)	(0.1)
Temp Cash inv int inc	0.6	0.5
Total Other Income	0.7	0.5
Long-Term Interest Expense	4,7	5.2
Short-Term Interest Expense	_	-
Customer Deposits	0.2	0.2
Rate Refund Expense	-	-
OverCollection Interest Expense	•	-
Other Interest Expense	-	-
Carrying Cost Interest Expense	-	
Hedging Interest Expense	•	-
AFUDC	(0.0)	(0.0)
Interest Expense	4.B	5.3

lvar	iance	2012	2013
	Miscellaneous	•	
	AFUDC	0.0	0.0
	Hedging Interest income	(0.0)	0.0
	UnderCollection Income	•	-
	Sales Receivable	•	-
	Customer Tax Contribution	•	-
	Charitable Contributions	(0.0)	-
A)	Temp Cash Inv Int Inc	0,1	(0.0)
	Total Other Income	0.1	0.0
B)	Long-Term Interest Expense	0.0	0.1
A)	Short-Term Interest Expense	•	0.1
·	Customer Deposits	•	-
	Rate Refund Expense	•	-
	OverCollection Interest Expense	•	-
	Other Interest Expense	-	-
	Carrying Cost Interest Expense	-	-
	Hedging Interest Expense	-	-
	AFUDC	(0.0)	(0.0)
	Interest Expense	0.0	0.1

- A) Variance due to fluctuations in normal operating activity.
 B) Variance due to changes in Capital structure to maintain appropriate debt / equity percentages.

Current Portion of Long Term Debt 28. Accounts Payable 10. Customer Deposits and AR Credit Balance 17. Taxes Accrued 4. Interest Accrued 0. Overrecovered Gas and Fuel Costs 14. Price Risk Management Liabilities (Current) 1. Exchange Gas Payable 9. Current Regulatory Liabilities 2. Accrued Liability for Post Retirement Benefits - Cur 0. Environmental - Current Accruals (1. Total Current Liabilities 87. Price Risk Management Liabilities - NC 1. Deferred Income Taxes 47. Deferred Investment Tax Credits 0. Noncurrent Regulatory Liabilities 26. Accrued Liab for Post Retirement Benefits - NC 10. Other Non-Current Liabilities 9.	2013
Cash and Cash Equivilents Restricted Cash Restricted Cash Restricted Cash Accounts Receivable Accounts Receivable Accounts Receivable Accounts Reselvable Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Current Portlon of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities Current Regulatory Liabilities Total Current Liabilities Current Regulatory Liabilities Current	
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Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets 101. NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets 18. Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities Current Regulatory Liabilities Price Risk Management Liabilities	5.
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Other NC Liab & Defferred Credits 95.	2 95.
Total Capitalization & Liabilities 333.	3 328.

0&12	2012	2013
Assets		
Net Property Plant and Equipment	211.6	219
Total Investments	0.4	C
Cash and Cash Equivilents	-	-
Restricted Cash	3.6	-
Accounts Receivable	39.2	31
Gas Inventory	45.1	44
Unrecovered Purchase Costs	-	0
Material & Supplies	0.0	0
Price Risk Management Assets	-	_
Exchange Gas Receivables & Reserve	0.1	(
Current Regulatory Assets	2.7	2
Prepayments and Other Assets	2.9	3
Total Current Assets	93.6	82
NC Regulatory Assets	17.4	16
Intangible Assets	17.4	14
Post Retirement Benefits NC Assets	-	
Other Receivables Affiliated	-	-
Deferred Charges	- 17	-
Total Other Assets	1.7	1
total Uther Assets	19.1 -	18
Total Assets	324.7	321
Capitalization & Liabilities		
Total Common Stock Equity	94.4	98
Long Term Debt , excluding amounts due within one year	58.3	88
Total Capitalization	152.7	18:
Current Portion of Long Term Debt	28.7	_
Accounts Payable	11.1	1
Customer Deposits and AR Credit Balance	17.7	17
Taxes Accrued	5.0	
Interest Accrued	=	(
	0.0	,
Overrecovered Gas and Fuel Costs	7.9	-
Price Risk Management Liabilities (Current)	0.6	(
Exchange Gas Payable	4.7	
Current Regulatory Liabilities	2.2	
Accrued Liability for Post Retirement Benefits - Cur Environmental	0.1	-
Other Accruals	(0.8)	((
Total Current Liabilities	77.2	4
	1.1	•
Price Risk Management Lightlities - NC	·	4
Price Risk Management Llabilities - NC	AH H	4.
Deferred Income Taxes	4 6.8	
Deferred Income Taxes Deferred Investment Tax Credits	0.4	
Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities	0.4 26.7	2
Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	0.4 26.7 10.0	27 {
Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities	0.4 26.7 10.0 9.8	27 { 10
Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	0.4 26.7 10.0	27 {

Var	iance	2012	2013
var	lalice	2012	2013
	Assets		
	Net Property Plant and Equipment	0.9	6.6
	Total Investments	0.0	0.0
	Cash and Cash Equivilents	•	_
	Restricted Cash	(0.5)	-
A)	Accounts Receivable	8.2	(5.5)
B)	Gas Inventory	(0.0)	2.3
C)	Unrecovered Purchase Costs		4.5
	Material & Supplies	(0.0)	(0.0)
	Price Risk Management Assets		-
	Exchange Gas Receivables & Reserve	(0.0)	(0.0)
	Current Regulatory Assets	0.1	0.1
	Prepayments and Other Assets	0.0	0.1
	Total Current Assets	7.7	1,5
D)	NC Regulatory Assets	(0.5)	(1.0)
-	Intangible Assets	-	•
	Post Retirement Benefits NC Assets		-
	Other Receivables Affiliated	-	-
	Deferred Charges	0.3	0.3
	Total Other Assets	(0.2)	(0.7)
	Total Assets	8.5	7.4
			
	Capitalization & Liabilities	40.45	
E)	Total Common Stock Equity	(2.4)	1.4
E)	Long Term Debt , excluding amounts due within one year	(2.4)	(2.3)
	Total Capitalization		(0.9)
E)	Current Portion of Long Term Debt	-	9.1
A)	Accounts Payable	(0.5)	0.9
	Customer Deposits and AR Credit Balance	-	-
	Taxes Accrued	(0.4)	0.2
	Interest Accrued	0.0	0.0
C)		6.0	-
	Price Risk Management Liabilities (Current)	0.6	0.6
F)	Exchange Gas Payable	4.9	(4.0)
	Current Regulatory Liabilities	0.3	0.1
	Accrued Liability for Post Retirement Benefits - Cur	-	
	Environmental	-	-
G)	Other Accruals	(0.5)	0.7
	Total Current Liabilities	10.5	7.6
	Price Risk Management Liabilities - NC	0.2	0.2
G)		0.2	(0.0)
,	Deferred Investment Tax Credits	(0.0)	(0.0)
	Noncurrent Regulatory Liabilities	(0.1)	(0.1)
	Accrued Liab for Post Retirement Benefits - NC	(0.0)	0.6
	Other Non-Current Llabilities	0.1	(0.1)
	Other NC Liab & Defferred Credits	0.4	0.6
	Total Capitalization & Liabilities	8.5	7.4

Variance Explanations:

A) Variances due to fluctuations in Gas Costs and Usage primarily to Tariff Sales and Off-System sales, as well as Money Pool deposits effecting balances in both A/R and A/P (short term borrowings). 2012 A/R variance due to decreased Tariff Sales (\$1.8M), Off-System sales (\$700K), and Unbilled (\$2.2M), offset by Money Pool deposits of \$14.7M.

B)	Year	Volume Variance (\$\$\$)	Rate Variance (\$\$\$)	Total Variance (\$\$\$)
	2012	(0.8)	0.8	(0.0)
	2013	1.4	0.8	2.2
	2014	3.8	0.3	4.1
	2015	3.5	0.0	3.5
	2016	3.0	0.2	3.1
	2017	2.7	0.2	2.9

- C) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA fillings and either collected or passed back to the customers.
- D) Variances are due to changes to pension funding obligations
- E) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- F) Variance due to changes in the number of exchange obligations vs. the 0&12.
- G) Variance in 2012 & out years primarily driven by Federal and State tax liabilities.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 5&7	2012	2013
New Business	2.7	2.4
Betterment	0.3	0.2
Replacement	12.0	16.7
Support Services	1.3	1.6
Gross Capital	16.3	20.8
Contributions & Reimbursements	(0.7)	(0.7)
Total CKY *	15.6	20.2
Infrastructure/AMR	9.6	13.2

2012 0&12	2012	2013
New Business	1.7	1.7
Betterment	1.0	0.2
Replacement	11.4	11.7
Support Services	1.2	1.6
Gross Capital	15.3	15.1
Contributions & Reimbursements	(0.7)	(0.7)
Total CKY	14.7	14,5
Infrastructure/AMR	9.1	8.2

Variance	2012	2013
New Business	1.0	0.7
Betterment	(0.7)	-
Replacement	0.6	5.0
Support Services	0.1	<u> </u>
Gross Capital	1.0	5.7
Contributions & Reimbursements	_	-
Total CKY and a second of the	1.0	5.7
Infrastructure/AMR	0.5	5.0

Plan variances due to additional capital allocations to NGD and updated forecasts.

Columbia Gas of Kentucky Plan vs. Plan - June 2012 (\$ millions)

2012 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Net Revenues	2.9	31.1	58.6	61.3
O&M Expense	2.5	15.3	31.1	31.0
Depreciation	0.6	3.3	6.6	7.0
Other Taxes	0.2	1.5	3.0	3.2
*Operating Earnings	(0.4)	11.1	17.9	20.1
Other Income	0.1	0.4	0.7	0.6
Interest Expense	0.4	2.4	4.8	5.4
*Operating Earnings before Taxes	(0.7)	9.1	13.9	15.2
Income Tax	(0.2)	3.5	5.4	5.9
Net Operating Earnings	(0.5)	5.6	8.5	9.3

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Net Revenues	3.1	34.2	60.9	60.8
O&M Expense	2.6	15.5	30.9	31.1
Depreciation	0.5	3.2	6.6	6.9
Other Taxes	0.2	1.5	2.9	3.1
*Operating Earnings	(0.3)	14.0	20.5	19.8
Other Income	0.1	0.4	0.7	0.5
Interest Expense	0.4	2.4	4.8	5.3
*Operating Earnings before Taxes	(0.6)	12.1	16.4	15.0
Income Tax	0.4	5.0	6.3	6.0
Net Operating Earnings	(1.0)	7.1	10.0	9.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	(0.2)	(3.1)	(2.3)	0.5
O&M Expense	(0.2)	(0.2)	0.2	(0.0)
Depreciation	0.0	0.0	0.0	0.1
Other Taxes	(0.0)	0.1	0.1	0.1
*Operating Earnings	(0.1)	(3.0)	(2,6)	0.3
Other Income	(0.0)	(0.0)	0.1	0.1
Interest Expense	0.0	0.0	0.0	0.1
*Operating Earnings before Taxes	(0.1)	(3.0)	(2.5)	0.2
Income Tax				
Net Operating Earnings	(0.1)	(3.0)	(2.5)	0.2

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

2 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Base Margin (less LCR)	2.3	26.7	48.9	50.4
LCR	0.3	2.5	5.0	4.9
LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
ESS	0.1	0.6	2.4	2.8
Regulatory Outcome	-	-	0.4	1.4
Other OGDR	0.1	0.9	1.3	1.1
CKY Purchase Receivable	0.0	0.3	0.4	0.4
Uncollectibles - NonTracked	(0.0)	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0 .1	0.2	0.2
Trackers	0.1	0.6	8.0	0.5
Total Revenue	3.0	31.9	59.6	62.0
Total Revenue w/o Trackers	2.9	31.1	58.6	61.3

12 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Base Margin (less LCR)	2.5	28.9	51.1	50,4
LCR	0.3	2.6	5.1	4.9
LCR (Prior Dec. True-Up)	-	-	-	
ESS	0.2	1.3	2.4	2.8
Regulatory Outcome	0.0	0.0	0.3	0.6
Other OGDR	0.1	0.7	1.2	1.2
CKY Purchase Receivable	(0.0)	0.4	0.5	0.5
Uncollectibles - NonTracked	(0.0)	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.1	0.2	0.2
Trackers	0.0	0.3	0.5	0.5
Total Revenue	3.1	34.7	61.6	61.6
Total Revenue w/o Trackers	3.1 Sec. 1	34.2	60.9	60.8

Var	iance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Base Margin (less LCR)	(0.2)	(2.2)	(2.1)	(0.0)
	LCR	0.0	(0.2)	(0.1)	
	LCR (Prior Dec. True-Up)	=	(0.1)	(0.1)	-
B)	ESS	(0.0)	(0.7)	0.0	-
	Regulatory Outcome	(0.0)	(0.0)	0.0	0.8
	Other OGDR	(0.0)	0.2	0.2	(0.1)
C_	CKY Purchase Receivable	0.0	(0.1)	(0.1)	(0.1)
D)	Uncollectibles - NonTracked	0.0	0.0	(0.0)	(0.1)
	Uncollectibles - Tracked	-	(0.0)	(0.0)	
	Trackers	0.1	0.3	0.3	(0.0)
	Total Variance	(0.2)	(2.8)	(2.0)	0.4
	Total Variance w/o Trackers	(0.2)	(3.1)	(2.3)	0.5

Variance Explanations:

- A) Variance due to customer and usage erosion.
- B) Variance represents downward revision to Off-System sales assumptions due to lack of price volatility.
- C) Variance due to April Billing Service interuptions of \$265K.
- D) Variance due to declining gas costs.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2012 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Penalty Charges	0.1	0,3	0.4	0.3
Return Check	0.0	0.1	0.2	0.1
Other Fees	0.0	0.4	0.6	0.4
Other Revenue	0.0	0.0	0.1	0.1
Pub Utli-Flex	0.0	0.0	0.1	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	•	-	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue		0.0	0.0	•
Total OGDR	0.1	0.9	1.3	1.1

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Penalty Charges	0.0	0.3	0.3	0.3
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.2	0.4	0.4
Other Revenue	0.0	0.1	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	-	-	-	-
Total OGDR	0.1	0.7	1.2	1.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	0.0	0.0	0.0	0,0
Return Check	0.0	0.0	0.0	0.0
Other Fees	0.0	0.2	0.2	(0.0)
Other Revenue	(0.0)	(0.1)	(0.1)	(0.1)
Pub Util-Flex	0.0	0.0	0.0	-
Company Use	(0.0)	(0.0)	(0.0)	(0.0)
Balancing Services		-	- ·	- '
Other Misc Income	-	-	•	-
Misc Merchant Revenue	-	0.0	0.0	
Total OGDR	0.0	0,2	0.2	(0.1)

Columbia Gas of Kentucky 2012 Customer & Usage Information - 6&6 vs. 0&12

Customer & Usage Change (\$ million)

Customer Change	Month	YTD	
Residential	0.1	0.4	
Commercial	0.0	0.0	
Total	0.1	0.4	

Usage Change	Month	QTY
Residential	0.2	0.0
Commercial	0.5	0.4
industrial (Non-LCR)	(0.1)	0.1
Total	0.6	0.6

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	1.1	44.3
Comm	18.7	541.3
Ind	5,384.2	87,224.9

Budget	Month	YTD
Residential	1.0	44.4
Commercial	16.7	318.4
Industrial	5 ,287. 3	45,707.2

Variance	Month	Mo. %	YTD	YTD %
Residential	0.1	7.0%	(0.1)	-0.1%
Commercial	2.0	12.1%	222.9	70.0%
Industrial	96.9	1.8%	41,517.7	90.8%

Customer Count

Actual	Month	YTD Avg	
Residential	118,913	120,385	
Commercial	nmercial 13,808		
Industrial	177	178	
Total	132,898	134,563	

Budget	Month	YTD Avg	
Residential	118,250	120,496	
Commercial	13,741	13,967	
Industrial	181	181	
Total	132,172	134,644	

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	663.0	0.6%	(110.7)	-0.1%
Commercial	67.0	0.5%	33.5	0.2%
Industrial	(4.0)	-2.2%	(3.5)	-1.9%
Total	726.0	0.5%	(80.7)	-0.1%

Columbia Gas of Kentucky

O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Labor	0.6	3.6	6.9	6,8
Benefits	0.2	1. 1	2.2	1.9
Materials & Supplies	0.1	0.7	1.5	1.6
Outside Services	0.4	2.0	4.4	4.8
Management Fee	0.9	5.6	11.6	11.8
Uncollectibles	(0.0)	0.2	0.5	0.5
Other *	0.3	1.9	4.1	3.6
Trackers	0.1	0.7	1.0	8.0
Total O&M	44 + 41 <u></u>	16.0	32.1	31.8
Total O&M w/o Trackers	2.5	/:::Xi	31.1	31.0

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Labor	0.5	3.4	6.6	6.9
Benefits	0.2	1.0	2.0	1.6
Materials & Supplies	0.2	0.7	1.5	1.5
Outside Services	0.4	2.1	4.3	5.0
Management Fee	1.0	6.0	11.9	12.2
Uncollectibles	0.0	0.3	0.5	0.5
Other*	0.3	2.0	3.9	3. 4
Trackers	0.0	0.5	0.8	0.7
Total O&M	2.6	16.0	31.6	31.8
Total O&M w/o Trackers		15.5	30.9	31.1

	Variance		Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Labor		0.0	0.2	0.2	(0.0)
B)	Benefits		(0.0)	0.1	0.2	0.3
	Materials & Supplies		(0.1)	(0.0)	(0.0)	0.0
	Outside Services		0.0	(0.1)	0.0	(0.2)
C)	Management Fee		(0.1)	(0.3)	(0.4)	(0.4)
	Uncollectibles		(0.0)	(0.0)	-	•
	Other *		0,0	(0.0)	0.1	0.2
D)	Trackers		0.0	0.3	0.2	0.0
	Total Change	-	(0.1)	0.0	0.4	(0.0)
	Total Change wio Trackers		(0.2)	(0.2)	0.2	(0.0)

- A) YTD & 2012 Yr Var Primarily meter reading and maintenance of mains.
 B) 2012 & 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
 C) YTD Var Primarily Legal and NGD Operations. 2012 & 2013 Yr Var Primarily revised capitalization transfers.
 D) Offset in revenue.

Columbia Gas of Kentucky O&M - Other Cost Element View - Plan-vs.-Plan (\$ millions)

2 6&G	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Other				
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.1	0.2	0.3
Corporate Insurance	0.1	0.4	0.8	0.9
Employee Expenses	0,0	0,1	0.3	0.4
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.2	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.
Misc & Other Expenses	0.0	0.1	0.2	0.
Amortizations *	0.0	0,2	0.5	0.
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.
I&D Accruel	0.0	0.0	0.1	Ō.
Well/Lease Rent/Royalty	-	-	-	_
Advertising		0.0	0.1	0.
Auto/Trucks Cleared	0.1	0.7	1.3	1.
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.
Below the Line O&M	· .	-		
	0.3	1.9	4.1	3.

2012 08.12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Other				
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.2	0.3	0.3
Corporate Insurance	0.1	0.4	0.9	0.9
Employee Expenses	0.0	0.1	0.3	0.4
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.1	0.3	0,3
Misc Revenues	(0.0)	(0.0)	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	(0.0)
Amortizations *	0.0	0.2	0,5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
(&D Accrue)	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-		-	-
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	0.7	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M	-		•	•
	0.3	2.0	3.9	3.4

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Buildings and Land	(0.0)	(0.0)	(0.0)	-
Rents/Leases	(0.0)	(0.0)	(0.1)	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	-
Employee Expenses	(0.0)	(0.0)	(0.0)	-
Company Memberships	0.0	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.0
Misc Revenues	(0.0)	(0.0)	(0.0)	-
Misc & Other Expenses	0,0	0.1	0.2	0.2
Amortizations *	•	-	•	-
Deferred Credits	0.0	0.0	0.0	(0.0)
I&D Accrual	(0.0)	(0.0)	-	•
Well/Lease Rent/Royalty	•			
Advertising	(0.0)	(0.0)	(0.0)	-
Auto/Trucks Cleared	(0.0)	(0.0)	(0.0)	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M	<u> </u>			
	0.0	(0.0)	0.1	0.2

Variance Explanations:

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses.

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2012 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Distribution Ops	0.9	5.6	11.2	11.2
Meter To Cash	0.0	0.3	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.1	0.2	0.4	0.4
Presidents	0.1	0.7	1.6	1.6
Other Dept	-	-	•	-
Management Fee	0.9	5.6	11.6	11.8
Benefits	0.2	1.1	2.2	1.9
Uncollectibles	(0.0)	0.2	0.5	0.5
Other Corporate *	0.3	1.5	2.9	3.0
Trackers	0.1	0.7	1.0	0.8
Total O&M	2.5	16.0	32.1	31.8
Total O&M w/o Trackers	2.5	15.3	31.1	31.0

12 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Distribution Ops	0.9	5.5	10.9	11.2
Meter To Cash	0.1	0,3	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.2	0.4	0.4
Presidents	0.1	0.8	1.6	1.6
Other Dept	-	-	-	→
Management Fee	1.0	6.0	11.9	12.2
Benefits	0.2	1.0	2.0	1.6
Uncollectibles	0.0	0.3	0.5	0.5
Other Corporate *	0.2	1,5	2.9	3.0
Trackers	0.0	0,5	0.8	0.7
Total O&M		24 (a 4 (4 (a 1)) 1 (a 1) 16.0° °	31.6	31.8
Total O&M w/o Trackers		e j e ±.9 € 6 15.5	30.9	31.1

Var	iance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Distribution Ops	(0.0)	0.1	0.3	0.0
	Meter To Cash	(0.0)	(0.0)	(0.0)	-
	Customer Call Center	(0.0)	(0.0)	(0.0)	-
	Integration Center	0.0	0.0	0.0	-
	Presidents	(0.0)	(0.2)	(0.0)	0.0
	Other Dept	•	•	-	-
B)	Management Fee	(0.1)	(0.3)	(0.4)	(0.4)
C)	Benefits	(0.0)	0 .1	0.2	0.3
	Uncollectibles	(0.0)	(0.0)	-	-
	Other Corporate *	0.0	0.0	0.0	(0.0)
D)	Trackers	0.0	0.3	0.2	0.0
	Total Change	(0.1)	0.0	0.4	(0.0)
	Total Change w/o Trackers	{0,2}	(0.2)	0.2	(0.0)

- A) 2012 Yr Var Primarily meter reading, maintenance of mains and fleet adj. partially offset by leak repairs.
 B) YTD Var Primarily Legal and NGD Operations. 2012 & 2013 Yr Var Primarily revised capitalization transfers.
 C) 2012 and 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- D) Offset in revenue.

^{*} See O&M Other Corp Tab

Columbia Gas of Kentucky O&M - Other Corporate View - Plan-vs.-Plan (\$ millions)

2012 685	Mo Actual	YTD Actual	2012 6&6	2013 686
Other Corporate				
Net Labor	0.0	0.2	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.2	0.1
Consuiting Fees	0.0	0.0	0.0	0.2
Legal Fees	-	•	•	
Outside Services	0.0	0.1	0.1	0.2
Buildings and Land	•	-	-	-
Rents/Leases	0.0	0.1	0.2	0.3
Corporate Insurance	0.1	0.4	0.8	0.9
Employee Expenses	•	-	-	
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.1	0.1	0.0
Misc Revenues	•	-	_	-
Misc & Other Expenses	0.0	0.1	0.2	0.2
Amortizations *	0.0	0.2	0.6	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(D.1)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royelty	-	-	-	-
Advertising	-	-	-	-
Auto/Truck Cleared	•	-	-	
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Stores Clearing	•		•	-
Below the line O&M			w	-
Total Other Corporate	0.3	1,5	2.9	3.0

012 0812	Ma Budget	YTD Budget	2012 06.12	2013 08.12
Other Corporate				
Net Labor	0.0	0.2	0.4	0.
Materials/Supplies	0.0	0.0	0.0	0.
Audit Fees	0.0	0.1	0.1	0.
Consulting Fees	0.0	0.0	0.0	0.
Legal Fees	-	•	-	-
Outside Services	0.0	0.1	0.2	0.
Buildings and Land	-	-	•	-
Rents/Leases	0.0	0.1	0.3	ð.
Corporate Insurance	0.1	0.4	0.9	0.
Employee Expenses	-	•	•	-
Company Memberships	-	0.0	0.1	0.
Litilities	0.0	0.0	0.0	0.
Misc Revenues	_	-	-	-
Misc & Other Expenses	0.0	0.1	0.2	0.
Amortizations *	0.0	0.2	0.5	0.
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.
I&D Accrual	0.0	6.1	0.1	D.
Well/Lease Rent/Royalty	-	-	_	
Advertising	-	-	•	_
Auto/Truck Cleared	-	-	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	Đ.
Stores Clearing		-	-	-
Below the line O&M		-		
Total Other Corporate	0.2	1.5	2.9	3.

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other		•		
Net Labor	(0.0)	(0.0)	(0.0)	(0,0)
Materials/Supplies	0.0	0.0	0.0	•
Audit Fees	0,0	0.0	0.0	-
Consulting Fees	0.0	0.0	0.0	-
Legal Fess	•	-	-	-
Outside Services	(0.0)	(0.0)	(0.0)	0.0
Buildings and Land	•	•		-
Rents/Leases	(0.0)	(0.0)	(0.1)	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	-
Employee Expenses	-	-	-	
Company Memberships	0.0	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.0
Misc Revenues	-	•	•	-
Misc & Other Expenses	0.0	0.0	0.0	(0,0)
Amortizations *	•	-	-	
Deferred Credits	0.0	(0.0)	(0,0)	(0.0)
I&D Accrual	(0.0)	(0.0)	•	•
Well/Lease Rent/Royalty	-	•	•	-
Advertising		-	4	-
Auto/Truck Cleared		-	-	•
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Stores Clearing		•		•
Below the line C&M			•	•
Total Other Corporate	0.0	9.0	0.0	(0.0)

Columbia Gas of Kentucky Depredation & Other Taxes - Plan-vs.-Plan (\$ millions)

2012 6&6		Mo Actual	YTD Actual	2012 6&6 201	3 6&6
Depreciation		0.6	3.3	6.6	7.0
Other Taxes					
Gross Receipts			-	-	-
Property Tax		0.2	1.2	2.5	2.7
Payroll		0.1	0.3	0.5	0.5
Distribution		_	-	-	-
Other		_	0.0	0.0	-
Total Other Taxes		0.3	1.5	3.0	3.1
Total Other Taxes w/o Trackers	. 1011 ei	0.2 : v:	va «Starrostricia»	3.0	3.2

12 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Depreciation	0.5	3.2	6.6	6.9
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	1.2	2.4	2.6
Payroll	0.0	0.2	0.5	0.5
Distribution	-	_	_	-
Other	-	-	-	-
Total Other Taxes	0.2	1,4	2.9	3,1
Total Other Taxes w/o Trackers	0.2	1.5	2.9	3.1

ariance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.0	0.0	0.1
Other Taxes				
Gross Receipts	-	•	-	-
Property Tax	0.0	0.0	0.1	0.1
Payroll	0.0	0.0	0.0	-
Distribution	-	•	4	•
Other	-	0.0	0.0	-
Total Other Taxes Change	0.0	0.1	0.1	0.1
Total Change w/o Trackers	(0.0)	0.1	0.1	0.1

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2012 686	Mo Actual	YTO Actual	2012 6&6	2013 6&6
Miscellaneous	*	•	•	•
AFUDC	0.0	0.1	0.1	0.2
Hedging Interest Income	0.0	0.0	0.1	0.1
Under-Collection Interest Income	-		•	•
Sale Receivables	-	•	•	-
Customer Tax Contribution	-	•	-	
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.3	0.7	0.5
Total Other Income	0.1	0.4	0.7	0.6
Long-Term Interest Expense	0.4	2.3	4.7	5.3
Short-Term Interest Expense	-	-	-	0.1
Customer Deposits Interest Expense	0.0	0.1	0.2	0.2
Rate Refund Interest Expense	-	•	-	_
Over-Collection Interest Expense	-	_	-	_
Other Interest Expense	-	•	_	_
Carrying Cost Interest Expense	_	-	-	•
Hadging Interst Expense	-	-	-	-
PISCC	-	-	-	_
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.1)
Interest Expense	0.4	2.4	4.8	5,4
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	

0812	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Miscellaneous	-	-	•	
AFUDC	0.0	0.0	0.1	0.1
Hadging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income	-	-	•	-
Sale Receivables	-	-	-	-
Customer Tax Contribution	-	-	-	-
Charitable Contributions	(0.0)	(0.1)	(0.1)	{0.1
Temp Cash investment Interest income	0.1	0.4	0.6	0.5
Total Other Income	0.1	0.4	0.7	0.5
Long-Term Interest Expense	0.4	2.3	4.7	5.2
Short-Term Interest Expense	-	-	-	-
Customer Deposits Interest Expense	0.0	0.1	0.2	0.2
Rate Refund Interest Expense	-	-	•	•
Over-Collection Interest Expense	-	-	-	-
Other Interest Expense	-	•	-	_
Carrying Cost Interest Expense	-	-	-	-
Hedging Interst Expense	-	-	-	-
PISCC	-	-	-	_
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	0.4	2.4	4.8	5.3
NET INCOME FROM SUBSIDIARIES	-			···

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous		-	-	
AFUDC	0.0	0.0	0.0	0.0
Hedging Interest Income	(0.0)	(0.0)	(0.0)	0.1
Under-Collection interest income	-	-	•	-
Sale Receivables	-	•	-	-
Customer Tax Contribution	-	-	-	-
Charitable Contributions	0.0	0.0	(0.0)	-
A) Temp Cash investment interest income	(0.0)	(0.1)	0.1	(0.0)
Total Other Income	(0.0)	(0.0)	0.1	0.1
Long-Term Interest Expense	0.0	0.0	0.0	0.1
Short-Term Interest Expense	•	-	-	0.1
Customer Deposits Interest Expense	•	-	-	
Rate Refund Interest Expense	•	-	-	-
Over-Collection Interest Expense	•	-	•	-
Other Interest Expense		•	-	•
Carrying Cost Interest Expense	_	•	-	-
Hedging Interst Expense	•	•	-	-
PISCC	•	-	-	-
nterest Expense on Plant investment	0.0	(0.0)	(0.0)	(0.0)
Interest Expense	0.0	0.0	0.0	0.1
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	•

Variance Explanations:

A) Variance represents changes to the interest earned on operating cash sent to Corp. Money Pool.

	Mo	2012	2013
Assets			
Net Property Plant and Equipment	209.6	212.6	22
Total Investments	0.4	0.4	
totai investments	0.4	U. 4	
Cash and Cash Equivalents	1,5	-	
Restricted Cash	2.7	3.1	
Accounts Receivable	48.5	46.8	2
Gas Inventory	39.7	45.2	4
Unrecovered Purchase Costs	_	•	
Material & Supplies	0.1	-	
Price Risk Management Assets		_	
Exchange Gas Receivables & Reserve	0.1	0.1	
Current Regulatory Assets	2.8	2.7	
	1.2	3.0	
Prepayments and Other Assets Total Current Assets	96.5	100.7	8
Total Cultell Assets	90.5	100.1	•
NC Regulatory Assets	17.3	16.7	1
Intangible Assets	-	-	
Post Retirement Benefits NC Assets	-	-	
Other Receivables Affiliated	-	-	
Deferred Charges	2.1	2.2	
Total Other Assets	19.4	18.9	1
Total Assets	326.0	332.6	32
Total Assets	320.0	332.0	- 32
Capitalization & Liabilities			
Total Common Stock Equity	92,9	91.9	g
• •			
Long Term Debt, excluding amounts due within one year	67,3	58.3	8
Total Capitalization	160.3	150.3	18
Obligations Due in One Year	14.7	28.7	
Accounts Payable	6.9	10.7	1
Customer Deposits and AR Credit Balance	11.2	17.7	1
	11.4		
·	27	A 5.	
Taxes Accrued	3.7	4.5 n.1	
Taxes Accrued Interest Accrued	0.1	0.1	
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs	0.1 19.4	0.1 12.0	
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current)	0.1 19.4 1.0	0.1 12.0 1.0	
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable	0.1 19.4 1.0 14.2	0.1 12.0 1.0 11.4	
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities	0.1 19.4 1.0 14.2 4.1	0.1 12.0 1.0 11.4 4.0	
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur	0.1 19.4 1.0 14.2	0.1 12.0 1.0 11.4	
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental	0.1 19.4 1.0 14.2 4.1 0.1	0.1 12.0 1.0 11.4 4.0 0.1	
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	0.1 19.4 1.0 14.2 4.1 0.1	0.1 12.0 1.0 11.4 4.0	
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental	0.1 19.4 1.0 14.2 4.1 0.1	0.1 12.0 1.0 11.4 4.0 0.1	5
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities	0.1 19.4 1.0 14.2 4.1 0.1 - (1.6)	0.1 12.0 1.0 11.4 4.0 0.1 - (1.6) 88.8	E
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC	0.1 19.4 1.0 14.2 4.1 0.1 - (1.6) 73.8	0.1 12.0 1.0 11.4 4.0 0.1 - (1.6) 88.8	
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes	0.1 19.4 1.0 14.2 4.1 0.1 - (1.6) 73.8	0.1 12.0 1.0 11.4 4.0 0.1 - (1.6) 88.8	
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits	0.1 19.4 1.0 14.2 4.1 0.1 - (1.6) 73.8	0.1 12.0 1.0 11.4 4.0 0.1 - (1.6) 88.8 1.1 47.0	4
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities	0.1 19.4 1.0 14.2 4.1 0.1 - (1.6) 73.8 1.1 45.5 0.5 25.0	0.1 12.0 1.0 11.4 4.0 0.1 - (1.6) 88.8 1.1 47.0 0.4 25.1	4
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	0.1 19.4 1.0 14.2 4.1 0.1 - (1.6) 73.8 1.1 45.5 0.5 25.0 9.9	0.1 12.0 1.0 11.4 4.0 0.1 - (1.6) 88.8 1.1 47.0 0.4 25.1 9.9	4
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities	0.1 19.4 1.0 14.2 4.1 0.1 - (1.6) 73.8 1.1 45.5 0.5 25.0 9.9	0.1 12.0 1.0 11.4 4.0 0.1 - (1.6) 88.8 1.1 47.0 0.4 25.1 9.9	4 2
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	0.1 19.4 1.0 14.2 4.1 0.1 - (1.6) 73.8 1.1 45.5 0.5 25.0 9.9	0.1 12.0 1.0 11.4 4.0 0.1 - (1.6) 88.8 1.1 47.0 0.4 25.1 9.9	4

Assets Net Property Plant and Equipment Total Investments Cash and Cash Equivalents Restricted Cash Accounts Receivable	207.0 0.4	211,6 0,4	219.7
Net Property Plant and Equipment Total Investments Cash and Cash Equivalents Restricted Cash	. 9	and the second of the second o	219.
Total Investments Cash and Cash Equivalents Restricted Cash	. 9	and the second of the second o	77.7
Cash and Cash Equivalents Restricted Cash	***		0.
Restricted Cash			•
· · · · · · · · · · · · · · · · · · ·	-	-	-
Accounts Receivable	3.5	3.6	-
	43.5	39.2	31.
Gas Inventory	37.4	4 5.1	4 4 .0
Unrecovered Purchase Costs	-	-	0.
Material & Supplies	0.0	0.0	0.
Price Risk Management Assets	-	-	-
Exchange Gas Receivables & Reserve	0.1	0.1	0.1
Current Regulatory Assets	2.9	2.7	2.
Prepayments and Other Assets	1.7	2.9	3.
Total Current Assets	89.1	93.6	82.0
	•	•	-
NC Regulatory Assets	17.9	17.4	16.
Intangible Assets	-	-	-
Post Retirement Benefits NC Assets	•	•	-
Other Receivables Affiliated	-	-	-
Deferred Charges	1.7	1.7	1.
Total Other Assets	19.6	19,1	18.
W. J. Y. B			*
Total Assets	316.0	324.7	321.
Capitalization & Liabilities	05.7	04.4	0.5
Total Common Stock Equity	95.7	94.4	95.
Long Term Debt, excluding amounts due within one year	67.3	58.3	89.
Total Capitalization	163.1	152.7	185.
Obligations Due in One Year	14.7	28.7	
Accounts Payable	11.7	11.1	11.
Customer Deposits and AR Credit Balance	6.2	17.7	17.
Taxes Accrued	4.1	5.0	5,
Interest Accrued	0.0	0.0	0.
Overrecovered Gas and Fuel Costs		7.9	U.
	10.4	*	-
Price Risk Management Liabilities (Current)	0.6	0.6	0.
Exchange Gas Payable	9.9	4.7	4.
Current Regulatory Liabilities	3.6	3.6	3.
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	0.
Environmental	-	-	•
Other Accruais	(0.7)	(0.8)	(0.
Total Current Liabilities	60.8	78.6	42.
	•	-	
Price Risk Management Liabilities - NC	1.1	1.1	1.
Deferred Income Taxes	45.7	46.8	47,
Deferred Investment Tax Credits	0.5	0.4	0.
Noncurrent Regulatory Liabilities	25.1	25.2	25.
Accrued Liab for Post Retirement Benefits - NC	10.1	10.0	8.
Other New Comment Labridge	9.7	9.8	10.
Other Non-Current Liabilities			
Other NC Liab & Deferred Credits	92.1	93.4	93.

Var	iance	Mo Var	2012 Var	2013 Var
	Assets			
A)	Net Property Plant and Equipment		0.9	6.5
	Total Investments	0.0	0.0	0.0
B)	Cash and Cash Equivalents	1.5	-	_
C)	Restricted Cash	(0.9)	(0.5)	-
D)	Accounts Receivable	5.0	7.6	(6,0)
E)	Gas Inventory	2.3	0.1	2.5
F)	Unrecovered Purchase Costs		(0.0)	6.3
	Material & Supplies	0.1	(0.0)	(0.0)
	Price Risk Management Assets	- (0.0)	(D. 6)	(0.0)
	Exchange Gas Receivables & Reserve	(0.0)	(0.0)	(0.0)
	Current Regulatory Assets Prepayments and Other Assets	(0.1) (0.4)	(0.1) 0. 0	(0.1)
	Total Current Assets	7.5	7.1	0.1 2.7
	Total Outball About	. 7.5	1.1	2.1
	NC Regulatory Assets	(0.6)	(0.7)	(1.1)
	Intangible Assets	-	•	-
	Post Retirement Benefits NC Assets	-	-	-
	Other Receivables Affiliated		-	-
	Deferred Charges	0.4	0.5	0.4
	Total Other Assets	(0.2)	(0.2)	(0.7)
	Total Assets	9.9	7.9	8.6
				•
	Capitalization & Liabilities			
G)	Total Common Stock Equity	(2.8)	(2.4)	1.3
G)	Long Term Debt, excluding amounts due within one year	•		(2.3)
	Total Capitalization	(2.8)	(2.4)	(0.9)
G)	Current Portion of Long Term Debt		_	9,5
D)	Accounts Payable	(4.8)	(0.4)	1.0
D)	Customer Deposits and AR Credit Balance	5.0	-	_
Η̈́	Taxes Accrued	(0.4)	(0.4)	0.2
	Interest Accrued	0.0	0.0	0.0
F)	Overrecovered Gas and Fuel Costs	8.9	4.1	-
I)	Price Risk Management Liabilities (Current)	0.4	0.4	0.4
J)	Exchange Gas Payable	4.3	6.8	(3.1)
	Current Regulatory Liabilities	0.4	0.4	0.1
	Accrued Liability for Post Retirement Benefits - Cur	-	-	-
	Environmental	-	-	-
	Other Accruals	(0.9)	(0.7)	1.2
	Total Current Liabilities	13.0	10.2	9.2
	Price Risk Management Liabilities - NC	0.1	0.1	0.1
	Deferred Income Taxes	(0.2)	0.2	(0.0)
	Deferred Investment Tax Credits	`0.0	(0.0)	(0.0)
	Noncurrent Regulatory Liabilities	(0.1)	(0.1)	(0.1)
	Accrued Liab for Post Retirement Benefits - NC	(0.1)	(0.1)	0.5
	Other Non-Current Liabilities	0.1	0.1	(0.1)
	Other NC Liab & Deferred Credits	(0.2)	0.1	0.3
	Total Capitalization & Liabilities	9,9	7.9	8.6

- A) Variance due to timing issues around 2012 In-Service (\$2.1M) and Depreciation (\$600K).
- B) Increase in Money Pool funding.
- C) Monthly variance due to changes to the required reserves related to the Hedging Program, while YTD variance is due to MF Global bankruptcy (\$483K).
- D) June A/R variance due to decreases to Tariff receivables (\$2.2M), Choice Receivables (\$3.2M), and Off-Systems Sales of (\$1.4M), partially offset by increased Money Pool deposits of \$13.8M. The \$8.3M Customer Deposits variance is due to an \$8.3M increase to A/P Factoring related to budget payment plans resulting from warmer than expected weather. The 2012 A/R variance is due to decreased Tariff receivables (\$1.8M), Unbilled receivables (\$2.1M), and Off-Systems Sales (\$1.4M), outset by \$14.7M in Money Pool funding. A/P Variance due to decreased payables related to declining Gas Costs (\$4.9M).
- E) June variance due to Rate Differential and Usage variances of \$1.7M and \$639K respectively. 2012 annual variance due to Rate Differential and Usage variances of \$898K and (\$802)K respectively. 2013 annual variance is due to Rate Differential and Usage variances of \$1.05M and \$1.4M respectively.
- F) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a tiability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to seasonality.
- 1) Variance due to changes in the Hedging obligations.
- J) Variances are due to an increase in the number of outstanding exchange obligations vs. the 0&12.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
New Business	0.3	1.6	2.7	2.4
Betterment	0.0	0.3	0.3	0.2
Replacement	1.5	7.2	12.0	16.7
Support Services	0.2	0.7	1,3	1.6
Gross Capital	2.0	9.8	16.3	20.8
Contributions & Relmbursements	-	(0.2)	(0.7)	(0.7)
Total NGD	2.0	9.6	15.6	20.2
Infrastructure/AMR:	1.4	*** *********************************	9.6	13.2

2012 0&12	Mo Budget	YTD	2012 0&12	2013 08.12
New Business	0.1	0.7	1,7	1.7
Betterment	0.1	0.8	1.0	0.2
Replacement	1.1	5.4	11.4	11.7
Support Services	0.1	0.3	1.2	1.6
Gross Capital	1.3	7.2	15.3	15.1
Contributions & Reimbursements	(0.0)	(0.4)	(0.7)	(0.7)
Total NGD	1.3	6.9	14.7	14.5
Infrastructure/AMR		Tera de tiese tour de l'ode (4.8 00 / 1995)	<u>a</u>	8.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	0.2	0.9	1.0	0.7
Betterment	(0.1)	(0.5)	(0.7)	0.1
Replacement	0.4	1.8	0.6	5.0
Support Services	0.1	0.4	0,1	0.0
Gross Capital	0.7	2.6	1.0	5,8
Contributions & Reimbursements	0.0	0.2	(0.0)	(0.0)
Total NGD	0.7	2.8	1.0	5.7
Infrastructure/AMR	0.4 / / /	1.4	0.5	5.0

Variance Explanations:

Primarily mild weather and contractor availability.

Plan variances due to additional allocation to NGD: CKY portion.

Columbia Gas of Kentucky Plan vs. Plan - July 2012 (\$ millions)

2012 7&5	2012	2013
Net Revenues	58.5	60.4
O&M Expense	31.2	31.8
Depreciation	6.7	7.0
Other Taxes	2.7	3.2
Operating Earnings	17.8	18.4
Other Income	0.7	0.4
Interest Expense	4.8	5.1
Net Operating Income	13.7	13.7
Income Tax	6.0	5.3
Net Operating Income	7.7	8.4

2012 0&12	2012	2013
Net Revenues	60.9	60.8
O&M Expense	30. 9	31.1
Depreciation	6.6	6.9
Other Taxes	3.1	3.3
Operating Earnings	20.2	19.6
Other Income	0.7	0.5
Interest Expense	4.8	5.3
Net Operating Income	16.1	14.8
Income Tax	6.3	6.0
Net Operating Income	9.8	8.7

Variance	2012	2013
Net Revenues	(2.4)	(0.4)
O&M Expense	0.4	0.7
Depreciation	0.1	0.1
Other Taxes	(0.4)	(0.1)
Operating Earnings	(2.4)	(1.1)
Other Income	0.0	(0.1)
Interest Expense	0.0	(0.2)
Net Operating Income	(2.4)	(1.0)
Income Tax	(0.3)	(0.7)
Net Operating Income	(2.1)	(0.3)

^{*} net of trackers

Columbia Gas of Kentucky

Revenue - Plan-vs.-Plan (\$ millions)

2012 7&5	2012	2013
Base Margin (less LCR)	49.2	50.2
LCR	4.9	5.1
LCR (Prior Dec. True-Up)	(0.1)	-
Supply Optimization	2.4	2.8
Regulatory Outcome	-	0.6
Other OGDR	1.3	1.0
CKY Purchase Receivable	0.4	0.4
Uncollectibles - Non Tracked	0.3	0.4
Uncollectibles - Tracked	0.2	0.2
Trackers	8.0	0.5
Total Revenue	59.5	61.1
Total Revenue w/o Trackers	58.5	60.4

2012 0&12	2012	2013
Base Margin (less LCR)	51.4	50.4
LCR	5.1	4.9
LCR (Prior Dec. True-Up)	-	-
ESS	2.4	2.8
Regulatory Outcome	-	0.6
Other OGDR	1.2	1.2
CKY Purchase Receivable	0.5	0.5
Uncollectibles - Non Tracked	0.3	0.4
Uncollectibles - Tracked	0.2	0.2
Trackers	0.5	0.5
Total Revenue	61.6	61.6
Total Revenue w/o Trackers	60.9	60.8

Var	iance	2012	2013
A)	Base Margin (less LCR)	(2.2)	(0.2)
	LCR	(0.1)	0.2
	LCR (Prior Dec. True-Up)	(0.1)	-
	ESS	(0.0)	(0.0)
	Regulatory Outcome		0.0
	Other OGDR	0.1	(0.2)
	CKY Purchase Receivable	(0.1)	(0.1)
	Uncollectibles - Non Tracked	(0.0)	(0.1)
	Uncollectibles - Tracked	(0.0)	-
	Trackers	0.3	(0.0)
	Total Variance	(2.1)	(0.5)
	Total Variance w/o Trackers	(2.4)	(0.4)

A) 2013 variance due to downward revisions to volumetric forecasts (\$1.5M), partially offset by increased customer charge (+\$600K).

Columbia Gas of Kentucky

O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 7&5	2012	2013
Labor	7.0	7,3
Benefits	2.1	1.9
Materials & Supplies	1.5	1.5
Outside Services	4.3	4.3
Management Fee	12.1	12.4
Uncollectibles	0.2	0.5
Other *	4.1	3.8
Trackers	8.0	0.7
Total O&M	32.1	32.5
Total O&M w/o Trackers	31.2	31.8

2012 0&12	2012	2013
Labor	6.6	6.9
Benefits	2.0	1.6
Materials & Supplies	1.5	1.5
Outside Services	4.3	4.5
Management Fee	11.9	12.2
Uncollectibles	0.5	0.5
Other *	3.9	3.9
Trackers	0.8	0.7
Total O&M	31.6	31.8
Total O&M w/o Trackers		31.1

Vai	riance	2012	2013
A)	Labor	0.4	0.5
B)	Benefits	0.1	0.3
	Materials & Supplies	(0.0)	(0.0)
	Outside Services	0.0	(0.2)
C)	Management Fee	0.1	0.2
D)	Uncollectibles	(0.3)	(0.1)
	Other *	0.1	(0.0)
E)	Trackers	0.1	0.0
	Total Change	0,4	0.7
	Total Change w/o Trackers	0,4	0.7

- A) Primarily increase due to vacancy fills (LOGI & EGCO).
- B) 2013-2017 Primarily revised assumptions for pension, OPEB, active medical and capital transfer percentages.
- C) 2012-2017 Primarily revised assumptions for Administrative Services (IT) and NGD EH&S Distribution partially offset by capital transfers.
- D) Reflects revised expenditure forecast.
- E) Offset in revenues.

Columbia Gas of Kentucky
O&M - Other Cost Element View - Plan-vs.-Plan
(\$ millions)

2012 7&5	2012	2013
Other		
Bulldings and Land	0.1	0.1
Rents/Leases	0.2	0.2
Corporate Insurance	8.0	0.8
Employee Expenses	0.3	0.4
Company Memberships	0.1	0.1
Utilities	0.4	0.4
Misc Revenues	(0.2)	(0.2)
Misc & Other Expenses	0.2	0.1
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.2)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	•	•
Advertising	0.1	0.1
Auto/Trucks Cleared	1.3	1.3
O&M Reclass - Regulatory to GAAP	0.2	0.2
Below the Line O&M		
	4.1	3.8

2012 0&12	2012	2013
Other	<u> </u>	
Buildings and Land	0.1	0.1
Rents/Leases	0.3	0.3
Corporate Insurance	0.9	0.9
Employee Expenses	0.3	0.4
Company Memberships	0.1	0.1
Utilities	0.3	0.3
Misc Revenues	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.2)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	•	-
Advertising	0.1	0.1
Auto/Trucks Cleared	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.2	0.2
Below the Line O&M		
	3.9	3.9

Variance	2012	2013
Other	_	
Buildings and Land	(0.0)	(0.0)
Rents/Leases	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.0)
Employee Expenses	0.0	0.0
Company Memberships	0.0	0.0
Utilities	0.1	0.1
Misc Revenues	(0.1)	(0.1)
Misc & Other Expenses	0.2	0.1
Amortizations *	-	-
Deferred Credits	0.0	(0.0)
I&D Accrual	0.0	-
Well/Lease Rent/Royalty	•	-
Advertising	(0.0)	-
Auto/Trucks Cleared	(0.1)	(0.1)
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)
Below the Line O&M	<u> </u>	<u>-</u>
	0.1	(0.0)

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2012 7&5	2012	2013
Distribution Ops	11.1	11.2
Meter To Cash	0.6	0.6
Customer Call Center	0.0	0.0
Integration Center	0.6	0.7
Presidents	1.6	1.6
Other Departments	-	-
Management Fee	12.1	12.4
Benefits	2.1	1.9
Uncollectibles	0.2	0.5
Other Corporate*	3.0	2.9
Trackers	8.0	0.7
Total O&M	32.1	32.5
Total O&M w/o Trackers	31,2	31.8

2012 0&12		2012	2013
Distribution Ops		10.9	11.2
Meter To Cash		0.6	0.6
Customer Call Center		0.0	0.0
Integration Center		0.4	0.4
Presidents		1.6	1.6
Other Departments		-	_
Management Fee		11.9	12.2
Benefits		2.0	1.6
Uncollectibles		0.5	0.5
Other Corporate*		2.9	3.0
Trackers		8.0	0.7
Total O&M	5 4. 4	31.6	31.8
Total O&M w/o Trackers		30.9	31.1

Var	lance	2012	2013
A)	Distribution Ops	0.2	(0.0)
	Meter To Cash	(0.0)	•
	Customer Call Center	(0.0)	-
B)	Integration Center	0.2	0.3
	Presidents	(0,0)	0.0
	Other Departments	•	=
C)	Management Fee	0.1	0.2
D)	Benefits	0.1	0.3
E)	Uncollectibles	(0.3)	(0.1)
	Other Corporate*	0.1	(0.1)
F)	Trackers	0.1	0.0
	Total Change	0.4	0.7
	Total Change wlo Trackers	0.4	0.7

- A) 2012 Primarily fleet adj., right of way (ROW) clearing and tools and uniforms. 2014-2017 - Primarily fleet adj. and decreased AMR Savings.
- B) 2012-2017 Primarily vacancy fills.
- C) 2012-2017 Primarily revised assumptions for Administrative Services (IT) and NGD EH&S Distribution partially offset by capital transfers.
- D) 2013-2017 Primarily revised assumptions for pension, OPEB, active medical and capital transfer percentages.
- E) Reflects revised expenditure forecast.
- F) Offset in revenues.

Columbia Ges of Kentucky O&M - Other Corporate View - Plan-vs.-Plan (\$ millions)

2012 785	2012	2013
Officer Corporate		
Net Labor (CIP)	0.4	0.4
Materials/Supplies	0.0	0.0
Audit Fees	0.2	0.1
Consulting Fees	G.1	0.1
Legal Fees	•	-
Outside Services	0.2	0.2
Buildings and Land	-	-
Rents/Laases	0.2	0.2
Corporate Insurance	0.8	0.8
Employee Expenses	-	-
Company Memberships	G.1	0.1
Ullities	0.1	0.1
Mec Revenues	•	-
Miso & Other Expenses	0.2	0.2
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.1)
I&D Accrual	G.1	0.1
Well/Lesse Rent/Royalty	•	
Advertising	-	-
Auto/Truck Cleared	_	
O&M Recises - Regulatory to GAAP	0.2	0.2
Stores Clearing	•	0.2
Below the line O&M		
Total Other Corporate	3.0	2.9

2012 08:12	2012	2013
Other Corporate		
Net Labor (CIP)	0.4	0.4
Materials/Supplies	0.0	0.0
Audit Fees	0.1	0.1
Consulting Fees	0.0	0.2
Legal Fees	•	•
Outside Services	0.2	0.2
Buildings and Land	•	-
Rents/Leases	0.3	0.3
Corporate Insurance	0.9	0.9
Employee Expenses	-	-
Company Memberships	0.1	0.1
Utilities	0.0	0.0
Misc Revenues	_	-
Misc & Other Expenses	0.2	0.2
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.1)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty		•
Advertising	-	-
Auto/Truck Cleared	-	-
O&M Reclass - Regulatory to GAAP	0.2	0.2
Stores Clearing	•	-
Below the line O&M	•	-
Total Other Corporate	2.9	3.0

Varlance	2012	2013
Other		
Net Labor (CIP)	(0.0)	(0.0)
Meteriale/Supplies	0.0	- :
Audit Fees	0.0	0.0
Consulting Fees	0.1	(0.1)
Legal Fees	-	-
Outside Services	0.0	(0.0)
Buildings and Land	_	
Rents/Leases	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.0)
Employee Expenses		
Company Memberships	0.0	0.0
Utilities	0.1	0.1
Misc Revenues	-	-
Misc & Other Expenses	0.0	(0.0)
Amortizations *	-	- '
Deferred Credits	(0.0)	(0.0)
I&D Accrual	0.0	
Wel/Lease Rent/Royalty	-	-
Advertising	•	-
Auto/Truck Cleared	-	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)
Stores Clearing	•	-
Below the line O&M		-
Total Other Corporate	0.1	(0.1)

Columbia Gas of Kentucky
Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2012 7&5	2012	2013
Depreciation	6.7	7.0
Other Taxes		
Gross Receipts	-	-
Property Tax	2.5	2.7
Payroll	0.5	0.5
Distribution	-	-
Other	0.0	-
Total Other Taxes	3.0	3.1
Total Other Taxes w/o Trackers	2.7	3.2

012 0&12	2012	2013
Depreciation	6.6	6.9
Other Taxes		
Gross Receipts	_	_
Property Tax	2.4	2.6
Payroll	0.5	0.5
Distribution	-	-
Other	-	-
Total Other Taxes	2.9	3.1
a contribute programment that there is now a contribute or the contribute of the con		
Total Other Taxes w/o Trackers	3.1	3.3

Var	iance	2012	2013
A)	Depreciation Change	0.1	0.1
	Other Taxes		
	Gross Receipts	-	-
	Property Tax	0.0	0.1
	Payroll	0.0	_
	Distribution	-	-
	Other	0.0	-
	Total Other Taxes Change	0.1	0.1
	Total Change w/o Trackers	(0.4)	(0.1)

A) Variance due to increased Capital spend

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2012 785	2012	2013
Miscellaneous	•	-
AFUDG	0.1	0.2
Hedging Interest Income	0.0	0.0
UnderGallection Income	-	-
Sales Receivable	-	-
Customer Tax Contribution	-	_
Charitable Contributions	(0.1)	(0.1)
Temp Cash inv int inc	0.6	0.3
Total Other Income	0.7	0.4
Long-Term Interest Expense	4.7	5.0
Short-Term Interest Expense	-	0.0
Customer Deposits	0.1	0.1
Rate Refund Expense	-	
OverCollection Interest Expense	•	-
Other Interest Expense	-	-
Carrying Cost Interest Expense	-	_
Hedging Interest Expense	-	-
AFUDC	(0.1)	(0.1)
Interest Expense	4.8	5.1

2012 08.12	2012	2013
Miscellaneous	-	
AFUDC	0.1	0.1
Hedging Interest Income	0.1	0.0
UnderCollection Income	-	-
Sales Receivable	•	_
Customer Tax Contribution	-	-
Charitable Contributions	(0.1)	(0.1)
Temp Cash Inv Int Inc	0.6	0.5
Total Other Income	0.7	0.5
Long-Term Interest Expense	4.7	5,2
Short-Term Interest Expense	_	_
Customer Deposits	0.2	0.2
Rate Refund Expense	_	-
OverCollection Interest Expense	-	_
Other Interest Expense	_	_
Carrying Cost Interest Expense	-	_
Hedging Interest Expense	_	_
AFUDC	(0.0)	(0.0)
Interest Expense	4.8	5.3

Vai	fance	2012	2013
	Miscellaneous	-	-
	AFUDC	0.0	0.1
	Hedging Interest Income	(0.0)	0.0
	UnderCollection Income	-	-
	Sales Receivable	_	-
	Customer Tax Contribution	-	-
	Charitable Contributions	(0.0)	_
A)	Temp Cash Inv int Inc	0.0	(0.2)
	Total Other Income	0.0	(0.1)
B)	Long-Term Interest Expense	0.0	(0.2)
A)	Short-Term Interest Expense		0.0
	Customer Deposits	(0.0)	(0.0)
	Rate Refund Expense	`- '	` '
	OverCollection Interest Expense	-	_
	Other Interest Expense	_	_
	Carrying Cost Interest Expense	-	-
	Hedging Interest Expense	-	-
	AFUDC	(0.0)	(0.0)
	Interest Expense	0.0	(0.2)

- A) Variance due to fluctuations in normal operating activity
 Variance due to changes in Capital structure to maintain appropriate debt / equity percentages.

. 7&5	2012	2013
Assets		
Net Property Plant and Equipment	212.7	227.
Total Investments	0.4	0.4
Cash and Cash Equivalents	-	_
Restricted Cash	3.2	-
Accounts Receivable	48.6	26.
Gas Inventory	45.1	45.
Unrecovered Purchase Costs	-	8.
Material & Supplies	_	-
Price Risk Management Assets	_	_
Exchange Gas Receivables & Reserve	0.1	0.
Current Regulatory Assets	2.5	2.
Prepayments and Other Assets	3.0	3.
Total Current Assets	102.4	86.
Total Current Assets	102.4	60,
NC Regulatory Assets	16.5	15.
Intangible Assets	-	
Post Retirement Benefits NC Assets	~	_
Other Receivables Affiliated	_	
Deferred Charges	3.3	3,
Total Other Assets	19,9	18.
Total Assets	335.4	333.
		<u> </u>
Capitalization & Liabilities	04.0	00
Total Common Stock Equity	91.9	98.
Long Term Debt , excluding amounts due within one year	58.3	87.
Total Capitalization	150.2	185.
Current Portion of Long Term Debt	28.7	5.
Accounts Payable	10.6	11.
Customer Deposits and AR Credit Balance	17.7	17.
Taxes Accrued	4.6	5.
Interest Accrued	0.1	Ŏ.
Overrecovered Gas and Fuel Costs	9.7	-
Price Risk Management Liabilities (Current)	8.0	0.
Exchange Gas Payable	13.2	2
Current Regulatory Liabilities	4.1	3.
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.
Environmental	0.1	0,
	(1,4)	- 1
Other Accruals		1.
Total Current Liabilities	88.2	49.
Price Risk Management Liabilities - NC	1.0	1.
Deferred Income Taxes	49.8	51,
Deferred Investment Tax Credits	0.4	0.
Noncurrent Regulatory Liabilities	25.1	25.
Accrued Liab for Post Retirement Benefits - NC	9.6	9.
Other Non-Current Liabilities	11.0	11.
Other NOTICE OF THE CONTRACTOR		98.
Other NC Liab & Deferred Gradits	96.9	

0&12	2012	2013
Assets		
Net Property Plant and Equipment	211.6	219.7
Total Investments	0.4	0.4
Cash and Cash Equivalents	•	-
Restricted Cash	3.6	-
Accounts Receivable	39.2	31.4
Gas inventory	45.1	44.6
Unrecovered Purchase Costs	-	0.5
Material & Supplies	0.0	0.0
Price Risk Management Assets	_	-
Exchange Gas Receivables & Reserve	0.1	0.1
Current Regulatory Assets	2.7	2,7
Prepayments and Other Assets	2.9	3.1
Total Current Assets	93.6	82,6
NC Regulatory Assets	17.4	16.8
Intangible Assets	=	-
Post Retirement Benefits NC Assets	-	-
Other Receivables Affiliated	-	-
Deferred Charges	1.7	1.7
Total Other Assets	19.1	18.4
Total Assets	324.7	321.1
Capitalization & Liabilities Total Common Stock Equity	94.4	95.9
Long Term Debt , excluding amounts due within one year	58.3	89.3
Total Capitalization	152.7	185.3
Total Sapranzanou	104,3	(00.4
Current Portion of Long Term Debt	28.7	-
Accounts Payable	11.1	11.4
Customer Deposits and AR Credit Balance	17.7	17.7
Taxes Accrued	5.0	5.3
Interest Accrued	0.0	0.0
Overrecovered Gas and Fuel Costs	7.9	-
Price Risk Management Liabilities (Current)	0.6	0.6
Exchange Gas Payable	4.7	4.7
Current Regulatory Liabilities	3.6	3.5
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1
Environmental	-	-
Other Accruals	(8.0)	(0.7
Total Current Liabilities	78.6	42.6
		•
Price Risk Management Liabilities - NC	1.1	1.1
Deferred Income Taxes	46.8	47.7
Deferred Investment Tax Credits	0.4	0.4
Noncurrent Regulatory Liabilities	25.2	25.5
Accrued Liab for Post Retirement Benefits - NC	10.0	8.8
	9.8	10.0
Other Non-Current Liabilities		
	93.4	93.2

Var	iance	2012	2013
	Acente		
	Assets Net Property Plant and Equipment	1.0	7.8
	Total Investments	0.0	0.0
	Cash and Cash Equivalents	4	-
	Restricted Cash	(0.4)	-
	Accounts Receivable	9.4	(5.3)
B)	Gas Inventory	0.0	1.1
C)		-	8.4
	Material & Supplies	(0.0)	(0.0)
	Price Risk Management Assets	-	-
	Exchange Gas Receivables & Reserve	(0.0)	(0.0)
	Current Regulatory Assets	(0.2)	(0.2)
	Prepayments and Other Assets	0.0	0.1
	Total Current Assets	8.8	4.0
D)	NC Regulatory Assets	(0.9)	(1.5)
•	Intangible Assets	-	-
	Post Retirement Benefits NC Assets	-	_
	Other Receivables Affiliated	_	
	Deferred Charges	1.7	1.7
	Total Other Assets	0.8	0.2
	Total Assets	10.6	12.0
44	Capitalization & Liabilities		
E)	Total Common Stock Equity	(2.5)	2.3
E)			(2.3)
	Total Capitalization	(2.5)	0.0
E)	Current Portion of Long Term Debt	_	5.3
	Accounts Payable	(0.5)	0.1
·	Customer Deposits and AR Credit Balance	`0.0	0.0
	Taxes Accrued	(0.4)	0.2
	Interest Accrued	0.0	0.0
C)	Overrecovered Gas and Fuel Costs	1.8	_
Ψ,	Price Risk Management Liabilities (Current)	0.2	0.2
F)		8.6	(2.3)
٠,	Current Regulatory Liabilities	0.5	0.3
	Accrued Liability for Post Retirement Benefits - Cur	-	-
	Environmental	-	-
G)	Other Accruals	(0.6)	2.6
	Total Current Liabilities	9.6	6,3
	Price Risk Management Liabilities - NC	(0.1)	(0.1)
G)		3.0	3.7
٠,	Deferred Investment Tax Credits	(0.0)	(0.0)
	Noncurrent Regulatory Liabilities	(0.0)	(0.0)
	Accrued Liab for Post Retirement Benefits - NC	(0.4)	1.2
H)	Other Non-Current Liabilities	1.2	1.0
• 11	Other NC Liab & Deferred Credits	3.5	5.6
	Total Capitalization & Liabilities	10.6	12,0

Variance Explanations:

A) 2012 variance is due to a (\$7.1M) reduction to the A/R balance stemming from fluctuations in Gas Costs and Usage (primarily to Tariff Sales and Off-System sales), offset by \$15.7M of favorable Money Pool deposits. The variance in the out years represents decreases in A/R balances and Money Pool fundings.

B)	Year	Volume Variance (\$\$\$)	Rate Variance (\$\$\$)	Total Variance (\$\$\$)
	2012	(0.5)	0.5	0.0
	2013	0.4	0.7	1.1
	2014	1.5	0.5	1.9
	2015	1.6	0.3	1.9
	2016	1.5	0.3	1.9
	2017	1.4	0.4	1.8

- C) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- D) Variances are due to changes to pension funding obligations.
- E) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- F) Variance due to changes in the number of exchange obligations vs. the 0&12.
- G) Variances primarily driven by Federal and State tax liabilities.
- H) Variance due to increases to Customer advances; specifically ColorPoint Greenhouse in Paris, KY.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 7&5 R	2012	2013
New Business	2.7	4.0
Betterment	0.3	0.1
Replacement	12.0	15.8
Support Services	1.4	2.0
Gross Capital	16.4	21.9
Contributions & Reimbursements	(0.7)	(0.6)
Total CKY *	15.8	21.3
Infrastructure/AMR	<u> </u>	12.2

2012 0&12	2012	2013
New Business	1.7	1.7
Betterment	1.0	0.2
Replacement	11.4	11.7
Support Services	_ 1.2	1.6
Gross Capital	15.3	15.1
Contributions & Reimbursements	(0.7)	(0.7)
Total CKY		14,5
Infrastructure/AMR	9,1	8.2

Variance	2012	2013
New Business	1.0	2.3
Betterment	(0.7)	(0.1)
Replacement	0.6	4.1
Support Services	0.2	0.5
Gross Capital	1.1	6.8
Contributions & Reimbursements	-	0.1
Total CKY	1.1	6.9
Infrastructure/AMR		4.0

Plan variances due to additional capital allocations to NGD and updated forecasts.

Columbia Gas of Kentucky Plan vs. Plan - August 2012 (\$ millions)

2012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Net Revenues	3.2	37.5	58.3	60.4
O&M Expense	2.7	20.5	31.3	31.8
Depreciation	0.6	4.4	6.7	7.0
Other Taxes	0.2	1.8	2.7	3,2
*Operating Earnings	(0.3)	10.8	17.6	18.5
Other Income	0.0	0.5	0.6	0.4
Interest Expense	0.4	3.2	4.8	5.1
*Operating Earnings before Taxes	(0.6)	8.1		13.7
Income Tax	(0.2)	3.5	5.4	5.9
Net Operating Earnings	(0.5)	4.6	8.2	7.8

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Net Revenues	3.0	40.2	60.9	60.8
O&M Expense	2.5	20.6	30.9	31.1
Depreciation	0.6	4.3	6 .6	6.9
Other Taxes	0.2	1.9	2.9	3.1
*Operating Earnings	(0.3)	13.3	20.5	19.8
Other Income	0.0	0.5	0.7	0.5
Interest Expense	0.4	3.2	4.8	5.3
*Operating Earnings before Taxes	(0.6)	10.7	16,4	15.0
Income Tax	0.4	5.0	6.3	6.0
Net Operating Earnings	(1.0)	5.7	10.0	9.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	0.2	(2.7)	(2.6)	(0.4)
O&M Expense	0.2	(0.1)	0.4	0.7
Depreciation	0.0	0.0	0.1	0.1
Other Taxes	0.0	(0.1)	(0.2)	0.1
*Operating Earnings	0.D	(2.5)	(2.8)	(1.4)
Other Income	(0.0)	(0.1)	(0.0)	(0.1)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.2)
*Operating Earnings before Taxes	<u> </u>	(2.6)	(2.9)	(1.3)
Income Tax				
Net Operating Earnings		(2.6)	(2.9)	(1.3)

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

2012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Base Margin (less LCR)	2.7	32.0	49.0	50.1
LCR	0.3	3.1	4.9	5.2
LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
ESS	0.2	0.9	2.4	2.8
Regulatory Outcome	-	-	-	0.6
Other OGDR	0.0	1.0	1,3	1.0
CKY Purchase Receivable	0.0	0.3	0.5	0.5
Uncollectibles - NonTracked	(0.0)	0.2	0.3	0.3
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.0	0.7	0.8	0.5
Total Revenue	3.3	38.3	59.4	61.1
Total Revenue w/o Trackers	3.2	37.5	58.3	60.4

2 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Base Margin (less LCR)	2.5	33.9	51.4	50.4
LCR	0.3	3.2	5.1	4.9
LCR (Prior Dec. True-Up)	-	-	-	_
ESS	0.2	1.6	2.4	2.8
Regulatory Outcome	-	-		0.6
Other OGDR	0.1	8.0	1.2	1,2
CKY Purchase Receivable	(0.0)	0.4	0.5	0.5
Uncollectibles - NonTracked	(0.0)	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.0	0.3	0.5	0.5
Total Revenue	3.0	40.7	61.6	61.6
Total Revenue w/o Trackers	3.0	40.2	60.9	60.8

Vai	iance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Base Margin (less LCR)	0,2	(1.9)	(2.4)	(0.3)
	LCR	0.0	(0.1)	(0.1)	0.3
	LCR (Prior Dec. True-Up)	•	(0.1)	(0.1)	-
B)	ESS	(0.0)	(0.7)	0.0	(0.0)
	Regulatory Outcome	-		-	0.0
	Other OGDR	(0.0)	0.1	0.1	(0.2)
	CKY Purchase Receivable	0.0	(0.1)	(0.1)	(0.1)
	Uncollectibles - NonTracked	0.0	0.0	(0.0)	(0.1)
	Uncollectibles - Tracked	-	(0.0)	(0.0)	-
	Trackers	0.0	0.4	0.3	(0.0)
	Total Variance	0.2	(2.4)	(2.2)	(0.5)
	Total Variance w/o Trackers	0.2	(2.7)	(2.6)	(0.4)

- Annual variance due to customer and usage erosion.
 Variance represents fluctuations in Off-System sales assumptions steaming from price volatility.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Penalty Charges	0.0	0.3	0.4	0.4
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.5	0.6	0.4
Other Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.1	0.1	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue		0.0	0.0	
Total OGDR	0.0	1.0	1.3	1.0

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Penalty Charges	0.0	0.3	0.3	0.3
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.3	0.4	0.4
Other Revenue	0.0	0.1	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.1	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	-	_	0.0	0.0
Misc Merchant Revenue	-	-	-	
Total OGDR	0.1	0.8	1.2	1.2

Variance	Mo Var	/TD Var	Yr Var	Yr Var
Penalty Charges	0.0	0.0	0.0	0.0
Return Check	(0.0)	0.0	0.0	0.0
Other Fees	(0.0)	0.2	0.2	(0.0)
Other Revenue	(0.0)	(0.1)	(0.2)	(0.2)
Pub Util-Flex	0.0	0.0	0.0	
Company Use	(0.0)	(0.0)	(0.0)	0.0
Balancing Services	· ·	-	<u>-</u> ·	-
Other Misc Income	-	-	_	
Misc Merchant Revenue		0.0	0.0	•
Total OGDR	(0.0)	0,1	0.1	(0.2)

Columbia Gas of Kentucky 2012 Customer & Usage Information - 8&4 vs. 0&12

Customer & Usage Change (\$ million)

Customer Change	Month	YTD	
Residential	0.1	(0.2)	
Commercial	0.1	0.1	
Total	0.1	(0.0)	

Usage Change	Month	YTD	
Residential	0.1	0.2	
Commercial	0.6	1.4	
Industrial (Non-LCR)	(0.3)	(0.3)	
Total	0.3	1.3	

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	1.0	46.4
Comm	18.9	355.9
Ind	5,550.6	57,854.6

Budget	Month	YTD
Residential	1.0	46.3
Commercial	16.1	350.8
Industrial	5,917.1	57,160.2

Variance	Month	Mo. %	YTD	YTD %
Residential	0.0	2.9%	0.0	0.0%
Commercial	2.8	17.2%	5.1	1.5%
Industrial	(366.6)	-6.2%	694.4	1.2%

Customer Count

Actual	Month	YTD Avg	
Residential	117,884	119,803	
Commercial	13,729	13,939	
Industrial	178	177	
Total	131,791	133,919	

Budget	Month	YTD Avg
Residential	17,252	119,712
Commercial	13,547	13,881
Industrial	181	181
Total	30,980	133,774

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	100,632	583.3%	91	0.1%
Commercial	182	1.3%	58	0.4%
Industrial	(3)	-1.7%	(4)	-2.2%
Total	100,811	325.4%	145	0.1%

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Labor	0.6	4.8	7.1	7.3
Benefits	0.2	1.5	2.1	1.9
Materials & Supplies	0.1	1.0	1.5	1.5
Outside Services	0.3	2.8	4.3	4,8
Management Fee	1.0	7.5	12.1	12.4
Uncollectibles	0.1	0.2	0.2	0.5
Other *	0.4	2.6	4.0	3.3
Trackers	0.1	0.6	8.0	0.7
Total O&M	2.7	21,1	32.110	32.499
Total O&M w/o Trackers	2.7	20.5	31.3	31.8

2012 0&12	Mo Budget	YTD Budget	2012 0812	2013 0&12
Labor	0.5	4.5	6.6	6.9
Benefits	0.2	1.4	2.0	1.6
Materials & Supplies	0.1	1.0	1.5	1.5
Outside Services	0.3	2.9	4.3	5.0
Management Fee	1.0	7.9	11.9	12.2
Uncollectibles	0.0	0.3	0.5	0.5
Other *	0.3	2.7	3.9	3.4
Trackers	0.0	0.5	0.8	0.7
Total O&M	2.5	21.1	31.6	31.8
Total O&M w/o Trackers	2.5	20.6	30.9	31.1

	Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Labor	0.1	0.3	0.5	0.5
B)	Benefits	σ.0	0.2	0.1	0.3
•	Materials & Supplies	(0.0)	(0.0)	(0.0)	(0.0)
	Outside Services	(0.0)	(0.0)	(0.1)	(0.2)
C)	Management Fee	0.0	(0.3)	0.2	0.2
	Uncollectibles	0.0	(0.2)	(0.3)	(0.1)
	Other*	0.0	(0.1)	0.1	(0.1)
D)	Trackers	0.0	0.1	0.1	0.0
	Total Change	0.2	0.0	0.5	0.7
	Total Change w/o Trackers	je <mark>1. jet ng≥ 0.2</mark> 0 se devide	(0.1)		0.7

- A) YTD & 2012 Yr Var unfavorablwe shift in labor allocation (capitalization transfers), with slight offset for select vacancles.

 B) 2012 & 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.

 C) YTD Var Primarily Legal and NGD Operations. 2012 & 2013 Yr Var Primarily revised capitalization transfers.
- C) D)
- Offset in revenue.

Columbia Gas of Kentucky O&M - Other Cost Element Vlew - Plan-vs.-Plan (\$ millions)

12012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Other		•		
Buildings and Land	0.0	0.1	0.1	D.1
Rents/Leases	0.0	0.1	0.2	0.2
Corporate Insurance	0.1	0.5	0.8	0.8
Employee Expenses	0.0	0.2	0.3	0.4
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.3	0.4	0.4
Misc Revenues	(0.0)	(0.1)	(0.2)	(0.2)
Misc & Other Expenses	0.0	0.1	0.2	0.1
Amortizations *	0.0	0.3	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0,1)	(0.7)
I&D Accrual	(0.0)	0.0	0.1	0.1
Well/Lease Rent/Royalty	- '	-	-	-
Advertising	0.0	0.0	0.1	0.1
Auto/Trucks Cleared	0.1	0.9	1.3	1.3
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M	<u> </u>	.	•	
	0.4	2.6	4.0	3,3

012 0&12	Mo Budget	YTD Budget	2012 0812	2013 08.12
Other				
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.2	0.3	0.3
Corporate Insurance	0.1	0.6	0.9	0.9
Employee Expenses	0.0	0.2	0.3	0.4
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.2	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	(0.0
Amortizations *	0.0	0.3	`0.ຣ໌	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0.0	`0.1	`0.1	0.1
Well/Lease Rent/Royalty	-	-	-	
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	0.9	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M	-	-	-	-
	0.3	2.7	3.9	3,4

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Buildings and Land	(0.0)	(0.0)	(0.0)	(0.0)
Rents/Leases	(0.0)	(0.1)	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.1)	(0.0)	(0.0)
Employee Expenses	(0.0)	(0.0)	(0.0)	0.0
Company Memberships	0.0	(0.0)	0.0	0.0
Litilities	0.0	0.1	0.1	0.1
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.2	0,2	0.1
Amortizations *	-	-	=	-
Deferred Credits	0.0	0.0	0.0	(0.0)
I&D Accrual	(0.0)	(0.0)	(0.0)	
Well/Lease Rent/Royalty	-		, .	
Advertising	(0.0)	(0.0)	(0.0)	-
Auto/Trucks Cleared	0.0	(0.0)	(0.0)	(0.1)
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M				, ,
	0.0	(0.1)	0.1	(0.1)

Variance Explanations:

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 884
Distribution Ops	0.9	7.6	11.1	11.2
Meter To Cash	0.1	0.4	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.1	0.3	0.6	0.7
Presidents	0.2	1.0	1.6	1.6
Other Dept	-	-	+	-
Management Fee	1.0	7.5	12.1	12.4
Benefits	0.2	1.5	2.1	1.9
Uncollectibles	0.1	0.2	0.2	0.5
Other Corporate *	0.3	2.0	3.0	2.9
Trackers	0.1	0.6	0.8	0.7
Total O&M	., 2.7	21.1	32.1	32.5
Total O&M w/o Trackers	2.7	20.5	31.3	31.8

2 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Distribution Ops	0.9	7.3	10.9	11.2
Meter To Cash	0.1	0.4	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.2	0.4	0.4
Presidents	0.1	1.1	1.6	1.6
Other Dept	-	-	-	-
Management Fee	1,0	7.9	11.9	12.2
Benefits	0.2	1.4	2.0	1.6
Uncollectibles	0.0	0.3	0.5	0.5
Other Corporate *	0.3	2.0	2.9	3.0
Trackers	0.0	0.5	0.8	0.7
Total O&M	2.5	. ee e 21.3 55 55		31.8
Total O&M w/o Trackers	2.5 (2.5)	20.6	**************************************	31.1

Varia	nce	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A) I	Distribution Ops	(0.0)	0.2	0,1	(0.0)
_ I	Meter To Cash	(0.0)	(0.0)	(0.0)	-
(Customer Call Center	(0.0)	(0.0)	(0.0)	-
ļ	Integration Center	0.0	0.1	0.2	0.3
F	Presidents	0,0	(0.1)	(0.0)	0.0
(Other Dept	-	•	-	-
B) P	Management Fee	0.0	(0.3)	0.2	0.2
(C) E	Benefits	0.0	0.2	0.1	0.3
, i	Uncollectibles	0.0	(0.2)	(0.3)	(0.1)
(Other Corporate *	0.0	0.0	0.1	(0.1)
D) 1	Trackers	0.0	0.1	0.1	0.0
7	Total Change	0.2	0.0	0.5	0.7
7	Total Change w/o Trackers	0.2	(0.1)	0.4	0.7

- A) 2012 Yr Var Primarily meter reading, maintenance of mains and fleet adj. partially offset by leak repairs.
 B) YTD Var Primarily Legal and NGD Operations. 2012 & 2013 Yr Var Primarily revised capitalization transfers.
 C) 2012 and 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- D) Offset in revenue.

^{*} See O&M Other Corp Tab

Columbia Gas of Kentucky O&M - Other Corporate View - Plan-vs.-Plan (\$ millions)

2012 884	Mo Actual	YTD Actual	2012 884	2013 8&4
Other Corporate				
Net Labor	0.0	0.3	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.2	0.1
Consulting Fees	0.0	0,0	0.1	0.1
Legal Fees		•	•	
Outside Services	0.0	0.1	0.2	0.2
Buildings and Land	•			
Rents/Leases	0.0	0.1	0.2	0.2
Corporate Insurance	0.1	0.5	8.0	0.6
Employee Expenses	-			
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	-	-	-	-
Misc & Other Expenses	0.0	0.1	0.2	0.2
Amortizations *	0.0	0.3	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
&D Accrual	(0.0)	0.0	0.1	0.1
Well/Lease Rent/Royalty	•	•		
Advertising	-	_	-	
Auto/Truck Cleared	-	-	-	
O&M Reclass - Regulatory to GAAP	0.0	0,1	0.2	0.2
Stores Cisaring		•	-	
Below the line O&M	•			
Total Other Corporate	0.3	2.0	3.0	2.9

2012 0812	Me Budget	YTO Budget	2012 08.12	2013 08.12
Other Corporate				
Nel Labor	0.0	0,3	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.1	0.1
Consulting Fees	0.0	0.0	0.0	0.2
Legal Fees	•	_	•	-
Outside Sarvices	0.0	0.1	0.2	0.2
Buildings and Land		•	-	-
Rents/Leases	0.0	0.2	0.3	0.3
Corporate insurance	0.1	0.6	9.0	0.9
Employee Expenses		•	-	•
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.0	0.0	0.0
Misc Revenues	-	-	-	-
Misc & Other Expenses	0.0	0.1	0.2	0.2
Amerizations *	0.0	0.3	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
I&D Accruel	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-		-	
Advertising	•	-	_	_
Auto/Truck Cleaned			•	
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Stores Clearing	-	•	_	-
Below the line O&M	. - .		•	
Total Other Corporate	0.3	2.0	2.9	3.0

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other		·		
Net Labor	0.0	0.0	(0.0)	(0.0)
Materials/Supplies	0.0	0.0	0.0	-
Audit Fees	0.0	0.0	0.0	0.0
Consulting Fees	0.0	0.0	0.1	(0.1)
Legel Fees	•	-	=	-
Outside Services	(0.0)	(0.0)	(0.0)	(0.0)
Buildings and Land	•	-	-	-
Rents/Leases	(0.0)	(0.0)	(0.1)	(0.1)
Corporate insurance	(0.0)	(0.1)	(0.0)	(0.0)
Employee Expenses	-	-	•	-
Company Memberships	(0.0)	0.0	0.0	0.0
Litilities	0.0	0.1	0.1	0.1
Misc Revenues	-	-	•	-
Misc & Other Expenses	0.0	0.0	0.0	(0.0)
Amortizations *	-	-	•	-
Deferred Credits	0.0	(0.0)	(0.0)	(0.0)
I&D Accrual	(0.0)	(0.0)	(0.0)	-
Well/Lease Rent/Royalty		•	•	•
Advertising	-	•	-	-
Auto/Truck Cleared	-	-	•	-
O&M Reciass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Stores Clearing	-	-	-	•
Below the Ine O&M		<u> </u>		
Total Other Corporate	0.0	0.0	0.1	(0.1)

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Depreciation	0.6	4,4	6.7	7.0
Other Taxes				
Gross Receipts	-	-	_	-
Property Tax	0.2	1.6	2.5	2.7
Payroll	0.0	0.4	0.5	0.5
Distribution	-	•	-	-
Other	0.0	0.0	0.0	-
Total Other Taxes	0.2	2.0	3.0	3.1
Total Other Taxes w/o Trackers	0.2	1.8	2.7	3.2

2 0&12	Mo E	Budget	YTD Budget	2012 0&12	2013 0&12
Depreciation		0.6	4.3	6.6	6.9
Other Taxes					
Gross Receipts		#	-	-	-
Property Tax		0.2	1.6	2.4	2.6
Payroil		0.0	0.3	0.5	0.5
Distribution		-	-	-	-
Other		_	*	-	•
Total Other Taxes		0.2	1.9	2.9	3.1
Alian and property to the control of the pro-	with the second	0.000			
Total Other Taxes w/o	Trackers	0.2	<u> </u>	2.9	3.1

ariance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.0	0.1	0.1
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	(0.0)	0.0	0.0	0.1
Payroll	0.0	0.0	0.0	-
Distribution	•	-		-
Other	0.0	0.0	0.0	_
Total Other Taxes Change	0.0	0.1	0.1	0.1
Total Change w/o Trackers	0.0	(0.1)	(0.2)	0.1

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

012 884	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Miscellaneous	•		•	
AFUDC	0.0	0.1	0.1	0.2
Hedging Interest Income	0.0	0.0	0.0	0.0
Under-Collection Interest Income	-	-	-	-
Sale Receivables		-	-	-
Customer Tax Contribution	-	-	-	-
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1
Temp Cash Investment Interest Income	0.0	0.4	0.6	0.3
Total Other Income	0.0	0.5	0.8	0.4
Long-Term Interest Expense	0.4	3.1	4.7	5.0
Short-Term Interest Expense	•	•	_	0.0
Customer Deposits Interest Expense	-	0.1	0.1	0.4
Rate Refund Interest Expense	•	-	-	
Over-Collection Interest Expense	-	-	-	
Other Interest Expense	-	-	•	-
Carrying Cost Interest Expense	-	-	-	
Hedging Interst Expense		-	•	
PISCC	•	-	•	
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.1)	(0.1
Interest Expense	0.4	3.2	4.8	5.1
NET INCOME FROM SUBSIDIARIES	5.0	0.0	0.0	

012 0812	Mo Budget	YTD Budget	2012 0812	2013 0812
Miscellaneous	•	•	-	-
AFUDC	0.0	0.1	0.1	0.1
Hedging Interest Income	0.0	0.1	0.1	0.0
Under-Collection Interest Income	-	-	-	-
Sale Receivables	-	-	-	
Customer Tex Contribution	•			-
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash investment interest income	0.0	0.5	0.6	0.5
Total Other Income	0.0	0.5	0.7	0.5
Long-Term Interest Expense	0.4	3.1	4.7	5,2
Short-Term Interest Expense	-	-	-	-
Customer Deposits Interest Expense	0.0	0.1	0.2	0.2
Rate Refund Interest Expense	-	-	-	_
Over-Collection Interest Expense	-	-	-	
Other Interest Expense	•	-	•	
Carrying Cost Interest Expense	•	-	-	•
Hedging Interst Expense		-	•	
PISCC	-	- .	•	
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	0.4	3.2	4.8	5.3
NET INCOME FROM SUBSIDIARIES	•			

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous			-	+
AFUDC	0,0	0.0	0.0	0.1
Hedging Interest Income	(0.0)	(0.0)	(0.0)	0.0
Under-Collection Interest Income	•	<u>.</u> ′	•	-
Sale Receivables	•	-	•	
Customer Tax Contribution	-	-	•	-
Charitable Contributions	0.0	0,0	(0.0)	-
A) Temp Cash Investment Interest Income	(0.0)	(0.1)	(0.0)	(0.2)
Total Other Income	(0.0)	(0.1)	(0.0)	(0.1
Long-Term Interest Expense	0.0	0.0	0.0	(0.2)
Short-Term Interest Expense	-	-	-	0.0
Customer Deposits Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)
Rate Refund Interest Expense	· · ·	<u>-</u> '	- 1	<u>.</u> '
Over-Collection Interest Expense	-	-	-	-
Other Interest Expense	-	•	-	_
Carrying Cost Interest Expense		-	-	-
Hedging Interst Expense		-	-	-
PISCC	•	-	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.2)
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	-

Variance Explanations:

A) Variance represents changes to the interest earned on operating cash sent to Corp. Money Pool.

8 8 8 4	Мо	2012	2013
Assets			
Net Property Plant and Equipment	211.0	212.7	2
Total Investments	0.4	0.4	7.7
TOWN STRUCTURE	0. 4		
Cash and Cash Equivalents	0.2	-	
Restricted Cash	3.0	2.9	
Accounts Receivable	42.8	50.1	2
Gas Inventory	48.6	43.9	4
Unrecovered Purchase Costs	-	-	
Material & Supplies	0.1	_	
Price Risk Management Assets	_	-	
Exchange Gas Receivables & Reserve	0.1	0.1	
Current Regulatory Assets	2.9	2.8	
Prepayments and Other Assets	1.6	3.0	
Total Current Assets	99.2	102.7	2
			`
Price Risk Management Assets	*	-	
NC Regulatory Assets	17.2	16.9	1
Intangible Assets		-	
Post Retirement Benefits NC Assets	•	*	
Other Receivables Affiliated	-	-	
Deferred Charges	3.2	3.2	
Total Other Assets	20.5	20.1	 -
	_		
Total Assets	331.1	335.9	33
Continuestion 0 Link Blat.			
Capitalization & Liabilities	92,4	04.7	
Total Common Stock Equity		91.7	9
Long Term Debt, excluding amounts due within one year	67.3	58.3	- 8
Total Capitalization	159.7	150.1	18
Obligations Due to One Vans	44.7	* 00.7	
Obligations Due in One Year	14.7	28.7	
Accounts Payable	11.1	10.5	1
Customer Deposits and AR Credit Balance	12.7	17.7	1
Taxes Accrued	2.6	5,1	
Interest Accrued	0.1	0.1	
Overrecovered Gas and Fuel Costs	18.6	10.8	
Price Risk Management Liabilities (Current)	1.2	1.2	
Exchange Gas Payable	14.0	12. 1	
Current Regulatory Liabilities	4.3	4.2	
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	
		-	
	-		
Environmental	(1.4)	(1.4)	
Environmental Other Accruals	(1.4) 77.6	(1.4) 88.9	. 4
Environmental Other Accruals	77.6		. 4
Environmental Other Accruals Total Current Liabilities	77.6 (0.4)	88.9 (0,4)	- 4
Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC	77.6 (0.4) 1.3	88.9 (0.4) 1.3	
Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes	77.6 (0.4) 1.3 46.3	88.9 (0.4) 1.3 49.7	
Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits	77.6 (0.4) 1.3 46.3 0.5	88.9 (0.4) 1.3 49.7 0.4	ŧ
Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities	77.6 (0.4) 1.3 46.3 0.5 25.0	88.9 (0.4) 1.3 49.7 0.4 25.1	. 4
Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	77.6 (0.4) 1.3 46.3 0.5 25.0 9.9	88.9 (0.4) 1.3 49.7 0.4 25.1 9.6	5
Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities	77.6 (0.4) 1.3 46.3 0.5 25.0 9.9 10.8	88.9 (0.4) 1.3 49.7 0.4 25.1 9.6 10.9	5
Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	77.6 (0.4) 1.3 46.3 0.5 25.0 9.9	88.9 (0.4) 1.3 49.7 0.4 25.1 9.6	5

Total Investments	0&12	Mo	2012	2013
Not Property Plant and Equipment 208.0 211.5 219 1014	Assets			
Total Investments		208.0	211.6	219.
Rastitoto Cash Accounts Receivable S3.6 39.2 33 Gas Inventory 47.2 45.1 44.1 Unrecovered Purchase Costs	Total Investments	and the second s	0.4	0.
Rastitoto Cash Accounts Receivable S3.6 39.2 33 Gas Inventory 47.2 45.1 44.1 Unrecovered Purchase Costs	Cash and Cash Equivalents	-	-	
Accounts Receivable 33.6 39.2 33 Accounts Receivable 33.6 39.2 33 Accounts Receivable 33.6 39.2 45.1 44 Unrecovered Purchase Costs Material & Supplies 7. 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0		3.5	3.6	_
Gas Inventory	•	***	39.2	31.
Unrecovered Purchase Costs Material & Supplies		_		44
Material & Supplies			-	0
Price Risk Management Assets	• · · · · · · · · · · · · · · · · · · ·		'nΩ	ő
Exchange Gas Recelvables & Reserve		-	-	-
Current Regulatory Assets 2.8 2.7 2.8		0.1	0.1	0
Prepayments and Other Assets 1.3 2.9 3 3 3 3 6 6 5 5 6 6 5 5 6 6				
Total Current Assets				
Price Risk Management Assets NC Regulatory Assets 17.8 17.4 16 Intangible Assets Cher Receivables Affiliated Deferred Charges 1.7 1.7 1.7 1 Total Other Assets 19.4 19.1 18 Total Assets 318.3 324.7 32 Capitalization & Liabilities Total Common Stock Equity Soligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance 12.1 17.7 11.7 18 Taxes Accrued 12.3 11.1 17 Taxes Accrued 12.3 11.1 17 Taxes Accrued 12.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0				
NC Regulatory Assets 17.8	Infai Annait Wasara	00,0	90.0	• 02
Intangible Assets	Price Risk Management Assets		<u>-</u>	-
Post Retirement Benefits NC Assets		17.8	17. 4	16
Other Receivables Affiliated		•	-	•
Deferred Charges 1.7 1.7 1.7 1.7 1.7 1.7 1.1		-	-	-
Total Other Assets	Other Receivables Affiliated	•	-	-
Total Assets 316.3 324.7 324	Deferred Charges	1.7	1.7	1
Capitalization & Liabilities Total Common Stock Equity 95.0 94.4 96.0 94.4 96.0 94.4 96.0 94.4 96.0 94.4 96.0 96.0 94.4 96.0	Total Other Assets	19.4	19.1	18
Long Term Debt , excluding amounts due within one year 67.3 58.3 86 Total Capitalization 162.3 152.7 188 Obligations Due in One Year 14.7 28.7 - Accounts Payable 12.3 11.1 11 Customer Deposits and AR Credit Balance 12.1 17.7 17 Taxes Accrued 3.2 5.0 5 Interest Accrued 0.0 0.0 0.0 Overrecovered Gas and Fuel Costs 8.6 7.9 - Price Risk Menagement Liabilities (Current) 0.6 0.6 0.6 0.6 Exchange Gas Payable 7.1 4.7 4.7 4.7 Current Regulatory Liabilities 3.6 3.6 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 0.1 Environmental - - Other Accruals (0.7) (0.8) (0.8) Fotal Current Liabilities - NC 1.1 1.1 Deferred Income Taxes 46.0 48.8 4.7 Deferred Income Taxes 46.0 48.8 4.7 Noncurrent Regulatory Liabilities 25.1 25.2 2.7 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 0.0 Other Non-Current Liabilities 9.8 9.8 10 Other Non-Current Liabilities 9.3 9.8 10 Other Non-Current Liabilities 9.8 9.8 10 Other NC Liab & Deferred Credits 9.2 9.3				
Total Capitalization	Capitalization & Liabilities	D5.0	94.4	95
Obligations Due in One Year	Total Common Stock Equity			
Accounts Payable 12.3 11.1 17.7 17	Total Common Stock Equity Long Term Debt , excluding amounts due within one year	67.3	58.3	89
Customer Deposits and AR Credit Balance 12.1 17.7 17 Taxes Accrued 3.2 5.0 5 Interest Accrued 0.0 0.0 0.0 Overrecovered Gas and Fuel Costs 8.6 7.9 - Price Risk Menagement Liabilities (Current) 0.6 0.6 0.6 Exchange Gas Payable 7.1 4.7 4.7 Current Regulatory Liabilities 3.6 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 0.1 Environmental - - - Other Accruals (0.7) (0.8) (0.8) Total Current Liabilities 61.5 78.6 4.7 Total Current Liabilities - NC 1.1 1.1 1.1 Deferred Income Taxes 46.0 46.8 47 Deferred Investment Tax Credits 0.5 0.4 0.6 Noncurrent Regulatory Liabilities 25.1 25.2 25 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 4.6 Other NC Liab & Deferred Credits 92.6 93.4	Total Common Stock Equity	67.3	58.3	89
Taxes Accrued 3.2 5.0 5.0 Interest Accrued 0.0 0.0 0.0 Overrecovered Gas and Fuel Costs 8.6 7.9 - Price Risk Management Liabilities (Current) 0.6 0.6 0.6 Exchange Gas Payable 7.1 4.7 4 Current Regulatory Liabilities 3.6 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 0.1 Environmental - - - Other Accruals (0,7) (0.8) (0.8) Total Current Liabilities 61,5 78,6 4 (0,2) - - - Price Risk Management Liabilities - NC 1.1 1.1 1.1 Deferred Income Taxes 46.0 48.8 47 Deferred Investment Tax Credits 0.5 0.4 0 Noncurrent Regulatory Liabilities 25.1 25.2 25 Noncurrent Liabilities 9.8 9.8 9.8 Other Non-Current Liabilities 9.8 9.8 9.4 Other Non-Current Credit	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year	67.3 162.3 14.7	58.3 152.7	89
Interest Accrued 0.0 0.0 0.0 Overrecovered Gas and Fuel Costs 8.6 7.9 - Price Risk Menagement Liabilities (Current) 0.6 0.6 0.6 Exchange Gas Payable 7.1 4.7 4 Current Regulatory Liabilities 3.6 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 0.1 Environmental - - - Other Accruals (0.7) (0.8) (0.8) Total Current Liabilities 61.5 78.6 4 Total Current Liabilities - NC 1.1 1.1 1.1 Deferred Income Taxes 46.0 46.8 47 Deferred Investment Tax Credits 0.5 0.4 0 Noncurrent Regulatory Liabilities 25.1 25.2 25 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 6 Other NC Liab & Deferred Credits 92.6 93.4 93.4	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization	67.3 162.3 14.7	58.3 152.7 28.7	89 185
Overrecovered Gas and Fuel Costs 8.6 7.9	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year	67.3 162.3 14.7 12.3	58.3 152.7 28.7 11.1	89 185
Price Risk Management Liabilities (Current) 0.6 0.6 0.6 Exchange Gas Payable 7.1 4.7 4.7 Current Regulatory Liabilities 3.6 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 0.1 Environmental - - - Other Accruals (0.7) (0.8) (0.8) Total Current Liabilities 61.5 78.6 42 (0.2) - - Price Risk Management Liabilities - NC 1.1 1.1 1.1 Deferred Income Taxes 46.0 46.8 47 Deferred Investment Tax Credits 0.5 0.4 0 Noncurrent Regulatory Liabilities 25.1 25.2 25 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 6 Other NC Liab & Deferred Credits 92.6 93.4 93.4	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable	67.3 162.3 14.7 12.3 12.1	58.3 152.7 28.7 11.1 17.7	89 185 - 11
Exchange Gas Payable 7.1 4.7 4.7 Current Regulatory Liabilities 3.6 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 0.1 Environmental - - - Other Accruals (0.7) (0.8) (0.8) Total Current Liabilities 61.5 78.6 42 (0.2) - - - Price Risk Management Liabilities - NC 1.1 1.1 1.1 Deferred Income Taxes 46.0 46.8 47 Deferred Investment Tax Credits 0.5 0.4 0 Noncurrent Regulatory Liabilities 25.1 25.2 25 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 8 Other NO-Current Liabilities 9.8 9.8 10 Other NC Liab & Deferred Credits 92.6 93.4 93.4	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance	67.3 162.3 14.7 12.3 12.1 3.2	58.3 152.7 28.7 11.1 17.7 5.0	89 185 11 17
Exchange Gas Payable 7.1 4.7 4.7 Current Regulatory Liabilities 3.6 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 0.1 Environmental - - - Other Accruals (0.7) (0.8) (0.8) Total Current Liabilities 61.5 78.6 42 (0.2) - - - Price Risk Management Liabilities - NC 1.1 1.1 1.1 Deferred Income Taxes 46.0 46.8 47 Deferred Investment Tax Credits 0.5 0.4 0 Noncurrent Regulatory Liabilities 25.1 25.2 25 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 8 Other NO-Current Liabilities 9.8 9.8 10 Other NC Liab & Deferred Credits 92.6 93.4 93.4	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued	67.3 162.3 14.7 12.3 12.1 3.2 0.0	58.3 152.7 28.7 11.1 17.7 5.0 0.0	89 185 11 17
Current Regulatory Liabilities 3.6 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 0.1 Environmental - - - Other Accruals (0.7) (0.8) (0.8) Total Current Liabilities 61.5 78.6 42 (0.2) - - Price Risk Management Liabilities - NC 1.1 1.1 1.1 Deferred Income Taxes 46.0 46.8 47 Deferred Investment Tax Credits 0.5 0.4 0 Noncurrent Regulatory Liabilities 25.1 25.2 25 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 6 Other Non-Current Liabilities 9.8 9.8 10 Other NC Liab & Deferred Credits 92.6 93.4 93.4	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9	89 185 - 11 17 5 0
Accrued Liability for Post Retirement Benefits - Cur	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current)	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6 0.6	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9 0.6	89 185 - 11 17 5 0
Environmental -	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6 0.6 7.1	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9 0.6 4.7	89 185 - 11 17 5 0 -
Other Accruals (0,7) (0.8) (0.7) Total Current Liabilities 61.5 78.6 42 (0,2) - - Price Risk Management Liabilities ~ NC 1.1 1.1 1.1 Deferred Income Taxes 46.0 46.8 47 Deferred Investment Tax Credits 0.5 0.4 0 Noncurrent Regulatory Liabilities 25.1 25.2 25 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 8 Other Non-Current Liabilities 9.8 9.8 10 Other NC Liab & Deferred Credits 92.6 93.4 93	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6 0.6 7.1 3.6	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9 0.6 4.7 3.6	89 185 - 11 17 5 0 - 0 4 2
Total Current Liabilities 61.5 78.6 42 (0.2) - - - Price Risk Management Liabilities - NC 1.1 1.1 1.1 Deferred Income Taxes 46.0 46.8 47 Deferred Investment Tax Credits 0.5 0.4 0 Noncurrent Regulatory Liabilities 25.1 25.2 25 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 6 Other Non-Current Liabilities 9.8 9.8 10 Other NC Liab & Deferred Credits 92.6 93.4 93	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6 0.6 7.1 3.6	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9 0.6 4.7 3.6	89 185 - 11 17 5 0 - 0 4 2
Price Risk Management Liabilities - NC	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6 0.6 7.1 3.6 0.1	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9 0.6 4.7 3.6 0.1	89 185 - 11 17 5 0 - 0 4 3
Deferred Income Taxes 46.0 46.8 47 Deferred Investment Tax Credits 0.5 0.4 0 Noncurrent Regulatory Liabilities 25.1 25.2 25 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 6 Other Non-Current Liabilities 9.8 9.8 10 Other NC Liab & Deferred Credits 92.6 93.4 93	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6 0.6 7.1 3.6 0.1	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9 0.6 4.7 3.6 0.1	89 185 - 11 17 5 0 - 0 4 3 0 -
Deferred Investment Tax Credits 0.5 0.4 0 Noncurrent Regulatory Liabilities 25.1 25.2 25 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 6 Other Non-Current Liabilities 9.8 9.8 10 Other NC Liab & Deferred Credits 92.6 93.4 93.4	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6 0.6 7.1 3.6 0.1	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9 0.6 4.7 3.6 0.1	89 185 - 11 17 5 0 - 0 4 3 0 -
Deferred Investment Tax Credits 0.5 0.4 0 Noncurrent Regulatory Liabilities 25.1 25.2 25 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 6 Other Non-Current Liabilities 9.8 9.8 10 Other NC Liab & Deferred Credits 92.6 93.4 93	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6 0.6 7.1 3.6 0.1 (0.7) 61.5 (0.2)	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9 0.6 4.7 3.6 0.1 - (0.8)	89 185 - 11 17 5 0 4 3 3 0 (0
Noncurrent Regulatory Liabilities 25.1 25.2 25.4 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 5.4 Other Non-Current Liabilities 9.8 9.8 10.0 Other NC Liab & Deferred Credits 92.6 93.4 90.5 10.5 10.5 10.5 10.5 10.5 10.5 10.5 1	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6 0.6 7.1 3.6 0.1 - (0.7) 61.5 (0.2) 1.1	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9 0.6 4.7 3.6 0.1 - (0.8) 78.6	89 185 - 11 17 5 0 4 3 3 0 4 4 2 4 2
Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 8 Other Non-Current Liabilities 9.8 9.8 10 Other NC Liab & Deferred Credits 92.6 93.4 93.4	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6 0.6 7.1 3.6 0.1 - (0.7) 61.5 (0.2) 1.1 46.0	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9 0.6 4.7 3.6 0.1 - (0.8) 78.6 - 1.1 48.8	89 185 105 111 177 5 0 0 4 2 2 0 0 1 1 1 1 7 7 7 7 7 7 7 7 7 7 7 7 7 7
Other Non-Current Liabilities 9.8 9.8 10 Other NC Liab & Deferred Credits 92.6 93.4 90	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6 0.6 7.1 3.6 0.1 (0.7) 61.5 (0.2) 1.1 46.0 0.5	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9 0.6 4.7 3.6 0.1 - (0.8) 78.6 - 1.1 48.8 0.4	89 185
Other NC Liab & Deferred Credits 92,6 93,4 90	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6 0.6 7.1 3.6 0.1	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9 0.6 4.7 3.6 0.1 - (0.8) 78.6 - 1.1 48.8 0.4 25.2	89 185 - 11 17 5 0 - 0 4 3 3 0 - (0 42 - 1 47 0
The state of the s	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Menagement Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6 0.6 7.1 3.6 0.1 (0.7) 61.5 (0.2) 1.1 46.0 0.5 25.1 10.1	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9 0.6 4.7 3.6 0.1 - (0.8) 78.6 - 1.1 48.8 0.4 25.2 10.0	89 185 - 11 17 5 0 - 0 4 3 3 0 - (0 42 - 1 47 0 25 8
	Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities	67.3 162.3 14.7 12.3 12.1 3.2 0.0 8.6 0.6 7.1 3.6 0.1 - (0.7) 61.5 (0.2) 1.1 46.0 0.5 25.1 10.1 9.8	58.3 152.7 28.7 11.1 17.7 5.0 0.0 7.9 0.6 4.7 3.6 0.1 - (0.8) 78.6 - 1.1 48.8 0.4 25.2 10.0 9.8	- 1 47 0 25 8 10

Var	ance	Mo Var	2012 Var	2013 Var
	<u>Assets</u>			
A)	Net Property Plant and Equipment	3.0	1.0	7.8
	Total Investments	0.0	0.0	0.0
B)	Cash and Cash Equivalents	0.2	-	-
C)	Restricted Cash	(0.6)	(0.7)	-
D)	Accounts Receivable	9.2	10.9	(5.2)
E)	Gas Inventory	1.4	(1.2)	0.9
F)	Unrecovered Purchase Costs	-	-	6.2
	Material & Supplies	0.1	(0.0)	(0.0)
	Price Risk Management Assets	-	•	-
	Exchange Gas Receivables & Reserve	(0.0)	(0.0)	(0.0)
	Current Regulatory Assets	0.1	0.1	0.1
	Prepayments and Other Assets	0.3	0.0	0.1
	Total Current Assets	10.7	9.1	2.0
	Price Risk Management Assets	•	-	-
K)	NC Regulatory Assets	(0.5)	(0.6)	(1.2)
	Intangible Assets	•	-	-
	Post Retirement Benefits NC Assets	-	-	•
	Other Receivables Affillated	-	-	•
K)	Deferred Charges	1.5	1.5	1.6
	Total Other Assets	1.0	1.0	0.4
	Total Assets	14.7	11.2	10.2
	Capitalization & Liabilities			
G)	Total Common Stock Equity	(2.6)	(2.7)	2.2
G)	Long Term Debt , excluding amounts due within one year		-	(2.3)
	Total Capitalization	(2.6)	(2.7)	(0.1)
G)	Current Portion of Long Term Debt	-	-	5.2
D)	Accounts Payable	(1.1)	(0.6)	0.0
D)	Customer Deposits and AR Credit Balance	0.6	0.0	0.0
H)	Taxes Accrued	(0.6)	0.1	0.2
•	Interest Accrued	0.0	0.0	0.0
F)	Overrecovered Gas and Fuel Costs	10.0	2.9	_
1)	Price Risk Management Liabilities (Current)	0.5	0.5	0.5
J)	Exchange Gas Payable	6.9	7.5	(3.4)
	Current Regulatory Liabilities	0.7	0.6	0.4
	Accrued Liability for Post Retirement Benefits - Cur	i e	_	-
	Environmental	_	-	-
K)	Other Accruals	(0.7)	(0.5)	1.4
•	Total Current Liabilities	16.1	10.2	4.4
	Price Risk Management Liabilities - NC	0.2	0.2	0.2
H)	Deferred Income Taxes	0.3	2.9	3.5
•	Deferred Investment Tax Credits	0.0	(0.0)	(0.0)
	Noncurrent Regulatory Liabilities	(0.1)	(0.1)	(0.1)
	Accrued Liab for Post Retirement Benefits - NC	(0.3)	(0.4)	1.2
	Other Non-Current Liabilities	1.0	`1,0	1.0
	Other NC Liab & Deferred Credits	1.2	3.6	5.9

- A) Variance due to timing issues around 2012 In-Service (\$2.1M) and Depreciation (\$600K)
- B) Increase in Money Pool funding
- C) Monthly variance due to changes to the required reserves related to the Hedging Program, while YTD variance is due to MF Global bankruptcy (\$483K).
- D) August A/R variance due to decreases to Choice Receivables (\$3.8M), and Off-Systems Sales of (\$1.2M), partially offset by increased Tariff receivables of \$2.1M & Money Pool deposits of \$13.4M. The \$600K Customer Deposits variance is due to adjustments to budget payment plans, and represents a \$7.7M decrease to prior month balances which stem from warmer than expected weather. The 2012 A/R variance is due to decreased Tariff receivables (\$2.3M), Unbilled receivables (\$2.5M), and Off-Systems Sales (\$1.2M), outset by \$15.7M in Money Pool funding. 2013 A/R Variance due to decreased Money Pool balance. A/P Variance is due to decreased payables related to declining Gas Costs: (\$1.3M) for August, (\$1.2M) for 2012.
- E) August variance due to Rate Differential and Usage variances of \$(75)K and \$1.49M respectively. 2012 annual variance due to Rate Differential and Usage variances of \$312K and (\$1.5M) respectively. 2013 annual variance is due to Rate Differential and Usage variances of \$743K and \$118K respectively.
- F) Variance due to timing differences between gas purchases vs. gas recoverles. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA fillings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to in part to seasonality around commodity usage / delivery.
- Variance due to changes in the Hedging obligations.
- J) Variances are due to changes in the number of outstanding exchange obligations vs. the 0&12.
- K) Variance due to account reclassifications of Miscellaneous Deferrals; primarily Customer Advances related to capital projects.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 8&4	Mo Actual	YTD Actual	2012 8&4 2013	8&4
New Business	(0.6)	1.4	2.7	4.0
Betterment	0.0	0.3	0.3	0.1
Replacement	1.5	9.9	12.0	15.8
Support Services	0.0	0.9	1.4	2.0
Gross Capital	1.0	12.5	16.4	21.9
Contributions & Reimbursements	-	(0.3)	(0.7)	(0.6)
Total NGD	1.0	12.2	15.8	21.3
Infrastructure/AMR	1.3	8.6	ed territor 9.6 hijt i ertelise	12.2

2012 0&12	Mo Budget	YTD	2012 0&12	2013 0&12
New Business	0.1	0.9	1.7	1.7
Betterment	(0.1)	0.8	1.0	0.2
Replacement	0.8	7.2	11.4	11.7
Support Services	0.0	0.4	1.2	1.6
Gross Capital	0.9	9.3	15.3	15.1
Contributions & Relmbursements	(0.0)	(0.4)	(0.7)	(0.7)
Total NGD	0.9	8.9	14.7 ::::	14.5
Infrastructure/AMR :	0.6		. :	8.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	(0.7)	0.5	1.0	2.3
Betterment	0.1	(0.4)	(0.7)	(0.1)
Replacement	0.7	2.6	0.6	4.1
Support Services	(0.0)	0.5	0.2	0.5
Gross Capital	0.1	3.2	1.1	6.8
Contributions & Reimbursements	0.0	0.1	-	0.1
Total NGD	0.1	3.3		6.9
Infrastructure/AMR	0.7	2.3	Q.5	1 3 feet 1994 4.0

Variance Explanations:

Primarily mild weather and contractor availability.

Plan variances due to additional allocation to NGD: CKY portion.

Columbia Gas of Kentucky Plan vs. Plan - September 2012 (\$ millions)

2012 9&3	Mo Actual	YTD Actual	2012 9&3	2013 9&3
Net Revenues	3.3	40.8	58.5	60.7
O&M Expense	2.5	23.0	31.0	31.7
Depreciation	0.6	5.0	6.7	7.0
Other Taxes	0.2	2.0	2.7	3.2
Operating Earnings	0.1	10.9	18.1	18.8
Other Income	0.0	0.5	0.6	0.5
Interest Expense	0.4	3.5 .	4.8	5.1
Net Operating Income	(0.3)	7.9	13.9	14.2
Income Tax	(0.1)	3.8	5.3	5.5
Net Operating Income	(0.1)	4.1	8.6	8.7

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Net Revenues	3.1	43.4	60.9	60.8
O&M Expense	2.7	23.3	30.9	31.1
Depreciation	0.6	4.9	6.6	6.9
Other Taxes	0.2	2.2	2.9	3.1
Operating Earnings	(0.4)	13.0	20.5	19.8
Other Income	0.0	0.6	0.7	0.5
Interest Expense	0.4	3.5	4.8	5.3
	(0.7)	10,0	16.4	15.0
Income Tax	(0.3)	3.9	6.3	6.0
Net Operating Income	(0.5)	6.1	10.0	9.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	0.2	(2.5)	(2.4)	(0.1)
O&M Expense	(0.2)	(0.4)	0.1	0.7
Depreciation	0.0	0.1	0.1	0.1
Other Taxes	(0.0)	(0.2)	(0.2)	0.1
Operating Earnings	0.5	(2.1)	(2,4)	(1.0)
Other Income	(0.0)	(0.1)	(0.0)	(0.0)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.2)
Net Operating Income	0.4	(2.1)	(2.4)	(0.8)
Income Tax	0.1	(0.1)	(1.0)	(0.6)
Net Operating Income	0.6	(2.3)	(3.5)	(1.4)

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Pian-vs.-Plan (\$ millions)

2012 9&3	Mo Actual	YTD Actual	2012 9&3	2013 9&3
Base Margin (less LCR)	2.8	34.8	49.2	50.3
LCR	0.4	3.5	4.9	5.2
LCR (Prior Dec. True-Up)	*	(0.1)	(0.1)	-
ESS	0.1	1.1	2.4	2.8
Regulatory Outcome	-	•	•	0.6
Other OGDR	0.1	1.0	1.3	1.0
CKY Purchase Receivable	0.0	0.3	0.5	0.5
Uncollectibles - NonTracked	(0.0)	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.1	0.8	1.0	0.5
Total Revenue	3.5	41.8	59.7	61.4
Total Revenue w/p Trackers	3.3	40.8	58.5	60.7

12 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Base Margin (less LCR)	2,6	36.5	51.4	50.4
LCR	0.3	3.6	5.1	4.9
LCR (Prior Dec. True-Up)	-	•	-	
ESS	0.2	1.8	2.4	2.8
Regulatory Outcome	-	-	-	0.6
Other OGDR	0.1	0.9	1.2	1,2
CKY Purchase Receivable	(0.0)	0.4	0.5	0.5
Uncollectibles - NonTracked	(0.0)	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.0	0.3	0.5	0.5
Total Revenue	3.2	43.9	61.5	61.6
Total Revenue w/o Trackers	3.1	43.4	60.9	60.8

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Base Margin (less LCR)	0.2	(1.7)	(2.2)	(0.1)
LCR	0.0	(0.1)	(0.1)	0.3
LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
A) ESS	(0.0)	(0.7)	(0.0)	(0.0)
Regulatory Outcome	÷ .	· ·	- '-	0.0
Other OGDR	(0.0)	0.1	0.1	(0.2)
CKY Purchase Receivable	0.0	(0.1)	(0.1)	(0.1)
Uncollectibles - NonTracked	0.0	0.0	(0.0)	(0.0)
Uncollectibles - Tracked	-	(0.0)	(0.0)	•
Trackers	0.1	0,5	0.5	(0.0)
Total Variance	0.3	(2.0)	(2.0)	(0.1)
Total Variance w/o Trackers	0.2	(2.5)	(2.4)	(0.1)

Variance Explanations:

A) YTD variance represents fluctuations in Off-System sales assumptions stemming from price volatility.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millons)

2012 9&3	Mo Actual	YTD Actual	2012 9&3	2013 9&3
Penalty Charges	0.0	0.3	0.4	0.4
Return Check	0.0	0.1	0.2	0.1
Other Fees	0.0	0.5	0.6	0.4
Other Revenue	0,0	0.0	0.0	0,0
Pub Util-Flex	0.0	0.1	0.1	0.0
Company Use	0.0	0,0	0.1	0.1
Balancing Services	_	→	-	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	-	0.0	0.0	-
Total OGDR	0,0	1.0	1.3	1.0

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Penalty Charges	0.0	0.3	0.3	0.3
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.3	0.4	0.4
Other Revenue	0.0	0.1	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.1	0.1	0.1
Balancing Services	-	-		
Other Misc Income	0.0	0.0	0.0	0.0
Misc Merchant Revenue	-	-	-	
Total OGDR	0.1	0.9	1.2	1,2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	(0.0)	0.0	0.0	0.0
Return Check	(0.0)	0.0	0.0	0.0
Other Fees	(0.0)	0.2	0.2	(0.0)
Other Revenue	(0.0)	(0.1)	(0.2)	(0.2)
Pub Util-Flex	0,0	0.0	0.1	
Company Use	(0.0)	(0.0)	(0.0)	0.0
Balancing Services	-	· ·	<u>-</u> ′	•
Other Misc Income	(0.0)	(0.0)	(0.0)	(0.0)
Misc Merchant Revenue	· ·	0.0	0.0	- '
Total OGDR	(0.0)	0.1	0.4	(0.2)

Columbia Gas of Kentucky

2012 Customer & Usage Information - 9&3 vs. 0&12

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residential	0.088	(0.073)
Commercial	0.063	0.209
Total	0.150	0.136

Usage Change	Month	YTD
Residential	0.142	0.330
Commercial	0.551	1.984
Industrial (Non-LCR)	(0.325)	(0.641)
Total	0.368	1.673

Normalized UPC (Mmcf)

Actual	Month	YTD	
Residential	1.25	47.61	
Comm	21.74	377.66	
Ind	6,344.63	64,199.24	

Budget	Month	YTD
Residential	1.19	47.53
Commercial	19.86	370.65
Industrial	6,701.66	63,861.88

Variance	Month	Mo. %	YTD	YTD %
Residential	0.06	5.2%	80.0	0.2%
Commercial	1.88	9.5%	7.01	1.9%
Industrial	(357.02)	-5.3%	337.37	0.5%

Customer Count

Actual	Month	YTD Avg
Residential	117,792	119,579
Commercial	13,708	13,913
Industrial	177	177
Total	131,677	133,669

Budget	Month	YTD Avg
Residential	117,227	119,436
Commercial	13,547	13,844
Industrial	181	181
Total	130,955	133,461

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	565	0.5%	143	0.1%
Commercial	161	1.2%	69	0.5%
Industrial	(4)	-2.2%	(4)	-2.0%
Total	722	0.6%	209	0.2%

Columbia Gas of Kentucky
O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 9&3	Me Actual	YTD Actual	2012 9&3	2013 983
Labor	0.6	5.4	7.2	7.3
Benefits	0.2	1.7	2.2	1.9
Materials & Supplies	0.1	1.1	1.4	1.5
Outside Services	0.3	3.2	4.2	4.8
Management Fee	1.0	8.5	12.0	12.4
Uncollectibles	0.0	0.2	0.1	0.5
Other *	6,0	2.8	4.0	3.3
Trackers	0.1	8.0	1.0	0.7
Total O&M	2.6	23.7	32.0	32,5
Total O&M w/o Trackers	2.5	23.0	31.0	31.7

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Labor	0.5	5.0	6.6	6.9
Benefits	0.2	1.6	2.0	1.6
Materials & Supplies	0.1	1.2	1.5	1.5
Outside Services	0.5	3.3	4.3	5.0
Management Fee	1.0	8.9	11.9	12.2
Uncollectibles	0.0	0.4	0.5	0.5
Other *	0.3	3.0	3,9	3.4
Trackers	0.0	0.5	0.8	0.7
Total O&M	2.7	23.9	31.6	31.8
Total O&M w/o Trackers	2.7	23.3	30.9	31.1

	Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Labor	0.1	0.4	0.5	0.5
B)	Benefits	0.0	0.2	0.1	0.3
	Materials & Supplies	(0.0)	(0.0)	(0.0)	(0.0)
	Outside Services	(0.2)	(0.2)	(0.1)	(0.2)
C)	Management Fee	(0.1)	(0.4)	0.0	0.2
D)	Uncollectibles	(0.0)	(0.2)	(0.4)	(0.1)
	Other *	(0.1)	(0.1)	0.0	(0.1)
E)	Trackers	0.1	0.3	0.2	0.0
	Total Change	(0.1)	(0.1)	0.3	0.7
	Total Change w/o Trackers	1 (0.2) 4 - 16.	(0.4) *	77	444-454-4-4- 0.7

- A) YTD & 2012 Yr Var unfavorable shift in labor allocation (capitalization transfers), with slight offset for select vacancies.
 B) 2012 & 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
 C) YTD Var Primarily Legal and NGD Operations. 2012 & 2013 Yr Var Primarily revised capitalization transfers.

- Annual variance due to revisions to the bad debt calculation.
- E) Offset In revenue.

Columbia Gas of Kentucky O&M - Other Cost Element View - Plan-vs.-Plan (\$ millions)

2012 983	Mo Actual	YTD Actual	2012 983	2013 9&3
Other				
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.2	0.2	0.2
Corporate Insurance	0.1	0.6	0.8	8.0
Employee Expenses	0.0	0.2	0.3	0.4
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.3	0.4	0.4
Misc Revenues	(0.0)	(0.2)	(0.2)	(0.2)
Misc & Other Expenses	0.0	0.2	0.2	0.1
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
1&D Accrual	(0.0)	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	_
Advertising	0.0	0.0	0.0	0.1
Auto/Trucks Cleared	0.1	1.0	1.3	1.3
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M				
	0.3	2.8	4.0	3.3

012 0&12	Mo Budget	YTD Budgot	2012 0&12	2013 0&12
Other	** · ··			
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.2	0.3	0.3
Corporate Insurance	0.1	0.6	0.9	0.9
Employee Expenses	0.0	0.2	0.3	0.4
Company Memberships	-	0.1	0.1	0.1
Utilities	0.0	0.2	0,3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	(0.0)
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	•	-	-
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	1.0	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Below the Line O&M		-	•	•
	0.3	3.0	3.9	3,4

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Buildings and Land	(0.0)	(0.0)	(0.0)	(0.0)
Rents/Leases	(0.0)	(0.1)	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.1)	(0.0)	(0.0)
Employee Expenses	(0.0)	(0.0)	(0.0)	0.0
Company Memberships	0.0	(0.0)	0.0	0.0
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.2	0.3	0.1
Amortizations *	-	-	-	-
Deferred Credits	0.0	0.1	0.1	(0.0)
I&D Accrual	(0.0)	(0.1)	(0.0)	- 1
Well/Lease Rent/Royalty	•			
Advertising	(0.0)	(0.1)	(0.1)	-
Auto/Trucks Cleared	(0.0)	(0.1)	(0.1)	(0.1)
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M				
	(0.1)	(0.1)	0,1	(0.1)

Variance Explanations:

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

012 9&3	Mo Actual	YTD Actual	2012 9&3	2013 9&3
Distribution Ops	0.8	8.4	11.0	11.2
Meter To Cash	0.0	0.4	0.6	0.6
Customer Call Center	0.0	0.0	0 ,0	0.0
Integration Center	0.0	0.4	0.6	0.7
Presidents	0.1	1. 1	1.6	1.6
Other Dept	-	-	<u></u>	-
Management Fee	1.0	8.5	12.0	12.4
Benefits	0.2	1.7	2.2	1.9
Uncollectibles	0.0	0.2	0.1	0.5
Other Corporate *	0.2	2.2	3.1	2.9
Trackers	0.1	0.8	1.0	0.7
Total O&M	2.6	23.7	32.0	32.5
Total O&M w/o Trackers	2.5	23.0	31.0	31.7

2 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Distribution Ops	1.0	8.3	10.9	11.2
Meter To Cash	0.0	0.5	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.3	0.4	0.4
Presidents	0.1	1,2	1.6	1.6
Other Dept	-	-	-	-
Management Fee	1.0	8.9	11.9	12.5
Benefits	0.2	1.6	2.0	1.6
Uncollectibles	0.0	0.4	0.5	0.4
Other Corporate *	0.2	2.2	2.9	3.6
Trackers	0.0	0.5	8.0	0.1
Total O&M	2.7	23.9	9 11. w 11 11 131.6 g 1.	31.0
Total O&M w/o Trackers	27		30.9	31.

Var	iance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Distribution Ops	(0.2	0.1	0.1	(0.0)
-	Meter To Cash	(0.0	(0.0)	(0.0)	
	Customer Call Center	. (0.0	(0.0)	(0.0)	-
	Integration Center	0.0	0.1	0.2	0.3
	Presidents	(0.0	(0.1)	(0.0)	0.0
	Other Dept	•	-	<u>.</u>	-
B)	Management Fee	(0.1) (0.4)	0.0	0.2
C)	Benefits	0.0	0.2	0.1	0.3
D)	Uncollectibles	(0.0	(0.2)	(0.4)	(0.1)
•	Other Corporate *	(0.0)	0.0	0.1	(0.1)
D)	Trackers	0.1	0.3	0.2	0.0
	Total Change) (0.1)	0.3	D.7
	Total Change w/o Tr	ackers [0.2	(0.4)		

- A) 2012 Yr Var Primarily meter reading, maintenance of mains and fleet adj. partially offset by leak repairs.
 B) YTD Var Primarily Legal and NGD Operations primarily revised capitalization transfers.
 C) 2012 and 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- D) Annual variance due to revisions to the bad debt calculation.
- E) Offset in revenue.

^{*} See O&M Other Corp Tab

Columbia Gas of Kentucky O&M - Other Corporate View - Plan-vs.-Plan (\$ millions)

2012 9&3	Mo Aptual	YTD Actual	2012 983	2013 9&3
Other Corporate				
Net Labor	0.0	0.3	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.2	0.1
Consulting Fees	0.0	0.1	0.1	0.1
Legal Fees	-	_	•	
Outside Services	0.0	0.1	0.2	0.2
Buildings and Land	-	+		
Rents/Leases	0.0	0.1	0,2	0.2
Corporate Insurance	0.1	0.8	0.8	0.8
Employee Expenses	-	-	•	-
Company Memberships	0.0	0.1	0,1	0.1
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	•	_	•	
Misc & Other Expenses	0.0	0.1	0,2	0.2
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
I&D Accrual	(0.0)	0.0	0.1	0.1
Welt/Lease Rent/Royally	•		-	•
Advertising	-	-	_	
Auto/Truck Cleared	-	-	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Stores Clearing	-	<u>.</u>	-	_
Below the line O&M	-	_	-	
Total Other Corporate	0.2	2.2	3.1	2.9

12 9842	Mo Budget	YTD Budget	2012 08.12	2013 08.12
Other Corporate		•		
Net Lebor	0.0	0.3	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Faes	0.0	0.1	0.1	0.1
Consulting Fees	0.0	0.0	0.0	0.3
Lagal Fees	•		-	
Outside Services	0.0	0.1	0.2	0.3
Buildings and Land	-	-	-	-
Rents/Leases	0.0	0.2	0.3	0.
Corporate Insurance	0.1	0.6	0.9	0.
Employee Expenses	•	-	-	-
Company Memberships	-	0.0	0.1	0.
Utilities	0.0	0.0	0.0	0.
Misc Revenues	-	_	-	_
Miso & Other Expenses	0.0	0.1	0.2	0.
Amortizations *	0.0	0.4	0.5	C.
Deferred Credita	(0.0)	(0.0)	(0.1)	(0.
1&D Accrual	0.0	0.1	0.1	0.
Wel/Lease Rent/Royalty	•	-	_	_
Advertising	•	-	-	-
Auto/Truck Cleared	-		-	-
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.
Stores Clearing	-	•	•	-
Below the line O&M	•	_	-	-
Total Other Corporate	0.2	2.2	2.9	3.

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Met Labor	0.0	0.0	0.0	(0.0)
Materials/Supplies	(0.0)	0.0	0.0	
Audit Fees	0.0	0.0	0.0	0.0
Consulting Fees	0.0	0.0	0.1	(0.1)
Legal Fees	•		-	`
Outside Services	(0.0)	(0.0)	(0.0)	(0.0)
Buildings and Land	· -		<u>-</u> ·	• •
Rents/Leases	(0.0)	(0.1)	(D.1)	(0.1)
Corporate insurance	(0.0)	(0.1)	(0.0)	(0.0)
Employee Expenses	· ·	•	-	•
Company Memberahips	O.D	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	-		-	-
Misc & Other Expenses	0.0	0.0	0.0	(0.0)
Amortizations *	-	-	•	•
Deferred Credits	(0.0)	(0.0)	(0.0)	(0.0)
I&D Accrual	(0.0)	(0.1)	(0.0)	
Well/Lease Rent/Royalty		•		-
Advertising	-	v	-	-
Auto/Truck Cleared	-		-	•
Q&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Stores Clearing			•	-
Below the line O&M	-		-	_
Total Other Corporate	(0.0)	0.0	0.1	(0.1)

Variance Explanations:

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2012 9&3	Mo Actual	YTD Actual	2012 9&3	2013 98.3
Depreciation	0.6	5.0	6.7	7.0
Other Taxes				
Gross Receipts	-	-	•	-
Property Tax	0.2	1.8	2.5	2.7
Payroll	0.0	0.4	0.5	0.5
Distribution	-	-	-	•
Other	0.0	0.0	0.0	•
Total Other Taxes	0.2	2.2	3.0	3.1
Total Other Taxes wie Trackers	0.2	2.0	2.7	3.2

2 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Depreciation	0.6	4.9	6.6	6.9
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	1.8	2.4	2.6
Payroll	0.0	0.4	0.5	0.5
Distribution	-	-	-	-
Other	•	-	-	4
Total Other Taxes	0.2	2.2	2.9	3.1
Total Other Taxes W/o Trackers	0.2	2.2	2.9	# : # . 1 3.1

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.1	0.1	0.1
Other Taxes				
Gross Receipts	-	-		-
Property Tax	0.0	0.0	0.0	0.1
Payroll	0.0	0.0	0.0	-
Distribution	-	-	-	_
Other	0.0	0.0	0.0	-
Total Other Taxes Change	0.0	0.1	1, 1, 4 × × 0.1	0.1
Total Change w/o Trackers	(0,0)	(0.2)	(0.2)	

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2012 983	Mo Actual	YTD Actual	2012 983	2013 9&3
Miscellaneous	•	-	-	-
AFUDC	0.0	0.1	0.1	0.2
Hedging Interest Income	0.0	0.0	0.0	0.0
Under-Collection Interest Income	-	•	-	-
Sale Receivables	-	-	•	-
Customer Tax Contribution	-	-	•	-
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0_	0.4	0,6	0.4
Total Other Income	0.0	0.5	9.0	0.5
Long-Term Interest Expense	0.4	3.5	4.7	5.0
Short-Term Interest Expense	-	-	-	0.0
Customer Deposits Interest Expense	-	0.1	0.1	0.1
Rate Refund Interest Expense	-	_	•	-
Over-Collection Interest Expense	-	-		-
Other Interest Expense	-	-		-
Carrying Cost Interest Expense	-	-	-	-
Hedging Interst Expense	-	_	-	-
PISCC	-	-	-	_
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.1)
Interest Expense	0.4	3.5	4.8	5.1
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	

2012 0812	Mo Budget	YTO Budget	2012 0&12	2013 0&12
Miscellaneous		-	-	-
AFUDC	0.0	0,1	0.1	0,1
Hedging Interest Income	0.0	0.1	0.1	0.0
Under-Collection interest Income	-	-	•	•
Sale Receivables	-	-	-	•
Customer Tax Contribution	-	-	-	-
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0,5	0,6	0,5
Total Other Income	<u> </u>	0.6	0.7	0.5
Long-Term Interest Expense	0.4	3.5	4.7	5.2
Short-Term Interest Expense	-	•	•	_
Customer Deposits Interest Expense	0.0	0.1	0.2	0.2
Rate Refund Interest Expense	-	-	•	-
Over-Collection interest Expense	•	=	-	-
Other Interest Expense	-	_	-	-
Carrying Cost Interest Expense	-	_		-
Hedging Interet Expense	-	-	•	-
PISCC	-	-	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	0.4	3.5	4,8	5.3
NET INCOME FROM SUBSIDIARIES	-	-	-	

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous	-	-	_	•
AFUDC	(0.0)	0.0	0.0	0.1
Hedging Interest Income	(0.0)	(0.0)	(0.0)	0.0
Under-Collection Interest Income	· ·	<u>,</u> ,	•	-
Sale Receivables	•	-	-	_
Customer Tax Contribution	•	-	-	_
Charitable Contributions	(0.0)	0.0	(0.0)	-
A) Temp Cash Investment Interest income	(0.0)	(0.1)	(0.0)	(0.1)
Total Other Income	(0.0)	(0.1)	(0.0)	(0.0)
Long-Term Interest Expense	0.0	0.0	0.0	(0.2)
Short-Term Interest Expense	_	-	•	0.0
Customer Deposits Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)
Rate Refund Interest Expense	<u>,</u> ,	-	•	•
Over-Collection Interest Expense	-	-	-	
Other Interest Expense	•	-	•	•
Carrying Cost Interest Expense	•	=		•
Hedging Interst Expense	•	-	•	•
PISCC	•	-	-	•
interest Expense on Plant Investment	0.0	(0.0)	(0.0)	(0.0)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.2)
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	

Variance Explanations:

A) Variance represents changes to the Interest earned on operating cash sent to Corp. Money Pool.

	Мо	2012	201
Assets			
Net Property Plant and Equipment	212.9	212.7	
Total Investments	0.4	0.4	
Cash and Cash Equivalents	0.4	-	
Restricted Cash	2.2	3.3	
Accounts Receivable	39.1	53.0	
Gas Inventory	52.4	45.0	
Unrecovered Purchase Costs	-	•	
Material & Supplies	0.1	_	
Price Risk Management Assets		-	
Exchange Gas Receivables & Reserve	0.1	0.1	
Current Regulatory Assets	2,5	2.4	
Prepayments and Other Assets	1,3	3.0	
Total Current Assets	98.1	106.8	
entered to the state of the sta		*****	
Price Risk Management Assets	•		
NC Regulatory Assets	16.7	16.4	
Intangible Assets		-	
Post Retirement Benefits NC Assets	-	-	
Other Receivables Affiliated	-	_	
Deferred Charges	3.0	3.0	
Total Other Assets	19,7	19.4	:
	-	<u> </u>	
Total Assets: and a company of the c	331.1	339.4	
Total Assets	331.1	339.4	
Capitalization & Liabilities	339.1	339.4	
Capitalization & Liabilities	90.2	92.0	
Capitalization & Liabilities Total Common Stock Equity	90.2	92.0	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year			
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	90.2 67.3 157.6	92.0 58.3	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization	90.2 67.3	92.0 58.3	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable	90.2 67.3 157.6	92.0 58.3 150.3	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year	90.2 67.3 157.6	92.0 58.3 150.3	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable	90.2 67.3 157.6 14.7 9.5	92.0 58.3 150.3 28.7 10.7	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance	90.2 67.3 157.6 14.7 9.5 14.2	92.0 58.3 150.3 28.7 10.7 17.7	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1	92.0 58.3 150.3 28.7 10.7 17.7 4.7	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs	90.2 67.3 157.6 14.7 9.5 14.2 3.8	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current)	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4 4.3	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4 4.3 0.1	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8 4.4	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4 4.3 0.1	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8 4.4 0.1	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4 4.3 0.1	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8 4.4 0.1	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4 4.3 0.1	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8 4.4 0.1 - (1.3) 80.0	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4 4.3 0.1	4 C. 4
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8 4.4 0.1	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4 4.3 0.1	A 11 - A 1
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8 4.4 0.1 - (1.3) 80.0	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4 4.3 0.1 - (1.3) 92.4 0.9 49.8	A 11 - A 1
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8 4.4 0.1 - (1.3) 80.0	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4 4.3 0.1 - (1.3) 92.4	4 C. 4
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Deferred Credits	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8 4.4 0.1 - (1.3) 80.0	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4 4.3 0.1 (1.3) 92.4 0.9 49.8 0.4	A 11 - A 1
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Deferred Credits Noncurrent Regulatory Liabilities	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8 4.4 0.1 - (1.3) 80.0	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4 4.3 0.1 (1.3) 92.4 0.9 49.8 0.4	A 11 - A 1
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Deferred Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8 4.4 0.1 - (1.3) 80.0 0.9 46.6 0.5 - 24.9 9.8	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4 4.3 0.1 (1.3) 92.4 0.9 49.8 0.4 -25.0 9.6	A 11 - A 1
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Deferred Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8 4.4 0.1 - (1.3) 80.0 0.9 46.6 0.5 - 24.9 9.8 11.0	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4 4.3 0.1 - (1.3) 92.4 0.9 49.8 0.4 - 25.0 9.6 11.0	A 11 - A 1
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Deferred Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	90.2 67.3 157.6 14.7 9.5 14.2 3.8 0.1 18.9 0.8 14.8 4.4 0.1 - (1.3) 80.0 0.9 46.6 0.5 - 24.9 9.8	92.0 58.3 150.3 28.7 10.7 17.7 4.7 0.1 13.2 0.8 13.4 4.3 0.1 (1.3) 92.4 0.9 49.8 0.4 -25.0 9.6	A 11 - A 1

Net Property Plant and Equipment 0.4 0.4 0.4 0.4 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5	0&12	Мо	2012	2013
Total Investments	Assets			
Total Investments	Net Property Plant and Equipment	208.6	211.6	2
Restricted Cash Accounts Receivable 25.8 39.2 Ass Inventory 51.9 45.1 Unrecovered Purchase Costs Material & Supplies Unrecovered Purchase Costs Unit Unrecovered Unrecovere	Total Investments		— • · · · ·	_
Restricted Cash Accounts Receivable 25.8 39.2 Ass Inventory 51.9 45.1 Unrecovered Purchase Costs Material & Supplies Unrecovered Purchase Costs Unit Unrecovered Unrecovere	Cash and Cash Equivalents	-	•	
Accounts Receivable		3.6	3.6	
Sas Inventory				
Unrecovered Purchase Costs				
Material & Supplies 0.0 0.0 0.0				
Price Risk Management Assets Exchange Gas Receivables & Reserve 0.1 0.1 Ourrent Regulatory Assets 2.8 2.7 Prepayments and Other Assets 1.1 2.9 Price Risk Management Assets 85.2 93.6 Price Risk Management Assets 17.7 17.4 Intragible Assets 17.7 17.4 Intragible Assets 17.7 17.4 Intragible Assets 17.7 17.7 Intragible Assets 17.7 1.7 Intragible Assets 18.3 19.1 Intragible Assets 19.3 19.1 Intragible Assets 19.3 19.1 Intragible Assets Intragible Asse				
Exchange Gas Receivables & Reserve		0.0	0.0	
Current Regulatory Assets 2.8 2.7		- ^1	0.1	
Propagnetis and Other Assets 1.1 2.9				
Total Current Assets 85.2 93.6				
Price Risk Management Assets NC Regulatory Assets 17.7 17.4 Intrangible Assets 17.7 17.4 Intrangible Assets 17.7 17.4 Intrangible Assets 1.7 1.7 Intrangible Assets 1.7 1.7 Intrangible Assets 1.7 1.7 Intrangible Assets 1.7 1.7 Intrangible Assets 1.8 1.7 1.7 Intrangible Assets 1.9 1.7 1.7 Intrangible Assets Intrang				
17.7 17.4			55.5	
Intangible Assets		4 4 7 7	47.4	
Post Retirement Benefits NC Assets		17.7	17.4	
Other Receivables Affiliated 1,7 1,7 Deferred Charges 1,7 1,7 Total Other Assets 19,3 19,1 Total Assets 313,5 324,7 Capitalization & Liabilities 313,5 324,7 Total Common Stock Equity 92,6 94,4 Long Term Debt , excluding amounts due within one year 67,3 58,3 Total Capitalization 159,9 152,7 1 Obligations Due in One Year 14,7 28,7 4 Accounts Payable 12,4 11,1 1 <t< td=""><td></td><td>•</td><td>-</td><td></td></t<>		•	-	
Deferred Charges 1,7 1,7 1,7 1,7 1,1		•	-	
19.3 19.1 19.1 19.3 19.1 19.1 19.3 19.1 19.1 19.1 19.3 19.1		-	*	
Total Assets 313.5 324.7 324.7 326. 324.7 326. 324.7 326. 324.7 326. 324.7 326. 326.1 326.1 326.2 32				
Total Assets 313.5 324.7	Total Other Assets	19.3	7	2
Capitalization & Liabilities	Total Assets	313.5		3
Total Common Stock Equity 92.6 94.4 Long Term Debt , excluding amounts due within one year 67.3 58.3 Total Capitalization 159.9 152.7 1 Obligations Due in One Year 14.7 28.7 Accounts Payable 12.4 11.1 Customer Deposits and AR Credit Balance 15.2 17.7 Taxes Accrued 1.9 5.0 Interest Accrued 0.0 0.0 Overrecovered Gas and Fuel Costs 7.2 7.9 Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 5.9 4.7 Current Regulatory Liabilities 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Emvironmental Other Accruals (0.8) (0.8) Total Current Liabilities - NC 1.1 1.1 Deferred Income Taxes 46.1 46.8 Deferred Income Taxes 46.1 46.8 Deferred Income Taxes 46.1 46.8 Deferred Credits Deferred Credits Noncurrent Regulatory Liabilities 25.2 25.2 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 Other Non-Current Liabilities 9.8 9.8 Other Not Liab & Deferred Credits 9.26 93.4 Other Not Liab & Deferred Credits 92.6 93.4 Other Not Liab & Deferred Credits				
Long Term Debt , excluding amounts due within one year 159.9 152.7 160		00.0	24.4	
Total Capitalization 158.9 152.7 1	· · ·		= ** *	
Description Due n One Year 14.7 28.7		67.3	58.3	
Accounts Payable 12.4 11.1 Customer Deposits and AR Credit Balance 15.2 17.7 Taxes Accrued 1.9 5.0 Interest Accrued 0.0 0.0 Overrecovered Gas and Fuel Costs 7.2 7.9 Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 5.9 4.7 Current Regulatory Liabilities 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental Other Accruals (0.8) (0.8) Total Current Liabilities 60.9 78.6 Price Risk Management Liabilities - NC 1.1 1.1 Deferred Income Taxes 46.1 46.8 Deferred Investment Tax Credits 0.5 0.4 Deferred Credits	Total Capitalization	159.9	152.7	1
Accounts Payable 12.4 11.1 Customer Deposits and AR Credit Balance 15.2 17.7 Taxes Accrued 1.9 5.0 Interest Accrued 0.0 0.0 Overrecovered Gas and Fuel Costs 7.2 7.9 Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 5.9 4.7 Current Regulatory Liabilities 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental Other Accruals (0.8) (0.8) Total Current Liabilities 60.9 78.6 Price Risk Management Liabilities - NC 1.1 1.1 Deferred Income Taxes 46.1 46.8 Deferred Investment Tax Credits 0.5 0.4 Deferred Credits	Obligations Due in One Year	14.7	28.7	
Customer Deposits and AR Credit Balance 15.2 17.7 Taxes Accrued 1.9 5.0 Interest Accrued 0.0 0.0 Overrecovered Gas and Fuel Costs 7.2 7.9 Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 5.9 4.7 Current Regulatory Liabilities 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals (0.8) (0.8) Total Current Liabilities 60.9 78.6 Price Risk Management Liabilities - NC 1.1 1.1 Deferred Income Taxes 46.1 46.8 Deferred Investment Tax Credits 0.5 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 25.2 25.2 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 Other Non-Current Liabilities 9.8 9.8 Other No Liabilities 92.6 93.4				
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Overrecovered Gas and Fuel Costs 7.2 7.9 Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 5.9 4.7 Current Regulatory Liabilities 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruais (0.8) (0.8) Total Current Liabilities 60.9 78.6 Price Risk Management Liabilities - NC 1.1 1.1 Deferred Income Taxes 46.1 46.8 Deferred Investment Tax Credits 0.5 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 25.2 25.2 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 Other NO-Current Liabilities 9.8 9.8 Other NC Liab & Deferred Credits 92.6 93.4				
Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 5.9 4.7 Current Regulatory Liabilities 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals (0.8) (0.8) Total Current Liabilities 60.9 78.6 Price Risk Management Liabilities - NC 1.1 1.1 Deferred Income Taxes 46.1 46.8 Deferred Investment Tax Credits 0.5 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 25.2 25.2 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 Other Non-Current Liabilities 9.8 9.8 Other NG Liab & Deferred Credits 92.6 93.4			* * * *	
Exchange Gas Payable 5.9 4.7 Current Regulatory Liabilities 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals (0.8) (0.8) Total Current Liabilities 60.9 78.6 Price Risk Management Liabilities - NC 1.1 1.1 Deferred Income Taxes 46.1 46.8 Deferred Investment Tax Credits 0.5 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 25.2 25.2 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 Other Non-Current Liabilities 9.8 9.8 Other NG Liab & Deferred Credits 92.6 93.4	· · · · · · · · · · · · · · · · · · ·			
Current Regulatory Liabilities 3.6 3.6 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals (0.8) (0.8) Total Current Liabilities 60.9 78.6 Price Risk Management Liabilities - NC 1.1 1.1 Deferred Income Taxes 46.1 46.8 Deferred Investment Tax Credits 0.5 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 25.2 25.2 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 Other Non-Current Liabilities 9.8 9.8 Other NG Liab & Deferred Credits 92.6 93.4				
Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental				
Commental	Current Regulatory Liabilities			
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Total Current Liabilities 60.9 78.6 Price Risk Management Liabilities - NC 1.1 1.1 Deferred Income Taxes 46.1 46.8 Deferred Investment Tax Credits 0.5 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 25.2 25.2 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 Other Non-Current Liabilities 9.8 9.8 Other NC Liab & Deferred Credits 92.6 93.4			<u></u>	
Price Risk Management Liabilities - NC 1.1 1.1 Deferred Income Taxes 46.1 46.8 Deferred Investment Tax Credits 0.5 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 25.2 25.2 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 Other Non-Current Liabilities 9.8 9.8 Other NC Liab & Deferred Credits 92.6 93.4				
Deferred Income Taxes	Total Current Liabilities	50.9		
Deferred Investment Tax Credits 0.5 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 25.2 25.2 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 Other Non-Current Liabilities 9.8 9.8 Other NC Liab & Deferred Credits 92.6 93.4	Price Risk Management Liabilities - NC			
Deferred Credits Noncurrent Regulatory Liabilities 25.2 Accrued Liab for Post Retirement Benefits - NC 10.1 Other Non-Current Liabilities 9.8 9.8 Other NC Liab & Deferred Credits 92.6 93.4		46.1	46.8	
Noncurrent Regulatory Liabilities 25.2 25.2 Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 Other Non-Current Liabilities 9.8 9.8 Other NC Liab & Deferred Credits 92.6 93.4	Deferred Investment Tax Credits	0.5	0.4	
Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 Other Non-Current Liabilities 9.8 9.8 Other NC Liab & Deferred Credits 92.6 93.4	Deferred Credits	•	÷	
Accrued Liab for Post Retirement Benefits - NC 10.1 10.0 Other Non-Current Liabilities 9.8 9.8 Other NC Liab & Deferred Credits 92.6 93.4		25.2	25.2	
Other Nor-Current Liabilities 9.8 9.8 Other NC Liab & Deferred Credits 92.6 93.4				
Other NC Lisb & Deferred Credits 92.6 93.4				
-	Other NC Liab & Deferred Credits			
Total Capitalization & Liabilities 313.5 324.7			•	
	Total Capitalization & Liabilities	313.5	324.7	3

E) Gas Inventory 0.557 (0.083) 0.285 I Unrecovered Purchase Costs - - 9.1 Material & Supplies 0.1 (0.0) (0.0) Price Risk Management Assets - - - Excharge Gas Receivables & Reserve (0.0) (0.0) (0.0) Current Regulatory Assets (0.2) (0.0) (0.1) Tributal Current Assets 12.9 13.2 5.8 Price Risk Management Assets - - - KN NC Regulatory Assets - - - KN NC Regulatory Assets - - - Cherred Charges 1.3 1.3 1.3 Other Receivables Affiliated - - - Deferred Charges 1.3 1.3 1.3 Total Assets 17.6 14.6 13.3 Total Assets 17.6 14.6 13.3 Total Assets 17.6 14.6 13.3 Total Common Stock Equity (2.4) (2.4)	Var	lance	Mo Var	2012 Var	2013 Var
Total Investments		Assets			
Total Investments	A)	Net Property Plant and Equipment	4.3	1.1	7.8
C) Restricted Cash (1.4) (0.3) 2.2 D Accounts Receivable 13.3 13.9 (5.7) E) Gas Inventory 0.557 (0.983) 0.285 I Unrecovered Purchase Costs - - 9.1 Motorfal & Suppolles 0.0 (0.0) (0.0) (0.0) Price Risk Management Assets - - - Excharge Gas Receivables & Reserve (0.0) (0.0) (0.0) Current Regulatory Assets (0.3) (0.3) (0.3) Total Current Assets 1.2 0.0 0.1 Total Current Assets - - - K) NC Regulatory Assets (1.0) (1.0) (1.6) Intangible Assets - - - - K) NC Regulatory Assets - - - - - K) NC Regulatory Assets - - - - - - - - - - - - - - - -	•		0.0	0.0	0.0
Diagram Diag	B)	Cash and Cash Equivalents	0.4	-	•
El Gas Inventory	C)	Restricted Cash	(1.4)	(0.3)	2.2
F Unrecovered Purchase Costs -	D)	Accounts Receivable	13.3	13.9	(5.7)
Material & Supplies	E)	Gas inventory	0.557	(0.083)	0.295
Price Risk Management Assets C. C. C. C. C. C. C. C	F)	Unrecovered Purchase Costs	-	-	9.1
Price Risk Management Assets C. C. C. C. C. C. C. C	•	Material & Supplies	0.1	(0.0)	(0.0)
Exchange Gas Receivables & Reserve (0.0) (•	•	
Current Regulatory Assets			(0.0)	(0.0)	(0.0)
Pricayments and Other Assets 0.2 0.0 0.1 Total Current Assets 12.8 13.2 5.8 Price Risk Management Assets NC Regulatory Assets (1.0) (1.0) (1.6) Intangible Assets - Post Retirement Benefits NC Assets - - Other Receivables Affiliated - - Other Receivables Affiliated - - Other Assets 1.3 1.3 1.3 Total Other Assets 1.3 1.3 1.3 Total Other Assets 1.6 14.6 13.3 Total Charges 1.3 1.3 1.3 Total Assets 17.6 14.6 14.6 13.3 Total Common Stock Equity (2.4) (2.4) (2.4) (2.7 Oug Term Debt, excluding amounts due within one year - - (2.3 Total Capitalization & Liabilities (2.9) (0.4) (0.1) Outsomer Deposits and AR Credit Balance (1.0) 0.0 0.0 Outsomer Deposits and AR Credit Balance (1.0) 0.0 0.0 I Taxes Accorded 1.9 (0.2) (0.2) Interest Accorded 1.9 (0.2) (0.2) Interest Accorded 1.9 (0.2) (0.2) Outsomer Deposits and Fuel Costs 11.7 5.3 - Other Regulatory Liabilities (Current) 0.1 0.1 0.1 J Exchange Gas Payable 8.9 8.7 (2.7) Current Regulatory Liabilities (0.8 0.7 0.5 Accorded Liability for Post Retirement Benefits - Cur - Environmental - - Price Risk Management Liabilities - NC (0.2) (0.2) (0.2) Deferred Income Taxes 0.5 3.0 3.6 Deferred Income Taxes 0.0 0.0 0.0 Other Non-Current Liabilities - NC (0.3) (0.4) 1.2 Other Non-Current Liabilities - NC (0.5) (0.5) (0.5) Other Non-Current Liabilities - NC (0.6) (0.7) (0.7) Other Non-Curre					• •
Total Cyrrent Assets					
K NC Regulatory Assets (1.0) (1.0) (1.6) Intangible Assets					
K NC Regulatory Assets (1.0) (1.0) (1.6) Intangible Assets		Drive Diele Management Assets			
Intangible Assets	K)		(4.0)	- /4 (N)	74.05
Post Retirement Benefits NC Assets - - - - -	K)		(1.0)	(1.0)	(1.0)
Other Receivables Affiliated 1.3			-	*	-
Name			-	-	-
Total Other Assets 17.6 14.6 13.3 13.3	146		-	- 4.0	-
Total Assets 17.6 14.6 13.3	K)	Deferred Charges			
Capitalization & Liabilities Capitalization & Liabilities		Total Other Assets	. 1. 1. 0.4 . 1	0.3	(0.3)
Total Common Stock Equity (2.4) (2.4) (2.4) (2.7)		Total Asseis	17.6	14.6	13.3
Total Common Stock Equity (2.4) (2.4) (2.4) (2.7)					· · · · · · · · · · · · · · · · · · ·
Current Portion of Long Term Debt Customer Deposits and AR Credit Balance Current Portion of Long Term Debt Customer Deposits and AR Credit Balance Current Customer Custom			10.4 1	(- 4)	
Total Capitalization (2.4)	•	· ·	(2.4)	(2.4)	2.7
G Current Portion of Long Term Debt - - 6.3 D Accounts Payable (2.9) (0.4) (0.1) D Customer Deposits and AR Credit Balance (1.0) 0.0 0.0 D Taxes Accrued 1.9 (0.2) 0.2 Interest Accrued 0.0 0.0 0.0 0.0 D Overrecovered Gas and Fuel Costs 11.7 5.3 - D Price Risk Management Liabilities (Current) 0.1 0.1 0.1 0.1 J Exchange Gas Payable 8.9 8.7 (2.7) Current Regulatory Liabilities 0.8 0.7 0.5 Accrued Liability for Post Retirement Benefits - Cur - - - Environmental - - - - Other Accruals (0.5) (0.5) (0.5) 3.1 Total Current Liabilities - NC (0.2) (0.2) (0.2) D Deferred Income Taxes 0.5 3.0 3.6 D Deferred Investment Tax Credits 0.0 (0.0) (0.0) D Deferred Credits 0.0 (0.3) (0.3) (0.3) Accrued Liab for Post Retirement Benefits - NC (0.3) (0.4) 1.2 Other Non-Current Liabilities 1.2 1.2 1.2 Other NC Liab & Deferred Credits 0.9 3.3 5.5	G)		•	•	(2.3)
D Accounts Payable (2.9) (0.4) (0.1)		Total Capitalization	(2.4)	(2.4)	0.4
D	G)	Current Portion of Long Term Debt	_	-	6.3
D Customer Deposits and AR Credit Balance (1.0) 0.0 0.0 0.0	D)		(2.9)	(0.4)	(0.1)
H Taxes Accrued 1.9 (0.2) 0.2 Interest Accrued 0.0	•				
Interest Accrued	•				
F) Overrecovered Gas and Fuel Costs 11.7 5.3 - I) Price Risk Management Liabilities (Current) 0.1 0.1 0.1 J) Exchange Gas Payable 8.9 8.7 (2.7) Current Regulatory Liabilities 0.8 0.7 0.5 Accrued Liability for Post Retirement Benefits - Cur Environmental K) Other Accruels (0.5) (0.5) 3.1 Total Current Liabilities - NC (0.2) (0.2) (0.2) Price Risk Management Liabilities - NC (0.2) (0.2) (0.2) H) Deferred Income Taxes 0.5 3.0 3.6 Deferred Investment Tax Credits 0.0 (0.0) (0.0) Deferred Credits Noncurrent Regulatory Liabilities (0.3) (0.3) (0.3) Accrued Liab for Post Retirement Benefits - NC (0.3) (0.4) 1.2 Other NC Liab & Deferred Credits 1.2 1.2 1.2 Other NC Liab & Deferred Credits 0.9 3.3 5.5	,				
Price Risk Management Liabilities (Current)	E١				
J) Exchange Gas Payable 8.9 8.7 (2.7) Current Regulatory Liabilities 0.8 0.7 0.5 Accrued Liability for Post Retirement Benefits - Cur - - - Environmental - - - K) Other Accruals (0.5) (0.5) 3.1 Total Current Liabilities 19.1 13.8 7.4 Price Risk Management Liabilities - NC (0.2) (0.2) (0.2) H) Deferred Income Taxes 0.5 3.0 3.6 Deferred Investment Tax Credits 0.0 (0.0) (0.0) Deferred Credits - - - Noncurrent Regulatory Liabilities (0.3) (0.3) (0.3) Accrued Liab for Post Retirement Benefits - NC (0.3) (0.4) 1.2 Other NG Liab & Deferred Credits 0.9 3.3 5.5					
Current Regulatory Liabilities 0.8 0.7 0.5 Accrued Liability for Post Retirement Benefits - Cur - - - Environmental - - - K) Other Accruals (0.5) (0.5) (0.5) 3.1 Total Current Liabilities 19.1 13.8 7.4 Price Risk Management Liabilities - NC (0.2) (0.2) (0.2) H) Deferred Income Taxes 0.5 3.0 3.6 Deferred Investment Tax Credits 0.0 (0.0) (0.0) Deferred Credits - - - Noncurrent Regulatory Liabilities (0.3) (0.3) (0.3) Accrued Liab for Post Retirement Benefits - NC (0.3) (0.4) 1.2 Other Non-Current Liabilities 1.2 1.2 1.2 1.2 Other NG Liab & Deferred Credits 0.9 3.3 5.5					
Accrued Liability for Post Retirement Benefits - Cur	u)				
Environmental Commental			0.0	0.7	0.5
K) Other Accruals (0.5) (0.5) 3.1 Total Current Liabilities 19.1 13.8 7.4 Price Risk Management Liabilities - NC (0.2) (0.2) (0.2) H) Deferred Income Taxes 0.5 3.0 3.6 Deferred Investment Tax Credits 0.0 (0.0) (0.0) Deferred Credits - - - Noncurrent Regulatory Liabilities (0.3) (0.3) (0.3) Accrued Liab for Post Retirement Benefits - NC (0.3) (0.4) 1.2 Other Non-Current Liabilities 1.2 1.2 1.2 Other NG Liab & Deferred Credits 0.9 3.3 5.5			-	-	•
Total Current Liabilities 19.1 13.8 7.4					
Price Risk Management Liabilities - NC (0.2) (0.2) (0.2) H) Deferred Income Taxes 0.5 3.0 3.6 Deferred Investment Tax Credits 0.0 (0.0) (0.0) Deferred Credits - - - Noncurrent Regulatory Liabilities (0.3) (0.3) (0.3) Accrued Liab for Post Retirement Benefits - NC (0.3) (0.4) 1.2 Other Non-Current Liabilities 1.2 1.2 1.2 Other NG Liab & Deferred Credits 0.9 3.3 5.5	K)		<u> </u>		
H) Deferred Income Taxes 0.5 3.0 3.6 Deferred Investment Tax Credits 0.0 (0.0) (0.0) Deferred Credits - - - Noncurrent Regulatory Liabilities (0.3) (0.3) (0.3) Accrued Liab for Post Retirement Benefits - NC (0.3) (0.4) 1.2 Other Non-Current Liabilities 1.2 1.2 1.2 Other NG Liab & Deferred Credits 0.9 3.3 5.5		Total Current Liabilities		13.8	7.4
H) Deferred Income Taxes 0.5 3.0 3.6 Deferred Investment Tax Credits 0.0 (0.0) (0.0) Deferred Credits - - - Noncurrent Regulatory Liabilities (0.3) (0.3) (0.3) Accrued Liab for Post Retirement Benefits - NC (0.3) (0.4) 1.2 Other Non-Current Liabilities 1.2 1.2 1.2 Other NG Liab & Deferred Credits 0.9 3.3 5.5					(0.2)
Deferred Credits Company Compa	H)				3.6
Noncurrent Regulatory Liabilities (0.3) (0.3) (0.3) Accrued Liab for Post Retirement Benefits - NC (0.3) (0.4) 1.2 Other Non-Current Liabilities 1.2 1.2 1.2 1.2 Other NG Liab & Deferred Credits 0.9 3.3 5.5			0. 0		(0.0)
Accrued Liab for Post Retirement Benefits - NC (0.3) (0.4) 1.2 Other Non-Current Liabilities 1.2 1.2 1.2 Other NG Liab & Deferred Credits 0.9 3.3 5.5			(0.3)		(0.3)
Other Non-Current Liabilities 1.2 1.2 1.2 1.2 Other NG Liab & Deferred Credits 0.9 3.3 5.5					
Other NC Liab & Deferred Credits 0.9 3.3 5.5					

- A) Variance due to timing around 2012 in-Service (\$2.1M) and Depreciation (\$600K)
- B) Increase in Money Pool funding
- C) Monthly and 2013 annual variances are due to changes to the required reserves related to the Hedging Program. The 2012 variance is due to MF Global bankruptcy (\$483K).
- D) September A/R variance is due to a (\$2.9M) decrease to Account Receivables (\$4.2M) for Choice and (\$1.4M) to Off-Systems Sales, partially offset by increased Tariff receivables of \$3.6M. Additional offsets include increased Money Pool deposits of \$16.2M. The 2012 A/R variance is due to decreased Tariff receivables (\$2.3M), Unbilled receivables (\$2.0M), and Off-Systems Sales (\$1.4M), outset by \$18.8M in Money Pool funding. 2013 A/R variance is driven by decreases to the Money Pool balance. A/P variance is due to decreased payables related to declining Gas Costs; (\$3.7M) for September, (\$400K) for 2012 The \$1.0M Customer Deposits variance is due to adjustments to budget payment plans.
- E) Monthly variance due to Rate Differential and Usage variances of \$931.4K and (\$376.1K) respectively. 2012 annual variance due to Rate Differential and Usage variances of (\$212.4K) and \$128.1K respectively. 2013 annual variance is due to Rate Differential and Usage variances of \$74K and \$220.3K respectively.
- F) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA fillings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equify ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to increased federal tax accruals .
- I) Variance due to changes in the Hedging obligations.
- J) Variances are due to changes in the number of outstanding exchange obligations vs. the 0812.
- K) 2013 variance due to account reclassifications of Miscellaneous Deferrals; primarily Customer Advances related to capital projects.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 9&3	Mo Actual	YTD Actual	2012 9&3	2013 9&3
New Business	1,2	2.6	2.7	4.0
Betterment	0.0	0.3	0.3	0.1
Replacement	1.1	11.0	12.0	15.8
Support Services	0.2	1.1	1.4	2.0
Gross Capital	2.5	15.0	16.4	21.9
Contributions & Reimbursements	0.0	(0.3)	(0.7)	(0.6)
Total NGD	2.5	14.7	15.8	21.3
Infrastructure/AMR	515mm - 1.1 Team	5	9.64 JH (1914)	12.2

2012 0&12	Mo Budget	YTD	2012 08:12	2013 0&12
New Business	0.1	1.0	1.7	1.7
Betterment	0.2	0.9	1 .0	0.2
Replacement	0.9	8.1	1 1. 4	11.7
Support Services	0.1	0.5	1.2	1.6
Gross Capital	1.2	10.5	15.3	15.1
Contributions & Reimbursements	(0.2)	(0.5)	(0.7)	(0.7)
Total NGD	1.1	10.0	14.7	14.5
Infrastructure/AMR	<u> </u>	6.8 _ ()	- <u> </u>	8.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	1.1	1.5	1.0	2.3
Betterment	(0.2)	(0.6)	(0.7)	(0.1)
Replacement	0.3	2.9	0.6	4.1
Support Services	0.1	0.6	0.2	0.5
Gross Capital	1.3	4,5	1.1	6.8
Contributions & Reimbursements	0.2	0.2	-	0.1
Total NGD		47	al jag (j.e.g 1.4 e-1, vy j	6.9
Infrastructure/AMR	· 115 [2] 145 0.5 電響 (2) 150	2.8 thys.	0.5	: ::::: 4,0

Variance Explanations:

Primarily mild weather and contractor availability.

Plan variances due to additional allocation to NGD: CKY portion.

Columbia Gas of Kentucky Plan vs. Plan - October 2012 (\$ millions)

2012 10&2		Mo Actual	/TD Actual	2012 10&2	2013 1082
Net Revenues		4.2	45.1	59.6	60.7
O&M Expense		2.5	25.5	31.3	31.8
Depreciation		0.6	5.5	6.7	7.0
Other Taxes		0.2	2.3	2.7	3.2
Operating Earnings	· · · · · ·	0.9	11.8	19.0	18.8
Other Income		0.0	0.5	0.6	0.5
Interest Expense		0.4	3.9	4.8	5.1
Net Operating Income		0.5	8.4	14.8	14,2
Income Tax	•	(0.0)	3.8	6.3	5.5
Net Operating Income		1 A.S. D.5	4.6	8,6	8.7

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Net Revenues	4.0	47.6	60.9	60.8
O&M Expense	2.5	25.9	30.9	31.1
Depreciation	8.0	5.5	6.6	6.9
Other Taxes	0.2	2.4	2.9	3.1
Operating Earnings	6.7	13.9	20.5	19.8
Other Income	0.0	0.6	0.7	0.5
Interest Expense	0.4	3.9	4.8	5.3
Net Operating Income	0.3	10,5	16.4	15.0
Income Tax	0.1	4.0	6.3	6.0
Net Operating Income	0.2	6.5%. v	10.0	9.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	0.2	(2.5)	(1.3)	(0.1)
O&M Expense	(0.0)	(0.4)	0.4	0.7
Depreciation	0.0	0.1	0.1	0.1
Other Taxes	0.0	(0.1)	(0.2)	0.1
Operating Earnings	0.2	(2.1)	(1.5)	(1.0)
Other Income	0.0	(0.1)	(0.1)	0.0
Interest Expense	(0.0)	(0.0)	(0.0)	(0.2)
Net Operating Income	0.2	(2.1)	(1.5)	(0.8)
Income Tax	(0.1)	(0.3)	(0.1)	(0.5)
Net Operating Income	0.3	(1.9)	(1.5)	(0.3)

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

012 1082	Mo Actual	YTD Actual	2012 10&2	2013 10&2
Base Margin (less LCR)	3.5	38.3	50.3	50.4
LCR	0.4	3.9	4,9	5.1
LCR (Prior Dec. True-Up)	=	(0.1)	(0.1)	•
ESS	0.2	1.3	2.4	2.8
Regulatory Outcome	-		-	0.6
Other OGDR	0.1	1.1	1.3	1.0
CKY Purchase Receivable	0.0	0.3	0.5	0.5
Uncollectibles - NonTracked	0.0	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.1	1.0	1.1	0.5
Total Revenue	4.4	46.2	61.0	61.4
Total Revenue w/o Trackers	4.2	45.1	59.6	60.7

2 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Base Margin (less LCR)	3.4	40.0	51.4	50.4
LCR	0.4	4.0	5.1	4.9
LCR (Prior Dec. True-Up)	-	•	-	-
ESS	0.2	2.0	2.4	2.8
Regulatory Outcome	-	-	-	0.6
Other OGDR	0.1	1.0	1.2	1.2
CKY Purchase Receivable	0.0	0.4	0.5	0.5
Uncollectibles - NonTracked	0.0	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.0	0.4	0.5	0.5
Total Revenue	10 No. A. 1 4.1	48.2	61.6	61.6
Total Revenue w/o Trackers	4.0	47.6	60.9	60.

Var	iance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Base Margin (less LCR)	0.2	(1.7)	(1.1)	0.1
	LCR	(0.0)	(0.1)	(0.1)	0.2
	LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
B)	ESS	0.0	(0.7)	(0.0)	(0.0)
	Regulatory Outcome	-	-	-	0.0
	Other OGDR	(0.0)	0. 1	0.1	(0.2)
	CKY Purchase Receivable	(0.0)	(0.1)	(0.1)	(0.1)
	Uncollectibles - NonTracked	0.0	0.0	(0.0)	(0.0)
	Uncollectibles - Tracked	•	(0.0)	(0.0)	
	Trackers	0.1	0.6	0.6	(0.0)
	Total Variance	0.3	(1.9)	(0.7)	(0.2)
	Total Variance w/o Trackers		(2.5)	(1.3)	(0,1)

- A) 2012 variance due to approximately \$1.8M in non-operating Weather Letter adjustments, offset by \$700K of decreased operating revenues driven by volumetric declines.
- B) YTD variance represents fluctuations in Off-System sales assumptions stemming from price volatility.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2012 1082	Mo Actual	YTD Actual	2012 1082	2013 10&2
Penalty Charges	0.0	0.4	0.4	0.4
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.5	0.6	0.4
Other Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.1	0.1	0.0
Company Use	0.0	0.1	0.1	0.1
Balancing Services	-	•	-	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	-	0.0	0.0	-
Total OGDR	0.1	31.1	1.3	1.0

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Penalty Charges	0.0	0.3	0.3	0.3
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.3	0.4	0.4
Other Revenue	0.0	0.2	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.1	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	.	0.0	0.0	0.0
Misc Merchant Revenue	-	-	-	•
Total OGDR	0.1	1.0	1.2	1,2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	0.0	0.0	0.0	0.0
Return Check	(0.0)	0.0	0.0	0.0
Other Fees	0.0	0.2	0.2	(0.0)
Other Revenue	(0.0)	(0.1)	(0.2)	(0.2)
Pub Util-Flex	0.0	0.1	0.1	•
Company Use	(0.0)	(0.0)	(0.0)	(0.0)
Balancing Services	-	-		•
Other Misc Income	-	(0.0)	(0.0)	(0.0)
Misc Merchant Revenue	_	0.0	0.0	- '
Total OGDR	· · (0.D)	0.1	0.1	(0.2)

Columbia Gas of Kentucky 2012 Customer & Usage Information - 10&2 vs. 0&12

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residential	0.012	0.004
Commercial	0.009	0.029
Total	0.020	0.034

Usage Change	Month	YTD
Residential	0.007	0.040
Commercial	(0.038)	0.161
Industrial (Non-LCR)	0.020	0.034
Total	(0.011)	0.234

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	3.3	50.9
Comm	30.7	408.3
Ind	7,028.2	71,227.5

Budget	Month	YTD
Residential	3.2	50.8
Commercial	32.3	403.0
Industrial	7,071.8	70,933.7

Variance	Month	Mo. %	YTD	YTD %
Residential	0.0	0.8%	0.1	0.2%
Commercial	(1.6)	-5.1%	5.4	1.3%
Industrial	(43.6)	-0.6%	293.8	0.4%

Customer Count

Actual	Month	YTD Avg
Residential	118,363	119,458
Commercial	13,755	13,897
Industrial	177	177
Total	132,295	133,532

Budget	Month	YTD Avg
Residential	117,765	119,269
Commercial	13,585	13,818
Industrial	181	181
Total	131,531	133,268

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	598	0.5%	189	0.2%
Commercial	170	1.3%	79	0.6%
Industrial	(4)	-2.2%	(4)	-2.0%
Total	764	0.6%	264	0.2%

Columbia Gas of Kentucky O&M - Cost Element View - Pian-vs.-Plan (\$ millions)

2012 10&2 N	lo Actual	YTD Actual	2012 10&2	2013 10&2
Labor	0.7	6.1	7.3	7.3
Benefits	0.2	1.9	2.2	1.9
Materials & Supplies	0.1	1.2	1.4	1.5
Outside Services	0.3	3.5	4.2	4.8
Management Fee	0.9	9.5	12.1	12.4
Uncollectibles	(0.0)	0.2	0.1	0.5
Other *	0.3	3.1	3.9	3.3
Trackers	0.2	0.9	1.1	0.7
Total O&Military and Applications of the second second second	2.7	26.4	32.3	32.5
Total O&M w/o Trackers	2,5	25.5	31.3	31.8

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Labor	0.5	5.6	6.6	6.9
Benefits	0.2	1.7	2.0	1.6
Materials & Supplies	0.1	1.3	1.5	1.5
Outside Services	0.3	3.7	4.3	5.0
Management Fee	1.0	9,9	11.9	12.2
Uncollectibles	0.0	0.4	0.5	0.5
Other *	0.3	3.3	3.9	3.4
Trackers	0.0	0.6	0.8	0.7
Total O&M	2.6	26.4	31.6	31.8
Total O&M w/o Trackers	2.5	25.9	30.9	31.1

	Variance	No Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Labor		0.1 0.5	0.6	0,5
B)	Benefits	(0	0.0) 0.2	0.1	0.3
	Materials & Supplies	(0	(0.0)	(0.1)	(0.0)
	Outside Services	(0	0.0) (0.2)	(0.1)	(0,2)
C)	Management Fee	(0	0.0) (0.4)	0.2	0.2
D)	Uncollectibles	((0.0) (0.2)	(0.4)	(0.1)
	Other *	(0.0 (0.2)	(0.1)	(0.1)
E)	Trackers	(0.1 0.4	0.3	0.0
	Total Change		0.0)	0.7	0.7
	Total Change w/o Trackers		0.0) (0.4)	1 1 1 1 1 1 1 1	0.7

- A) YTD & 2012 Yr Var unfavorable shift in labor allocation / capitalization transfers for corrosion mitigaation & leak repair, with slight offset for select vacancies.
- B) 2012 & 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- C) YTD Var Primarily Legal and NGD Operations. 2012 & 2013 Yr Var Primarily revised capitalization transfers.
- D) Annual variance due to revisions to the bad debt calculation & accrual.
- E) Offset in revenue.

Columbia Gas of Kentucky O&M - Other Cost Element View - Plan-vs.-Plan (\$ millions)

2012 10&2	Mo Actual	YTD Actual	2012 10&2	2013 10&2
Other				
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.2	0.2	0.2
Corporate Insurance	0.1	0.6	0.8	0.8
Employee Expenses	0.0	0.2	0.3	0.4
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.3	0.4	0.4
Misc Revenues	(0.0)	(0.2)	(0.2)	(0.2)
Misc & Other Expenses	0.0	0.2	0.2	0.1
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0,0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	
Advertising	0.0	0.0	0.0	0.1
Auto/Trucks Cleared	0.1	1.0	1.3	1.3
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Below the Line O&M				
	0.3	3.1	3.9	3.3

012 0812	Mo Budget	YTD Budget	2012 0&12	2013 08.12
Other		-		
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.3	0.3	0.3
Corporate Insurance	0.1	0.7	0.9	0.9
Employee Expanses	0.0	0.2	0.3	0.4
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.2	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	(0.0)
Amortizations *	0.0	0.4	0.6	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	1.1	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.2	0,2	0.2
Below the Line O&M	-	-		-
	0.3	3.3	3.9	3.4

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Υτ Var
Other				
Buildings and Land	(0.0)	(0.0)	(0.0)	(0.0)
Rents/Leases	(0.0)	(0.1)	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.1)	(0.0)	(0.0)
Employee Expenses	0.0	(0.0)	0.0	0.0
Company Memberships	0.0	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.2	0.2	0.1
Amortizations *	0.0	0.0	0.0	
Deferred Credits	(0.0)	0.1	0.1	(0.0)
I&D Accrual	(0.0)	(0.1)	(0.0)	•
Well/Lease Rent/Royalty	-	, ,		
Advertising	0.0	(0.1)	(0.1)	-
Auto/Trucks Cleared	(0.0)	(0.1)	(0.1)	(0.1)
O&M Reclass - Regulatory to GAAP	-	(0.0)	(0.0)	(0.0)
Below the Line O&M				
	0.0	(0.2)	(0.1)	(0.1)

Variance Explanations:

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky
O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2012 10&2	Mo Actual	YTD Actual	2012 10&2	2013 10&2
Distribution Ops	0.9	9.3	11.0	11.2
Meter To Cash	0.1	0.5	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.1	0.4	0.8	0.7
Presidents	0.1	1,2	1. 6	1.6
Other Dept	-	-	-	_
Management Fee	0.9	9.5	12.1	12.4
Benefits	0,2	1.9	2.2	1.9
Uncollectibles	(0.0)	0.2	0.1	0.5
Other Corporate *	0.3	2,5	3.0	2.9
Trackers	0.2	0.9	1.1	0.7
Total O&M	2.7	26.4	32.3	32.5
Total Q&M w/o Trackers	2,5	25.5	31.3	31.8

12 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Distribution Ops	0.9	9.2	10.9	11.2
Meter To Cash	0.0	0.5	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.3	0.4	0.4
Presidents	0.1	1.3	1.6	1.6
Other Dept	-	-	-	-
Management Fee	1.0	9.9	11.9	12.2
Benefits	0.2	1.7	2.0	1.6
Uncollectibles	0.0	0.4	0.5	0.5
Other Corporate *	0.2	2.4	2.9	3.0
Trackers	0.0	0.6	8.0	0.7
Total O&M	2.8	26.4	31.6	31.8
Total O&M w/o Trackers	2.5 ÷ december	25.9	30.9	31.1

Var	iance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Distribution Ops	0.0	0.1	0.1	(0.0)
	Meter To Cash	0.0	(0.0)	(0.0)	- '
	Customer Call Center	0.0	(0.0)	(0.0)	-
	Integration Center	0.0	0.1	0.2	0.3
	Presidents	0 .0	(0.1)	(0.0)	0.0
	Other Dept	-	-	· -	-
B)	Management Fee	(0.0)	(0.4)	0.2	0,2
C)	Benefits	(0.0)	0.2	0.1	0.3
D)	Uncollectibles	(0.0)	(0.2)	(0.4)	(0.1)
•	Other Corporate *	0.0	0.0	0.1	(0.1)
E)	Trackers	0.1	0.4	0.3	0.0
	Total Change	0.1	(0.0)	0.7	0.7
	Total Change w/o Trackers		1455 (0.4) 		:::::::::::::::::::::::::::::::::::::

- A) 2012 Yr Var Primarily meter reading, maintenance of mains and fleet adj. partially offset by leak repairs.
 B) YTD Var Primarily Legal and NGD Operations primarily revised capitalization transfers.
 C) 2012 and 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
 D) Annual variance due to revisions to the bad debt calculation & accrual.
- E) Offset in revenue.

^{*} See O&M Other Corp Tab

Columbia Gas of Kentucky O&M - Other Corporate View - Pten-vs.-Plan (\$ m御ons)

2012 1982	Mo Actual	YTO Actual	2012 10&2	2013 1082
Other Corporate				
Net Labor	0.0	0.4	0.5	0.4
Materials/Suppties	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.2	0.1
Consulting Fees	0.0	0,1	0.1	0.1
Legal Fees		•	-	-
Outside Services	0.0	0.1	0.2	0.2
Buildings and Land	-	•	-	-
Rents/Leases	0.0	0.2	0.2	0.2
Corporate Insurance	0.1	0.6	8.0	0.8
Employee Expenses	•	•	-	-
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	•	•	-	
Misc & Other Expenses	0.0	0.2	0.2	0.2
Amortizetions *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	{0.1}
I&D Accruel	0.D	0.1	0.1	0.1
WelVLease Rent/Royalty	•	-	_	-
Advertising	-	-	-	•
Auto/Truck Cleared	•	•	-	_
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Stores Clearing	•		•	
Below the line O&M	-	_	-	-
Total Other Corporate	0.3	2.5	3.0	2.9

2012 08:12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Other Corporate				
Net Labor	0.0	0.4	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Faes	0.0	0.1	0.1	0.1
Consulting Fees	0.0	0.0	0.0	0,2
Legal Fees	-	•	-	-
Outside Sarvices	0.0	0.1	0.2	0.2
Buildings and Land	-	-	-	-
Rents/Leases	0.0	0.2	0.3	0.3
Corporate Insurance	0.1	0.7	0.9	0.9
Employee Expenses	-	-	-	-
Company Memberships	0.0	0.1	0.1	0.1
Uilities	0.0	0.0	0.0	0.0
Misc Ravenues	•	•	•	
Misc & Other Expenses	0.0	0.2	0.2	0.2
Amortizationa *	0.0	0.4	0.6	D.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	•	•	-	-
Advertising	_	-	-	-
Auto/Truck Cleared	-	-	-	
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Stores Clearing	-	-	-	
Below the line O&M	-			
Total Other Corporate	0,2	2.4	2.9	3,0

arianca	Mo Var	YTD Var	2012 Yr Vac	2013 Yr Var
Other				
Net Labor	0.0	0.0	0.0	(0.0
Materials/Supplies	0.0	0.0	0.0	-
Audit Fees	0.0	0.0	0.0	0.0
Consulting Fees	0.0	0.0	0.1	(0.1
Legal Fees	-	-	-	•
Outaide Services	0.0	(0.0)	(0.0)	[0.0]
Buildings and Land	-	•	•	•
Rents/Leases	(0.0)	(0.1)	(D.1)	(0.1
Corporate Insurance	(0.0)	(0.1)	(0.0)	(0.0
Employee Expenses	-	-	- '	
Company Membarships	0.0	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	-	•	•	-
Misc & Other Expenses	0.0	0.0	0.0	(0.0)
Amortizations *	0.0	0.0	0.0	-
Deferred Credits	0.0	(0.0)	(0.0)	(0.0
I&D Accrual	(0.0)	(0.1)	(0.0)	-
Well/Lease Rent/Royalty	→	•	-	-
Advertising	-	-	-	•
Auto/Truck Cleared	-	-	•	-
O&M Reclass - Regulatory to GAAP	-	(0.0)	(0.0)	(0.6
Stores Clearing	-	-		•
Below the line O&M	-		<u></u> -	
Total Other Corporate	0.3 -	0.0	0.1	(0.

^(*) Amortizations: IBM and Cali Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

012 10&2	Mo Actual	YTD Actual	2012 10&2	2013 10&2
Depreciation	0.6	5.5	6.7	7.0
Other Taxes				
Gross Receipts		-	_	-
Property Tax	0.2	2.1	2.4	2.6
Payroll	0.0	0,4	0.5	0.5
Distribution	-	-	-	-
Other	0.0	0.0	0.0	
Total Other Taxes	0.2	2.5	3.0	3.1
Total Other Taxes w/o Trackers	0.2	2.3	2.7	3.2

2 0&12	Mo Bud	lget	YTD Bud	get	2012 0	<u>12</u>	2013	0&12
Depreciation		0.6		5,5	<u>-</u>	6.6		6.9
Other Taxes								
Gross Receipts		-		-		•		-
Property Tax		0.2		2.0		2.4		2.6
Payroll		0.0		0.4		0.5		0.5
Distribution		-		-		-		-
Other		-		-				-
Total Other Taxes		0.2		2.4		2.9		3.1

ariance	Mo Var	YTD Var	Yr Var Yr \	/ar
Depreciation Change	0.0	0.1	0.1	0.1
Other Taxes				
Gross Receipts		-	-	-
Property Tax	0.0	0.0	0.0	0.0
Payroll	0.0	0.0	0.0	-
Distribution	-	-	•	_
Other	0.0	0,0	0.0	-
Total Other Taxes Change	0.0	0.1	0.4	0.0
Total Change W/o Trackers	0.0	(0.1)	(0.2)	0.1

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2012 1082	Mo Actual	YTD Actual	2012 1082	2013 1082
Miscellaneous	-	•		•
AFUDC	0.0	0.1	0.1	0.2
Hedging Interest Income	0.0	0.0	0,0	0.0
Under-Collection Interest Income	-	-	•	-
Sale Receivables	-	-	-	•
Customer Tax Contribution	-	-	-	-
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.5	0.8	0.4
Total Other Income	0.0	0.5	0.6	0.5
Long-Term Interest Expense	0.4	3.9	4.7	5.0
Short-Term Interest Expense	•	-	-	0.0
Customer Deposits Interest Expense	•	0.1	0.1	0.1
Rate Refund Interest Expense	•	-	-	
Over-Collection Interest Expense	•	-	-	-
Other Interest Expense	•	-	•	-
Carrying Cost Interest Expense	•	-	-	•
Hedging Interst Expense	•	•		-
PISCC	•	•	-	
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.1)
Interest Expense	0.4	3.9	4.8	5.1
NET INCOME FROM SUBSIDIARIES	(0.0)	0.0	0.0	-

2012 0812	Mo Budget	Y1'D Budget	2012 0&12	2013 0&12
Miscellaneous	-	-		•
AFUDÇ	0.0	0.1	0.1	0.1
Hedging Interest Income	0.0	0.1	0.1	0.0
Under-Collection Interest Income	•	-	•	-
Sale Receivables	•	-	-	
Customer Tax Contribution	•	•	•	-
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.6	`0.6	0.5
Total Other Income	0,0	0.6	0.7	0.6
Long-Term Interest Expense	0.4	3.9	4.7	5.2
Short-Term Interest Expense	-	-	-	
Customer Deposits Interest Expense	0.0	0.1	0.2	0.2
Rate Refund Interest Expense	•	•	•	-
Over-Collection Interest Expense	•	-		_
Other Interest Expense	-	_		_
Carrying Cost Interest Expense	•	-	•	_
Hedging Interst Expense	•	_	-	
PISCC	_	-	-	
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	0.4	3.9		5.3
NET INCOME FROM SUBSIDIARIES	•		-	•

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous	•		•	-
AFUDC	0.0	0.0	0. 0	0.1
Hedging Interest Income	(0.0)	(0.0)	(0.1)	0.0
Under-Collection Interest Income	-	-	-	-
Sale Receivables	-	-	. •	-
Customer Tax Contribution	-	•	-	-
Charitable Contributions	0.0	0.0	(0.0)	-
A) Temp Cash Investment Interest Income	0.0	(0.1)	(0.0)	(0.1)
Fotal Other Income	0.0	(0.1)	(0.1)	0.0
Long-Term Interest Expense	0.0	0.0	0.0	(0.2)
Short-Term Interest Expense	-	-	•	`O.0
Customer Deposits Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)
Rate Refund Interest Expense	· '	_ `	•	` '
Over-Collection Interest Expense	-	-	•	-
Other Interest Expense		-	-	-
Carrying Cost Interest Expense		-	-	-
Hedging Interst Expense	-	-	•	_
PISCC	-	-	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0,0)	(0.0)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.2)
NET INCOME FROM SUBSIDIARIES	(0.0)	0.0	0.0	

Varience Explanations:

A) Variance represents changes to the Interest earned on operating cash sent to Corp. Money Pool.

10&2	Mo	2012	2013
Assets			
Net Property Plant and Equipment	215.0	213.7	22
Total investments	0.4	0.4	
· · · · · · · · · · · · · · · · · · ·			
Cash and Cash Equivalents	0.4	-	,
Restricted Cash	1.8	3.4	
Accounts Receivable	40.3	52.6	2
Gas Inventory	53.4	43.2	4
Unrecovered Purchase Costs	_	-	
Material & Supplies	0.1	•	
Price Risk Management Assets	•	-	
Exchange Gas Receivables & Reserve	0.1	0.1	
Current Regulatory Assets	2.0	2.0	
Prepayments and Other Assets	1.2	3.0	
Total Current Assets	99.3	104.2	. 8
	•	•	
Price Risk Management Assets	-	-	
NC Regulatory Assets	16.5	16.3	1
Intangible Assets		-	
Post Retirement Benefits NC Assets	-	_	
Other Receivables Affiliated	_	_	
Deferred Charges	3.0	3.0	
Total Other Assets	19.6	19.4	1
	<u>-</u>	-	
Total Assets	334.2	337.7	33
Fotal Common Stock Equity Long Term Debt , excluding amounts due within one year	- 90.7 67.3	92.7 53.3	9
Total Capitalization	158.0	146.0	18
Total Capitalization	150.0	140.0	10
Obligations Due in One Year	14.7	28.7	
Accounts Payable	9.7	10.4	
Customer Deposits and AR Credit Balance	16.4	17.7	
Taxes Accrued	3.7	4.7	·
Interest Accrued	0.1	0.1	
Overrecovered Gas and Fuel Costs	16.4	13.0	
Price Risk Management Liabilities (Current)	0.6	0.6	
Exchange Gas Payable	17.3	15.6	
	4.5	4.4	
Current Regulatory Liabilities			
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	
Environmental	- (0.7)	(0.0)	
Other Accruais	(0.7)	(0.6)	
Total Current Liabilities	82.8	94.7	: 4
Price Risk Management Liabilities - NC	0.8	0.8	
Deferred Income Taxes	46.5	50.2	
	0.4	0.4	,
		V-T	
Deferred Investment Tax Credits		_	
Deferred Investment Tax Credits Deferred Credits	•	25 N	
Deferred Investment Tax Credits Deferred Credits Noncurrent Regulatory Llabilities	24.9	25.0 9.6	2
Deferred Investment Tax Credits Deferred Credits Noncurrent Regulatory Llabilities Accrued Liab for Post Retirement Benefits - NC	24.9 9.7	9.6	
Deferred Investment Tax Credits Deferred Credits Noncurrent Regulatory Llabilities Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities	24,9 9.7 11.0	9.6 11.1	1
Deferred Investment Tax Credits Deferred Credits Noncurrent Regulatory Llabilities Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities	24.9 9.7	9.6	

0&12	Mo	2012	2013
Assets			
Net Property Plant and Equipment	209.2	211.6	219
Total Investments	0.4	0.4	0
Cash and Cash Equivalents	_	_	
Restricted Cash	3.6	3,6	•
Accounts Receivable	24.4	39.2	31
	53.3	45,1	44
Gas Inventory Unrecovered Purchase Costs	23.3	40,1	
	-	- 00	0
Material & Supplies	0.0	0.0	0
Price Risk Management Assets	- 0.4	- 0.4	-
Exchange Gas Receivables & Reserve	0.1	0.1	0
Current Regulatory Assets	2.7	2.7	2
Prepayments and Other Assets Total Current Assets	0.9 85.0	2.9 93.6	3 82
	33.5		
Price Risk Management Assets	17.6	- 17.4	•
NC Regulatory Assets	17.6	17,4	16
Intangible Assets	-	•	-
Post Retirement Benefits NC Assets	-	₩	-
Other Receivables Affiliated	- 4	- 4	
Deferred Charges	1.7	1.7	1
Total Other Assets	19,3	19.1	18
Total Assets	313.9	324.7	321
Capitalization & Liabilities		-	-
Total Common Stock Equity	92.8	94.4	95
Long Term Debt, excluding amounts due within one year	67.3	58.3	89
Total Capitalization	160.1	152.7	185
Obligations Due in One Year	14.7	28.7	
Accounts Payable	11.6	11.1	- 11
Customer Deposits and AR Credit Balance	18.2	17.7	17
Taxes Accrued	1,9	5.0	
Interest Accrued	0.0	0.0	5
Overrecovered Gas and Fuel Costs		7.9	O
	6.1		-
Price Risk Management Liabilities (Current)	0.6	0.6	Q
Exchange Gas Payable	4.7	4.7	4
Current Regulatory Liabilities	3.6	3.6	3
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	C
Environmental	-	-	-
Other Accruals	(0.8)	(0.8)	(0
Total Current Liabilities	60.9	78.6	42
Price Risk Management Liabilities - NC	1.1	1.1	1
Deferred Income Taxes	46.3	46.8	47
Deferred Investment Tax Credits	0.4	0.4	(
Deferred Credits	_	-	_
Noncurrent Regulatory Liabilities	25.2	25.2	25
Accrued Liab for Post Retirement Benefits - NC	10.1	10.0	-
Other Non-Current Liabilities	9.8	9.8	10
Other NC Liab & Deferred Credits	92,9	93.4	93
	· · · · · · -		_
Total Capitalization & Liabilities	313.9	324.7	321

Var	ance	Mo Var	2012 Var	2013 Var
	Assets			
A)	Net Property Plant and Equipment	5.8	2.1	8.9
·	Total Investments	0.0	0.0	0.0
B)	Cash and Cash Equivalents	0.4	-	
C)	Restricted Cash	(1.8)	(0.2)	1.3
(ם	Accounts Receivable	15.9	13.4	(4.7)
E)	Gas Inventory	0.1	(1.9)	0.8
F)	Unrecovered Purchase Costs	7		9.0
٠,	Material & Supplies	0.1	(0.0)	(0.0)
	Price Risk Management Assets	_	(5.5)	(0.0)
	Exchange Gas Receivables & Reserve	(0,0)	(0.0)	(0.0)
	Current Regulatory Assets	(0.8)	(0.8)	
				(0.8)
	Prepayments and Other Assets Total Current Assets	0.3 14.2	0.0 10.6	<u>0.1</u> 5.7
1/1	Price Risk Management Assets	- (4.4)	443	-
K)	NC Regulatory Assets	(1.1)	(1.1)	(1.7)
	Intangible Assets	•	-	-
	Post Retirement Benefits NC Assets	-	-	-
	Other Receivables Affiliated	-	-	-
L)	Deferred Charges	1.4	1.4	1.4
	Total Other Assets	0.3	0.3	(0.3)
	Total Assets	20.3	13.0	14.3
	Capitalization & Liabilities			
G)	Total Common Stock Equity	(2.1)	(1.7)	3.4
G)	Long Term Debt , excluding amounts due within one year	-	(5.0)	(2.3)
-,	Total Capitalization	(2.1)	(6.7)	1.1
G)	Current Portion of Long Term Debt	-	-	4.9
D)	Accounts Payable	(2.0)	(0.7)	(0.1)
D)	Customer Deposits and AR Credit Balance	(1.8)	0.0	0.0
H)	Taxes Accrued	1.8	(0.3)	0.2
	Interest Accrued	0.0	0.0	0.0
F)	Overrecovered Gas and Fuel Costs	10.3	5.1	-
1)	Price Risk Management Liabilities (Current)	(0.1)	(0.1)	(0.1)
J)	Exchange Gas Payable	12.6	10.9	(1.4)
K)	Current Regulatory Liabilities	0.9	0.8	`0.6
,	Accrued Liability for Post Retirement Benefits - Cur	_	-	-
	Environmental	_	_	
L)	Other Accruals	0.1	0.2	3.1
-,		21.9	16.1	7.2
	Delag Disk Managament Liebilities . MC	40 a)	(a.a)	/n e\
1.15	Price Risk Management Liabilities - NC	(0.3)	(0.3)	(0.3)
H)	Deferred Income Taxes	0.2	3.4	4.0
	Deferred Investment Tax Credits Deferred Credits	0.0	(0.0)	(0.0)
	Noncurrent Regulatory Liabilities	(0.3)	(0.3)	(0.3)
K)	Accrued Liab for Post Retirement Benefits - NC	(0.4)	(0.5)	1.2
L)	Other Non-Current Liabilities	1.2	1.2	1.2
-1	Other NC Liab & Deferred Credits	0.6	3.6	5.9
	Total Capitalization & Liabilities	20.3	40 B	
	Loral Ashiranou or maniirias	∠∪.3	13.D	14.3

- A) Variance due to timing around 2012 In-Service and subsequent Depreciation.
- B) Increase in Money Pool funding.
- C) Monthly and 2013 annual variances are due to changes to the required reserves related to the Hedging Program. The 2012 variance includes MF Global bankruptcy of (\$483K).
- D) A/R: Month and YTD variances are due primarily due to increased Money Pool funding of \$16.2M. This favorable funding was partially offset by a net decrease in Unaffillated A/R of approximately (\$2.5M). Components of the A/R variance include unfavorable variances of (\$4.8M) related to Choice / GTS accounts, and (\$1.4M) for Off-Systems Sales, partially offset by increased Tariff receivables of \$3.6M.

 A/P: 2012 variance is due to decreased payables related to declining Gas Costs (\$2.2M), offset by decreased A/R and inventory.

 Customer Deposits: The \$1.8M variance is due to adjustments to budget payment plans related to declining gas cost and usage; offset by declining A/R.
- E) Monthly variance due to Rate Differential and Usage variances of (\$349K) and \$469K respectively. 2012 annual variance due to Rate Differential and Usage variances of \$323K and (\$2.190M) respectively. 2013 annual variance is due to Rate Differential and Usage variances of \$1.235M and (\$441.4K) respectively.
- F) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to changes to the Federal tax payment and accrual calculation(s).
-) Variance due to changes in the Hedging obligations.
- J) Variances are due to changes in the number of outstanding "Park" exchange obligations vs. the 0&12.
- K) Non-current Regulatory Asset variance due to an \$800K change to the hedging program. Current Reg Liab variance due to unfavorable changes to DSM, Uncollectibles, & Other Misc Adjustments of (\$240K), (\$225K), and (\$94K) respectively. Variance to Non-current OPEB liability due to changes in actuarial assumption provided by Corporate at the 7&5.
- L) Other Accruals variance due to approximately \$560K of reductions to misc, other taxes, and reclasses to other accounts of roughly \$1.7M. Variance in Deferred Charges & Other Non-current liabilities is due to Customer Advances stemming from Capital projects.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 10&2		Mo Actual	YTD Actual	2012 10&2	2013 1082
New Business		1.1	3.7	3.7	4.0
Betterment		0.0	0.3	0.3	0.1
Replacement	Replacement		12.6	12.0	15.8
Support Services		0.2	1.3	1.4	2.0
Gross Capital	•	2.9	17.9	17.4	21.9
Contributions & Re	imbursements	(0.1)	(0.4)	(0.7)	(0.6)
Total NGD		2.8	17.5	16.8	21.3
Infrastructure/AM	R. Winder		ger £3.7% P. 5.10.8 <u>e</u> fe	9.6	12.2

2012 0&12	Mo Budget	YTD	2012 0&12	2013 0&12
New Business	0.2	1.2	1.7	1.7
Betterment	(0.0)	0.9	1.0	. 0.2
Replacement	0.9	9.0	11.4	11.7
Support Services	0.0	0.5	1,2	1.6
Gross Capital	1.1	11.7	15.3	15.1
Contributions & Reimbursements	(0.0)	(0.6)	(0.7)	(0.7)
Total NGD	1.1	11.1	14.7	14.5
Infrastructure/AMR	0.8	7.6	.A	8.2

ariance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	0.9	2.5	2.0	2.3
Betterment	0.0	(0.6)	(0.7)	(0.1)
Replacement	0.7	3.6	0.6	4.1
Support Services	0.2	0.8	0.2	0.5
Gross Capital	1.8	6.2	2.1	6.8
Contributions & Reimbursements	(0.0)	0.2	-	0.1
Total NGD	1.7	6.4	2.1	6.9
Infrastructure/AMR	0.4	3.2	0.5	4.0

Variance Explanations:

Primarily mild weather and contractor availability.

Plan variances due to additional allocation to NGD: CKY portion.

Columbia Gas of Kentucky Plan vs. Plan - November 2012 (\$ millons)

2012 11&1	Mo Actual	YTD Actual	2012 11&1	2013 11&1
Net Revenues	5,8	50.9	58.3	60.7
O&M Expense	3.2	28.6	30.9	31.8
Depreciation	0.6	6.1	6.7	7.0
Other Taxes	0.1	2.5	2.8	3.2
Operating Earnings	2.0	13.7	18.0	18.8
Other Income	0.0	0.5	0.6	0.5
Interest Expense	0.4	4.3	4.7	5.0
Net Operating Income	1.7	9.9	13.8	14.3
Income Tax	0.4	4.2	5.8	5.5
Net Operating Income	1.2	5.7	8.0	8.7

2012 0&12	Mo Budget Y	TD Budget	2012 0&12	2013 0&12
Net Revenues	5.6	53,2	60.9	60.8
O&M Expense	2.4	28.3	30.9	31.1
Depreciation	0.6	6.0	6.6	6.9
Other Taxes	0.2	2.7	2.9	3.1
Operating Earnings	2.3.	16.2	20.5	19.8
Other Income	0.0	0.6	0.7	0.5
Interest Expense	0.4	4.4	4.8	5.3
Net Operating Income	1.9	12.4	16.4	15.0
Income Tax	0.7	4.8	6.3	6.0
Net Operating Income	g (1.20 j. 1.20 j. 1.1. j. 1.1	7.6	40.0	9.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	0.3	(2.3)	(2.6)	(0.1)
O&M Expense	0.7	0.3	(0.0)	0.7
Depreciation	0.0	0.1	0.1	0.1
Other Taxes	(0.2)	(0.1)	(0.1)	0.1
Operating Earnings	(0,3)	(2.5)	(2.5)	(1.1)
Other Income	(0.0)	(0.1)	(0.1)	0.0
Interest Expense	(0.0)	(0.1)	(0.1)	(0.3)
Net Operating Income	(0.3)	(2.6)	(2.5)	(0.7)
Income Tax	(0.3)	(0.6)	(0.5)	(0.5)
Net Operating Income	0.0	(2.0)	(2.0)	(0.2)

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

012 11&1	Mo Actual	YTD Actual	2012 1181	2013 1181
Base Margin (less LCR)	5.0	43.3	49.8	50.4
LCR	0.5	4,4	4.9	5.1
LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
ESS	0.2	1.4	1.5	2.8
Regulatory Outcome	-	-	-	0.6
Other OGDR	0.1	1,2	1.3	1.0
CKY Purchase Receivable	0.0	0.4	0.5	0.5
Uncollectibles - NonTracked	0.0	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.2	1.1	1.2	0.5
Total Revenue	6.0	52.2	59.8	61.4
Total Revenue w/o Trackers	5.8	50.9	58.3	60.7

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Base Margin (less LCR)	4.7	44.7	51.4	50.4
LCR	0.5	4.5	5.1	4.9
LCR (Prior Dec. True-Up)	•	-	•	-
ESS	0.2	2.2	2.4	2.8
Regulatory Outcome	=	-	_	0.6
Other OGDR	0.1	1.1	1.2	1.2
CKY Purchase Receivable	0.1	0.5	0.5	0.5
Uncollectibles - NonTracked	0.0	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.1	0.4	0.5	0.5
Total Revenue	5.6	53.8	61.6	61.6
Total Revenue w/o Trackers	5.6	53.2	60.9	60.8

Var	iance	Mo Var Y	D Var	Yr Var Yı	Var
A)	Base Margin (less LCR)	0.3	(1.4)	(1.6)	0.1
A)	LCR	0.0	(0.1)	(0.1)	0.2
	LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
B)	ESS	(0.0)	(0.7)	(0.8)	(0.0)
-	Regulatory Outcome		•	•	0.0
	Other OGDR	(0.0)	0.1	0.1	(0.2)
	CKY Purchase Receivable	(0.0)	(0.1)	(0.1)	(0.1)
	Uncollectibles - NonTracked	0.0	0.0	(0.0)	(0.1)
	Uncollectibles - Tracked	-	(0.0)	(0.0)	-
	Trackers	0.1	0.7	0.7	(0.0)
	Total Variance	Comparison 0.4 particles of	(1.5)	A	(0.2)
	Total Variance w/o Trackers	4 1 <mark></mark>	(2.3)	(2.6)	(0.1)

- A) 2012 variance due to approximately \$1.8M in non-operating Weather Letter adjustments, offset by \$1.5M of decreased operating revenues driven by volumetric declines.
- B) YTD variance represents fluctuations in Off-System sales assumptions stemming from price volatility.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2012 1181	Mo Actual	YTD Actual	2012 11&1	2013 11&1
Penalty Charges	0.0	0.4	0.4	0.4
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.5	0.6	0.4
Other Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.1	0.1	0.0
Company Use	0.0	0.1	0.1	0,1
Balancing Services	-	•	•	-
Other Misc Income	-	-	0,0	0.0
Misc Merchant Revenue	•	0.0	0.0	•
Total OGDR	0.1	1.2	1.3	1.0

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Penalty Charges	0.0	0.3	0.3	0.3
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.3	0.4	0.4
Other Revenue	0.0	0.2	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.1	0.1	0.1
Balancing Services	-	-	•	_
Other Misc Income	•	0.0	0.0	0.0
Misc Merchant Revenue	-	-	-	-
Total OGDR	0.1	1.1	1.2	1.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	0.0	0.1	0.1	0.0
Return Check	0.0	0.0	0.0	0.0
Other Fees	0.0	0.2	0.2	(0.0)
Other Revenue	(0.0)	(0.2)	(0.2)	(0.2)
Pub Util-Fiex	0.0	0.1	0.1	-
Company Use	(0.0)	(0.0)	(0.0)	(0.0)
Balanding Services	4	-	-	-
Other Misc Income	•	(0.0)	(0.0)	(0.0)
Misc Merchant Revenue		0.0	0.0	-
Total OGDR	(0.0)	wn, ar a'r 1 0.1 - 1977 i	0.1	(0.2)

Columbia Gas of Kentucky 2012 Customer & Usage Information - 11&1 vs. 0&12

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residentlal	0.065	0.108
Commercial	0.121	0.416
Total	0.187	0.523

Usage Change	Month	YTD
Residential	0.455	0.857
Commercial	0.349	1.955
Industrial (Non-LCR)	0.187	0.523
Total	0.990	3.335

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	7.6	58.4
Comm	55.3	463.6
Ind	7,437.5	78,665.0

Budget	Month	YTD
Residential	7.4	58.1
Commercial	54.2	457.2
Industrial	7,353.6	78,287.3

Variance	Month	Mo. %	YTD	YTD %
Residential	0.2	2.5%	0.3	0.5%
Commercial	1.0	1.9%	6.4	1.4%
Industrial	83.9	1.1%	377.7	0.5%

Customer Count

Actual	Month	YTD Avg
Residential	119,883	119,465
Commercial	13,909	13,898
Industrial	177	177
Total	133,969	133,541

Budget	Month	YTD Avg
Residential	119,165	119,259
Commercial	13,736	13,811
Industrial	181	18 1
Total	133,082	133,251

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	718	0.6%	206	0.2%
Commercial	173	1.3%	88	0.6%
Industrial	(4)	-2.2%	(4)	-2.0%
Total	887	0.7%	290	0.2%

Columbia Gas of Kentucky O&M - Cost Element View - Pian-vs.-Pian (\$ millions)

12 11&1	Mo Actual	YTD Actual	2012 11&1	2013 11&1
Labor	0.7	6.8	7.4	7.3
Benefits	0.4	2.3	2.4	1.9
Materials & Supplies	0.1	1.4	1.5	1.5
Outside Services	0.5	3.9	4.2	4.8
Management Fee	1.3	10,7	11.5	12.4
Uncollectibles	(0.0)	0.1	0.1	0.5
Other*	0.3	3.5	3.9	3.3
Trackers	0.0	1.1	1.3	8.0
Total O&M	3.2	29.8	32.1	32.5
Total O&M w/o Trackers	3.2	28.6	30.9	31.8

2012 0812	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Labor	0.5	6.1	6.6	6.9
Benefits	0.1	1.9	.2.0	1.6
Materials & Supptles	0.1	1.4	1.5	1.5
Outside Services	0.3	4.0	4.3	5.0
Management Fee	1.0	10.9	11.9	12.2
Uncollectibles	0.1	0.5	0.5	0,5
Other *	0.3	3.6	3.9	3.4
Trackers	0.1	0.7	0.8	0.7
Total O&M	2.5	28.9	31.6	31.8
Total O&M w/o Trackers	2.437	28.3	30.884	31.1

	Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Labor	0.2	0.7	0.7	0.5
B)	Benefits	0.2	0.4	0.4	0.3
	Materials & Supplies	0.0	(0.0)	(0.0)	(0.0)
	Outside Services	0.1	(0.1)	(0.1)	(0.2)
C)	Management Fee	0.2	(0.2)	(0.4)	0.2
D)	Uncollectibles	(0.1)	(0.3)	(0.5)	(0.1)
	Other *	(0.0)	(0.1)	(0.1)	(0.1)
E)	Trackers	(0.1)	0.5	0.5	0.0
	Total Change	0.7	0.8	0.5	0.7
	Total Change w/o Trackers	0.7	0.3	(0.0)	0.7

- A) YTD & 2012 Yr Var unfavorable shift in labor allocation / capitalization transfers for corrosion mitigaation & leak repair, partially offset by open headcount.
- B) 2012 & 2013 Yr Var Primarily revised assumptions for active medical, and CIP.
 C) YTD Var Primarily Legal and NGD Operations. 2012 & 2013 Yr Var Primarily revised Corp. CIP calculation.
 D) Annual variance due to revisions to the bad debt calculation & accrual.
- E) Offset in revenue.

Columbia Gas of Kentucky O&M - Other Cost Element View - Plan-vs.-Plan (\$ millions)

2012 1181	Mo Actual	YTD Actual	2012 11&1	2013 11&1
Other	-	_		
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.2	0.2	0.2
Corporate Insurance	0.1	0.7	8.0	8.0
Employee Expenses	0.0	0.3	0.3	0.4
Company Memberships	-	0.1	0.1	0.1
Utilities	0.0	0.3	0.4	0.4
Misc Revenues	(0.0)	(0.2)	(0.2)	(0.2)
Misc & Other Expenses	0.0	0.2	0.2	0.1
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	•		-	•
Advertising	0.0	0.0	0.0	0.1
Auto/Trucks Cleared	0.1	1.1	1.2	1.3
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Below the Line O&M				
	0.3	3.5	3.9	3.3

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Other	<u> </u>			
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.3	0.3	0.3
Corporate Insurance	0.1	0.8	0.9	0.9
Employee Expenses	0.0	0.3	0.3	0.4
Company Memberships	-	0.1	0.1	0.1
Utilities	0.0	0.3	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	(0.0)
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-		-
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	1.3	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Below the Line O&M		-	-	-
	0.3	3.6	3,9	3,4

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Buildings and Land	0.0	(0.0)	(0.0)	(0.0)
Rents/Leases	(0.0)	(0.1)	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.1)	(0.1)	(0.0)
Employee Expenses	0.0	(0.0)	0.0	0.0
Company Memberships	-	0.0	0.0	0.0
Utilities	(0.0)	0.1	0.1	0.1
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.2	0.3	0.1
Amortizations *	-	0.0	0.0	-
Deferred Credits	0.0	0.1	0.1	(0.0)
I&D Accrual	0.0	(0.0)	(0.0)	
Well/Lease Rent/Royalty	-		. ,	
Advertising	(0.0)	(0.1)	(0.1)	-
Auto/Trucks Cleared	(0.0)	(0.1)	(0.1)	(0.1)
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M	· ·	, ,	, ,	(/
	(0.0)	{0.1}	(0.1)	(0.1)

Variance Explanations:

(*) Amortizations: IBM and Cali Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky
O&M - Sponsor View - Plan-vs.-Plan
(\$ millions)

2 11&1	Mo Actual	/TD Actual	2012 1181	2013 11&1
Distribution Ops	1.0	10.3	11.0	11.2
Meter To Cash	0.0	0.5	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.1	0.5	0.6	0.7
Presidents	0.1	1.3	1.6	1.6
Other Dept	-	•	-	-
Management Fee	1.3	10.7	11.5	12.4
Benefits	0.4	2.3	2.4	1.9
Uncollectibles	(0.0)	0,1	0.1	0.5
Other Corporate *	0.4	2.8	3.1	2.9
Trackers	0.0	1.1	1.3	0.8
Total O&M	3.2 ,	29,8	32.1	32.5
Total O&M w/o Trackers	11	28.6	30.9	:. :: 31.8

12 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Distribution Ops	0.8	10.0	10.9	11.2
Meter To Cash	0.0	0.6	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0,3	0.4	0.4
Presidents	0.1	1.5	1.6	1.6
Other Dept	-	-	-	-
Management Fee	1.0	10.9	11.9	12,2
Benefits	0.1	1.9	2.0	1.6
Uncollectibles	0.1	0.5	0.5	0.5
Other Corporate *	0.2	2.7	2.9	3.0
Trackers	0.1	0.7	8.0	0.7
Total O&M	2.5	28,9	31.6	31.8
Total O&M w/o Trackers	2.4	28.3		

Vai	lance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Distribution Ops	0.2	0.3	0.1	(0.0)
	Meter To Cash	(0.0)	(0.0)	(0.0)	-
	Customer Call Center	(0.0)	(0.0)	(0.0)	-
	Integration Center	0.0	0.2	0.2	0.3
	Presidents	(0.0)	(0.1)	(0.1)	0.0
	Other Dept	-	<u>.</u>	.	-
B)	Management Fee	0.2	(0.2)	(0.4)	0.2
C)	Benefits	0.2	0.4	0.4	0.3
D)	Uncollectibles	(0.1)	(0.3)	(0.5)	(0.1)
	Other Corporate *	0.1	0.2	0.2	(0.1)
E)	Trackers	(0.1)	0.5	0.5	0.0
	Total Change	0.7	8.0	0.5	0.7
	Total Change w/a Trackers		45/45/50 0.3/A- 0.3/	(0.0)	0.7

- A) 2012 Yr Var Primarily meter reading, maintenance of mains and fleet adj. partially offset by leak repairs.
- B) YTD Var Primarily Legal and NGD Operations primarily revised capitalization transfers. 2012 Yr Var Primarily revised Corp. CIP calculation
- C) 2012 and 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- D) Annual variance due to revisions to the bad debt calculation & accrual.
- E) Offset in revenue.

^{*} See O&M Other Corp Tab

Columbia Gas of Kentucky O&M - Other Corporate View - Plan-vs -Plan (\$ millions)

0,2 0,0 0,0 0,0	0.6 0.0 0.2	0.8 0.0	0.4 0.0
0.0 0.0	0.0	0.0	
0.0			0.0
	0.2	^^	
0.0		0.2	0.1
0.0	0.1	0.1	0.1
-	-	•	-
0.0	0.1	0.1	0.2
	-	•	
0.0	0.2	0.2	0,2
0.1	0.7	0.8	0.0
	•	-	-
-	0.1	0.1	0.1
0.0	0.1		0.1
		_	_
0.0	0.2	0.2	0.2
0.0	0.4		0.4
(0.0)	(0.1)		(0.1)
			0.1
•	-		-
	_	-	
_	-	(0.0)	_
0.0	0.2		0.2
	•		-
	-	_	_
0.4	2.8	3.1	2.9
	0.0 0.1 0.0 0.1 - 0.0 0.0 (0.0) 0.0	0.0 0.1 0.0 0.2 0.1 0.7	0.0 0.1 0.1 0.0 0.2 0.2 0.1 0.7 0.8 - 0.1 0.1 0.0 0.1 0.1 - 0.0 0.1 0.1 - 0.0 0.1 0.1 - 0.0 0.2 0.2 0.0 0.1 0.1 - 0.0 0.1 - 0.0 0.2 0.2 0.0 0.4 0.5 (0.0) (0.1) (0.1) 0.0 0.1 0.1

12 08-12	Mo Budget	YTD Budget	2012 0812	2013 0812
Other Corporate				
Nei Labor	0.0	0.4	0.4	0.4
Materiais/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.1	0.1
Consulting Fees	0.0	0.0	0.0	0.3
Legal Fees	-	•	-	-
Outside Services	0.0	0.1	0.2	0.3
Buildings and Land		-	-	
Rants/Laases	0.0	0.2	0.3	0.
Corporate Insurance	0.1	0.8	0.9	0.
Employee Expenses		-	•	-
Company Memberships	•	0.1	0.1	0.
Utilities	0.0	0.0	0.0	0.
Misc Revenues	-	•	-	-
Miso & Other Expenses	0.0	0.2	0.2	0.
Amortizations *	0.0	0.4	0.6	0.
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.
I&D Accrual	0.0	0.1	0.1	Ō.
Wali/Lease Rent/Royalty	_	-		-
Advertising		-	-	_
Auto/Truck Cleared		-	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.
Stores Clearing	•	•	-	-
Below the line C&M	-		-	-
Total Other Corporate	0.2	2.7	2,9	3:

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Net Labor	0.1	0.2	0.2	(0.0)
Materials/Supplies	(0.0)	0.0	0.0	•
Audit Fees	0.0	0.0	0.0	0.0
Consulting Fees	0.0	0.0	0.1	(0.1)
Legal Fees	-	•	-	•
Outside Services	(0.0)	(0.0)	(0.0)	(0.0)
Buildings and Land	<u>.</u> .		-	•
Rente/Leases	(0.0)	(0.1)	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.1)	(0.1)	(0.0)
Employee Expenses	-	•	•	•
Company Memberships	-	0.0	0.0	0.0
Litibles	0.0	0.1	0.1	0.1
Misc Revenues	•	•	-	•
Misc & Other Expenses	0.0	0.0	0.0	(0.0)
Amortizations *	•	0.0	0.0	- '-
Deferred Credits	0.0	(0.0)	(0.0)	(0.0)
I&D Accrusi	0.0	(0.0)	(0.0)	` <u>.</u> `
Well/Lease Rent/Royalty	-	•	-	-
Advertising	-	•	-	•
Auto/Truck Cleared	•	-	(0.0)	-
C&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Stores Clearing	• '	<u>.</u> `	#	•
Below the line O&M		-		
Total Other Corporate	0.1 -	0,2	0.2	(0.1)

Variance Explenations:

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

012 11&1	Mo Actual	YTD Actual	2012 11&1	2013 11&1
Depreciation	0.6	6.1	6.7	7.0
Other Taxes				
Gross Receipts	-	-	-	•
Property Tax	0.2	2.2	2.4	2.6
Payroll	0.1	0.5	0.6	0.5
Distribution	•	-		-
Other	-	0.0	0.0	-
Total Other Taxes	0.3	2.7	3.0	3.1
Total Other Taxes w/o Trackers		2.5	2.8	3.2

2 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Depreciation	0.6	6.0	6.6	6.9
Other Taxes				
Gross Receipts	-		_	-
Property Tax	0.2	2.2	2.4	2.6
Payroll	0.0	0.4	0.5	0.5
Distribution	-	-	-	-
Other	-	_	-	-
Total Other Taxes	0.2	2.6	2.9	3.1
Total Other Taxes w/o Trackers	0.2	2.7	2.9	3.1

ance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.1	0.1	0.1
Other Taxes				
Gross Receipts	-	_	-	-
Property Tax	(0.0)	0.0	(0.0)	0.0
Payroll	0,0	0.1	0.1	-
Distribution	-	-	-	_
Other	-	0.0	0.0	
Total Other Taxes Change	0,0 mm	0.1	0.1	0.0

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

112 1181	Mo Actual	YTD Actual	2012 118.1	2013 11&1
Miscellaneous	-	•	•	-
AFUDC	(0,0)	0.1	0.1	0.2
Hedging Interest Income	0.0	0.0	0.0	0.0
Under-Collection Interest Income	•	-	-	_
Sale Receivables	•	-		-
Customer Tax Contribution	-	•	-	•
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.5	0.6	0.4
Total Other Income	0.0	0.5	0.8	0.5
Long-Term Interest Expense	0.4	4.3	4.7	5.0
Short-Term Interest Expense	-		•	0.0
Customer Deposits Interest Expense		0.1	0.1	0.1
Rate Refund Interest Expense			•	•
Over-Collection Interest Expense		_	-	
Other Interest Expense	-	-	•	•
Carrying Cost Interest Expense	-	_	=	•
Hedging Interst Expense		-	-	
PISCC	-	-	_	-
Interest Expense on Plant Investment	0.0	(0.0)	(0.0)	(0.1)
	0.4		4.7	5.0
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	-

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Miscellaneous	•	•	-	
AFUDC	0.0	0.1	0.1	0.1
Hedging interest income	0.0	0.1	0.1	0.0
Under-Collection Interest Income	•	-	-	-
Sale Receivables	•	-	-	•
Customer Tax Contribution		-	-	•
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.6	0.9	0.5
Total Other Income	0.0.	0.8	0.7	0.5
Long-Term Interest Expense	0.4	4.3	4.7	5.2
Short-Term Interest Expense	-	•	•	-
Customer Deposits Interest Expense	0.0	0.1	0.2	0.2
Rate Refund Interest Expense	•	•	•	
Over-Collection interest Expense	-	_	-	_
Other interest Expense		-	-	-
Carrying Cost Interest Expense	_		-	-
Hedging Interst Expense	-	=	•	
PISCC	-	-	-	_
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense			4.8	
NET INCOME FROM SUBSIDIARIES	-		-	

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous		-		
AFUDC	(0.0)	0.0	0.0	0.1
Hedging interest income	(0.0)	(0.0)	(0.1)	0.0
Under-Collection Interest Income	- 1		-	-
Sale Receivables	-	-	-	_
Customer Tax Contribution		-	-	-
Charitable Contributions	(0.0)	0.0	(0.0)	-
A) Temp Cash Investment Interest Income	`0.0 [°]	(0.1)	(0.1)	(0.1)
Total Other Income	(0.0)	(0.1)	(0.1)	0.0
Long-Term Interest Expense	(0.0)	0.0	(0.0)	(0.2)
Short-Term Interest Expense	•	•	<u>`</u> . •	0.0
Customer Deposits Interest Expense	(D.O)	(0.1)	(0.1)	(0.1)
Rate Refund Interest Expense	` -	<u>'</u>	<u>`-</u>	-
Over-Collection Interest Expense	-	•	*	-
Other Interest Expense	•	-	-	-
Carrying Cost Interest Expense	-		-	-
Hedging Interst Expense	-	-	-	-
PISCO	•	-	-	_
Interest Expense on Plant Investment	0.0	(0.0)	0.0	(0.0)
Interest Expense	(0.0)	(0.1)	(0.1)	(0.3)
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	

A) Variance represents changes to the interest earned on operating cash sent to Corp. Money Pool.

11&1	Mo	2012	2013
Assets			
Net Property Plant and Equipment	215.5	213.6	228.
Total Investments	0.4	0,4	0
Cash and Cash Equivalents	0.4	-	-
Restricted Cash	2.0	3.5	1
Accounts Receivable	48.0	52.9	26
Gas Inventory	50.6	43.7	45
Unrecovered Purchase Costs	-	-	10
Material & Supplies	0.1	-	
Price Risk Management Assets	-	_	
Exchange Gas Receivables & Reserve	0,1	0.1	0
Current Regulatory Assets	2,0	2.0	2
	0.8	3.0	3
Prepayments and Other Assets Total Current Assets	104,1	105.1	88
	•	# 1 The first transfer is an income of the second of the s	
Price Risk Management Assets	40.5	46.4	-
NC Regulatory Assets	16.5	16,4	15
Intangible Assets	~	-	-
Post Retirement Benefits NC Assets	-	-	-
Other Receivables Affiliated	- .	- .	-
Deferred Charges	3.1	3.1	3
Total Other Assets	19.6	19.5	18
Total Assets	339.7	338.7	335
Capitalization & Liabilities	91,6	92.0	0.0
Total Common Stock Equity			98
Long Term Debt, excluding amounts due within one year	67.3	67.3	101
Total Capitalization	159.0	159.4	199
Obligations Due in One Year	14.7	14.7	(12
Accounts Payable	11.5	10.7	11
Customer Deposits and AR Credit Balance	16.8	17.7	17
Taxes Accrued	3.8	4.9	5
Interest Accrued	0.1	0.1	Č
Overrecovered Gas and Fuel Costs	12.5	10.8	
Price Risk Management Liabilities (Current)	0.8	0.8	(
Exchange Gas Payable	18.6	16.8	2
Current Regulatory Liabilities	4.5	4.4	_
	4.3 0.1	0.1	(
Accrued Liability for Post Retirement Benefits - Cur	0, 1	U.1	Ų
Environmental	- (0.0)	- (0.0)	-
Other Accruals	(0.3)	(0.3)	
Total Current Liabilities	83.0		: 3; _
Price Risk Management Liabilities - NC	0.9	0.9	(
Deferred Income Taxes	50.6	51.7	53
Deferred Investment Tax Credits	0,4	0.4	, c
Deferred Credits	· .	-	_
Noncurrent Regulatory Liabilities	24.8	24.8	25
Accrued Liab for Post Retirement Benefits - NC	9,9	9.7	
Other Non-Current Liabilities Other NC Liab & Deferred Credits	11.1 97.7	11.1 98.6	1100
LUMBERNAL IND & DRIEFFER GRUIDS	21.1	\$0, 0	106
Additional transfer of the second sec		_	_

Assets Net Property Plant and Equipment Total Investments Cash and Cash Equivalents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	209.9 0.4 - 3.6 32.6 50.4 - 0.0 - 0.1 2.7 0.7 90.1 - 17.5 - 1.7 19.2 - 319.8	211.6 0.4 - 3.6 39.2 45.1 - 0.0 - 0.1 2.7 2.9 93.6 - 17.4 1.7 19.1	219 0 - 31 44 0 0 2 3 82 - 16 - 1 18 - 321
Net Property Plant and Equipment Total Investments Cash and Cash Equivalents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	0.4 3.6 32.6 50.4 0.0 0.1 2.7 0.7 90.1 - 17.5 - 1.7 19.2	0.4 3.6 39.2 45.1 0.0 1.7 2.9 93.6 17.4 - 1.7 19.1	0. - 31. 44. 0. 0. 0. 2. 3. 82. - 16. - 1.
Cash and Cash Equivalents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	0.4 3.6 32.6 50.4 0.0 0.1 2.7 0.7 90.1 - 17.5 - 1.7 19.2	0.4 3.6 39.2 45.1 0.0 1.7 2.9 93.6 17.4 - 1.7 19.1	0. - 31. 44. 0. 0. 0. 2. 3. 82. - 16. - 1.
Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	32.6 50.4 - 0.0 - 0.1 2.7 0.7 - 17.5 - 1.7 19.2 - 319.8	39.2 45.1 	44 0.0 0.0 2.3 82 16 1.1 18
Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	32.6 50.4 - 0.0 - 0.1 2.7 0.7 - 17.5 - 1.7 19.2 - 319.8	39.2 45.1 	44 0.0 0.0 2.3 82 16 1.1 18
Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	32.6 50.4 - 0.0 - 0.1 2.7 0.7 - 17.5 - 1.7 19.2 - 319.8	39.2 45.1 	44 0.0 0.0 2.3 82 16 1.1 18
Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	50.4 0.0 0.1 2.7 0.7 90.1 - 17.5 - 1.7 19.2	45.1 0.0 0.1 2.7 2.9 93.6 - 17.4 - 1.7 19.1	44 0.0 0.0 2.3 82 16 1.1 18
Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	0.0 0.1 2.7 0.7 90.1 - 17.5 - 1.7 19.2	0.0 -0.1 2.7 2.9 93.6 -17.4 -1.7 19.1	0 0 2 3 82 - - 16 - - 1 1 18
Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Gurrent Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	0.1 2.7 0.7 90.1 	0.0 - 0.1 2.7 2.9 93.6 - - 17.4 - - 1.7 19.1	0 - 0 2 3 82 - - 16 - - 1 18
Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Gurrent Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	0.1 2.7 0.7 90.1 	0.1 2.7 2.9 93.6 	-0 2 3 82 - - 16 - - 1 1 18
Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	2.7 0.7 90.1 - - 17.5 - - 1.7 19.2	2.7 2.9 93.6 - 17.4 - - 1.7 19.1	2 3 82 - - 16 - - - 1 18
Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	2.7 0.7 90.1 - - 17.5 - - 1.7 19.2	2.7 2.9 93.6 - 17.4 - - 1.7 19.1	2 3 82 - - 16 - - - 1 18
Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	0.7 90.1 - 17.5 - - 1.7 19.2	2.9 93.6 - 17.4 - - 1.7 19.1	3 82 - - 16 - - - 1 18
Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	90.1 	93.6 - 17.4 - - 1.7 19.1	82 - - 16 - - - 1
Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	17.5 - - 1.7 19.2	17.4 - - 1.7 19.1	- 16 - - - 1 18
NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	1.7 19.2 319.6	1.7 19.1 - 324.7	- - 1 18
Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	1.7 19.2 319.6	1.7 19.1 - 324.7	- - 1 18
Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	19.2 319.8	19.1 324.7	18
Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	19.2 319.8	19.1 324.7	18
Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	19.2 319.8	19.1 324.7	18
Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	19.2 319.8	19.1 324.7	18
Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	319.6	19.1 324.7	18
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year			321
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year			
Total Common Stock Equity Long Term Debt , excluding amounts due within one year	04.0		
Long Term Debt , excluding amounts due within one year			
	94.0	94.4	95
Total Capitalization and Consequents of the Consequ	72,3	58.3	89
	165.3	152.7	185
Obligations Due In One Year	14.7	28.7	_
Accounts Payable	10.5	11.1	11
Customer Deposits and AR Credit Balance	19.6	17.7	17
Taxes Accrued	2.3	5.0	5
Interest Accrued	0.0	0.0	Č
Overrecovered Gas and Fuel Costs	4.8	7,9	_
Price Risk Management Llabilities (Current)	0.6	0.6	C
Exchange Gas Payable	4.7	4.7	4
Current Regulatory Liabilities	3.6	3.6	3
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	Č
Environmental	-	0.1	-
Other Accruals	(0.8)	(8.0)	(0
Total Current Liabilities	60.2	78.6	42
	- ·		•-
Price Risk Management Liabilities - NC	1.1	1,1	1
Deferred Income Taxes	46.5	46.8	47
Deferred Investment Tax Credits	0.4	0.4	C
Deferred Credits	-		-
Noncurrent Regulatory Liabilities	25.2	25.2	25
Accrued Liab for Post Retirement Benefits - NC	10.1	10.0	8
Other Non-Current Liabilities	9.8	9.8	10
Other NC Liab & Deferred Credits	93.1	93.4	93
Total Capitalization & Liabilities	319.6	324.7	321

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

Var	ance	Mo Var	2012 Var	2013 Var
	Assets			
A)	Net Property Plant and Equipment	5.5	2.0	8.7
·	Total Investments	0.0	0.0	0.0
B)	Cash and Cash Equivalents	0.4	-	-
C)	Restricted Cash	(1.6)	(0.1)	1.4
D)	Accounts Receivable	15.5	13.7	(5.0)
E)	Gas inventory	0.2	(1.4)	0.6
F)	Unrecovered Purchase Costs	-		9.5
	Material & Supplies	0.1	(0.0)	(0.0)
	Price Risk Management Assets	-	-	•
	Exchange Gas Receivables & Reserve	0.0	0,0	0.0
	Current Regulatory Assets	(0.7)	(0.7)	(0.7)
	Prepayments and Other Assets	0.1	0.0	0.1
	Total Current Assets	14.0	11.5	5.9
	Price Risk Management Assets	-	-	-
K)	NC Regulatory Assets	(1.0)	(1.0)	(1.6)
	Intangible Assets	•	•	-
	Post Retirement Benefits NC Assets	*	-	-
	Other Receivables Affiliated	-	-	-
L)	Deferred Charges	1.5	1.5	1.5
	Total Other Assets	0.4	0.4	(0.2)
	Total Assets	20.0	14.0	14.5
		•	•	-
	Capitalization & Liabilities	<u>-</u>		
G)	Total Common Stock Equity	(2.3)	(2.4)	2.8
G)	Long Term Debt , excluding amounts due within one year	(5.0)	9.0	11.7
	Total Capitalization	(7.3)	6.6	14.6
G)	Current Portion of Long Term Debt	•	(14.0)	(12.0)
D)	Accounts Payable	1.0	(0.4)	(0.2)
D)	Customer Deposits and AR Credit Balance	(2.8)	0.0	0.0
H)	Taxes Acqued	1.5	(0.1)	0.2
	Interest Accrued	0.0	0.0	0.0
F)	Overrecovered Gas and Fuel Costs	7.7	2.9	•
i)	Price Risk Management Liabilities (Current)	0.2	0.2	0.2
Ĵ)	Exchange Gas Payable	13.9	12.1	(0.1)
K)	Current Regulatory Liabilities	0.9	0.8	0.6
**/	Accrued Liability for Post Retirement Benefits - Cur	0.0	0.0	0.0
	Environmental	0.0	-	-
L)	Other Accruals	0.4	0.5	3.7
-,	Total Current Liabilities	22.8	2.1	(7.5)
	Price Risk Management Liabilities - NC	(0.2)	(0.2)	(0.2)
H)	Deferred Income Taxes	4.1	4.9	5.5
•••	Deferred Investment Tax Credits	0.0	~	ບ,ນ -
	Deferred Credits	-		-
	Noncurrent Regulatory Liabilities	(0.4)	(0.4)	(0.4)
K)	Accrued Liab for Post Retirement Benefits - NC	(0.2)	(0.3)	1.4
L)	Other Non-Current Liabilities	1.3	1.3	1.3
-,	Other NC Liab & Deferred Credits	4.6	5.2	7.5
	Total Capitalization & Liabilities	20.0	14.0	14.5
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Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

- A) Variance due to timing around 2012 In-Service and subsequent Depreciation.
- B) Increase in Money Pool funding.
- C) Monthly and 2013 annual variances are due to changes to the required reserves related to the Hedging Program. The 2012 variance includes MF Global bankruptcy of (\$483K).
- D) AIR: Month and YTD variances are primarily due to increased Money Pool funding of \$13.6M & \$18.6M respectively. This favorable funding was partially offset by a net decrease in Unaffiliated A/R of approximately (\$2.1M). Components of the A/R variance include unfavorable variances of (\$4.6M) related to Choice / GTS accounts, and (\$1.2M) for Off-Systems Sales, offset by increased Tariff receivables of \$4.8M. Additional month & YTD variance drivers include Tax Receivables of \$3.9M and \$2.4M respectively.

 A/P: 2012 variance is due to decreased payables related to declining Gas Costs (\$980K).

 Customer Deposits: The \$2.8M variance is due to adjustments to budget payment plans related to declining gas cost and usage; offset
 - by declining A/R.
- E) Monthly variance due to Rate Differential and Usage variances of (\$193K) and \$430K respectively. 2012 annual variance due to Rate Differential and Usage variances of \$277K and (\$1.670M) respectively. 2013 annual variance is due to Rate Differential and Usage variances of \$905K and (\$305K) respectively.
- F) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position Indicates a temporary under-recovery of costs, while a liability position Indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA fillings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to changes to the Federal tax payment and accrual calculation(s).
- Variance due to changes in the Hedging obligations.
- J) Variances are due to changes in the number of outstanding "Park" exchange obligations vs. the 0&12.
- K) Non-current Regulatory Asset variance due to an \$1.0M Corporate adjustment to Pension Benefit expense.

 Current Reg Liab variance due to unfavorable changes to DSM, Uncollectibles, & Other Misc Adjustments of (\$190K), (\$328K), and (\$280) respectively.

 Non-current OPEB liability variance due to changes in actuarial assumption provided by Corporate at the 7&5.
- Cother Accruals variance primarily due to approximately \$560K of reductions to misc. other taxes, and reclasses to other accounts of roughly \$1.7M.
 - Deferred Charges & Other Non-current liabilities variances are due to Customer Advances stemming from Capital projects.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 11&1	Mo Actual	YTD Actual	2012 11&1	2013 11&1
New Business	0.3	3.9	3.7	4.0
Betterment	0.0	0.3	0.3	0.1
Replacement	0.7	13.3	12.0	15.8
Support Services	(0.0)	1,3	1.4	2.0
Gross Capital	0.9	18.8	17.4	21.9
Contributions & Relmbursements	(0.1)	(0.4)	(0.7)	(0.6)
Total NGD	0.9	18.4	16.8	21.3
Infrastructure/AMR	55 S. J. S. 0.5	93: 44:50 11.3	의 매일 전 [gless 9.6] 기독의	12.2

2012 0&12	Mo Budget	YTD	2012 0&12	2013 0&12
New Business	0.2	1.4	1.7	1.7
Betterment	0.1	1.1	1.0	0.2
Replacement	0.9	9.9	11.4	11.7
Support Services	0.1	0.6	1.2	1.6
Gross Capital	1.3	13.0	15.3	15.1
Contributions & Reimbursements	(0.0)	(0.6)	(0.7)	(0.7)
Total NGD	1.3	12.4	14.7	14.5
Infrastructure/AMR	25 (1.5 % 0.7) , 3);	8.3 · · ·	5.2. u.d. 1 u. d. 24 9.10	8.2

ariance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	0.0	2.5	2.0	2.3
Betterment	(0.1)	(0.7)	(0.7)	(0.1)
Replacement	(0.2)	3.3	0.6	4.1
Support Services	(0.1)	0.7	0.2	0.5
Gross Capital	(0.4)	5.8	2.1	6.8
Contributions & Reimbursements	(0.0)	0.2		0.1
Total NGD	(0.4)	6.0	2.1	6.9
Infrastructure/AMR	(0.2)	3.0	0.5	4.0

Variance Explanations:

Primarily mild weather and contractor availability.

Plan variances due to additional allocation to NGD: CKY portion.

Columbia Gas of Kentucky Plan vs. Plan - December 2012 (\$ millions)

2013 0&12	2012	2013	2014
Net Revenues	58.5	60.1	60.7
O&M Expense	31.4	31.4	32.2
Depreciation	6.7	7.1	7.6
Other Taxes	2.7	3.1	3.4
Operating Earnings	17.7	18.5	17.5
Other Income	0.5	0.5	0.4
Interest Expense	4.7	5.0	5.2
Net Operating Income	13.5	13.9	12.7
Income Tax	5.6	5,3	6.6
Net Income	8.0	8.7	6.1

2012 7&5	2	012	2013	2014
Net Revenues		60.5	60.4	60.9
O&M Expense		31.2	31.8	32.4
Depreciation		6.7	7.0	7.5
Other Taxes		2.7	3.2	3.5
Operating Earnings		19.9	18.4	17.6
Other Income		0.7	0.4	0.3
Interest Expense		4.8	5.1	5.1
Net Operating Income		15.8	13.7	12.7
Income Tax		6.0	5.3	7.2
Net Income	a yay saka sin bakil <u>ilili</u> lili	9.7	8,4	5.5

Variance	2012	2013	2014
Net Revenues	(2.1)	(0.3)	(0.2)
O&M Expense	0.2	(0.4)	(0.2)
Depreciation	0.0	0.1	0.1
Other Taxes	(0.1)	(0.1)	(0.1)
Operating Earnings	(2.2)	0.0	(0.1)
Other income	(0.2)	0.1	0.2
Interest Expense	(0.1)	(0.1)	0.1
Net Operating Income	(2.2)	0.2	(0.0)
Income Tax	(0.4)	(0.1)	(0.6)
Net Income	(1.8)	0.3	0.6

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

013 0&12	2012	2013	2014
Base Margin (less LCR)	50.0	50.4	50.0
LCR	4.9	5.1	5.4
LCR (Prior Dec. True-Up)	(0.1)	-	-
Supply Optimization	1.6	2.1	2.1
Regulatory Outcome	•	0.7	1.4
Other OGDR	1.3	1.0	1.0
CKY Purchase Receivable	0.4	0.4	0.4
Uncollectibles - Non Tracked	0.3	0.3	0.4
Uncollectibles - Tracked	0.2	0.2	0.2
Trackers	1.6	0.5	0.5
Total Revenue	60.3	60.8	61.4

2012 7&5	2012	2013	2014
Base Margin (less LCR)	51,3	50.2	49.8
LCR	4.9	5.1	5.4
LCR (Prior Dec. True-Up)	(0.1)	-	-
ESS	2.4	2.8	2.8
Regulatory Outcome	-	0.6	1.1
Other OGDR	1.3	1.0	1.0
CKY Purchase Receivable	0.4	0.4	0.4
Uncollectibles - Non Tracked	0.3	0.4	0.4
Uncollectibles - Tracked	0.2	0.2	0.2
Trackers	8.0	0.5	0.4
Total Revenue	61.6	61.1	61,6
Total Revenue w/o Trackers	60.5	60.4	60.9

Vai	iance	2012	2013	2014
A)	Base Margin (less LCR)	(1.3)	0.2	0.2
	LCR	(0.0)	-	-
	LCR (Prior Dec. True-Up)	-	-	-
B)	ESS	(8.0)	(ď.7)	(0.7)
	Regulatory Outcome	-	0.2	0.3
	Other OGDR	0.0	(0.0)	(0.0)
	CKY Purchase Receivable	0.0	0.0	0.0
	Uncollectibles - Non Tracked	(0.0)	(0.0)	(0.0)
	Uncollectibles - Tracked	-		- '
	Trackers	0.7	0.0	0.0
	Total Variance	(1.3)	(0.3)	(0.2)
	Total Variance w/o Trackers	(2,1)	(0.3)	(0.2)

- A) Variances driven by a slight increase to usage forecasts.
 - Variance due to downward revisions to Off-System sales forecasts due to declining gas prices
- B) and price volatility

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2013 0&12	2012	2013	2014
Labor	7.3	7.2	7.4
Benefits	2.5	1.9	1.9
Materials & Supplies	1.5	1.4	1.4
Outside Services	4.6	4.4	4.2
Management Fee	11.7	12.4	12.7
Uncollectibles	0.1	0.5	0.5
Other *	3.7	3.6	4.1
Trackers	1.6	0.7	0.7
Total O&M	33.0	32.1	32.9
Total O&M w/o Trackers	31.4	31.4	32.2

2012 7&5	2012	2013	2014
Labor	7.0	7.3	7.6
Benefits	2.1	1.9	1.9
Materials & Supplies	1.5	1.5	1.5
Outside Services	4.3	4.3	4.4
Management Fee	12.1	12.4	12.6
Uncollectibles	0.2	0.5	0.5
Other *	4.1	3.8	3.9
Trackers	8.0	0.7	0.7
Total O&M	32.1	32.5	33.1
Total O&M w/o Trackers	31.2	31.8	32.4

Var	iance	2012	2013	2014
A)	Labor	0.3	(0.2)	(0.2)
B)	Benefits	0.4	(0.0)	-
	Materials & Supplies	0.1	(0.1)	(0.1)
A)	Outside Services	0.2	0.2	(0.2)
C)	Management Fee	(0.4)	0.0	0.1
	Uncollectibles	(0.1)	-	-
D)	Other *	(0.4)	(0.3)	0.2
E)	Trackers	0.7	(0.1)	(0.1)
	Total Change	0.9	(0.4)	(0.2)
	Total Change w/o Trackers	0.2	(0.4)	(0.2)

- A) Primarily due to open headcount (LOGI & EGCO), and reflnements to Operations workplan.
- B) 2012 Primarily revised assumptions for pension, OPEB, active medical and capital transfer percentages.
- C) 2012 Primarily revised assumptions for Administrative Services (IT) and NGD EH&S
 Distribution partially offset by capital transfers.
- D) Variance due to revisions to Fleet forecast and Operations workplan.
- E) Offset in revenues.

Columbia Gas of Kentucky
O&M - Other Cost Element View - Plan-vs.-Plan
(\$ millions)

2013 0&12	2012	2013	2014
Other			
Buildings and Land	0.1	0.1	0.1
Rents/Leases	0.2	0.2	0.2
Corporate Insurance	8.0	0.8	8.0
Employee Expenses	0.3	0.4	0.3
Company Memberships	0.1	0.1	0.1
Utilities	0.4	0.4	0.4
Misc Revenues	(0.2)	(0.1)	(0.1)
Misc & Other Expenses	0.2	0.3	0.3
Amortizations *	0.5	0.4	0.4
Deferred Credits	(0.2)	(0.7)	(0.1)
I&D Accrual	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	•
Advertising	0.1	0.1	0.1
Auto/Trucks Cleared	1.2	1.2	1.2
O&M Reclass - Regulatory to GAAP	0.2	0.2	0.2
Below the Line O&M			
	3.7	3.6	4.1

2012 7&5	2012	2013	2014
Other			
Buildings and Land	0.1	0.1	0.1
Rents/Leases	0.2	0.2	0.2
Corporate Insurance	8.0	8.0	0.8
Employee Expenses	0.3	0.4	0.3
Company Memberships	0.1	0.1	0.1
Utilitles	0.4	0.4	0.4
Misc Revenues	(0.2)	(0.2)	(0.2)
Misc & Other Expenses	0,2	0.1	0.1
Amortizations *	0.5	0.4	0.4
Deferred Credits	(0.1)	(0.2)	(0.1)
1&D Accrual	0.1	0.1	0.1
Well/Lease Rent/Royalty	_	-	-
Advertising	0.1	0.1	0.1
Auto/Trucks Cleared	1.3	1.3	1.3
O&M Reclass - Regulatory to GAAP Below the Line O&M	0.2	0.2	0.2
	4.1	3.8	3.9

Variance	2012	2013	2014
Other			
Bulidings and Land	(0.0)	0.0	0.0
Rents/Leases	0.0	0.0	0.0
Corporate Insurance	(0.1)	0.0	0.0
Employee Expenses	(0.0)	0.0	0.0
Company Memberships	(0.0)	(0.0)	(0.0)
Utilities	(0.0)	0.0	0.0
Misc Revenues	(0.1)	0.1	0.1
Misc & Other Expenses	0.0	0.2	0.2
Amortizations *	0.0	_	-
A) Deferred Credits	(0.1)	(0.5)	(0.0)
I&D Accrual	(0.0)	(0.0)	(0.0)
Well/Lease Rent/Royalty	· <u> </u>		
Advertising	0.0	-	-
Auto/Trucks Cleared	(0.1)	(0.1)	(0.1)
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)
Below the Line O&M	<u>•</u>		
	(0.4)	(0.3)	0.2

A) 2013 variance primarily due to revisions to Customer Program assumptions.

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2013 0&12	2012	2013	2014
Distribution Ops	11.4	10.9	11.2
Meter To Cash	0.6	0.6	0.6
Customer Call Center	0.0	0.0	0.0
Integration Center	0.5	0.5	0.5
Presidents	1.5	1.6	1.6
Other Departments	-	-	-
Management Fee	11.7	12.4	12.7
Benefits	2.5	1,9	1.9
Uncollectibles	0.1	0.5	0.5
Other Corporate*	3.2	2.9	3.1
Trackers	1.6	0.7	0.7
Total O&M	33.0	32.1	32.9
Total O&M w/o Trackers	31.4	31.4	32.2

2012 7&5	2012	2013	2014
Distribution Ops	11,1	11.2	11.4
Meter To Cash	0.6	0.6	0.6
Customer Call Center	0.0	0.0	0.0
Integration Center	0.6	0.7	0.7
Presidents	1.6	1.6	1.6
Other Departments	-	-	-
Management Fee	12,1	12.4	12.6
Benefits	2.1	1.9	1.9
Uncollectibles	0.2	0.5	0,5
Other Corporate*	3.0	2.9	3.0
Trackers	8.0	0.7	0.7
Total Ó&M	32.1	32,5	33.1
Total O&M w/o Trackers	31.2	31.8	32.4

Vai	fance		2012	2013	2014
A)	Distribution Ops		0.3	(0.2)	(0.1)
	Meter To Cash		(0.0)	0.0	
	Customer Call Center		(0.0)	(0.0)	(0.0)
B)	Integration Center		(0.0)	(0.1)	(0.2)
	Presidents		(0.1)	(0.0)	(0.0)
	Other Departments		-		• •
C)	Management Fee		(0.4)	0.0	0.1
D)	Benefits		0.4	(0.0)	-
	Uncollectibles		(0.1)		-
	Other Corporate*		0.1	0.1	0.0
E)	Trackers		0.7	(0.1)	(0.1)
	Total Change		0.9	(0.4)	(0,2)
	Total Change wio Trackers	, , , , , , , , , , , , , , , , , , ,	0.2	(0.4)	(0.2)

- A) 2012 Primarily fleet adj.,right of way (ROW) clearing and tools and uniforms. 2014-2017 -Primarily fleet adj.
- B) 2013-2018 Primarily due to allocation percentage revisions.
- C) 2012 Primarily revised assumptions for Administrative Services (IT) and NGD EH&S Distribution partially offset by capital transfers. 2013 2018 driven in large part by revisions to Corporate assumptions including CIP and Audit / IBM charges.
- D) 2012 Primarily revised assumptions for pension, OPEB, active medical and capital transfer percentages.
- E) Offset in revenues.

Columbia Gas of Kentucky O&M - Other Corporate View - Plan-vs,-Plan (\$ millions)

2013 0412	2012	2013	2014
Other Corporate			
Net Labor (CIP)	0.6	0,4	0.4
Materials/Supplies	0.0	0.0	0.0
Audit Faes	0.2	0.2	0.2
Consulting Fees	0.1	0.1	0.2
Legal Fees	-	-	-
Outside Services	0.2	0.2	0.2
Buildings and Land	-	_	-
Rents/Leases	0,2	0.2	0.2
Corporate insurance	0.8	8.0	0.8
Employee Expenses	-	-	
Company Memberships	0.1	0.1	0.1
Utilities	0.1	0.2	0.2
Misc Revenues	_	-	
Misc & Other Expenses	0.2	0.2	0.2
Amortizations *	0.5	0.4	0.4
Deferred Credits	(0.1)	(0.1)	(0.1)
i&D Accruel	0.1	0.1	0.1
Well/Lease Rent/Royalty	•		
Advertising	_	-	
Auto/Truck Cleared	(0.0)	-	
O&M Reclass - Requisiony to GAAP	0.2	0.2	0.2
Stores Clearing			
Balow the line O&M			
Total Other Corporate	3.2	2.9	3.1

2012 78.5	2012	2013	2014
Other Corporate			
Nel Labor (CIP)	0.4	0.4	0.4
Materials/Supplies	0.0	0.0	0.0
Audit Fees	0.2	0.1	0.1
Consulting Fees	0.1	0.1	0.2
Legal Fees	•	-	-
Outside Services	0.2	0.2	0.2
Buildings and Land	-	-	
Rents/Leases	0.2	0.2	0.2
Corporate Insurance	0.8	0.8	0,8
Employee Expenses	-		-
Company Memberships	0.1	0.1	0.1
Utilities	0.1	0.1	0.1
Misc Revenues	•	-	-
Misc & Other Expenses	0.2	0,2	0.2
Amortizations •	0.5	0,4	0.4
Deferred Credits	(0.1)	(0.1)	(0.1)
I&D Accrual	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	-
Advertising	-	-	-
Auto/Truck Cleared	_	-	
O&M Reclass - Regulatory to GAAP	0.2	0.2	0.2
Stores Clearing			
Below the line O&M			
Total Other Corporate	3.0	2.8	3.0

Variance	2012	2013	2614
Other			
Net Labor (CIP)	0.2	0.0	0.0
Materials/Supplies	0.0	-	-
Audit Fees	0.0	0.0	0.0
Consulting Fees	(0.0)	-	•
Legal Fees	-	•	
Outside Services	0.0	-	-
Buildings and Land	-	-	-
Rents/Lesses	0.0	0.0	0.0
Corporate Insurance	(0.1)	0.0	0.0
Employee Expenses		-	-
Company Memberships	(0.0)	(0.0)	(0.0)
Utlities	(0.0)	0.0	0.0
Misc Revenues	•	-	-
Misc & Other Expenses	0.0	0.0	0.0
Amortizations *	0.0	-	
Defarred Credits	(0.0)	•	-
(&D Accrual	(0.0)	(0.0)	(0.0)
Weil/Lease Rent/Royalty			
Advertising	-	-	-
Auto/Truck Cleared	(0.0)	-	
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0,0)
Stores Clearing	•	•	
Below the line O&M	•	•	-
Total Other Corporate	0.1	0.1	0.0

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

013 0&12	2012	2013	2014
Depreciation	6.7	7.1	7.6
Other Taxes			
Gross Receipts	-	-	-
Property Tax	2.3	2.7	2.9
Payroll	0.6	0.5	0.5
Distribution	-	-	-
Other	0.0	-	-
Total Other Taxes	2.9	3.1	3.4
Total Other Taxes w/o Trackers	2.7	3.1	3.4

2 7&5	2012	2013	2014
Depreciation	6.7	7.0	7.5
Other Taxes			
Gross Receipts	-	_	-
Property Tax	2.5	2.7	2.9
Payroll	0.5	0.5	0.5
Distribution	-	-	-
Other	0.0	-	-
Total Other Taxes	3.0	3.1 :	3.4

Vai	ance 2012		2013	2014
A)	Depreciation Change	0.0	0.1	0.1
	Other Taxes			
	Gross Receipts	_	-	-
	Property Tax	(0.1)	_	0.0
	Payroll	0.1	-	-
	Distribution	-	-	-
	Other	0.0	-	-
	Total Other Taxes Change	(0,1)		0.0
	Total Change w/o Trackers	4. (0.1)	(0.1)	(0.1)

A) Variance due to increased Capital spend

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2013 0812	2012	2013	2014
Miscellaneous	-	-	
AFUDÇ	0.1	0.2	0.2
Hedging interest income	0.0	0.1	0.0
UnderCollection income	-	-	-
Sales Receivable	-	-	-
Customer Tax Contribution	-	-	-
Cheritable Contributions	(0.1)	(0.1)	(0.1)
Temp Cash Inv Int Inc	0.5	0.4	0.3
Total Other Income	0.5	0.5	0.4
Long-Term Interest Expense	4.7	5.0	5.2
Short-Term interest Expense	-	0.0	0.0
Cuetomer Deposits	0.1	0.1	0.1
Rate Refund Expense	_	-	-
OverCollection Interest Expense	0.0	_	-
Loss / Gain on Sales of Asset	-	-	-
Loss on Impairment of Asset	(0.0)	_	-
Other Interest Expense		-	
Carrying Cost Interest Expense	-	-	-
Hedging Interest Expense	•	_	-
PISCC	_	_	-
AFUDC	(0.0)	(0.1)	(0.1)
Interest Expense	4,7	5.0	5.2
Income from Subsidiary	0.0	-	

2012 7&5		2012	2013	2014
Miscellaneous			-	-
AFUDC		0.1	0.2	0.2
Hedging Interest Income		0.0	0.0	-
UnderCollection Income		•	-	-
Sales Receivable		-	-	-
Customer Tex Contribution		-	-	~
Charitable Contributions		(0.1)	(0.1)	(0.1)
Temp Cash Inv Int Inc		0.6	0.3	0.2
Total Other Income	i, est	0.7	0.4	0.3
Long-Term Interest Expense		4.7	5.0	5.0
Short-Term interest Expense			0.0	0.0
Customer Deposits		0.1	0.1	0.1
Rate Refund Expense		-	-	-
OverCollection Interest Expense		-	-	-
Loss / Gain on Sales of Asset		-	-	-
Loss on Impairment of Asset		•	-	-
Other Interest Expense		•	-	-
Carrying Cost Interest Expense		-	-	-
Hedging Interest Expense		-	-	-
PISCC		-	_	•
AFUDC		(0.1)	(0,1)	(0.1)
Interest Expense	8 G.J.	4.8	5.1	5.1
Income from Subsidiary		0.0		-

Var	riance	2012	2013	2014
	Miscellaneous	-	-	-
	AFUDC	(0.0)	(0.0)	(0.0)
	Hedging Interest Income	(0.0)	0.0	0.0
	UnderCollection Income	· ·	_	-
	Sales Receivable	•	-	_
	Customer Tax Contribution	-	-	-
	Charitable Contributions	(0.0)	-	-
A)	Temp Cash Inv Int Inc	(0.1)	0.1	0.2
•	Total Other Income	(0.2)	0.1	0.2
A)	Long-Term Interest Expense	(0.0)	0.0	0.2
A)	Short-Term Interest Expense	-	(0.0)	(0.0)
	Customer Deposits	(0.1)	(0.1)	(0.1)
	Rate Refund Expense	*****	-	-
	OverCollection Interest Expense	0.0	•	-
	Loss / Gain on Sales of Asset		•	-
	Loss on Impairment of Asset	(0.0)		-
	Other Interest Expense	` <u>.</u>	-	
	Carrying Cost Interest Expense		-	-
	Hedging Interest Expense	•	_	-
	PISCC	-	_	-
	AFUDC	0.0	0.0	0.0
	Interest Expense	(0.1)	(0.1)	0.1
	Income from Subsidiary	0.0	+	

Variance due to changes in Capital structure to maintain appropriate debt / equity percentages

0&12	2012	2013	2014
Assets			
Net Property Plant and Equipment	215.6	231.1	25
Total investments	0.4	0.4	
Cash and Cash Equivalents	1.8	_	
Restricted Cash	1.9	2.6	
Accounts Receivable	49.4	27.7	2
Gas Inventory	44.1	44.0	4
Unrecovered Purchase Costs	-	8,5	
Material & Supplies	0.1	0.1	4
Price Risk Management Assets	-	-	
Exchange Gas Receivables & Reserve	0.1	0.1	
Current Regulatory Assets	2.0	2.0	
Prepayments and Other Assets	3.0	3.2	
	102.4	88.3	8
Price Risk Management Assets			
NC Regulatory Assets	19.7	18.5	1
Intangible Assets	-	10.0	
Post Retirement Benefits NC Assets	_	•	
Other Receivables Affillated	_	-	•
Deferred Charges	3.1	- 3.1	
Total Other Assets	22.8	21.6	2
1000 00101 200000		ž 1	^
Total Assets	341.3	341.4	35
Capitalization & Liabilities			
Total Common Stock Equity	91.9	98.5	10
Total Common Stock Equity Long Term Debt , excluding amounts due within c	91.9 53.3	98.5 86.3	
Total Common Stock Equity		86.3	9
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt	53.3 145.2 28.7	86.3 184.9 3.3	9 20
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable	53.3 145.2 28.7 12.0	86.3 1 84.9	9 20
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt	53.3 145.2 28.7	86.3 184.9 3.3	9 20 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable	53.3 145.2 28.7 12.0	86.3 184.9 3.3 11.4	9 20 1 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance	53.3 145.2 28.7 12.0 15.6	86.3 184.9 3.3 11.4 17.7	9 20 1 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued	53.3 145.2 28.7 12.0 15.6 8.0	86.3 184,9 3.3 11.4 17.7 5.0	9 20 1 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued	53.3 145.2 28.7 12.0 15.6 8.0 0.1	86.3 184,9 3.3 11.4 17.7 5.0	9 20 1 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current)	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6	86.3 184.9 3.3 11.4 17.7 5.0 0.1	9 20 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6 0.9	86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7	9 20 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6 0.9 17.1 4.3	86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9	9 20 1 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Co	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6 0.9 17.1 4.3 0.1	86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1	9 20 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Co	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6 0.9 17.1 4.3 0.1	86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1	9 20 1 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cr Environmental Other Accruals	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6 0.9 17.1 4.3 0.1	86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1	9 20 1 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Common Accrueds Total Current Liabilities	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6 0.9 17.1 4.3 0.1 - (0.4)	86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9	9 20 1 1 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Commonmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6 0.9 17.1 4.3 0.1 - (0.4) 96.0	86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1	9 20 1 1 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Common Accruels Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6 0.9 17.1 4.3 0.1 - (0.4) 96.0 0.8 50.0	86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1 0.8 55.2	9 20 1 1 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cr Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6 0.9 17.1 4.3 0.1 - (0.4) 96.0	86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1	9 20 1 1 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Common Accruels Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Deferred Credits	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6 0.9 17.1 4.3 0.1 - (0.4) 96.0 0.8 50.0	86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1 0.8 55.2	9 200 11 1 1 4
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cr Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6 0.9 17.1 4.3 0.1 - (0.4) 96.0 0.8 50.0 0.4	86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1 0.8 55.2 0.4	9 20 1 1 1 1 5 5
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Common Accruels Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Deferred Credits	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6 0.9 17.1 4.3 0.1 - (0.4) 96.0 0.8 50.0 0.4	86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1 0.8 55.2 0.4	9 200 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Common Accruels Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Deferred Credits Noncurrent Regulatory Liabilities	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6 0.9 17.1 4.3 0.1 - (0.4) 96.0 0.8 50.0 0.4 - 24.7	86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1 0.8 55.2 0.4 - 24.9	103 9 200 10 11 11 11 12 44 45 12 12 12 12
Total Common Stock Equity Long Term Debt , excluding amounts due within c Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Common Accruels Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Deferred Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	53.3 145.2 28.7 12.0 15.6 8.0 0.1 9.6 0.9 17.1 4.3 0.1 - (0.4) 96.0 0.8 50.0 0.4 - 24.7 13.2	86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1 0.8 55.2 0.4 - 24.9 13.3	9 20 1 1 1 5 5

7&5	2012	2013	2014
Assets			
Net Property Plant and Equipment	212.7	227.5	247.5
Total Investments	0.4	0.4	0.4
Cash and Cash Equivalents	_		
Restricted Cash	3.2	-	-
		-	- -
Accounts Receivable	48.6	26.2	25.8
Gas Inventory	45.1	45.7	44.4
Unrecovered Purchase Costs	-	8. 9	7.8
Material & Supplies	-	•	-
Price Risk Management Assets	•	•	-
Exchange Gas Receivables & Reserve	0.1	0.1	0,1
Current Regulatory Assets	2,5	2.5	2.5
Prepayments and Other Assets	3.0	3.2	3.6
Total Current Assets	102.4	86.6	84.2
Price Risk Management Assets			
NC Regulatory Assets	16.5	15.3	14.3
Intangible Assets	_	-	_
Post Retirement Benefits NC Assets	-	•	_
Other Receivables Affiliated	-	_	-
Deferred Charges	3.3	3.3	3.
Total Other Assets	19.9	18.6	17.
Total Assets	335.4	333.1	349.
Capitalization & Liabilities			
Total Common Stock Equity	91.9	98.3	102.0
Long Term Debt , excluding amounts due within c_	58.3	87.1	103.
Total Capitalization	150,2	185.3	205.7
Current Portion of Long Term Debt	28.7	5.3	_
Accounts Payable	10,6	11.4	9.
Customer Deposits and AR Credit Balance	17.7	17.7	17.
Taxes Accrued	4.6	5.5	6.
Interest Accrued	0.1	0.1	0.
Overrecovered Gas and Fuel Costs	9.7	-	-
Price Risk Management Liabilities (Current)	0.8	0.8	0.8
Exchange Gas Payable	13.2	2.4	2.4
Current Regulatory Liabilities	4.1	3.8	3.
Accrued Liability for Post Retirement Benefits - C	0.1	0.1	0.
Environmental	-	J. 1	· .
Other Accruals	(1.4)	1.9	1.8
	88.2	49.0	42,
Total Current Liabilities	00,2	49.0	42,1
Price Risk Management Liabilities - NC	1.0	1.0	1.0
Deferred Income Taxes	49.8	51. 4	54.
Deferred Investment Tax Credits	0.4	0.4	0.3
Deferred Credits	-	-	-
Noncurrent Regulatory Liabilities	25.1	25.4	25.
Accrued Liab for Post Retirement Benefits - NC	9.6	9.7	8.
Other Non-Current Liabilities	11.0	11.1	11.:
	96.9	98.9	101.

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

A) B) C) D) E)	Assets Net Property Plant and Equipment Total Investments Cash and Cash Equivalents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	3.0 0.0 1.8 (1.3) 0.9 (1.0) - 0.1 - 0.0 (0.5) (0.0) (0.8) 3.2 - - (0.2) 2.9	3.6 0.0 - 2.6 1.6 (1.7) (0.4) 0.1 - 0.0 (0.5) (0.0) 1.7	3.5 0.0 - 0.8 1.7 (0.7) (1.0) 0.1 - 0.0 (0.5) (0.0) 0.3 3.2 - - (0.2) 2.9
A) B) C) D) E)	Net Property Plant and Equipment Total Investments Cash and Cash Equivalents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	0.0 1.8 (1.3) 0.9 (1.0) - 0.1 - 0.0 (0.5) (0.0) (0.8) 3.2 (0.2) 2.9	0.0 - 2.6 1.6 (1.7) (0.4) 0.1 - 0.0 (0.5) (0.0) 1.7 3.2	0.0 0.8 1.7 (0.7) (1.0) 0.1 - 0.0 (0.5) (0.0) 0.3
A) B) C) D) E)	Total Investments Cash and Cash Equivalents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	0.0 1.8 (1.3) 0.9 (1.0) - 0.1 - 0.0 (0.5) (0.0) (0.8) 3.2 (0.2) 2.9	0.0 - 2.6 1.6 (1.7) (0.4) 0.1 - 0.0 (0.5) (0.0) 1.7 3.2	0.0 0.8 1.7 (0.7) (1.0) 0.1 - 0.0 (0.5) (0.0) 0.3
B) C) D) E) F)	Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	(1.3) 0.9 (1.0) - 0.1 - 0.0 (0.5) (0.0) (0.8) 3.2 - - (0.2) 2.9	1.6 (1.7) (0.4) 0.1 - 0.0 (0.5) (0.0) 1.7	1.7 (0.7) (1.0) 0.1 - 0.0 (0.5) (0.0) 0.3
B) C) D) E) F)	Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	(1.3) 0.9 (1.0) - 0.1 - 0.0 (0.5) (0.0) (0.8) 3.2 - - (0.2) 2.9	1.6 (1.7) (0.4) 0.1 - 0.0 (0.5) (0.0) 1.7	1.7 (0.7) (1.0) 0.1 - 0.0 (0.5) (0.0) 0.3
c) D) E) F)	Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	0.9 (1.0) - 0.1 - 0.0 (0.5) (0.0) (0.8) 3.2 - - (0.2)	1.6 (1.7) (0.4) 0.1 - 0.0 (0.5) (0.0) 1.7	1.7 (0.7) (1.0) 0.1 - 0.0 (0.5) (0.0) 0.3
D) E) F)	Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	(1.0) - 0.1 - 0.0 (0.5) (0.0) (0.8) 3.2 (0.2) 2.9	(1.7) (0.4) 0.1 - 0.0 (0.5) (0.0) 1.7 3.2 - - - (0.2)	(0.7) (1.0) 0.1 - 0.0 (0.5) (0.0) 0.3
E) F)	Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	0.1 - 0.0 (0.5) (0.0) (0.8) 3.2 - - (0.2)	(0.4) 0.1 - 0.0 (0.5) (0.0) 1.7 3.2 - - (0.2)	(1.0) 0.1 - 0.0 (0.5) (0.0) 0.3 3.2 - (0.2)
F)	Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	0.0 (0.5) (0.0) (0.0) (0.8) 3.2 - - (0.2) 2.9	0.1 - 0.0 (0.5) (0.0) 1.7 3.2 - - - (0.2)	0.1 0.0 (0.5) (0.0) 0.3 3.2 (0.2)
F)	Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	0.0 (0.5) (0.0) (0.0) (0.8) 3.2 - - (0.2) 2.9	0.0 (0.5) (0.0) 1.7 3.2	0.0 (0.5) (0.0) 0.3
F)	Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	(0.5) (0.0) (0.8) 3.2 - - (0.2) 2.9	0.0 (0.5) (0.0) 1.7 3.2 - - - (0.2)	0.0 (0.5) (0.0) 0.3
F)	Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	(0.5) (0.0) (0.8) 3.2 - - (0.2) 2.9	(0.5) (0.0) 1.7 3.2 - - - (0.2)	(0.5) (0.0) 0.3
F)	Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	(0.0) (0.0) (0.8) 3.2 - - (0.2) 2.9	3.2	3.2
ŕ	Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	(0.0) (0.8) 3.2 - - (0.2) 2.9	3.2 - - - (0.2)	3.2
ŕ	Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	(0.8) 3.2 - - (0.2) 2.9	- - - (0.2)	- - - (0.2)
ŕ	NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	3.2 - - - (0.2) 2.9	- - - (0.2)	- - - (0.2)
ŕ	Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	(0.2) 2.9	- - - (0.2)	- - - (0.2)
	Post Retirement Benefits NC Assets Other Receivables Affillated Deferred Charges Total Other Assets	2.9		
	Other Receivables Affillated Deferred Charges Total Other Assets	2.9		
	Deferred Charges Total Other Assets	2.9		
	Total Other Assets	2.9		
	Total Appara			
	(Otal Descre	5.9	8.3	6.8
	Canitalization 9.1 jobilities			
	Capitalization & Liabilities Total Common Stock Equity	0.0	0.3	0.4
	Long Term Debt , excluding amounts due within c	(5.0)	(0.7)	(5.7)
	Total Capitalization	(5.0)	(0.5)	(5.3)
				• •
	Current Portion of Long Term Debt	-	(1.9)	-
	Accounts Payable	1.4	0.0	0.5
	Customer Deposits and AR Credit Balance	(2.1)	-	-
I)	Taxes Accrued	3.4	(0.4)	(0.5)
	Interest Accrued	(0.0)	(0.0)	(0.0)
	Overrecovered Gas and Fuel Costs	(0.1)	-	-
	Price Risk Management Liabilities (Current)	0.1	0.1	0.1
J)	Exchange Gas Payable	3.8	2.3	2.3
	Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Ct	0.2 0.0	0.1 0.0	0.1 0.0
	Environmental	-	u. u	U.U
K)	Other Accruals	1.1	1.0	0.4
13)	Total Current Liabilities	7.8	1.2	3.0
	Dutas Blak Management Lightlities - NO	(0.2)	(0.0)	/0.0V
	Price Risk Management Liabilities - NC Deferred Income Taxes	(0.2) 0.1	(0.2)	(0.2) 5.4
I)	Deferred Investment Tax Credits	0.0	3.8 0.0	0.0
	Deferred fivestifiers Tax Gredits	-	-	-
	Noncurrent Regulatory Liabilities	(0.4)	(0.5)	(0.6)
	Accrued Liab for Post Retirement Benefits - NC	3.6	3.6	3.6
	Other Non-Current Liabilities	(0.0)	0.9	0.9
•,	Other NC Liab & Deferred Credits	3.1	7.6	9.0
	Tetal Capitalization & Linkilitian	FO	- 03	
	Total Capitalization & Liabilities	5.8	8.3	6.8

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

Variance Explanations:

- A) 2012 variance due to increased cash flow from the 7&5 forecast.
- B) Variance due to changes to the required reserves related to the Hedging Program, and MF Global bankruptcy (\$1.8M).

C) Annual A/R variance primarily due to chances to Money Pool assumptions:

Ì	2012	2013	2014	2015	2016
	(1.60)	-	0.63	(0.84)	(0.91)

2012 variance due to increased Gas, Marketer, and Other Miscellaneous expenses of (\$525K),

D)	Year	Volume Variance (\$\$\$)	Rate Variance (\$\$\$)	Total Variance (\$\$\$)
	2012	(0.2)	(0.7)	(0.9)
	2013	(0.4)	(1.3)	(1.7)
	2014	0.4	(1.1)	(0.7)
	2015	0,0	(1.3)	(1.3)
	2016	(0.4)	(1.2)	(1.6)
	2017	(0.5)	(1.2)	(1.7)
	2018	(0.1)	(1.1)	(1.2)

- E) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- F) Variances are due to changes to pension funding obligations.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to increases to Customer advances; specifically ColorPoint Greenhouse in Paris, KY.
- Variances primarily driven by Federal and State tax liabilities, and Net Operating Loss (NOL) impacts.
- J) Variance due to changes in the number of exchange obligations vs. the 0&12.
- K) Variances primarily driven by changes to CIP (\$499K), Deferred Taxes (\$245K), and Misc. / Other (\$499K).
- L) Variance primarily due to changes the adoption of SFAS 96 regarding the treatment of Deferred Taxes.
- M) Variance due to changes to Accrued Pension costs.
- Variance due to changes to adjustments to Customer Advances and OPEB Retirement obligations

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2013 0&12	2012	2013	2014
New Business	4.0	4.0	2.6
Betterment	0.4	0.1	0.1
Replacement	13.4	15.8	16.5
Support Services	1.6	2.0	8.5
Gross Capital	19.3	21.9	27.7
Contributions & Reimbursements	(0.4)	(0.6)	(0.6)
Total CKY *	18,9	21.3	27.1
Infrastructure/AMR	11.4	12.2	12.2

2012 7&5	2012	2013	2014
New Business	2.7	4.0	2.6
Betterment	0.3	0.1	0.1
Replacement	12.0	15.8	16.5
Support Services	1.4	2.0	8.5
Gross Capital	16.4	21.9	27.7
Contributions & Reimbursements	(0.7)	(0.6)	(0.6)
Total CKY	15.8	21.3	27.1
Infrastructure/AMR	9.6	12.2	12.2

Variance	2012	2013	2014
New Business	1.3		~
Betterment	0.1	_	-
Replacement	1.4	-	-
Support Services	0.2	_	-
Gross Capital	2.9	-	-
Contributions & Reimbursements	0.2	-	-
Total CKY	3.1		·

NGD alloted additional capital after the 7&5R

Increase in growth activity, favorable weather, and contractor availability for both and replacement.

^{*} Note: Total does not include \$(0.1)M in unallocated overheads in 2012.

Columbia Gas of Kentucky Plan vs. Plan - January 2013 (\$ millions)

2013 1&11		Mo Actual	YTD Actual	2013 1&11	2014 1&11
Net Revenues		8.4	8.4	60.0	65.1
O&M Expense		2.5	2.5	31.3	32.2
Depreciation		0.6	0.6	7.1	7.6
Other Taxes		0.3	0.3	3.1	3.4
Operating Earnings		5.1	5.1	18.6	21.9
Other Income		0.0	0.0	0.4	0.2
Interest Expense		0.4	0.4	4 .1	3.9
Net Operating Income		4.7	4.7	14.9	18.1
Income Tax		2.0	2.0	5.8	5.5
Net Operating Income	· · · · · · · · · ·	2.8	2.8	9.0	12.6

2013 0&12	Mo Budget	YTD Budget	2013 0812	2014 0&12
Net Revenues	8.5	8.5	60.1	60.7
O&M Expense	2.6	2.6	31.4	32.2
Depreciation	0.6	0.6	7.1	7.6
Other Taxes	0.3	0.3	3.1	3.4
Operating Earnings	5.1	5.1	18.5	17.5
Other Income	0.1	0.1	0.5	0.4
Interest Expense	0.4	0.4	5.0	5.2
Net Operating Income	4.7	4.7	13.9	12.7
Income Tax	1.8	1.8	5.3	6.0
Net Operating Income	2,9	2,9	8.7	6.7

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	(0.1)	(0.1)	(0.0)	4.4
O&M Expense	(0.1)	(0.1)	(0.1)	(0.0)
Depreciation	0.0	0.0	0.0	
Other Taxes	0.0	0.0	(0.0)	-
Operating Earnings	0.0	0.0	0,1	4.4
Other Income	(0.0)	(0.0)	(0.1)	(0.3)
Interest Expense	(0.0)	(0.0)	(0.9)	(1.2)
Net Operating Income	. in easy 0.1 and 1.5 AV	0,1	0.9	5.4
Income Tax	0.2	0.2	0.6	(0.5)
Net Operating Income	(0.1)	(0.1)	D.4	5.9

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

13 1&11	Mo Actual	YTD Actual	2013 1&11	2014 1&11
Base Margin (less LCR)	7.4	7.4	50.2	49.9
LCR	0.6	0.6	5.2	5.5
LCR (Prior Dec. True-Up)	(0.0)	(0.0)	(0.0)	•
ESS	0.2	0.2	2.1	2.1
Regulatory Outcome	•	-	0.7	1.4
Other OGDR	0.1	0.1	1.0	1.0
CKY Purchase Receivable	0.1	0.1	0.4	0.4
Uncollectibles - NonTracked	0.1	0.1	0.4	0.4
Uncollectibles - Tracked	0.0	0.0	0.2	0.2
Trackers	0.1	0.1	0.5	0.5
Total Revenue	8.5	8.5	60,8	65.8
Total Revenue w/o Trackers	8.4	8.4	60.0	65.1

013 0812	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Base Margin (less LCR)	7.4	7.4	50.4	49.9
LCR	0.6	0.6	5.1	5.5
LCR (Prior Dec. True-Up)	-	-	-	_
ESS	0.1	0.1	2.1	2.1
Regulatory Outcome	-	-	0.7	1.4
Other OGDR	0.1	0.1	1.0	1.0
CKY Purchase Receivable	0.1	0.1	0.4	0.4
Uncollectibles - NonTracked	0.1	0.1	0.4	0.4
Uncollectibles - Tracked	0.0	0.0	0.2	0.2
Trackers	0.1_	0.1	0.5	0.5
Total Revenue	8.6	8.6 j. j.	60.8	61.4
Total Revenue w/o Trackers	8.5	8.5	60.1	60.7

ariance	Mo Var	YTD Var	Yr Var Yr	Var
) Base Margin (less LCR)	(0.1)	(0.1)	(0.2)	0.0
LCR	(0.0)	(0.0)	0.1	-
LCR (Prior Dec. True-Up)	(0.0)	(0.0)	(0.0)	-
ESS	0.0	0.0	0.0	-
Regulatory Outcome	-	-	-	-
Other OGDR	0.0	0.0	0.0	(0.0)
CKY Purchase Receivable	(0.0)	(0.0)	(0.0)	(0.0)
Uncollectibles - NonTracked	(0.0)	(0.0)	0.0	(0.0)
Uncollectibles - Tracked	*	•	-	-
Trackers	0.0	0.0	0.1	-
Total Variance	Temple (#0.1)	(0.1)	0,0	4.4
Total Variance w/o Trackers	(0.1)	(0.1)	(0.0)	4.4

Variance Explanations:

A) Variance due to weather adjustments of \$0.3M

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2013 1&11	Mo Actual	YTD Actual	2013 1&11	2014 1811
Penalty Charges	0.0	0.0	0.4	0.4
Return Check	0.0	0.0	0.1	0.1
Other Fees	0,1	0.1	0.4	0.4
Other Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services		-	-	-
Other Misc Income	-	-	-	-
Misc Merchant Revenue	0.0	0.0	0.0	•
Total OGDR	0,1	0.1	1.0	1.0

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0812
Penalty Charges	0.0	0.0	0.4	0.4
Return Check	0,0	0.0	0.1	0.1
Other Fees	0.1	0.1	0.4	0,4
Other Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	_	-	-	_
Other Misc Income	-	-	-	-
Misc Merchant Revenue	0.0	0.0	0.0	-
Total OGDR	0.1	0.1	1.0	1.0

Variance	Mo Var	YTD Var	Yr Var	Yr V ar
Penalty Charges	0.0	0.0	0.0	0.0
Return Check	0,0	0.0	0.0	0.0
Other Fees	0.0	0.0	0.0	0.0
Other Revenue	-	-	<u>.</u>	-
Pub Utli-Flex	0.0	0.0	0.0	•
Company Use	0.0	0.0	(0.0)	(0.0)
Balancing Services	-	-	•	`• '
Other Misc Income	-	_	-	-
Misc Merchant Revenue	0,0	0.0	0.0	-
Total OGDR	0.0	0.0	0.0	(0.0)

Columbia Gas of Kentucky 2013 Customer & Usage Information - 1&11 vs. 0&12

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residentlal	0.010	0.010
Commercial	0.010	0.010
Total	0.010	0.010

Usage Change	Month	YTD
Residential	0.056	0.056
Commercial	0.037	0.037
Industrial (Non-LCR)	0.017	0.017
Total	0.110	0.110

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	15.3	15.3
Comm	99.8	99.8
Ind	9,226.5	9,226.5

Budget	Month	YTD
Residential	15.0	15.0
Commercial	95.4	95.4
Industrial	9,314.6	9,314.6

Variance	Month	Mo. %	YTD	YTD %
Residential	0.2	1.6%	0.2	1.6%
Commercial	4.3	4.5%	4.3	4.5%
Industrial	(88.1)	-0.9%	(88.1)	-0.9%

Customer Count

Actual	Month	YTD Avg
Residential	120,896	120,896
Commercial	14,073	14,073
Industrial	181	181
Total	135,150	135,150

Budget	Month	YTD Avg
Residential	120,613	120,613
Commercial	13,990	13,990
Industrial	178	178
Total	134,781	134,781

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	283	0.2%	283	0.2%
Commercial	83	0.6%	83	0.6%
Industrial	3	1.7%	3	1.7%
Total	369	0.3%	369	0.3%

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2013 1&11	Mo Actual	YTD Actual	2013 1&11	2014 1811
Labor	0.7	0.7	7.2	7.4
Benefits	0.1	0.1	1.7	1.9
Materials & Supplies	0.1	0.1	1.5	1.4
Outside Services	0.3	0.3	4.4	4.2
Management Fee	0.9	0.9	12.5	12.7
Uncoilectibles	0.0	0.0	0.5	0.5
Other *	0.3	0.3	3.6	4.1
Trackers	0.1	0.1	0.7	0.7
Total O&M	2.6		32.0	32.9
	0.0	0.0	0.0	(0.0)
Total O&M w/o Trackers	2.5	2.5	31.3	32.2

013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Labor	0.6	0.6	7.2	7.4
Benefits	0.2	0.2	1.9	1.9
Materials & Supplies	0.1	0.1	1.4	1.4
Outside Services	0.4	0.4	4.4	4.2
Management Fee	1.0	1.0	12.4	12.7
Uncollectibles	0.1	0.1	0.5	0.5
Other *	0.3	0.3	3.6	4.1
Trackers	0.1	0.1	0.7	0.7
Total O&M	2.7	2.7	32.1	32.9
		*	0.0	0.0
Total O&M w/o Trackers	2.6	2.6	31.4	32.2

	Variance	Mo Var	YTD Var	2013 Yr Var	2014 Yr Var
	Labor	0.0	0.0	0.0	0.0
A)	Benefits	(0.0)	(0.0)	(0.2)	•
	Materials & Supplies	0.1	0.1	0.1	-
	Outside Services	(0.1)	(0.1)	(0.0)	(0.0)
B)	Management Fee	(0.1)	(0.1)	0.0	0.0
	Uncollectibles	(0.0)	(0.0)	-	-
	Other *	0.0	0.0	0.0	(0.0)
	Trackers	0.0	0.0	0.0	-
	Total Change	(0.1)	(0.1)	(0.1)	(0,0)
	Total Change w/o Trackers	(0.1)	(0.1) = (0.1)	(0.1)	(0,0)

- B) 2013 Yr Var Primarily revised assumptions for Pension & OPEB.
 C) Mo & YTD Var Primarily Administrative Services and NGD Operations.

Columbia Gas of Kentucky O&M - Other Cost Element View - Plan-vs.-Plan (\$ millions)

2013 1&11	Mo Actual	YTD Actual	2013 1&11	2014 18.11
Other				<u></u>
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.0	0.2	0.2
Corporate Insurance	0.1	0.1	0.8	0.8
Employee Expanses	0.0	0.0	0.4	0.3
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.1	D.1	0.5	0.4
Misc Revenues	0.0	0.0	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.0	0.3	0.3
Amortizations *	0.0	0.0	0.4	0.4
Deferred Credits	(0.0)	(0.0)	(0.7)	(0.1)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	-	•	
Advertising	0.0	0.0	0.1	0.1
Auto/Trucks Cleared	0.1	0.1	1.2	1.2
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.2	0.2
Below the Line O&M				
	0.3	0.3	3.6	4.1

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Other				
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.0	0.2	0.2
Corporate Insurance	0.1	0.1	0.8	8.0
Employee Expenses	0.0	0.0	0.4	0.3
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.0	0.4	0.4
Misc Revenues	(0.0)	(0.0)	(0.1)	(0.1)
Msc & Other Expenses	0.0	`0.0	0.3	0.3
Amortizations *	0.0	0.0	0.4	0.4
Deferred Credits	(0.1)	(0.1)	(0.7)	(0.1)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	-
Advertising	0.0	0.0	0.1	0.1
Auto/Trucks Cleared	0.1	0,1	1.2	1.2
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.2	0.2
Below the Line Q&M	<u> </u>		-	-
	0.3	0.3	3.6	4.1

Variance	Mo Var	YTD Var	2012 Yr Var	2014 Yr Var
Other				
Buildings and Land	(0.0)	(0.0)	(0.0)	-
Rents/Leases	0.0	0.0	0.0	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	-
Employee Expenses	(0.0)	(0.0)	(0.0)	-
Company Memberships	0.0	0.0	0.0	-
Utilities	0.0	0.0	0.0	-
Misc Revenues	0.0	0.0	0.0	
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	
Amortizations *	-	-	-	-
Deferred Credits	0.0	0.0	0.0	-
I&D Accrual	0.0	0.0	0.0	-
Well/Lease Rent/Royalty	-			
Advertising	0.0	0.0	0.0	•
Auto/Trucks Cleared	(0.0)	(0.0)	(0.0)	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M	•			
	0.0	0.0	0.0	(0.0)

Variance Explanations:

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky
O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

013 1&11	Mo Actual	YTD Actual	2013 1&11	2014 1&11
Distribution Ops	0.9	0.9	11.1	11.2
Meter To Cash	0.1	0.1	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.0	0.5	0,5
Presidents	0.1	0.1	1.6	1.6
Other Dept	_	-	-	-
Management Fee	0.9	0.9	12.5	12.7
Benefits	0.1	0.1	1.7	1.9
Uncollectibles	0.0	0.0	0.5	0.5
Other Corporate *	0.2	0.2	2.9	3.1
Trackers	0.1	0.1	0.7	0.7
Total O&M	2.6	2.6	32.0	32.9
Total O&M w/o Trackers	1, 4 km - 1 1 - 2,5 mp - 1 4	2.5	31.3	32.2

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Distribution Ops	0.9	0.9	10.9	11.2
Meter To Cash	0.1	0.1	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.0	0.5	0.5
Presidents	0.1	0.1	1.6	1.6
Other Dept	-	+	-	-
Management Fee	1.0	1.0	12.4	12.7
Benefits	0.2	0.2	1.9	1.9
Uncollectibles	0.1	0.1	0.5	0.5
Other Corporate *	0.2	0.2	2.9	3.1
Trackers	0.1	0.1	0.7	0.7
Total O&M	2.7	2.7	32.1	32.9
Total O&M w/o Trackers	2.6	. 551 (1879), Heby, 2.6 , w	31.4	32.2

Variance	Мо V аг	YTD Var	2012 Yr Var	2014 Yr Var
Distribution Ops	0.0	0.0	0.1	•
Meter To Cash	0.0	0.0	0.0	-
Customer Call Center	(0.0)	(0.0)	(0.0)	-
Integration Center	(0.0)	(0.0)	(0.0)	-
Presidents	0.0	0.0	0.0	-
Other Dept	~	•	-	•
A) Management Fee	(0.1)	(0.1)	0.0	0.0
B) Benefits	(0.0)	(0.0)	(0.2)	_
Uncollectibles	(0.0)	(0.0)	· ,	-
Other Corporate *	(0.0)	(0.0)	(0.0)	(0.0)
Trackers	0.0	0.0	0.0	
Total Change	(0.1)	(0.1)	(0.1)	(0.0)

- Mo & YTD Var Primarily Administrative Services and NGD Operations.
 B) 2013 Yr Var Primarily revised assumptions for Pension & OPEB.

^{*} See O&M Other Corp Tab

Columbia Gas of Kentucky O&M - Other Corporate View - Plan-vs.-Plan (\$ millions)

2013 1811	Me Actual	YTD Actual	2013 4&11	2014 18.11
Other Corporate				
Net Lebor	0.0	0.0	0.5	D.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.0	0.2	0.2
Consulting Feas	0.0	0.0	0,1	0.2
Legal Fees	-	-	•	•
Outside Services	(0.0)	(0.0)	0.1	0.2
Bulldings and Land	- '	-	•	-
Rents#Leases	0.0	0.0	0.2	0.2
Corporate Insurance	0.1	0.1	0.8	0.8
Employee Expenses	-	-	-	-
Company Memberships		-	0.1	0.1
Utilities	0.0	0.0	0.2	0,2
Miso Revenues		=	-	-
Misc & Other Expenses	0.0	0.0	0.2	0.2
Amortizations *	0.0	0.0	0.4	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	_	-	-	
Advartising	•			-
Auto/Truck Cleared	-		-	_
O&M Reclass - Regulatory to GAAP	0.0	0.0	0,2	0.2
Stores Clearing		•		-
Below the line C&M	-	_	-	
Total Other Corporate	0.2	D.2	2.9	3.1

2813 0812	Mc Budget	YTD Budget	2013 0&12	2014 0812
Other Corporate		***		
Net Labor	0.0	0.0	0.4	0.4
Materials/Supplies	0.0	0,0	0.0	0.0
Audit Faes	0.0	0.0	0.2	0.2
Consulting Fees	0.0	0.0	0.1	0,2
Legal Fees	•	-	•	-
Outside Services	0.0	0.0	0.2	0.2
Buildings and Land	•	-	-	-
Rents/Leases	0.0	0.0	0.2	0.2
Corporate Insurance	0.1	0.1	9.0	0.8
Employee Expenses	•	-	•	•
Company Memberships	*	-	0.1	0.1
ulines	0.0	0.0	0.2	0.2
Misc Revenues	-	-	-	-
Misc & Other Expenses	0.0	0.0	0.2	0.2
Amortizations *	0.0	0.0	0.4	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
I&D Accrual	0.0	0.0	0.1	0.1
Wel/Lease Rent/Royalty	•	-	-	-
Advertising	-	=	-	
Auto/Truck Cleared	•		-	-
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.2	0.2
Stores Clearing	-	•	•	
Below the line O&M				•
Total Other Corporate	0.2	0.2	v 2.9	3.44 3.4

Variance	73o Var	YTD Var	2912 Yr Var	2014 Yr Var
Other			,	
Net Labor	0.0	0.0	0.0	-
Meterials/Supplies	0.0	0.0	0.0	-
Audit Fees	0.0	0.0	0.0	-
Consulting Fees	0.0	0.0	0.0	-
Legal Fees	-		-	-
Outside Services	(0.0)	(0.0)	(0.0)	-
Buildings and Land	•	•	<u>-</u>	_
Rents/Lesses	0.0	0. 0	0.0	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	-
Employee Expenses	•	-	-	-
Company Memberships		-	-	-
Utilities	0.0	0.0	0.0	-
Misc Revenues	-	-	-	-
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	-
Amortizations *	•		-	
Deferred Credits	{0.0}	(0.0)	(0.0)	
I&D Accrual	0.0	0.0	D. O	-
Wel/Lease Rent/Royally	•	-	-	
Advertising			-	-
Auto/Truck Cleared		-	-	
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Stores Clearing	•	•	<u>-</u> -	
Selow the line O&M	-	-	-	_
Total Other Corporate	(0.0) =	(0.0)	(0.0)	(0.0)

Variance Explanations:

(*) Amortizations: IBM and Ceft Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2013 1&11	Mo Actual	YTD Actual	2013 1&11	2014 1811
Depreciation	0.6	0.6	7.1	7.6
Other Taxes				
Gross Receipts	-	•	-	_
Property Tax	0.2	0.2	2.7	2.9
Payroll	0.0	0.0	0.5	0.5
Distribution	_	<u> </u>	-	-
Other	-	<u></u>		
Total Other Taxes	0.3	0.3	3.2	3.4
Total Offier Taxes w/o Trackers	0.3	0.3	3.1	3.4

13 08.12	Mo Budget	YTD Budget	2013 0&12	2014 08.12
Depreciation	0.6	0.6	7.1	7.6
Other Taxes				
Gross Receipts	•	-	_	-
Property Tax	0.2	0.2	2.7	2.9
Payroll	0.0	0.0	0.5	0.5
Distribution	<u></u>	<u>.</u>	-	-
Other	-			-
Total Other Taxes	0.3	0.3	3,1	3.4
Total Other Taxes wto Trackers	0.3	0.3	3.1	3.4

iance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.0	0.0	-
Other Taxes	•			
Gross Receipts	•	-	-	-
Property Tax	-	-	-	-
Payroll	0.0	0.0	0.0	-
Distribution	-	-	-	_
Other	•	-	-	-
Total Other Taxes Change	0.0	v. amb yel (0.0 %, 1 a 1)	0.0	
Total Change w/o Trackers	0.0	######################################	(0.0)	

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2013 18.11	Mo Actual	YTD Actual	2013 1811	2014 1&11
Miscelleneous	•	•	•	
AFUDC	0.0	0.0	0.2	0.2
Hadging Interest Income	0.0	0.0	0.1	0.0
Under-Collection interest Income	•	•	•	•
Sale Receivables	-	-	•	-
Customer Tex Contribution	-	-	-	
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.0	0.3	0.1
Total Other Income	0.0	0.0	0.4	0.2
Long-Term Interest Expense	0.4	0.4	4.0	3.8
Short-Term Interest Expense	_	•	0.1	0,1
Customer Deposits Interest Expense	-	•	0.1	0.1
Rate Refund Interest Expense	+	•	_	•
Over-Collection Interest Expense	-	•	-	•
Other Interest Expense	-	-	=	-
Carrying Cost Interest Expense	-	-	•	-
Hedging Interst Expense		-	-	-
PISCC	-	-	•	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.1)	(0.1)
Interest Expense	0.4	0.4	4.1	3.9
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	

2013 0812	Mo Budget	YTD Budget	2013 8812	2014 9&12
Miscellaneous	-	-	•	
AFUDC	0.0	0.0	0.2	0.2
Hedging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income	-	-	-	-
Sale Receivables	-	-	-	-
Customer Tax Contribution	-	-	-	-
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1)
Temp Cash Investment Interest income	0.1	0,1	0.4	0.3
Total Other Income	0.1	0.1	0.5	0.4
Long-Term Interest Expense	0.4	0.4	5.0	5.2
Short-Term Interest Expense	-	-	0.0	0,0
Customer Deposits Interest Expense	0.0	0.0	0.1	0.1
Rate Refund Interest Expense		-	_	•
Over-Collection Interest Expense	-	-	_	
Other Interest Expense	_	-	-	
Carrying Cost Interest Expense		-	-	-
Hedging Interst Expense	-	-	-	-
PISCC	•	•	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.1)	(0.1)
interest Expense	0.4		5.0	5.2
NET INCOME FROM SUBSIDIARIES	-	0.0	•	•

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous		•	-	-
AFUDC	(0.0)	(0.0)	(0.0)	-
Hedging Interest Income	(0.0)	(0.0)	(0.0)	-
Under-Collection Interest Income	` <u>.</u> '	• •	-	-
Sale Receivables	-	-	-	-
Customer Tax Contribution	-	•	-	-
Charitable Contributions	0.0	0.0	(0.0)	-
A) Temp Cash investment interest income	(0.0)	(0.0)	(0.1)	(0.3)
Total Other Income	(0.0)	(0.0)		(0.3)
B) Long-Term Interest Expense	(0.0)	(0.0)	(1.0)	(1.4)
Short-Term interest Expense	`- '	- '	0.1	0.1
Customer Deposits Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)
Rate Refund Interest Expense	` <u> </u>	· , ,	-	,
Over-Collection Interest Expense	-	•	_	_
Other Interest Expense	-	-	_	_
Carrying Cost Interest Expense	-	•	_	_
Hedging Interst Expense	-	•	•	_
PISCC	-	•	_	_
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	_
Interest Expense	(0.0)	(0.0)	(0.0)	(1.2)
NET INCOME FROM SUBSIDIARIES	0.0	•	0.0	

- A) Variance represents changes to the Interest earned on operating cash sent to Corp. Money Pool.
 B) Variance due to financing assumptions used to balance rate base.

Cash and Cash Equivalents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets	0.4 3.6 1.9 61.4 20.2 - 0.1 1.8 14.5 103.5 - 19.4 - 3.8 23.1	231.1 0.4 - 2.6 29.0 31.6 4.9 11.9 - 0.1 4.2 15.1 99.4 - 18.2 - 3.8 22.0	25 2 3 1 1 9
Net Property Plant and Equipment Total Investments Cash and Cash Equivalents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Other Assets Total Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	0.4 3.6 1.9 61.4 20.2 0.1 1.8 14.5 103.5	0.4 - 2.6 29.0 31.6 4.9 11.9 - 0.1 4.2 15.1 99.4 - 18.2 3.8 22.0	2 3 1 1 9
Cash and Cash Equivalents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities	0.4 3.6 1.9 61.4 20.2 0.1 1.8 14.5 103.5	0.4 - 2.6 29.0 31.6 4.9 11.9 - 0.1 4.2 15.1 99.4 - 18.2 3.8 22.0	2 3 1 1 9
Cash and Cash Equivalents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Other Assets Total Other Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	3.6 1.9 61.4 20.2 0.1 - 0.1 1.8 14.5 103.5	2.6 29.0 31.6 4.9 11.9 - 0.1 4.2 15.1 99.4	2 3 1 1 9
Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	1.9 61.4 20.2 0.1 - 0.1 1.8 14.5 103.5	29.0 31.6 4.9 11.9 - 0.1 4.2 15.1 99.4 - 18.2 - - - 3.8 22.0	2 3 1 1 9
Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Other Assets Total Other Assets Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accuals	61.4 20.2 0.1 - 0.1 1.8 14.5 103.5	29.0 31.6 4.9 11.9 - 0.1 4.2 15.1 99.4 - 18.2 - - - 3.8 22.0	2 3 1 1 9
Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Other Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Current Regulatory Liabilities Current Regulatory Liabilities Current Regulatory Liabilities Other Accruels	20.2 0.1 1.8 14.5 103.5 - 19.4 - 3.8	31.6 4.9 11.9 - 0.1 4.2 15.1 99.4 - 18.2 - - 3.8 22.0	3 1 1 9
Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Price Risk Management Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Other Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	0.1 1.8 14.5 103.5	4.9 11.9 - 0.1 4.2 15.1 99.4 - 18.2 - - - 3.8 22.0	1 1 2 9
Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Other Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	0.1 1.8 14.5 103.5 - 19.4 - 3.8	11.9 - 0.1 4.2 15.1 99.4 - 18.2 - - - 3.8 22.0	1 1 9
Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Current Regulatory Liabilities Other Accruals	0.1 1.8 14.5 103.5 - 19.4 - 3.8	0.1 4.2 15.1 99.4 - - - - - 3.8 22.0	<u>1</u>
Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Current Regulatory Liabilities Other Accrued Other Accruals	1.8 14.5 103.5 - 19.4 - - 3.8 23.1	4.2 15.1 99.4 - 18.2 - - - 3.8 22.0	1
Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Other Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities Current Regulatory Liabilities Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	1.8 14.5 103.5 - 19.4 - - 3.8 23.1	4.2 15.1 99.4 - 18.2 - - - 3.8 22.0	1
Current Regulatory Assets Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Other Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities Current Regulatory Liabilities Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	14.5 103.5 - 19.4 - - 3.8 23.1	15.1 99.4 - 18.2 - - - 3.8 22.0	1
Prepayments and Other Assets Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Other Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	19.4 - - 3.8 23.1	99.4 - 18.2 - - - - 3.8 - 22.0	1
Total Current Assets Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	19.4 - - 3.8 23.1	99.4 - 18.2 - - - - 3.8 - 22.0	1
NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Other Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	3.8 23.1	3.8 22.0	
NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	3.8 23.1	3.8 22.0	
Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	3.8 23.1	3.8 22.0	
Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	23.1	22.0	
Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	23.1	22.0	
Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	23.1	22.0	
Total Other Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	23.1	22.0	
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	-	•	, 2
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals			
Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	94.8	99.0	10
Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	73.3	86.3	9
Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	168.1	185.4	20
Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	14.0	17.2	1
Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	13.2	10.9	
Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	12.7	17.7	1
Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	8.3	5.1	
Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	0.1	0.1	
Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	5.9	-	
Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	0.9	0.9	
Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	13.9	3.6	
Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	4.0	3.7	
Environmental Other Accruals	0.1	0.1	
Other Accruals	-	-	
	0.5	2.1	
i vici odijett Fignifiko	73.7	61.4	
	2001	s my d vit	
Price Risk Management Liabilities - NC	0.5	0.5	
Deferred Income Taxes		55.1	5
Deferred Investment Tax Credits	51.2	0.4	
Deferred Credits		-	
Noncurrent Regulatory Liabilities	51.2	24.9	2
Accrued Liab for Post Retirement Benefits - NC	51.2		1
Other Non-Current Liabilities	51.2 0.4 - 24.7	13.2	1
Other NC Liab & Deferred Credits	51.2 0.4 -	13.2 11.9	
Total Capitalization & Liabilities	51.2 0.4 - 24.7 13.1		

0&12	Mo	2013	2014
Assets			
Net Property Plant and Equipment	217.3	231.1	25
Total Investments	0.4	0.4	
Cash and Cash Equivalents	-	-	
Restricted Cash	4.0	2.6	
Accounts Receivable	61.6	27.7	2
Gas Inventory	33.7	44.0	4
Unrecovered Purchase Costs	=	8.5	
Material & Supplies	0.1	0.1	
Price Risk Management Assets	-	-	
Exchange Gas Receivables & Reserve	0.1	0,1	
Current Regulatory Assets	2.0	2.0	
Prepayments and Other Assets	2.8	3.2	
Total Current Assets	104.3	88.3	. 8
Price Risk Management Assets	-	-	
NC Regulatory Assets	19.6	18.5	1
Intangible Assets	•	-	
Post Retirement Benefits NC Assets	-	-	
Other Receivables Affiliated	•	•	
Deferred Charges	3.1	3.1	
Total Other Assets	22.7	21.6	4
Total Assets Capitalization & Liabilities Total Common Stock Equity	344.7 94.7	341.4 98.5	3:
Capitalization & Llabilities Total Common Stock Equity	94.7	98.5	10
Capitalization & Llabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	94.7 73.3	98.5 86.3	10
Capitalization & Llabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year	94.7	98.5	10
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year	94.7 73.3 168.0	98.5 86.3 1 84.9 3.3	1({
Capitalization & Llabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable	94.7 73.3 168.0 14.0 12.4	98.5 86.3 184.9 3.3 11.4	1(<u>{</u>
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance	94.7 73.3 168.0 14.0 12.4 13.6	98.5 86.3 184.9 3.3 11.4 17.7	1(<u>{</u>
Capitalization & Liabilities Total Common Stock Equity Long Term Debt, excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued	94.7 73.3 168.0 14.0 12.4 13.6 9.0	98.5 86.3 184.9 3.3 11.4 17.7 5.0	1(<u>{</u>
Capitalization & Llabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued	94.7 73.3 168.0 14.0 12.4 13.6 9.0 0.1	98.5 86.3 184.9 3.3 11.4 17.7	1(<u>{</u>
Capitalization & Llabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs	94.7 73.3 168.0 14.0 12.4 13.6 9.0 0.1 6.3	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1	1(<u>{</u>
Capitalization & Llabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current)	94.7 73.3 168.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1	1(<u>{</u>
Capitalization & Llabilities Total Common Stock Equity Long Term Debt, excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable	94.7 73.3 168.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9 14.9	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7	10
Capitalization & Llabilities Total Common Stock Equity Long Term Debt, excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities	94.7 73.3 168.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9 14.9 4.2	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9	1(<u>{</u>
Capitalization & Liabilities Total Common Stock Equity Long Term Debt, excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur	94.7 73.3 168.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9 14.9 4.2 0.1	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7	1({
Capitalization & Llabilities Total Common Stock Equity Long Term Debt, excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur	94.7 73.3 168.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9 14.9 4.2 0.1	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1	1(<u>{</u>
Capitalization & Llabilities Total Common Stock Equity Long Term Debt, excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	94.7 73.3 168.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9 14.9 4.2 0.1	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1	1({ 24
Capitalization & Llabilities Total Common Stock Equity Long Term Debt, excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	94.7 73.3 168.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9 14.9 4.2 0.1	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1	10 8
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC	94.7 73.3 168.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9 14.9 4.2 0.1	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1	10 8
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes	94.7 73.3 168.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9 14.9 4.2 0.1 - (0.1) 75.4	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1	10 8
Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes	94.7 73.3 168.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9 14.9 4.2 0.1	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1	10 8
Capitalization & Llabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits	94.7 73.3 188.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9 14.9 4.2 0.1 - (0.1) 75.4 0.8 50.4 0.4	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1	10 8
Capitalization & Llabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Deferred Credits	94.7 73.3 188.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9 14.9 4.2 0.1 - (0.1) 75.4 0.8 50.4 0.4 -	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1	10 8
Capitalization & Llabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Deferred Credits Noncurrent Regulatory Liabilities	94.7 73.3 188.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9 14.9 4.2 0.1 - (0.1) 75.4 0.8 50.4 0.4	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1 0.8 55.2 0.4	10 8
Capitalization & Llabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	94.7 73.3 168.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9 14.9 4.2 0.1 (0.1) 75.4 0.8 50.4 0.4 - 24.7 13.2 11.8	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1 0.8 55.2 0.4 -	10 8
Capitalization & Llabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Obligations Due in One Year Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Interest Accrued Overrecovered Gas and Fuel Costs Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Deferred Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	94.7 73.3 188.0 14.0 12.4 13.6 9.0 0.1 6.3 0.9 14.9 4.2 0.1 - (0.1) 75.4 0.8 50.4 0.4 - 24.7 13.2	98.5 86.3 184.9 3.3 11.4 17.7 5.0 0.1 - 0.9 4.7 3.9 0.1 - 2.9 50.1 0.8 55.2 0.4 -	10 8

Total Investments	Var	ance	Mo Var	2013 Var	2014 Var
A) Net Property Plant and Equipment (1.8) 0.0		Assets			
B Cash and Cash Equivalents	A)		(1.6)	0.0	0.0
O Restricted Cash		Total Investments	0.0	0.0	0.0
Accounts Receivable (0.2)	3)	Cash and Cash Equivalents		-	-
Gas Inventory (13.6) (12.4) (12.4) (12.5) Unreconverd Purchase Costs	•				0.0
Unrecovered Purchase Costs - (3.7) (1)))	Accounts Receivable		1.3	9.0)
Material & Supplies	Ξ)	Gas Inventory	(13.6)	(12.4)	(12.4
Price Risk Management Assets			-		(1.9
Exchange Gas Racevivebles & Reserve (0.0) (0.0) (0.0) (0.2) (0.2) (0.2) (0.2) (0.2) (0.2) (0.2) (1.8)	Ξ)	Material & Supplies	0.0	11.8	11.8
Current Regulatory Assets (0.2) 2.2 7 7 7 7 7 7 7 7 7		Price Risk Management Assets	-	-	-
Figure F			(0.0)	(0.0)	(0.0
Total Current Assets (0.8) 11.1 16 Price Risk Management Assets		Current Regulatory Assets	(0.2)	2.2	2.2
Price Risk Management Assets NC Regulatory Assets (0.2) (0.2) (0.2) (0.2) Intangible Assets Post Retrement Benefits NC Assets	Ξ)	Prepayments and Other Assets			11.9
NC Regulatory Assets (0.2) (0.2) (0.2) (0.2) (0.2) (1.		Total Current Assats	(8.0)	11.1	10.7
Intangible Assets		Price Risk Management Assets	-		-
Post Retirement Benefits NC Assets		NC Regulatory Assets	(0.2)	(0.2)	(0.2
Other Receivables Affiliated			-	-	-
Deferred Charges 0.7 0.7 0.7 0.7 1.0		Post Retirement Benefits NC Assets	•	-	-
Total Other Assets (2.0) 11.5 11		Other Receivables Affiliated	•	-	-
Total Assets (2.0) 11.5 11.5 11.5 11.5 12.5	K)	Deferred Charges	0.7	0.7	0.7
Capitalization & Liabilities		Total Other Assets	0.4	0.4	0.4
Common Stock Equity 0.0 0.5 1		Total Assets	(2.0)	11.5	71.1
Total Common Stock Equity 0.0 0.5 16			-	-	
Current Portion of Long Term Debt - - - - - -		· · · · · · · · · · · · · · · · · · ·	-	-	-
Total Capitalization 0.0 0.5 1	G)	Total Common Stock Equity	0.0	0.5	1.1
Current Portion of Long Term Debt - 13.8 12.0 Accounts Payable 0.8 (0.5) (0.8) - Taxes Accrued (0.7) 0.0 (0.7) Interest Accrued - - - Overrecovered Gas and Fuel Costs (0.4) - Price Risk Management Liabilities (Current) 0.0 0.0 (0.2) Exchange Gas Payable (1.0) (1.0) (7.0) Current Regulatory Liabilities (0.2) (0.2) (0.2) Accrued Liability for Post Retirement Benefits - Cur - - Environmental - - - Cotter Accruals 0.6 (0.8) (0.8) Total Current Liabilities - NC (0.2) (0.2) (0.2) Deferred Income Taxes 0.8 (0.0) (0.0) Deferred Income Tax Credits - - Noncurrent Regulatory Liabilities (0.0) 0.0 (0.0) Accrued Liab for Post Retirement Benefits - NC (0.1) (0.0) (0.0) Other Non-Current Liabilities (0.0) (0.0) (0.0) Other	3)	Long Term Debt, excluding amounts due within one year	•		-
Occurred Payable O.8 O.5 Occurred Payable O.8 O.5 Occurred Payable O.8 O.5 Occurred Payable O.8 O.5 Occurred Payable O.8 O.7 O.0 Occurred Payable O.7 O.0 Occurred Payable Occurred		Total Capitalization	0.0	0.5	1.1
Data	G)	Current Portion of Long Term Debt	_	13.8	12.2
Customer Déposits and AR Credit Balance (0.8) - - -	•		8.0		(0.6
Taxes Accrued (0.7) 0.0 (0.7) interest Accrued	•			• •	•
Interest Accrued	•				0.0
Overrecovered Gas and Fuei Costs	,				
Price Risk Management Liabilities (Current)	F١		(0.4)	_	_
Exchange Gas Payable			, ,	0.0	0.0
Current Regulatory Liabilities (0.2) (0.2) (0.2) Accrued Liability for Post Retirement Benefits - Cur - - - Environmental - - - K) Other Accruals 0.6 (0.8) (0.8) Total Current Liabilities (1.7) 11.3 1 Price Risk Management Liabilities - NC (0.2) (0.2) (0.2) H) Deferred Income Taxes 0.8 (0.0) (0.0) Deferred Investment Tax Credits (0.0) 0.0 (0.0) Deferred Credits - - - Noncurrent Regulatory Liabilities (0.0) 0.0 (0.0) Accrued Liab for Post Retirement Benefits - NC (0.1) (0.0) (0.0) K) Other Non-Current Liabilities (0.7) (0.0) (0.0) Other NC Liab & Deferred Credits (0.3) (0.3) (0.3)					(1.0
Accrued Liability for Post Retirement Benefits - Cur Environmental K) Other Accruals Other Accruals Other Liabilities Price Risk Management Liabilities - NC H) Deferred Income Taxes Deferred Investment Tax Credits Deferred Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC K) Other Non-Current Liabilities Other No Liab & Deferred Credits Other NC Liab & Deferred Credits	,				(0.2
Environmental			(0.2)	, ,	
Other Accruals			-		-
Total Current Liabilities	٧١				- (0.4
Deferred Income Taxes	N)				(0.1 10.3
Deferred Income Taxes		Drigg Disk Management Linkilltes . N.C.	(0.3)	/0 m	10.1
Deferred Investment Tax Credits	١.				(0.2
Deferred Credits	7)				(0.0
Noncurrent Regulatory Liabilities			(0.0)	V.U	0.0
Accrued Liab for Post Retirement Benefits - NC (0.1) (0.0) ((n n)	0.0	0.0
K) Other Non-Current Liabilities (0.7) (0.0) (0.0) Other NC Liab & Deferred Credits (0.3) (0.3) (0.3)					
Other NC Liab & Deferred Credits (0.3) (0.3) (0.3)	۸				(0.0
Total Control Control of Labellities	ソ				(0.0 (0.3
		Total Capitalization & Liabilities	(2.0)	11.5	11.1

- A) Variance due to timing around 2013 In-Service and subsequent Depreciation.
- B) Increase in Money Pool funding.
- C) Monthly and 2013 annual variances are due to changes to the required reserves related to the Hedging Program.
- D) <u>A/R:</u> 2013 variance is primarily due to increase in off-system sales.
 <u>A/P:</u> 2014 variance is due to decreased payables related to declining Gas Costs (\$520K).
- E) Monthly variance due to Usage variances of (\$1.8M) respectively. 2013 variance due to Rate differential of (\$507K) along with include reclassification entries between the Inventory and Material & Supply accounts and the prepayment accounts to accurately state the LIFO inventory balance; which was \$11.8M as of January 30th
- F) 2013 & 2014 Variance due to timing differences between gas purchases vs. gas recoverles. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to changes to the Federal tax payment and accrual calculation(s),
- Variance due to changes in the Hedging obligations.
- J) Variances are due to changes in the number of outstanding exchange obligations vs. the 0&12.
- K) <u>Deferred Charges</u> & <u>Other Non-current liabilities</u> variances are due to Customer Advances stemming from Capital projects.

Columbia Gas of Kentucky Capital Expenditures - P:an-vs.-Plan (\$ millions)

2013 18.11	Me Actual	YTD Actual	2013 1&11	2014 1&11
New Business	0.2	0.2	4.0	2.6
Betterment	0.1	0.1	0.1	0.1
Replacement	0.6	0.6	15.8	16.5
Support Services	0.1	0.1	2.0	8.5
Gross Capital	1.0	1.0	21.9	27.7
Contributions & Reimbursements	(0.6)	(0.6)	(0.6)	(0.6)
Total NGD	0.4	0.4	21.3	27.1
Infrastructure/AMR	0.5		12.2	12.2

2013 0&12	Mo Budget	YTD	2013 0&12	2014 0812
New Business	0.4	0.4	4.0	2.6
Betterment	0.0	0.0	0.1	0.1
Replacement	1.0	1.0	15.8	16.5
Support Services	0.1	0.1	2.0	8.5
Gross Capital	1.5	1.5	21.9	27.7
Contributions & Reimbursements	(0.0)	(0.0)	(0.6)	(0.6)
Total NGD	1.5	1.5	21.3	27.1
Infrastructure/AMR	0.7	0.7	12.2	12.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	(0.2)	(0.2)	-	•
Betterment	0.1	0.1	•	-
Replacement	(0.3)	(0.3)	-	-
Support Services	(0.0)	(0.0)	<u> </u>	
Gross Capital	(0.5)	(0.5)	-	
Contributions & Reimbursements	(0.6)	(0.6)	u u	w
Total NGD	(1,1) = 1	(1.1)		
Infrastructure/AMR	(0.2)	(0.2)		

Variance Explanations:

Primarily unfavorable weather.

Note: 2014 AMR program of \$7M shown in support services.

Columbia Gas of Kentucky Plan vs. Plan - February 2013 (\$ millions)

2013 2&10	2013	2014
Net Revenues	60.8	61.0
O&M Expense	32.3	32.8
Depreciation	7.1	7.7
Other Taxes	3.1	3.4
Operating Earnings	18.2	17.0
Other Income	0.5	0.3
Interest Expense	5.2	5.3
Net Operating Income	13.5	12.0
Income Tax	5.4	6.7
Net Income	8.1	5.4

2013 0&12	2013	2014
Net Revenues	60.1	60.7
O&M Expense	31.4	32.2
Depreciation	7.1	7.6
Other Taxes	3.1	3.4
Operating Earnings	18.5	17.5
Other Income	0.5	0.4
Interest Expense	5.0	5.2
Net Operating income	13.9	12.7
Income Tax	5.3	6.6
Net Income	8.7	6.1

Variance	2013	2014
Net Revenues	0.8	0.3
O&M Expense	1.0	0.6
Depreciation	0.0	0.1
Other Taxes	0.0	0.0
Operating Earnings	(0.2)	(0.4)
Other Income	(0.0)	(0.1)
Interest Expense	0.1	0.2
Net Operating Income	(0.4)	(0.7)
Income Tax	0.2	0.1
Net Income	(0.6)	(0.8)

-...* net of trackers

Columbia Gas of Kentucky

Revenue - Plan-vs.-Plan (\$ millions)

2013 2&10	2013	2014
Base Margin (less LCR)	50.9	50.2
LCR	5.2	5.5
LCR (Prior Dec. True-Up)	(0.0)	-
Supply Optimization	2.1	2.1
Regulatory Outcome	0.9	1.4
Other OGDR	1.0	1.0
CKY Purchase Receivable	0.4	0.4
Uncollectibles - Non Tracked	0.3	0.4
Uncollectibles - Tracked	0.2	0.2
Trackers	0.6	0.5
Total Revenue	61,7	61.7
Total Revenue w/o Trackers	60.8	61.0

2013 0&12	2013 2	014
Base Margin (less LCR)	50.4	50.0
LCR	5.1	5.4
LCR (Prior Dec. True-Up)	-	-
ESS	2.1	2.1
Regulatory Outcome	0.7	1.4
Other OGDR	1.0	1.0
CKY Purchase Receivable	0.4	0.4
Uncollectibles - Non Tracked	0.3	0.4
Uncollectibles - Tracked	0.2	0.2
Trackers	0.5	0.5
Total Revenue	60.8	61.4
Total Revenue w/o Trackers	60.1	60.7

Var	iance	2	013	2014
A)	Base Margin (less LCR)		0.5	0.2
	LCR		0.1	0.1
	LCR (Prior Dec. True-Up)		(0.0)	-
	ESS		0.0	-
	Regulatory Outcome		0.1	-
	Other OGDR		0.0	(0.0)
	CKY Purchase Receivable		(0.0)	(0.0)
	Uncollectibles - Non Tracked		(0.0)	(0.0)
	Uncollectibles - Tracked		(0.0)	-
	Trackers .		0.2	
	Total Variance		0.9	0.3
	Total Variance w/o Trackers		0.8	0.3

A) 2013 Variance driven by a slight increase to usage forecasts and change in plan assumptions o 2014 Variance driven by a slight increase to usage forecasts and change in plan assumptions o

Columbia Gas of Kentucky

O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2013 2&10	2013	2014
Labor	7.2	7.6
Benefits	2.7	2.1
Materials & Supplies	1.4	1.4
Outside Services	4.4	4.3
Management Fee	12.4	12.7
Uncollectibles	0.4	0.5
Other *	3.7	4.2
Trackers	0.8	0.7
Total O&M	33.2	33.5
Total O&M w/o Trackers	32.3	32.8

2013 0&12	2013	2014
Labor	7.2	7.4
Benefits	1.9	1.9
Materials & Supplies	1.4	1.4
Outside Services	4.4	4.2
Management Fee	12.4	12.7
Uncollectibles	0.5	0.5
Other *	3.6	4.1
Trackers	0.7	0.7
Total O&M	32.1	32.9
Total O&M w/o Trackers	31.4	32.2

Var	iance	2013	2014
<u>A)</u>	Labor	 0.1	0.2
B)	Benefits	8.0	0.2
	Materials & Supplies	(0.0)	-
	Outside Services	(0.1)	0.1
	Management Fee	0.0	0.0
	Uncollectibles	(0.0)	-
C)	Other *	0.2	0.2
D)	Trackers	0.1	-
	Total Change	1.1	0.6
	Total Change w/o Trackers	1.0	0.6

- A) 2013 & 2014 Primarily due to additional headcount due to incremental DIMP spend.
- B) 2013 & 2014 Primarily revised assumptions for pension, OPEB, and capital transfer percentages.
- C) 2013 & 2014 Primarily \$0.2M increase in public awareness advertising.
- D) Offset in revenues.

Columbia Gas of Kentucky

O&M - Other Cost Element View - Plan-vs.-Plan
(\$ millions)

2013 2&10	2013	2014
Other	•	
Buildings and Land	0.1	0.1
Rents/Leases	0.2	0.2
Corporate Insurance	0.8	0.8
Employee Expenses	0,4	0.3
Company Memberships	0.1	0.1
Utilities	0.5	0.4
Misc Revenues	(0.1)	(0.1)
Misc & Other Expenses	0.3	0.3
Amortizations *	0.4	0.4
Deferred Credits	(0.6)	(0.1)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	-	•
Advertising	0.3	0.3
Auto/Trucks Cleared	1.2	1.3
O&M Reclass - Regulatory to GAAP Below the Line O&M	0.2	0.2
	3,7	4.2

2013 0812	2013	2014
Other		
Buildings and Land	0.1	0.1
Rents/Leases	0.2	0.2
Corporate Insurance	8.0	8.0
Employee Expenses	0.4	0.3
Company Memberships	0.1	0.1
Utilities	0.4	0.4
Misc Revenues	(0.1)	(0.1)
Misc & Other Expenses	0.3	0.3
Amortizations *	0.4	0.4
Deferred Credits	(0.7)	(0.1)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	_	-
Advertising	0.1	0.1
Auto/Trucks Cleared	1.2	1.2
O&M Reclass - Regulatory to GAAP Below the Line O&M	0.2	0.2
DEIOW OID ENIC CONT	3.6	4.1

Vari	ance	2013	2014
	Other		
	Buildings and Land	(0.0)	-
	Rents/Leases	0.0	-
	Corporate Insurance	(0.0)	-
	Employee Expenses	(0.0)	0.0
	Company Memberships	0.0	-
	Utilities	0.0	_
	Misc Revenues	(0.0)	-
	Misc & Other Expenses	(0.0)	_
	Amortizations *	- '-	-
A)	Deferred Credits	0.1	0.0
•	I&D Accrual	0.0	-
	Well/Lease Rent/Royalty	-	-
	Advertising	0.1	0.2
	Auto/Trucks Cleared	0.0	0.0
	O&M Reclass - Regulatory to GAAP	-	-
	Below the Line O&M	-	~
		0.2	0.2

A) 2013 variance primarily due to revisions to Customer Program assumptions.

Columbia Gas of Kentucky

O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2013 2&10	2013	2014
Distribution Ops	11.2	11.7
Meter To Cash	8.0	0,6
Customer Call Center	0.0	0.0
Integration Center	0.5	0.5
Presidents	1.6	1,6
Other Departments	-	-
Management Fee	12.4	12.7
Benefits	2.7	2.1
Uncollectibles	0.4	0.5
Other Corporate*	2.9	3.1
Trackers	8.0	0.7
Total O&M	33.2	33.5
Total O&M w/o Trackers	32.3	32.8

2013 0&12	2013	2014
Distribution Ops	10.9	11.2
Meter To Cash	0.6	0.6
Customer Call Center	0.0	0.0
Integration Center	0.5	0.5
Presidents	1.6	1.6
Other Departments	-	-
Management Fee	12.4	12. 7
Benefits	1.9	1.9
Uncollectibles	0.5	0.5
Other Corporate*	2.9	3.1
Trackers	0.7	0.7
Total O&M	32.1	32,9
Total O&M w/o Trackers	31.4	32,2

Vai	iance	2013	2014
A)	Distribution Ops	0.2	0.4
	Meter To Cash	(0.0)	-
	Customer Call Center	(0.0)	-
	Integration Center	(0.0)	-
	Presidents	0.0	(0.0)
	Other Departments	=	-
	Management Fee	0.0	0.0
В	Benefits	8.0	0.2
	Uncollectibles	(0.0)	-
	Other Corporate*	(0.0)	0.0
C)	Trackers	0.1	-
	Total Change	1,1	0.6
	Total Change w/o Trackers	1,0	0.6

- A) 2013 & 2014 Primarily Incremental DIMP spend for right of way (ROW) and Regulator Station clearing
- B) 2013 & 2014 Primarily revised assumptions for pension, OPEB, and capital transfer percentages.
- C) Offset in revenues.

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Columbia Gas of Kentucky O&M - Other Corporate View - Plan-vs.-Plan (\$ millions)

2013 2&10	2013	2014
Other Corporate		
Net Labor (CIP)	0.5	0.4
Materials/Supplies	0.0	0.0
Audit Fees	0.2	0.2
Consulting Fees	0.1	0.2
Legal Fees	•	-
Outside Services	0.1	0.2
Buildings and Land	•	-
Rents/Lesses	0.2	0.2
Corporate Insurance	0.8	0.8
Employee Expenses	•	-
Company Memberships	0.0	0.1
Uttities	0.2	0.2
Misc Revenues	•	-
Misc & Other Expanses	0.2	0.2
Amortizations *	0.4	0.4
Deferred Credits	(0.1)	(0.1)
&D Accruel	0.1	9.1
Well/Lease Rent/Royalty	_	-
Advertising	-	-
Auto/Truck Cleared	-	-
O&M Regiass - Regulatory to GAAP	0.2	0.2
Stores Clearing		
Below the line O&M		
Total Other Corporate	2,9	3.1

2013 0812	2013	2014
Other Corporate		
Net Labor (CIP)	0.4	0.4
Materials/Supplies	0.0	0.0
Audit Fees	0.2	0.2
Consulting Fees	0.1	0.2
Legal Fees	-	-
Outside Services	0.2	0.2
Buildings and Land	-	
Rents/Leases	0.2	0.2
Corporate Insurance	0.8	0.8
Employee Expenses	-	_
Company Memberships	0.1	0.1
Littities	0.2	0.2
Misc Revenues	•	-
Miso & Other Expenses	0.2	0.2
Amortizations *	0.4	0.4
Deferred Credits	(0.1)	(0.1)
I&D Accrusi	0.1	0.1
Well/Lease Rent/Royalty	•	-
Advertising	-	-
Auto/Truck Cleared	-	-
O&M Reclass - Regulatory to GAAP	0.2	0.2
Stores Clearing		
Below the line O&M		
Total Other Corporate	2.9	3.1

Variance	2013	2014
Other		
Net Labor (CIP)	0.0	0.0
Meterials/Supplies	0.0	•
Audit Fees	0.0	-
Consulting Fees	0.0	-
Legal Fees	•	-
Outside Services	(0.0)	-
Buildings and Land		-
Rents/Leases	0.0	-
Corporate Insurance	(0.0)	-
Employee Expenses	-	-
Company Memberships	(0.0)	-
Utilities	0.0	-
Mac Revenues		-
Misc & Other Expenses	(0.0)	-
Amortizations *	•	-
Deferred Credits	(0.0)	•
I&D Accrual	0.0	-
Wall/Lease Rent/Royally		
Advertising		-
Auto/Truck Cleared	•	
O&M Reclass - Regulatory to GAAP		-
Stores Clearing		-
Below the line O&M		
Total Other Corporate	(0.0)	0.0

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

13 2&10	2013	2014
Depreciation	7.1	7.7
Other Taxes		
Gross Receipts	•	-
Property Tax	2.7	3.0
Payroll	0.5	0.5
Distribution	-	_
Other	-	-
Total Other Taxes	: 1	3.5
		- · · · · · · · · · · · · · · · · · · ·
Total Other Taxes w/o Track	cers 🚈 🚐 🖮 to dety of the April 3,1 👑	3.4

2013 0&12	2013	2014
Depreciation	7.1	7.6
Other Taxes		
Gross Receipts	-	-
Property Tax	2.7	2.9
Payroll	0.5	0.5
Distribution	-	-
Other	-	_
Total Other Taxes	3.1	3.4
Total Other Taxes w/o Trackers	3.1	3.4

Var	iance	2013	2014
A)	Depreciation Change	0.0	0.1
	Other Taxes		
	Gross Receipts	_	-
	Property Tax	-	0.0
	Payroll	0.0	-
	Distribution	-	-
	Other	-	-
	Total Other Taxes Change	0.0	0.0
	-		
	Total Change w/o Trackers	0.0	0.0

A) Variance due to increased Capital spend

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2013 2&10	2013	2014
Miscelianeous		
AFUDC	0.2	0.2
Hedging Interest Income	0.1	0.0
UnderCollisction Income	-	-
Sales Receivable	-	-
Customer Tax Contribution		-
Charitable Contributions	(0.1)	(0.1)
Temp Cash inv int inc	0.3	0.2
Total Other Income	0.452	0.340
Long-Term Interest Expense	5.2	5.4
Short-Term Interest Expense	0.0	0.0
Customer Daposits	0.1	0.1
Rate Refund Expense	-	-
OverCollection Interest Expense	-	-
Loss / Gain on Sales of Asset	-	-
Loss on Impairment of Asset	•	-
Other Interest Expense	-	-
Carrying Cost Interest Expense	-	-
Hedging interest Expense	-	-
PISCC	-	-
AFUDC	(0.1)	(0.1)
Interest Expense	5.2	5,3
Income from Subsidiary		

2013 08.12	2013	2014
Miscellaneous	•	-
AFUDC	0.2	0.2
Hedging interest incoma	0.1	0.0
UnderCollection income	-	-
Sales Receivable	-	-
Customer Tax Contribution		-
Charitable Contributions	(0.1)	(0.1)
Temp Cash Inv Int Inc	0,4	0.3
Total Other Income	0.5	0.4
Long-Term Interest Expense	5.0	5.2
Short-Term Interest Expense	0.0	0.0
Customer Deposits	0.1	0.1
Rate Refund Expense	-	-
OverCollection Interest Expense	•	-
Loss / Gain on Sales of Asset	•	-
Loss on Impairment of Asset	•	-
Other Interest Expense	•	-
Carrying Cost Interest Expense	=	-
Hedging Interest Expense	-	-
PISCC	-	-
AFUDC	(0,1)	(0.1)
Interest Expense	5.0	5.2
Income from Subsidiary	•	-

Var	lance	2013	2014
	Miscellaneous		-
	AFUDC	0.0	(0.0)
	Hedging Interest Income	(0.0)	- '
	UnderCollection Income	<u>.</u>	_
	Sales Receivable	-	-
	Customer Tax Contribution	-	
	Charitable Contributions	(0.0)	•
A)	Temp Cash Inv Int Inc	(0.1)	(0.1)
•	Total Other Income	(0.0)	(0.1)
A)	Long-Term Interest Expense	0.1	0.2
A)	Short-Term Interest Expense	0.0	0.0
•	Customer Deposits	(0.0)	(0.0)
	Rate Refund Expense		`- '
	OverCollection Interest Expense	-	-
	Loss / Gain on Sales of Asset	-	-
	Loss on Impairment of Asset	-	-
	Other Interest Expense	_	-
	Carrying Cost Interest Expense	-	-
	Hedging Interest Expense	-	-
	PISCC	•	-
	AFUDC	(0.0)	0.0
	Interest Expense	0.1	0,2
	Income from Subsidiary	-	•

Variance due to changes in Capital structure to maintain appropriate debt / equity percenteges

3 2&10	2013	2014
Assets		
Net Property Plant and Equipment	233.5	253.3
Total Investments	0.4	0.4
Cash and Cash Equivalents	•	-
Restricted Cash	2.6	0.8
Accounts Receivable	28.1	25.7
Gas Inventory	26.6	26.3
Unrecovered Purchase Costs	3.5	3.6
Material & Supplies	-	-
Price Risk Management Assets	-	-
Exchange Gas Receivables & Reserve	-	-
Current Regulatory Assets	3.7	3.7
Prepayments and Other Assets	21.1	21.4
Total Current Assets	85,647	81.542
Price Risk Management Assets		
NC Regulatory Assets	16.9	15.7
Intangible Assets	-	-
Post Retirement Benefits NC Assets	-	•
Other Receivables Affiliated	-	-
Deferred Charges	3.8	3.8
Total Other Assets	20.661	19.422
Total Assets	340.266	354.673
0 14 H 14 0 14 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
Capitalization & Liabilities	20.0	400.0
Total Common Stock Equity	98.2 93.3	105.8
Long Term Debt , excluding amounts due within c		93.3
Fotal Capitalization		199,2
Current Portion of Long Term Debt	3.1	5.5
Accounts Payable	11.0	9.9
Customer Deposits and AR Credit Balance	17.7	17.7
Taxes Accrued	5.1	5.7
Interest Accrued	0.1	0.1
Overrecovered Gas and Fuel Costs	•	-
Price Risk Management Liabilities (Current)	0.9	0.9
Exchange Gas Payable	1.8	1.8
Current Regulatory Liabilities	3.2	3.2
Accrued Liability for Post Retirement Benefits - Ci	0.1	0.1
Environmental	-	_
Other Accruals	1.2	1.3
Total Current Liabilities	44.132	, 46.094
Dulan Diale Management Lightliting NC	0.2	0.2
Price Risk Management Liabilities - NC Deferred Income Taxes	0.3 54.7	0.3 59.4
	54.7	
Deferred Investment Tax Credits	0.4	0.3
Deferred Credits	~ ~	- 04.0
Noncurrent Regulatory Liabilities	24.5	24.3
Accrued Liab for Post Retirement Benefits - NC	13.3	13.1
Other Non-Current Llabilities Other NC Liab & Deferred Credits	11.5 104.636	12.0 109.396
	-	
Total Capitalization & Liabilities	340.266	354.673

3 0&12	2013	2014
Assets		
Net Property Plant and Equipment	231.1	251.0
Total Investments	0.4	0.4
Cash and Cash Equivalents	-	-
Restricted Cash	2.6	0.8
Accounts Receivable	27,7	27.4
Gas Inventory	44.0	43.7
Unrecovered Purchase Costs	8.5	6.8
Material & Supplies	0.1	0.1
Price Risk Management Assets	-	
Exchange Gas Receivables & Reserve	0.1	0.1
Current Regulatory Assets	2.0	2.0
Prepayments and Other Assets	3.2	3.6
Total Current Assets	88.3	84.5
Price Risk Management Assets		
NC Regulatory Assets	18.5	17.4
Intangible Assets	-	-
Post Retirement Benefits NC Assets	-	_
Other Receivables Affiliated		-
Deferred Charges	3.1	3.1
Total Other Assets	21.6	20.5
Total Assets	341.4	356.5
Capitalization & Liabilities		
Total Common Stock Equity	98.5	103.1
Long Term Debt , excluding amounts due within c	86.3	97.3
Total Capitalization	184.9	200,4
Current Portlon of Long Term Debt	3.3	-
Accounts Payable	11.4	10.4
Customer Deposits and AR Credit Balance	17.7	17.7
Taxes Accrued	5.0	5.6
Interest Accrued	0.1	0.1
Overrecovered Gas and Fuel Costs	•	-
Price Risk Management Liabilities (Current)	0.9	0.0
Exchange Gas Payable	4.7	4.7
Current Regulatory Liabilities	3.9	3.9
Accrued Liability for Post Retirement Benefits - Ci	0.1	0.1
Environmental	•	-
Other Accruals	2.9	2.2
Total Current Liabilities	50.1	45.6
Price Risk Management Liabilities - NC	0.8	0.8
Deferred Income Taxes	55.2	59. 6
Deferred Investment Tax Credits		0.3
Deferred Investment hax Credits Deferred Credits	0.4	U.c
	24.0	- 0= -
Noncurrent Regulatory Liabilities	24.9	25.1
Accrued Liab for Post Retirement Benefits - NC	13.3	12.5
Other Non-Current Liabilities Other NC Liab & Deferred Credits	12.0 106.4	12.1 110.4
_		
Total Capitalization & Liabilities	341.4	356.5

Var	riance	2013 201	Λ
			•
۸۱	Assets	0.4	
A)	Net Property Plant and Equipment Total Investments	2.4	2.2
	Total investments	0.0	0.0
	Cash and Cash Equivalents	-	-
	Restricted Cash	0.0	0.0
B)	Accounts Receivable	0.4	(1.7)
C)	•	(17.4)	(17.4)
D)		(5.1)	(3.2)
C)	Material & Supplies	(0.1)	(0.1)
	Price Risk Management Assets	-	-
	Exchange Gas Receivables & Reserve	(0.1)	(0.1)
E)	Current Regulatory Assets	1.8	1.8
C)	Prepayments and Other Assets	17.8	17.8
	Total Current Assets	(2.6)	(2.9)
	Price Risk Management Assets		
E)	_	(1.6)	(1.8)
•	Intangible Assets	-	-
	Post Retirement Benefits NC Assets	-	
	Other Receivables Affiliated	-	_
	Deferred Charges	0.7	0.7
	Total Other Assets	(0,9)	(1.1)
	Total Assets	(1.1)	(4.8/
	Total Assets	(1.1)	(1.8)
	Capitalization & Liabilities		
F)	Total Common Stock Equity	(0.4)	2.8
F)	Long Term Debt , excluding amounts due within c	7.0	(4.0)
	Total Capitalization	6.6	(1.2)
F)	Current Portion of Long Term Debt	(0.2)	5.5
B)	Accounts Payable	(0.4)	(0.5)
B)	Customer Deposits and AR Credit Balance	-	- 1
G)	Taxes Accrued	0.0	0.1
	Interest Accrued	_	_
D)	Overrecovered Gas and Fuel Costs	-	_
,	Price Risk Management Liabilities (Current)	(0.0)	(0.0)
H)		(2.9)	(2.9)
•	Current Regulatory Liabilities	(0.8)	(0.8)
	Accrued Liability for Post Retirement Benefits - Ci		-
	Environmental	-	_
I)	Other Accruals	(1.7)	(1.0)
,	Total Current Liabilities	(6.0)	0.5
	Price Risk Management Liabilities - NC	(0.4)	(0.4)
J)	Deferred Income Taxes		
٠,	Deferred Investment Tax Credits	(0.5) 0.0	(0.2) 0.0
	Deferred Credits	0.0	U.U
L)	Noncurrent Regulatory Liabilities	(0.4)	(8.0)
K)	Accrued Liab for Post Retirement Benefits - NC	0.0	0.6
,	Other Non-Current Liabilities	(0.5)	(0.2)
	Other NC Llab & Deferred Credits	(1.8)	(1.0)
	Total Capitalization & Liabilities	(1.1)	(1.8)
	, our supremental & Figurings	(1) 33	(1,0)

- A) Variance due to increase in capital spend.
- B) <u>A/R:</u> 2013-2014 variance is primarily due to increase in off-system sales.
 <u>A/P:</u> 2014 variance is due to decreased payables related to declining Gas Costs (\$520K).
- C) 2013-2014 variance due to Rate differential of (\$350K) along with include reclassification entries between the Inventory and Material & Supply accounts and the prepayment accounts to accurately state the LIFO inventory balance; which was \$17.2M as of February 28th.
- D) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- E) Variances are due to changes to pension funding obligations.
- F) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- G) Variances primarily driven by Federal and State tax liabilities, and Net Operating Loss (NOL) impacts.
- H) Variance due to changes in the number of exchange obligations vs. the 0&12.
- Deferred Charges & Other Non-current Ilabilities variances are due to Customer Advances stemming from Capital projects.
- J Variance primarily due to changes the adoption of SFAS 96 regarding the treatment of Deferred Taxes.
- K Variance due to changes to Accrued Pension and OPEB costs.

Columbia Gas of Kentucky

Capital Expenditures - Plan-vs.-Plan (\$ millions)

2013 2&10	2013	2014
New Business	5.3	2.6
Betterment	0.1	0.1
Replacement	17.8	16.5
Support Services	2.0	8.5
Gross Capital	25.2	27.7
Contributions & Reimbursements	(0.6)	(0.6)
Total CKY *	24.6	27,1
Infrastructure/AMR	14.2	12.2

2013 0&12	2013	2014
New Business	4.0	2.6
Betterment	0.1	0.1
Replacement	15.8	16.5
Support Services	2.0	8.5
Gross Capital	21.9	27.7
Contributions & Reimbursements	(0.6)	(0.6)
Total CKY	21.3	27.1
Infrastructure/AMR	12.2	12.2

2013	2014
1.3	-
-	-
2.0	-
(0.0)	-
3.3	-
-	**
3.3	
	2.0 (0.0) 3.3

NGD alloted additional capital after the 7&5R

Increase in growth activity, favorable weather, and contractor availability for both and replacement.

2013 2&10 - Additional \$100M NGD incremental - CKY portion is \$1.3M Growth and \$2.0M IRP

^{*} Note: Total does not include \$(0.1)M in unallocated overheads in 2012.

Columbia Gas of Kentucky Plan vs. Plan - March 2013 (\$ millions)

2013 3&9		Mo Actual	YTD Actual	2013 3&9	2014 3&9
Net Revenues		6.2	22.5	61.309	61.0
O&M Expense		4.1	9.1	32.321	32.8
Depreciation		0.6	1.7	7.126	7.7
Other Taxes		0.3	0.8	3.101	3.4
Operating Earnings		1.3	10.8	18.761	17.1
Other Income		0.0	0.1	0.4	0.3
Interest Expense		0.4	1.2	5.2	5.4
Net Operating Income	en de la companya de	0.9	9.7	14.0	12.0
Income Tax		0.4	3.7	5.3	6.7
Net Operating Income	Turker to the	0.6	6.0	8.7°	4-1-1-41 Str., 11-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Net Revenues	6.1	21.9	60.1	60.7
O&M Expense	2.6	7.8	31.4	32.2
Depreciation	0.6	1.7	7.1	7.6
Other Taxes	0.3	8.0	3,1	3.4
Operating Earnings	2.6	11,6	18.5	17.5
Other Income	0.1	0.2	0.5	0.4
Interest Expense	0.4	1.3	5.0	5.2
Net Operating Income	2,2	10.5	13.9	12.7
Income Tax	0.9	4.0	5.3	8,6
Net Operating Income	1,4	6.4	8.7	6.1

Variance	Mo Var	YTD Var	Yr Var	Yr V ar
Net Revenues	0.2	0.6	1.2	0.3
O&M Expense	1.4	1.4	0.9	0.6
Depreciation	0.0	0.0	0.0	0.1
Other Taxes	0.0	0.0	(0.0)	0.0
Operating Earnings	(1.3)	(0.8)	0.3	(0.3)
Other Income	(0.0)	(0.1)	(0.1)	(0.1)
Interest Expense	(0.0)	(0.0)	0.1	0.2
Net Operating Income	(1.3)	(0.8)	0.1	(0.7)
Income Tax	(0.5)	(0.3)	0.0	0.1
Net Operating Income	(0.8)	(0.5)	D.O	(0.8)

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Pian-vs.-Pian (\$ millions)

3 3&9	Mo Actual	YTD Actual	2013 3&9	2014 3&9
Base Margin (less LCR)	5.4	19.6	51.2	50.1
LCR	0.5	1.5	5.3	5.5
LCR (Prior Dec. True-Up)	-	(0.0)	(0.0)	-
ESS	0.1	0.4	2.1	2.1
Regulatory Outcome	-	-	0.9	1.4
Other OGDR	0.1	0.5	1. 1	1.0
CKY Purchase Receivable	0.1	0.3	0.5	0.5
Uncollectibles - NonTracked	0.1	0.2	0.4	0.4
Uncollectibles - Tracked	0.0	0.1	0.2	0.2
Trackers	0.2	0.6	0.8	0.5
Total Revenue	6.452	23.092	62.326	61.7
Total Revenue w/o Trackers	6.2	22.5	61,309	61.0

3 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Base Margin (less LCR)	5.2	19.0	50.4	49.9
LCR	0.5	1.6	5.1	5.5
LCR (Prior Dec. True-Up)	-	-	-	-
ESS	0.1	0.4	2.1	2.1
Regulatory Outcome	-	-	0.7	1.4
Other OGDR	0.1	0.4	1.0	1.0
CKY Purchase Receivable	0.1	0.3	0.4	0.4
Uncollectibles - NonTracked	0.0	0.2	0.4	0.4
Uncollectibles - Tracked	0.0	0.1	0.2	0.2
Trackers	0.1	0.2	0.5	0.5
Total Revenue		22.2	60.8	61.4
Total Revenue w/o Trackers	6.1	21.9	60.1	60.7

Var	iance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Base Margin (less LCR)	0,1	0.6	0.9	0.3
	LCR	(0.0)	(0.0)	0.2	-
	LCR (Prior Dec. True-Up)	•	(0.0)	(0.0)	-
	ESS	(0.0)	(0.0)	0.0	_
B)	Regulatory Outcome	· <u>-</u>	•	0.1	-
-	Other OGDR	0.0	0.1	0.1	0.0
	CKY Purchase Receivable	0.0	0 .0	0.0	0.0
	Uncollectibles - NonTracked	0.0	0.0	0.0	0.0
	Uncollectibles - Tracked	•	-	-	_
	Trackers	0.2	0.3	0.3	-
	Total Variance	0.3	0.9	1.8 (1.2) in	0.3
	Total Variance w/o Trackers	0.2 <u>- 10.2 - 10.4</u>	0.6	1.2	-77-78-4-4

Variance Explanations:

A) 2013 YTD & Yr Var driven by slight increase to usage forecasts and change in plan assumptions of \$291K. 2014 Variance driven by a slight increase to usage forecasts and change in plan assumptions of \$471K.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2013 3&9	Mo Actual	YTD Actual	2013 3&9	2014 389
Penalty Charges	0.0	0.2	0.4	0.4
Return Check	0.0	0.0	0.1	0,1
Other Fees	0.0	0.2	0.4	0.4
Other Revenue	0.0	0.0	0.1	0.1
Pub Util-Flex	0.0	0.0	0.1	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	
Other Misc Income	-	-	-	
Misc Merchant Revenue	-	0.0	0.0	•
Total OGDR	0.1	0.5	1.1	1.0

2013 0812	Mo Budget	YTD Budget	2013 0&12	2014 08.12
Penalty Charges	0.1	0.2	0.4	0.4
Return Check	0.0	0.0	0.1	0.1
Other Fees	0.0	0.2	0.4	0.4
Other Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	_	-	-	-
Other Misc Income		-	•	•
Misc Merchant Revenue	■	0.0	0.0	-
Total OGDR	0.131	0.4	1.0	1.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	(0.0)	0.0	0 .0	0.0
Return Check	0.0	0.0	0.0	0.0
Other Fees	(0.0)	(0.0)	(0.0)	(0.0)
Olher Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.0	0.0	-
Company Use	-	0.0	(0.0)	•
Balancing Services	-	•	•	•
Other Misc Income	-	-	-	•
Misc Merchant Revenue		0.0	0.0	
Total OGDR	0.0	0.1	0.1	0.0

Columbia Gas of Kentucky

2013 Customer & Usage Information - 3&9 vs. 0&12

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residential	0.016	0.034
Commercial	0.003	0.019
Total	0.019	0.053

Usage Change	Month	YTD
Residential	0.130	0.326
Commercial	0.083	0.284
Industrial (Non-LCR)	0.013	0.033
Total	0.225	0.643

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	9.3	37.1
Comm	62.5	249.5
Ind	8,039.2	25,395.6

Budget	Month	YTD
Residential	8.7	35.7
Commercial	59.4	232,0
Industrial	8,038.9	25,796.7

Variance	Month	Mo. %	YTD	YTD %
Residential	0.6	6.5%	1.4	3.9%
Commercial	3.1	5.2%	17.5	7.5%
Industrial	0.3	0.0%	(401.1)	-1.6%

Customer Count

Actual	Month	YTD Avg
Residential	121,084	121,019
Commercial	14,070	14,080
Industrial	181	180
Total	135,335	135,279

Budget	Month	YTD Avg
Residential	120,554	120,656
Commercial	14,005	14,005
Industrial	180	178
Total	134,739	134,839

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	530	0.4%	363	0.3%
Commercial	65	0.5%	75	0.5%
Industrial	1	0.6%	2	1.1%
Total	596	0.4%	440	0.3%

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2013 3&9	Mo Actual	YTD Actual	2013 3&9 2	014 3&9
Labor	0.6	1.9	7.2	7.6
Benefits	1.3	1.6	2.7	2.1
Materials & Supplies	0.2	0.4	1.4	1.4
Outside Services	0.4	1.1	4.4	4.3
Management Fee	1.2	3.1	12.4	12.7
Uncollectibles	0.0	0.1	0.4	0.5
Other *	0.3	0.9	3.7	4,2
Trackers	0,2	0.6	1.0	0.7
Total O&M	4,291	9,766	33.278	33,483
. A section of the se	-		<u> </u>	-
Total O&M w/o Trackers	<u> 181 an 18 an 4.18 an</u>	<u> </u>	32.3	32.8

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Labor	0.6	1.8	7.2	7.4
Benefits	0.2	0.5	1.9	1.9
Materiais & Supplies	0.1	0.3	1.4	1,4
Outside Services	0.4	1.0	4.4	4.2
Management Fee	1.0	3.1	12.4	12.7
Uncollectibles	0.0	0.2	0.5	0.5
Other *	0.3	0.9	3.6	4.1
Trackers	0.1	0.3	0.7	0.7
Total O&M	2.7	8.1	201 2 2 2 3 3 4 2 2 2 2 2 2 2 2 2	32.9
		-	0.0	0.0
Total O&M w/o Trackers	<u></u>	7.8		32,2

	Variance	Mo ∀ar	YTD Var	2013 Yr Var	2014 Yr Var
	Labor	0.1	0.1	(0.0)	0.2
A)	Benefits	1.1	1.1	0.8	0.2
	Materials & Supplies	0.0	0.1	0,0	_
	Outside Services	0.1	0.0	(0.0)	0.1
	Management Fee	0.1	0.0	0.0	0.0
	Uncollectibles	(0.0)	(0.1)	(0.0)	-
	Other *	0.0	0.0	0.2	0.2
В)	Trackers	0.2	0.3	0.3	-
	Total Change	1.6		1.2	0.6
	Total Change w/o Trackers	######## 14	(14)	0.9	0.6

- A) 2013 Mo & YTD Var Primarily \$1.1M pension settlement entry in March business 2013 Yr Var Change in Pension and OPEB assumptions.
- B) Offset in Revenue

Columbia Gas of Kentucky
O&M - Other Cost Element View - Plan-vs.-Plan
(\$ millions)

2013 3&9	Mo Actual	YTD Actual	2013 3&9	2014 3&9
Other				
Bulldings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.1	0.2	0.2
Corporate Insurance	0.1	0.2	0.8	0.8
Employee Expenses	0.1	0.1	0.4	0.3
Company Memberships	0.0	0.0	0.1	0.1
Utifities	0.0	0.1	0.5	0.4
Misc Revenues	0.0	(0.0)	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	0.0	0.2	0.3
Amortizations *	0.0	0.1	0.4	0.4
Deferred Credits	(0.0)	(0.1)	(0.6)	(0.1)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royally	-	-	-	-
Advertising	0.0	0.0	0.2	0.3
Auto/Trucks Cleared	0.1	0.3	1.2	1.3
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M				
	0.3	0.9	3.7	4.2

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Other				
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.1	0.2	0.2
Corporate Insurance	0.1	0.2	0.8	0.8
Employee Expenses	0.0	0.1	0.4	0,3
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.1	0.4	0.4
Misc Revenues	(0.0)	(0.0)	(0.1)	(0.1
Misc & Other Expenses	0.0	0.1	0.3	`0.3
Amortizations *	0.0	0.1	0.4	0.4
Deferred Credits	(0.1)	(0.2)	(0.7)	(0.1
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	.		_
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	0.3	1.2	1.2
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M	-	•	•	-
	0.3	0.9	3.6	4.1

ariance	Mo Var	YTD Var	2013 Yr Var	2014 Yr Var
Other	, . 			
Buildings and Land	(0.0)	(0.0)	(0.0)	-
Rents/Leases	(0.0)	0.0	(0.0)	
Corporate Insurance	(0.0)	(0.0)	(0.0)	
Employee Expenses	0.0	0.0	`0.0	0.0
Company Memberships	0.0	0.0	0.0	-
Utilities	0.0	0.0	0.0	-
Misc Revenues	0.0	(0.0)	(0.0)	-
Misc & Other Expenses	(0.0)	(0.0)	(0.1)	-
Amortizations *	·_ ′	•	· <u>·</u>	-
Deferred Credits	0.1	0.1	0.1	0.0
I&D Accrual	0.0	0.0	0.0	-
Well/Lease Rent/Royalty	-			
Advertising	(0.0)	(0.0)	0.1	0.2
Auto/Trucks Cleared	(0.0)	(0.0)	0.0	0.0
O&M Reciass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M	-	17	, -r	()
	0.0	0.0	0.2	0.2

Variance Explanations:

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky
O&M - Sponsor View - Plan-vs.-Plan
(\$ millions)

13 3&9	Mo Actual	YTD Actual	2013 3&9	2014 3&9
Distribution Ops	1,2	3.0	11.1	11.7
Meter To Cash	0.1	0.2	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.1	0.5	0.5
Presidents	0.1	0.4	1.6	1.6
Other Dept	-	-	-	
Management Fee	1.2	3.1	12.4	12.7
Benefits	1.3	1,6	2.7	2.1
Uncollectibles	0,0	0.1	0.4	0.5
Other Corporate *	0.3	0.750	2.9	3.1
Trackers	0.2	0.6	1.0	0.7
Total O&M	4.291	9.768	33.278	33.483
Total O&M w/o Trackers	4.1	. · ; :: . 9.1	32.3	32.8

013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Distribution Ops	0.9	2.7	10.9	11.2
Meter To Cash	0.1	0.2	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.1	0.5	0.5
Presidents	0.1	0.4	1.6	1.6
Other Dept	•	_	-	-
Management Fee	1.0	3.1	12.4	12.7
Benefits	0.2	0.5	1.9	1.9
Uncollectibles	0.0	0.2	0.5	0.5
Other Corporate *	0.2	0.7	2.9	3.1
Trackers	0.1	0.3	0.7	0.7
Total O&M	2.7	3 17 A 8.1	32.1	32.9
Total O&M w/o Trackers	2.6	. 7.8	31,4	32.2

Var	iance	Mo Var	YTD Var	2013 Yr Var	2014 Yr Var
A)	Distribution Ops	0.2	0.3	0.2	0.4
	Meter To Cash	(0.0)	(0.0)	(0.0)	-
	Customer Call Center	0.0	(0.0)	(0.0)	-
	Integration Center	(0.0)	(0.0)	(0.0)	-
	Presidents	(0.0)	(0.0)	(0.0)	(0.0)
	Other Dept	-	-	-	•
	Management Fee	0.1	0.0	0.0	0.0
B)	Benefits	1.1	1.1	0.8	0.2
	Uncollectibles	(0.0)	(0.1)	(0.0)	_
	Other Corporate *	0.0	0.0	0.0	0.0
C)	Trackers	0.2	0.3	0.3	-
	Total Change	1.6	1.6	1.2	0.6
	Total Change w/o Trackers	146	1.4	0.9	0.8

- A) 2013 Mo & YTD Var Primarily new employee training and increased meter service.
 2013 Yr Var Primarily incremental DIMP expense along with right of way (ROW) and regulator station clearing.
 2014 Incremental DIMP expense.
- B) 2013 Mo & YTD Var Primarily \$1.1M pension settlement entry in March business 2013 Yr Var - Change in Pension and OPEB assumptions.
- C) Offset in Revenue

^{*} See O&M Other Corp Tab

Columbia Gas of Kentucky O&M - Other Corporate View - Plan-vs.-Ptan (\$ millions)

2013 389	Mo Actual	YTD Actual	2013 3&9	2014 389
Other Corporate				
Net Labor	0.0	0.1	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.2	0.2
Consulting Fees	0.0	0.1	0.1	0.2
Legal Fees	•	-	-	_
Outside Services	0.0	0.0	0.1	0.2
Buildings and Land	-	•	-	•
Rents/Leases	0.0	0.1	0.2	0.2
Corporate Insurance	0.1	0.2	0.8	8.0
Employee Expenses	•	-	-	
Company Memberships	0.0	0.0	0.0	0.1
Utilities	0.0	0.1	0.2	0.2
Misc Revenues	-		~	•
Misc & Other Expanses	0.0	0.0	0.2	0,2
Amortizations *	0.0	0.1	0.4	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0,1)
I&D Accrual	0.0	0.0	0.1	0.1
Weil/Lease Rent/Royalty	•		-	
Advertising	•	-	-	_
Auto/Truck Cleared	_	-	-	
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Stores Clearing	•		•	•
Below the line O&M	-	•	-	•
Total Other Corporate	0,3	0.7	2.8	3,1

2013 0&12	Mo Budget	YTD Budget	2013 0812	2014 0812
Other Corporate				
Net Labor	0.0	0.1	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.0	0.2	0.2
Consulting Fees	0.0	0.0	0.1	0.2
Legal Fees	-	•	-	-
Outside Services	6.0	0.0	0.2	0.2
Buildings and Land	-	•	-	-
Rents/Leases	0.0	0.0	0.2	0.2
Corporate insurance	0.1	0.2	8.0	0.8
Employee Expenses	=	•	•	-
Company Memberships	_	0.0	0.1	0.1
Utilities	0.0	0.0	0.2	0.2
Misc Revenues	•	-	•	_
Misc & Other Expenses	0.0	0.1	0.2	0.2
Amortizations *	0.0	0.1	0.4	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
I&D Accrual	0.0	0.0	D.1	0.1
Well/Lease Rent/Royalty		-	_	•
Advertising	•		-	
Auto/Truck Cleared	•	-	-	
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Stores Clearing	•	-	•	
Below the line O&M	•	-	_	
Total Other Corporate	0.2	0.7	2.9	3:1

Variance	Mo Var	YTO Var	2013 Yr Var	2014 Yr Var
Other				
Net Labor	(0.0)	0.0	0.0	0.0
Materials/Supplies	0.0	0.0	0.0	•
Audit Fees	0.0	0.0	0.0	-
Consulting Fees	0.0	0.0	0.0	-
Legel Fees	-	•	-	-
Outside Services	0.0	(0.0)	(0.0)	-
Buildings and Land	_	•	•	_
Rents/Leases	0.0	0.0	0.0	_
Corporate Insurance	(0.0)	(0.0)	(0.0)	_
Employee Expenses	•	•	<u>,</u> '	_
Company Memberships	0.0	(0.0)	(0.0)	•
Utilities	0.0	0.0	0.0	-
Misc Revenues	_	-	-	
Misc & Other Expenses	0.0	(0.0)	(0.0)	-
Amortizations *	•	•		_
Deferred Credits	(0.0)	(0.0)	(0.0)	-
I&D Accrual	0.0	0.0	0.0	-
Well-Lease Rent/Royalty	-		_	_
Advertising	•	-	-	-
Auto/Truck Cleared	-	-	_	_
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Stores Clearing	-	- 1	•	,,
Below the line O&M	-		-	_
Total Other Corporate	0.0	0.0	0,0	0.0

Variance Explanations:

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2013 3&9	Mo Actual Y	TD Actual	2013 389	2014 3&9
Depreciation	0.6	1.7	7.1	7.7
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	0.7	2.6	3.0
Payroll	0.0	0.1	0.5	0,5
Distribution	<u></u>	-	-	-
Other	•	_	-	-
Total Other Taxes	0.263	0.802	3.161	3.464
Total Other Taxes w/o Trackers	0.265	0.813	3.101	3.428

0&12 Mo	Budget	YTD Budget	2013 0&12	2014 08.12
Depreciation	0.6	1.7	7.1	7.6
Other Taxes				
Gross Receipts		•	-	_
Property Tax	0.2	0.7	2.7	2.9
Payroll	0.0	0.1	0.5	0.5
Distribution	•	-	-	-
Other	•	-	-	_
Total Other Taxes	0.3	0.8	3.1	3.4
Total Other Taxes w/o Trackers	0.3		3.1 Line	3,4

iance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.0	0.0	0.1
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	-	-	(0.0)	0.0
Payroll	0.0	0.0	`o.o´	-
Distribution	-	•	-	-
Other	_	-		_
Total Other Taxes Change	0.0	### 0.0 ## %	0.0	0.0
Total Change win Trackers	0.0	0.0		0.0

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2013 3&9	Mo Actual	YTD Actual	2013 3&9	2014 3&9
Miscellaneous	-	-	-	•
AFUDC	0.0	0.0	0.2	0.2
Hedging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income		-	-	-
Sale Receivables	•	-	-	
Customer Tax Contribution	-	•	-	
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.1	0.3	0.2
Total Other Income	0.044	0.1	0.4	0.3
Long-Term Interest Expense	0.4	1.2	5.2	5.4
Short-Term Interest Expense	•	-	0.1	0.1
Customer Deposits Interest Expense	•	-	0.0	0.0
Rate Refund Interest Expense		-	•	
Over-Collection Interest Expense	•	-	-	
Other Interest Expense	-	-	_	•
Carrying Cost interest Expense	-	•	-	-
Hedging Interst Expense		-	•	-
PISCC	-	_	•	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.1)	(0.1)
Interest Expense	0.4	1.2	5.2	5.4
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	-

0842	Mo Budget	YTD Budget	2013 0&12	2014 0812
Miscellaneous	•	-	-	-
AFUDC	0.0	0.0	0.2	0.2
Hedging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income	-	•	-	-
Sale Receivables	•	-	-	•
Customer Tax Contribution	-	•	-	•
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1
Temp Cash investment Interest Income	0.1	0.2	0.4	0.3
Total Other Income	0.1	0.2	0.5	0.4
Long-Term Interest Expense	0.4	1.2	5.0	5.2
Short-Term Interest Expense	•	-	0.0	0.0
Customer Deposits Interest Expense	0.0	0.0	0.1	0.1
Rate Refund Interest Expense	-	-	-	_
Over-Collection Interest Expense	-	-	-	-
Other Interest Expense	-	-	•	-
Carrying Cost Interest Expense	-	•	-	_
Hedging Interst Expense	-	-	-	-
PISCC	-	-	-	
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.1)	(0.1
Interest Expense	0.4	1.3	5.0	
NET INCOME FROM SUBSIDIARIES	-	0.0		

Variance	· · · · ·	Mo Var	YTD Var	Yr Vai	Yr Var
Miscellane	aua		•	•	-
AFUDC		(0.0)	(0.0)	0.0	(0.0)
Hedging in	terest Income	(0.0)	(0.0)	(0.0)	`. '
Under-Coll	ection interest income			-	-
Sale Recei	vables	-	-	-	-
Customer ?	Tax Contribution	-	-	-	-
	Contributions	0.0	0.0	(0.0)	-
A) Temp Casi	n investment interest income	(0.0)	(0.1)	(0.1)	(0.1)
Total Of	her Income	(0.0)	(0.1)	(0.1)	(0.1)
B) Long-Term	Interest Expense	0,0	(0.0)	0.1	0.2
Short-Term	i Interest Expense	-	<u>,</u> '	0.0	0.0
Customer (Deposits Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)
Rate Refun	nd Interest Expense	-	•	•	
Over-Colle	ction Interest Expense	-		-	-
Other Inter	est Expense	-	-	•	-
Carrying Co	ost Interest Expense	=	-	•	_
Hedging In	terst Expense	-	-	•	-
PISCC		-	-	•	
Interest Exp	pense on Plant Investment	0.0	0.0	(0.0)	0.0
Interest i	Expense	(0.0)	(0.0)	0.1	0.2
NET INCO	ME FROM SUBSIDIARIES	0.0	0.0	0.0	•

- A) Variance represents changes to the interest earned on operating cash sent to Corp. Money Pool.
 B) Variance due to financing assumptions used to balance rate base

3&9	Mo	2013	2014
Assets			
Net Property Plant and Equipment	218.9	233.5	25
Total Investments	0.5	0.5	
Cash and Cash Equivalents	2.8	-	
Restricted Cash	0.9	2.7	
Accounts Receivable	67.1	27.0	2
Gas Inventory	1. 4	32.0	3
Unrecovered Purchase Costs	-	5.0	
Material & Supplies	0.1	-	
Price Risk Management Assets	_	_	
Exchange Gas Receivables & Reserve	1.0	8.0	
Current Regulatory Assets	1.2	2.8	
Prepayments and Other Assets	16.8	17.8	
Total Current Assets	91.3	88.2	1
Price Risk Management Assets	0.0	0.0	
NC Regulatory Assets	17.1	15.8	
Intangible Assets	•	-	
Post Retirement Benefits NC Assets	-	-	
Other Receivables Affiliated	-	-	
Deferred Charges	3.8	3.8	
Total Other Assets	20.9	19.6	• •
Total Assets	331,6	341.7	3
Capitalization & Liabilities		** -	_
Total Common Stock Equity	96.6	98.2	10
Long Term Debt , excluding amounts due within one year	73.3	93.3	
Total Capitalization	169.9	191.5	1
Obligations Due in One Year	14.0	7.1	
Accounts Payable	14.2	10.7	
Customer Deposits and AR Credit Balance	8.7	17.7	
Taxes Accrued	7.6	5.0	
Interest Accrued	(0.0)	(0.0)	
Overrecovered Gas and Fuel Costs	3.6	(0.0)	
Price Risk Management Liabilities (Current)	0.7	0.7	
Exchange Gas Payable	7.7	1.0	
Current Regulatory Liabilities	3.0	2.6	
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	
Environmental	0.1	0.1	
Other Accruals	(0.3)	1.3	
			1
Total Current Liabilities	59.3	46.3	-
Price Risk Management Liabilities - NC	0.0	0.0	
Deferred Income Taxes	52.5	55.0	
Deferred Investment Tax Credits	0.4	0.4	
Deferred Credits	•	-	
Noncurrent Regulatory Liabilities	25.5	24.5	
Accrued Liab for Post Retirement Benefits - NC	12.6	12.4	
Other Non-Current Liabilities	11.2	11.6	
Other NC Liab & Deferred Credits	102.4	103.9	1

0&12	Mo	2013	2014
Assets			
Net Property Plant and Equipment	219.4	231.1	251
Total Investments	0.4	0.4	25
Total investments	v. 4	0.4	,
Cash and Cash Equivalents	-	-	_
Restricted Cash	3.6	2.6	(
Accounts Receivable	65.0	27.7	2
Gas Inventory	18,2	44.0	4
Unrecovered Purchase Costs	1.4	8.5	
Material & Supplies	0.1	0.1	
Price Risk Management Assets		-	
Exchange Gas Receivables & Reserve	0.1	0.1	•
Current Regulatory Assets	2,0	2.0	
	2.3	2.0 3.2	
Prepayments and Other Assets Total Current Assets	92,6	88.3	8
Total Current Assets	DZ,U	00.3	.0
Price Risk Management Assets	•	•	
NC Regulatory Assets	19.4	18.5	1
Intangible Assets	*	_	
Post Retirement Benefits NC Assets	-	-	
Other Receivables Affiliated	-	-	
Deferred Charges	3.1	3.1	;
Total Other Assets	22.5	21.6	2
	334.9	341.4	
Total Assets	334.9	341.4	350
Capitalization & Liabilities			
Total Common Stock Equity	97.8	98.5	103
	= : :		_
Long Term Debt, excluding amounts due within one year	73.3	86.3	9
Total Capitalization	171,1	184.9	20
Obligations Due in One Year	14.0	3.3	_
Accounts Payable	10.3	11.4	1
Customer Deposits and AR Credit Balance	10.6	17.7	1
Taxes Accrued	9.7	5.0	ı
Interest Accrued			
	0.1	0.1	
Overrecovered Gas and Fuel Costs	-	-	•
Price Risk Management Liabilities (Current)	0.9	0.9	
Exchange Gas Payable	11.4	4.7	
Current Regulatory Liabilities	4.0	3.9	;
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	
Environmental	-	-	
Other Accruals	0.5	2.9	
Total Current Liabilities	61.6	50.1	4
Price Risk Management Ltabilities - NC	0.8	0.8	
Deferred Income Taxes	51.3	55.2	5
Deferred Investment Tax Credits	0.4	0.4	
Deferred Credits	0.4 7	•	=
Noncurrent Regulatory Liabilities	24.7	24.9	2
Accrued Liab for Post Retirement Benefits - NC	13.2	13.3	1:
Other Non-Current Liabilities	11.8	12.0	1
ONLY NOTES O Deferred Anallia	102.2	106.4	11
Other NC Liab & Deferred Credits			- ;

A Net Property Plant and Equipment (0.5) 2.4 2.2 Total Investments 2.8	Var	ance	Mo Var	2013 Var	2014 Vaг
A Net Property Plant and Equipment (6.5) 2.4 2.2 1.2		Assets			
Total Investments	A)		(0.5)	2.4	2.2
C) Restricted Cash (2.6) 0.1 0.0 D) Accounts Receivable 2.1 (0.8) (2.7) E) Gas Inventory (16.7) (12.0) (15.6) E) Unrecovered Purchase Costs (14.4) (3.6) (2.8) E) Material & Supplies 0.0 (0.1) (0.1) Price Risk Management Assets - - - Exchange Gas Receivables & Reserve 0.8 0.7 0.7 Current Regulatory Assets (0.8) 0.9 0.9 Prepayments and Other Assets (1.8) 0.1 (1.0) Price Risk Management Assets 0.0 0.0 0.0 NC Regulatory Assets 2.3 (2.7) (2.9) Interpolitie Assets - - - Other Receivables Affiliated - - - Other Receivables Affiliated - - - Total Other Assets (3.3) 0.4 (0.9) Total Cyther Assets (3.3) 0.4 (0.9) Total Cyther Assets			• •		
Diagnostic Dia	B)	Cash and Cash Equivalents	2.8	-	-
Diagnostic Dia	C)	Restricted Cash	(2.6)	0,1	0.0
E Gas Inventory	D)	Accounts Receivable		(0.8)	
Directorem Price	E)	Gas Inventory			
Example 0.0					
Price Risk Management Assets Exchange Gas Receivables & Reserve Exchange Gas Receivables & Reserve (0.8) 0.9 0.9 Price Risk Management Assets (1.3) (0.1) (1.0) Price Risk Management Assets (1.3) (0.1) (1.0) Price Risk Management Assets (2.3) (2.7) (2.9) Intarregible Assets (2.3) (2.7) (2.9) Intargible Assets (3.3) (2.7) (2.9) Intargible Assets (3.3) (3.7) (3.7) (3.7) Total Other Assets (1.6) (2.0) (2.2) Total Assets (1.6) (2.0) (2.2) Total Assets (3.3) 0.4 (0.9) Total Common Stock Equity (1.2) (0.3) 2.8 Intargible Assets (3.3) 0.4 (0.9) Total Common Stock Equity (1.2) (0.3) 2.8 Intargible Assets (3.3) 0.4 (0.9) Total Common Stock Equity (1.2) (0.3) 2.8 Intargible Assets (3.3) 0.4 (0.9) Total Common Stock Equity (1.2) (0.3) 2.8 Intargible Assets (3.3) 0.4 (0.9) Total Common Stock Equity (1.2) (0.3) 2.8 Intargible Assets (3.3) 0.4 (0.9) Total Common Stock Equity (1.2) (0.3) 2.8 Intargible Assets (3.3) 0.4 (0.9) Total Common Stock Equity (1.2) (0.3) 2.8 Intargible Assets (3.3) 0.4 (0.9) Total Common Stock Equity (1.2) (0.3) 2.8 Intargible Assets (3.3) 0.4 (0.9) Intargible Assets (3.4) (0.9) Intargible Assets (3.5) (0.9) (0.9) Intargible Assets (3.6) (0.9) (0.9) Intargible Asse	E)	Material & Supplies			
Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets 14.4 14.6 14.6 Price Risk Management Assets 1.3 Price Risk Management Assets 1.0 Post Receivables Affiliated 1.0 Total Current Assets 1.0 Total Current Portion of Long Term Debt 1.0 Total Capitalization 1.1 Total Capitalization 1.1 Taxes Accrued 1.1 Taxes Accrued Gas and Fuel Costs 1.0 Interest Accrued Gas and Fuel Costs 1.0 Price Risk Management Liabilities (Current) 1.0 Deferred Credits 1.0 Price Risk Management Liabilities (Current) 1.0 Deferred Credits 1.0 Price Risk Management Liabilities (Current) 1.0 Deferred Credits 1.0 Price Risk Management Liabilities (Current) 1.0 Deferred Total Current Liabilities (Current) 1.0 Price Risk Management Liabilities (Current) 1.0	•		_	-	
Current Regulatory Assets (0.8) 0.9 0.9 0.9 Prepayments and Other Assets (1.3) (0.1) (1.0) Price Risk Management Assets (2.3) (2.7) (2.9) Intrangible Assets (2.3) (2.7) (2.9) Post Retirement Benefits NC Assets (2.3) (2.7) (2.7) (2.9) Intrangible Assets (2.9) (2.7) (0.8	0.7	0.7
Prepayments and Other Assets 14.4					
Total Current Assets	E)				
NC Regulatory Assets	_,				
NC Regulatory Assets		Price Risk Management Assets	0.0	0.0	0.0
Intangible Assets					
Post Retirement Benefits NC Assets			-	-	(2.0)
Other Receivables Affiliated 0.7 0.7 0.7 0.7 1.7 1.0			-		_
Deferred Charges			-		_
Total Other Assets (1.6) (2.0) (2.2) Total Assets (3.3) 0.4 (0.9) Capitalization & Liabilities	K)		0.7	0.7	0.7
Capitalization & Liabilities	,	Total Other Assets			
Capitalization & Liabilities		Total Assets	(3.3)	0.4	(0.9)
Total Common Stock Equity					
Total Common Stock Equity		Capitalization & Liabilities		-	_
Comparison Com	G)		(1.2)	/n 3)	
Total Capitalization (1.2) 6.7 (1.2)	•		(1.2)		
G Current Portion of Long Term Debt - 3.8 9.1	G)				
D Accounts Payable 3.9		Total Capitalization	(1,2)	6.7	(1.2)
Diagram Customer Deposits and AR Credit Balance (1.9)			•		
H Taxes Accrued (2.1) (0.0) (0.0) (0.0) Interest Accrued (0.1) (0.2)	•			(0.7)	(0.5)
Interest Accrued	D)			•	•
F Overrecovered Gas and Fuel Costs 3.6 - - Price Risk Management Liabilities (Current) (0.2) (0.2) (0.2) (0.2) Exchange Gas Payable (3.7) (3.7) (3.7) (3.7) Current Regulatory Liabilities (1.1) (1.4) (1.4) Accrued Liability for Post Retirement Benefits - Cur - - - Environmental - - - K Other Accruals (0.7) (1.6) (1.3) Total Current Liabilities (2.3) (3.8) (2.0) Price Risk Management Liabilities - NC (0.7) (0.7) (0.7) H) Deferred Income Taxes 1.3 (0.1) 0.2 Deferred Investment Tax Credits (0.0) 0.0 0.0 Deferred Credits - - - Noncurrent Regulatory Liabilities 0.8 (0.4) (0.8) Accrued Liab for Post Retirement Benefits - NC (0.6) (0.9) (0.3) K Other Not Liab & Deferred Credits (0.6) (0.4) (0.1) Other NC Liab & Deferred Credits (0.6) (0.4) (0.1) Other NC Liab & Deferred Credits (0.6) (0.2) (1.7) Other NC Liab & Deferred Credits (0.6) (0.2) (1.7) Other NC Liab & Deferred Credits (0.2) (2.5) (1.7)	H)	Taxes Accrued	(2.1)	(0.0)	(0.0)
Discrete Covered Gas and Fuel Costs 3.6 -			(0.1)	(0.1)	(0.1)
Data	F)	Overrecovered Gas and Fuel Costs	3.6	-	- '
Such ange Gas Payable (3.7) (3.7	()	Price Risk Management Liabilities (Current)	(0.2)	(0.2)	(0.2)
Current Regulatory Liabilities (1.1) (1.4) (1.4) Accrued Liability for Post Retirement Benefits - Cur - - - Environmental - - - K) Other Accruals (0.7) (1.6) (1.3) Total Current Liabilities (2.3) (3.8) 2.0 Price Risk Management Liabilities - NC (0.7) (0.7) (0.7) H) Deferred income Taxes 1.3 (0.1) 0.2 Deferred Investment Tax Credits (0.0) 0.0 0.0 Deferred Credits - - - Noncurrent Regulatory Liabilities 0.8 (0.4) (0.8) Accrued Liab for Post Retirement Benefits - NC (0.6) (0.9) (0.3) K) Other Non-Current Liabilities (0.6) (0.4) (0.1) Other NC Llab & Deferred Credits 0.2 (2.5) (1.7)	J)	Exchange Gas Payable	(3.7)	(3.7)	
Accrued Liability for Post Retirement Benefits - Cur Environmental		Current Regulatory Liabilities	(1.1)	(1.4)	
Environmental Cother Accruals Cother Non-Current Liabilities Cother Non-Current Credits Co			·	, ·	
Total Current Liabilities (2.3) (3.8) 2.0				-	
Total Current Liabilities (2.3) (3.8) 2.0	K)	Other Accruais	(0.7)	(1.6)	(1.3)
Deferred Income Taxes 1.3 (0.1) 0.2	•	Total Current Liabilities			
Deferred Income Taxes 1.3 (0.1) 0.2		Price Risk Management Liabilities - NC	(0.7)	(0.7)	(0.7)
Deferred Investment Tax Credits	H)				
Deferred Credits Noncurrent Regulatory Liabilities 0.8 (0.4) (0.8)					
Noncurrent Regulatory Liabilities 0.8 (0.4) (0.8) Accrued Liab for Post Retirement Benefits - NC (0.6) (0.9) (0.3) Other Non-Current Liabilities (0.6) (0.4) (0.1) Other NC Liab & Deferred Credits 0.2 (2.5) (1.7)		Deferred Credits	₩		•
Accrued Llab for Post Retirement Benefits - NC (0.6) (0.9) (0.3) K) Other Non-Current Liabilities (0.6) (0.4) (0.1) Other NC Llab & Deferred Credits 0.2 (2.5) (1.7)			8.0	(0.4)	(0.8)
K) Other Non-Current Liabilities (0.6) (0.4) (0.1) Other NC Liab & Deferred Credits 0.2 (2.5) (1.7)					
Other NC Llab & Deferred Credits 0.2 (2.5) (1.7)	K)				
Total Capitalization & Liabilities (3.3) 0.4 (0.9)	٠.٧				
		Total Capitalization & Liabilities	(3.3)	0.4	(0.9)

- A) Variance due to timing around 2013 in-Service and subsequent Depreciation.
- B) Increase in Money Pool funding.
- C) Monthly and 2013 annual variances are due to changes to the required reserves related to the Hedging Program.
- D) A/R: March variance is primarily due to increase in money pool funding of \$2.4M offset by decrease in off system sales.

 A/P: March variance is due to increased payables related to increased Gas Costs (\$2M).
- E) Monthly variance due to Usage variances of (\$2.0M) respectively. 2013 variance due to Rate differential of \$700K along with include reclassification entries between the inventory and Material & Supply accounts and the prepayment accounts to accurately state the LIFO inventory balance; which was \$14.5M as of March 31st.
- F) 2013 Mo & Yr Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to changes to the Federal tax payment and accrual calculation(s).
- I) Variance due to changes in the Hedging obligations.
- J) Variances are due to changes in the number of outstanding exchange obligations vs. the 0&12.
- K) <u>Deferred Charges</u> & Other Non-current <u>Ilabilities</u> variances are due to Customer Advances stemming from Capital projects..

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

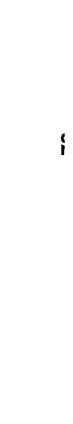
2013 3&9	Mo Actual	YTD Actual	2013 3&9	2014 3&9
New Business	0.3	0.8	5.3	2.6
Betterment	0.0	0.1	0.1	0.1
Replacement	1.4	2.7	1 7.8	16.5
Support Services	0.3	0.5	2.0	8.5
Gross Capital	2.0	4.2	25.2	27.7
Contributions & Reimbursements	(0.0)	(0.6)	(0.6)	(0.6)
Total NGD	2.0	3.5	24.6	27.1
Infrastructure/AMR	1.1	2.2	14.2	12.2

2013 0&12	Mo Budget	YTĐ	2013 0&12 2014	0&12
New Business	0.3	1,0	4.0	2.6
Betterment	0.0	0.0	0.1	0.1
Replacement	1.3	3,4	15.8	16.5
Support Services	0.1	0.3	2.0	8.5
Gross Capital	1.8	4.9	21.9	27.7
Contributions & Reimbursements	(0.1)	(0.2)	(0.6)	(0.6)
Total NGD	1.6	4.6	21,3	27,1
Infrastructure/AMR		2.0	12.2 July 1 12.1	12.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	(0.0)	(0.3)	1.3	
Betterment	(0.0)	0.1	-	-
Replacement	0.1	(0.7)	2.0	-
Support Services	0.2	0.2	*	<u></u>
Gross Capital	0.3	(0.7)	3.3	•
Contributions & Reimbursements	0.1	(0.4)	-	-
Total NGD	0.4	Z. 11.1 (1.1)	3.3	
Infrastructure/AMR	0.4	- 1.2 - 1.5 - 1.	2.0	

Variance Explanations:

Actuals variance primarily unfavorable weather.
Plan variance due to incremental capital for increased growth forecast and IRP request.
Note: 2014 AMR program of \$7M shown in support services.



Columbia Gas of Kentucky, Inc. CASE NO. 2013-00167 Forecasted Test Period Filing Requirements Filing Requirement 12-0

Description of Filing Requirement:

Complete monthly budget variance reports, with narrative explanations, for the twelve (12) months immediately prior to the base period, each month of the base period, and any subsequent months, as they become available;

Response:

Please refer to the attached.

Responsible Witness:

S. Mark Katko

Columbia Gas of Kentucky Plan vs. Plan - September 2011 (\$ millions)

2011 9&3	Mo Actual	YTD Actual	2011 9&3	2012 9&3
Net Revenues	3.3	42.9	59.9	59.8
O&M Expense	1.4	21.7	29.7	31.0
Depreciation	0.5	4.6	6.2	6.7
Other Taxes	1.3	2.2	2.9	3.0
*Operating Earnings	0.1	14.5	21.1	19.1
Other Income	0.1	0.7	0.8	0.7
Interest Expense	0.4	3.6	4.8	4.8
*Net Operating Income	(0.2)	11.6	17.1	15.0

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Net Revenues	3.4	43.4	61.0	59.8
O&M Expense	2.6	23.5	31.5	32.0
Depreciation	0.5	4.7	6.3	6.6
Other Taxes	0.2	2.1	2.8	3.0
*Operating Earnings	0.0	13.1	20.3	18.2
Other Income	0.0	0.5	0.5	0.2
Interest Expense	0.4	3.6	4.8	4.8
*Net Operating Income	(0.4)	10.0	16.0	13.6

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	(0.1)	(0.5)	(1.0)	(0.0)
O&M Expense	(1.2)	(1.8)	(1.8)	(1.0)
Depreciation	(0.0)	(0.1)	(0.1)	0.1
Other Taxes	1.0	0.1	0.1	(0.0)
*Operating Earnings	0.1	1.4	0.8	0.9
Other Income	0.1	0.2	0.3	0.5
Interest Expense	(0.0)	0.0	(0.0)	(0.0)
*Net Operating Income	0.2	1.5	1.1	1.4

^{*} net of trackers

Columbia Gas of Kentucky

Revenue - Plan-vs.-Plan

(\$ millions)

2011 9&3	Mo Actual	YTD Actual	2011 9&3	2012 9&3
Base Margin (less LCR)	2.7	36.0	50.7	51.1
LCR	0.4	3.7	5.0	4.8
LCR (Prior Dec. True-Up)	-	0.1	0.1	-
ESS	0.2	1.5	2.1	2.4
Regulatory Outcome	•	-	•	-
Other OGDR	0.1	1.3	1.5	1.0
CKY Purchase Receivable	(0.0)	0.4	0.6	0.6
Trackers	0.1	1.5	1.9	1.2
Total Revenue	3.4	44.4	61.8	61.0
Total Revenue w/o Trackers	3.3	42.9	59.9	59.8

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Base Margin (less LCR)	2.6	35.5	50.0	49.5
LCR	0.4	3.6	5.0	4.8
LCR (Prior Dec. True-Up)	-	0.1	0.1	-
E\$S	0.3	1.9	2.8	2.8
Regulatory Outcome	0.0	-	-	-
Other OGDR	0.0	1.1	1.4	1.1
CKY Purchase Receivable	0.0	0.4	0.5	0.5
Trackers	0.0	8.0	1.2	1.1
Total Revenue	3.4	43.4	61.0	59.8
Total Revenue w/o Trackers	3.3	42.6	59.7	58.7

Var	îance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Base Margin (less LCR)	0.1	0.5	0.7	1.6
	LCR	0.0	0.1	0.0	0.0
	LCR (Prior Dec. True-Up)	-	-	-	=
B)	ESS	(0.1)	(0.4)	(0.7)	(0.4)
	Regulatory Outcome	(0.0)	-	•	-
	Other OGDR	0.0	0.2	0.2	(0.1)
	CKY Purchase Receivable	(0.0)	0.0	0.0	0.0
C)	Trackers	0.0	0.7	0.6	0.1
	Total Variance	0.0	1.0	0.8	1.2
	Total Variance w/o Trackers	(0.0)	0.4	0.2	1.1

- A) Variance primarily due to changes in Customer Base, Usage and Rates.
- B) Variance represents downward revision to Off-System sales assumptions due to lack of price volatility.
- C) Variance due to additional DSM revenue of approximately \$456K; offset in O&M tracker.

Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2011 9&3	Mo Actual	YTD Actual	2011 9&3	2012 9&3
Penalty Charges	0.1	0.5	0.6	0.9
Return Check	0.0	0.1	0.1	0.0
Other Fees	0.0	0.5	0.6	0.1
Pub Util-Flex	0.0	0.1	0.1	=
Company Use	0.0	0.1	0.1	0.0
Balancing Services	-	-	-	-
Other Misc Income	-	-	0.0	-
Misc Merchant Revenue	0.0	0.0	0.0	-
Other		-	-	
Total OGDR	0.1	1.3	1.5	1.0

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Penalty Charges	0.0	0.4	0.4	-
Return Check	0.0	0.3	0.4	-
Other Fees	0.0	0.3	0.4	0.9
Pub Util-Flex	-	0.1	0.1	0.0
Company Use	0.0	0.1	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	0.0	-	0.0	0.0
Misc Merchant Revenue	-	-	-	_
Other	-	0.0	0.0	-
Total OGDR	0.1	1.1	1.3	1.1

Vari	ance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Penalty Charges	0.0	0.2	0.2	0.9
	Return Check	0.0	(0.2)	(0.2)	0.0
A)	Other Fees	0.0	0.2	0.2	(8.0)
·	Pub Util-Flex	0.0	0.1	0.1	(0.0)
	Company Use	(0.0)	0.0	(0.0)	(0.1)
	Balancing Services	-	-	-	-
	Other Misc Income	(0.0)	-	(0.0)	(0.0)
	Misc Merchant Revenue	0.0	0.0	0.0	•
	Other	-	(0.0)	(0.0)	-
	Total OGDR	0.0	0.2	0.2	(0.1)

Variance Explanations:

A) 2012 variance due to classification changes between plan versions.

2011 Customer & Usage Information - 2&10 vs. 9&3

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residential	0.0	0.1
Commercial	0.0	0.2
Total	0.0	0.3

Usage Change	Month	YTD
Residential	0.0	0.5
Commercial	(0.0)	0.1
Industrial (Non-LCR)	(0.0)	(0.0)
Total	(0.0)	0.6

Normalized UPC (Mmcf)

Actual	Month	YTD	
Residential	0.15100	6.0	Update for UPC, not volumes
Comm	0.28100	5.3	Update for UPC, not volumes
Ind	1.24300	11.5	Update for UPC, not volumes

Budget	Month	YTD	
Residential	0.150	6.0	Update for UPC, not volumes
Commercial	0.277	5.3	Update for UPC, not volumes
Industrial	1.244	11.5	Update for UPC, not volumes

Variance	Month	Mo. %	YTD	YTD %
Residential	0.0	0.0	0.0	0.1%
Commercial	0.0	0.0	(0.0)	-0.8%
Industrial	(0.0)	(0.0)	(0.0)	0.0%

Customer Count

Actual	Month	YTD Avg
Residential	118,029	120,238
Commercial	13,785	14,049
Industrial	178	180
Total	131,992	134,467

Budget	Month	YTD Avg
Residential	117,533	119,827
Commercial	13,619	13,915
Industrial	176	177
Total	131,328	133,918

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	496	0.0	411	0.3%
Commercial	166	0.0	134	1.0%
Industrial	2	0.0	3	1.8%
Total	664	0.0	548	0.4%

O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2011 9&3	Mo Actual	YTD Actual	2011 9&3	2012 9&3
Labor	0.5	5.0	6.8	7.1
Benefits	0.2	1.4	1.9	2.0
Materials & Supplies	0.1	1.1	1.5	1.5
Outside Services	0.3	3.3	4.3	4.1
Management Fee	1.0	8.6	11.7	11.6
Uncollectibles	(1.0)	(0.7)	(0.5)	0.5
Other *	0.3	2.9	4.0	4.0
Trackers	1.1	1.6	2.0	1.2
Total O&M	2.5	23.3	31.7	32.2
Total O&M w/o Trackers	1.4	21.7	29.7	31.0

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Labor	0.6	5.3	7.1	7.4
Benefits	0.2	1.6	2.2	2.2
Materials & Supplies	0.1	1.1	1.4	1.5
Outside Services	0.3	3.0	3.9	3.9
Management Fee	1.0	8.2	11.0	11.3
Uncollectibles	0.0	0.4	0.6	0.6
Other *	0.3	3.0	3.9	4.0
Trackers	0.0	0.9	1.4	1.2
Total O&M	2.6	23.5	31.5	32.0
Total O&M w/o Trackers	2.6	22.5	30.1	30.9

Var	iance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Labor	(0.1)	(0.3)	(0.3)	(0.2)
B)	Benefits	(0.0)	(0.2)	(0.2)	(0.1)
	Materials & Supplies	0.0	0.0	0.1	(0.0)
C)	Outside Services	0.0	0.3	0.4	0.2
D)	Management Fee	(0.0)	0.4	0.8	0.3
E)	Uncollectibles	(1.1)	(1.2)	(1.1)	(0.1)
	Other *	(0.0)	(0.0)	0.0	0.1
F)	Trackers	1.1	0.7	0.7	0.1
	Total Change	(0.1)	(0.2)	0.2	0.2
	Total Change w/o Trackers	(1.2)	(0.9)	(0.4)	0.1

- A) YTD and 2011 Yr Var Primarily underruns in leak repair and meter services partially offset by plant and service training. 2012 Primarily transfer of Training from Dist. Ops to CO12.
- B) YTD and 2011 Yr Var Primarity revised annual assumptions for active medical and OPEB medical.
- C) YTD Var Primarity Polypipe identification costs and plant and service training partially offset by leak repairs. 2011 Yr Var - Primarity Polypipe identification costs, facility protection and leak repair.
- D) YTD Var Primarily administrative services (IT overruns), EDE Finance and Accounting, NGD Sales and Marketing and Legal. 2011 Yr Var - Primarily administrative services (IT overruns), EDE Finance and Accounting; NGD-Multiple reorganizations including transfers from opcos to CO12, additional staffing for increased safety, training and compliance services. 2012 Yr Var - Primarily Legal and NGD-Multiple reorganizations including transfers from opcos to CO12 and additional staffing for increased safety, training and compliance services partially offset by Administrative Services - Facilities and Real Estate.
- E) Mo, YTD & 2011 Yr Var Primarily change in accounting method for uncollectibles reserve estimate (reclassed from tracker to non-tracked uncollectible expenses).
- F) Offset in revenue.

Columbia Gas of Kentucky
O&M - Other Cost Element View - Plan-vs.-Plan
(\$ millions)

2011 9&3	Mo Actual	YTD Actual	2011 9&3	2012 9&3
Other				
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.1	0.2	0.3
Corporate Insurance	0.1	0.6	0.8	0.9
Employee Expenses	0.0	0.2	0.3	0.3
Company Memberships	•	0.1	0.1	0.1
Utilities	0.0	0.2	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.2)	(0.1)
Misc & Other Expenses	0.0	0.4	0.4	0.3
Amortizations *	0.0	0.4	0.5	0.5
Deferred Credits	(0.0)	(0.2)	(0.2)	(0.1)
I&D Accrual	(0.0)	0.1	0.1	0.2
Well/Lease Rent/Royalty	•	-	-	-
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	1.0	1.2	1.1
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M	·	*	-	
	0.3	2.9	4.0	4.0

1 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Other				
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.1	0.2	0.2
Corporate Insurance	0.1	0.7	0.9	0.9
Employee Expenses	0.0	0.2	0.3	0.3
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.2	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.3	0.3	0.3
Amortizations *	0.0	0.4	0.5	0.5
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.1)
I&D Accrual	0.0	0.1	0.1	0.2
Well/Lease Rent/Royalty	-	-	*	-
Advertising	0.0	0.0	0.0	0.0
Auto/Trucks Cleared	0.1	0.9	1.2	1.2
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M	-	-	-	-
	0.3	3.0	3.9	4.0

ariance	Mo Var	YTD Var	Yr Var	Yr Var
Other	<u>–</u>			
Buildings and Land	(0.0)	(0.0)	(0.0)	0.0
Rents/Leases	0.0	0.0	0.0	0.1
Corporate Insurance	(0.0)	(0.1)	(0.1)	(0.1
Employee Expenses	(0.0)	(0.0)	0.0	0.0
Company Memberships	(0.0)	(0.0)	(0.0)	0.0
Utilities	(0.0)	(0.0)	(0.0)	0.0
Misc Revenues	(0.0)	(0.0)	(0.0)	~
Misc & Other Expenses	(0.0)	0.1	0.1	(0.0)
Amortizations *	-	-	-	`~
Deferred Credits	0.0	(0.1)	(0.1)	(0.1)
I&D Accrual	(0.0)	(0.0)	(0.0)	ì
Well/Lease Rent/Royalty	-		-	
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.0	0.1	0.1	(0.0)
O&M Reclass - Regulatory to GAAP	(0.0)	0.0	0.0	0.0
Below the Line O&M				
	(0.0)	(0.0)	0.0	0.1

 $^{{}^{\}bigstar}\!\mathsf{Amortizations};$ IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky
O&M - Sponsor View - Plan-vs.-Plan
(\$ millions)

2011 9&3	Mo Actual	YTD Actual	2011 9&3	2012 9&3
Distribution Ops	0.9	8.4	11.1	11.3
Meter To Cash	0.0	0.4	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.2	0.3	0.3
Presidents	0.1	1.1	1.6	1.6
Other Dept	-	-	-	•
Management Fee	1.0	8.6	11.7	11.6
Benefits	0.2	1.4	1.9	2.0
Uncollectibles	(1.0)	(0.7)	(0.5)	0.5
Other Corporate *	0.2	2.2	2.9	2.9
Trackers	1.1	1.6	2.0	1.2
Total O&M	2.5	23.3	31.7	32.2
Total O&M w/o Trackers	1.4	21.7	29.7	31.0

011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Distribution Ops	0.9	8.3	11.1	11.3
Meter To Cash	0.0	0.5	0.6	0.7
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.3	0.4	0.4
Presidents	0.1	1. 1	1.5	1.5
Other Dept	-	-	-	
Management Fee	1.0	8.2	1 1 .0	11.3
Benefits	0.2	1.6	2.2	2.2
Uncollectibles	0.0	0.4	0.6	0.6
Other Corporate *	0.2	2.1	2.8	2.9
Trackers	0.0	0.9	1.4	1.2
Total O&M	2.6	23.5	31.5	32.0
Total O&M w/o Trackers	2.6	22.5	30.1	30.9

Var	iance	Mo Var	YTD Var	Yr Var	Yr Var
	Distribution Ops	(0.0)	0.0	0.0	0.0
	Meter To Cash	(0.0)	(0.0)	(0.0)	(0.0)
	Customer Call Center	0.0	0.0	0.0	0.0
	Integration Center	(0.0)	(0.0)	(0.0)	(0.1)
	Presidents	0.0	(0.0)	0.1	0.1
	Other Dept	-	-	-	=
A)	Management Fee	(0.0)	0.4	0.8	0.3
B)	Benefits	(0.0)	(0.2)	(0.2)	(0.1)
C)	Uncollectibles	(1.1)	(1.2)	(1.1)	(0.1)
	Other Corporate *	(0.0)	0.1	0.1	0.0
D)	Trackers	1.1	0.7	0.7	0.1
	Total Change	(0.1)	(0.2)	0.2	0,2
	Total Change w/o Trackers	(1.2)	(0.9)	(0.4)	0.1

- A) YTD Var Primarily administrative services (IT overruns), EDE Finance and Accounting, NGD Sales and Marketing and Legal.
 2011 Yr Var Primarily administrative services (IT overruns), EDE Finance and Accounting; NGD-Multiple reorganizations including transfers from opcos to CO12, additional staffing for increased safety, training and compliance services.
 2012 Yr Var Primarily Legal and NGD-Multiple reorganizations including transfers from opcos to CO12 and additional staffing for increased safety, training and compliance services partially offset by Administrative Services Facilities and Real Estate.
- B) YTD and 2011 Yr Var Primarily revised annual assumptions for active medical and OPEB medical.
- C) Mo, YTD & 2011 Yr Var Primarily change in accounting method for uncollectibles reserve estimate (reclassed from tracker to non-tracked uncollectible expenses).
- D) Offset in revenue.

^{*} See O&M Other Corp Tab

Columbia Gas of Kentucky
O&M - Other Corporate View - Plan-vs.-Plan
(\$ millions)

1 983	Mo Actual	YTD Actual	2011 983	2012 983
Other Corporate				·
Net Labor	0.0	0.4	0.5	0.
Materials/Supplies	0.0	0.0	0.0	0.
Audit Fees	0.0	0.1	0.1	٥.
Consulting Fees	-	•	-	-
Legal Fees	-	-	•	•
Outside Services	0.0	0.1	0.2	0.
Buildings and Land		-	-	-
Rents/Leases	0.0	0.1	0.2	C.
Corporate Insurance	0.1	0.6	8,0	0.
Employee Expenses	•	-	-	-
Company Memberships		0.0	0.1	0.
Utilities	0.0	0.0	0.0	0.
Misc Revenues	-	-	•	
Misc & Other Expenses	0.0	0.3	0.4	0
Amortizations *	0.0	0.4	0.5	O
Deferred Credits	(0.0)	(0.1)	(0.1)	(0
I&D Accrual	(0.0)	0.1	0.1	0
Well/Lease Rent/Royalty	-	-	-	-
Advertising	-	-	•	-
Auto/Truck Cleared	-	=	*	-
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0
Stores Clearing	•	-		-
Below the line O&M	_	-		-
Total Other Corporate	0.2	2.2	2.9	

11 2810	Mo Budget	YTD Budget	2011 2810	2012 2&10
Other Corporate				
Net Labor	0.0	0.3	0.4	0.
Materials/Supplies	0.0	0.0	0.0	Q.
Audit Fees	0.0	0.1	0.1	0.
Consulting Fees	-	•	-	-
Legal Fees	-	-	-	-
Outside Services	0.0	0.1	0.2	0.
Buildings and Land	-	•	-	-
Rents/Leases	0.0	0.1	0.1	0
Corporate Insurance	0.1	0.7	0.9	0
Employee Expenses	=	•	-	-
Company Memberships	•	0.0	0.1	0
Utilities	0.0	0.0	0.0	0
Misc Revenues	-	•	-	-
Misc & Other Expenses	0.0	0.2	0.3	0
Amortizations *	0.0	0.4	0.5	0
Deferred Credits	(0.0)	(0.1)	(0.1)	(0
I&D Accrual	0.0	0.1	0.1	0
Well/Lease Rent/Royalty	•	-	-	-
Advertising	-	-	•	•
Auto/Truck Cleared	-	•	•	-
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0
Stores Clearing	-	•	•	•
Below the line O&M				-
Total Other Corporate	0.2	2.1	2.8	2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Other				•
Net Labor	(0.0)	0.0	0.0	(0.0)
Materials/Supplies	0.0	0.0	0.0	-
Audit Fees	•	0.0	0.0	(0.0)
Consulting Fees	-	•	-	-
Legal Fees	•	•	-	-
Outside Services	(0.0)	0.0	0.0	(0.0)
Buildings and Land	•	-	-	-
Rents/Leases	(0.0)	0.0	0.0	0.1
Corporate Insurance	(0.0)	(0.1)	(0.1)	(0.1)
Employee Expenses	•	•	-	-
Company Memberships	•	(0.0)	(0.0)	-
Utilities	0.0	0.0	0.0	0.0
Misc Revenues	•	•	-	-
Misc & Other Expenses	(0.0)	0.1	0.1	-
Amortizations *	-	-	•	•
Deferred Credits	0.0	0.0	0.0	-
I&D Accrual	(0.0)	(0.0)	(0.0)	-
Well/Lease Rent/Royalty	•	-	-	•
Advertising	•	•	-	-
Auto/Truck Cleared	•	÷	-	-
O&M Reclass - Regulatory to GAAP	(0.0)	0.0	0.0	0.0
Stores Clearing	-		-	-
Below the line O&M	<u>• </u>		-	-
Total Other Corporate	(0.0)	0.1	0.1	0.0

^{*}Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2011 9&3	Mo Actual	YTD Actual	2011 9&3	2012 9&3
Depreciation	0.5	4.6	6.2	6.7
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	1.7	2.3	2.4
Payroll	0.0	0.4	0.5	0.6
Distribution	-	0.0	0.0	-
Other			-	
Total Other Taxes	0.2	2.1	2.7	3.0
Total Other Taxes w/o Trackers	1.264	2.2	2.9	3.0

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Depreciation	0.5	4.7	6.3	6.6
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	1.7	2.2	2.4
Payroll	0.0	0.4	0.5	0.6
Distribution	-	0.0	0.0	-
Other	-	-	-	-
Total Other Taxes	0.2	2.1	2.8	3.0
Total Other Taxes w/o Trackers	0.2	2.2	2.9	3.1

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	(0.0)	(0.1)	(0.1)	0.1
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	(0.0)	0.0	0.0	(0.0)
Payroll	(0.0)	(0.1)	(0.1)	- '
Distribution	·	0.0	0.0	-
Other	-	-	~	-
Total Other Taxes Change	(0.0)	(0.1)	(0.1)	(0.0)
Total Change w/o Trackers	1.0	(0.0)	(0.0)	(0.0)

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2011 9&3	Mo Actual	YTD Actual	2011 9&3	2012 9&3
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Sales Rec Exp	<u>-</u>	-	-	•
Temp Cash Inv Int Inc	0.1	0.7	0.9	8.0
Hedging Interest Income	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	-
Total Other Income	0.1	0.7	0.8	0.7
LTD Int Exp	0.4	3.5	4.6	4.7
STD Int Exp	-	-	-	-
Cust Dep	0.0	0.1	0.2	0.2
AFUDC	(0.0)	(0.0)	(0.0)	(0.0)
Amort. Of Disc./Fees		-	-	-
Hedging Interest Expense	-	-	-	-
Other	-	-	-	=
Interest Expense	0.4	3.6	4.8	4.8

2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1
Sales Rec Exp	-	-	-	-
Temp Cash Inv Int Inc	0.0	0.5	0.5	0.4
Hedging Interest Income	0.0	0.1	0.1	0.0
Other	-	-	-	-
Total Other Income	0.0	0.5	0.5	0.2
LTD Int Exp	0.4	3.5	4.6	4.6
STD Int Exp	0.0	0.0	0.1	0.1
Cust Dep	0.0	0.1	0.2	0.2
AFUDC .	(0.0)	(0.0)	(0.0)	(0.1
Amort. Of Disc./Fees	-	•	-	•
Hedging Interest Expense	-	-	-	_
Other	-	-	-	-
Interest Expense	0.4	3.6	4.8	4.8

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Charitable Contributions	0.0	0.0	(0.0)	-
Sales Rec Exp	-	-	•	-
A) Temp Cash Inv Int Inc	0.1	0.2	0.4	0.4
Hedging Interest Income	(0.0)	(0.0)	(0.0)	0.0
Other	0.0	0.0	0.0	-
Total Other Income	0.1	0.2	0.3	0.5
LTD Int Exp	0.0	0.0	0.0	0.0
STD Int Exp	(0.0)	(0.0)	(0.1)	(0.1)
Cust Dep	· · · · ·	(0.0)	(0.0)	(0.0)
AFUDC	0.0	0.0	0.0	0.0
Amort. Of Disc./Fees	•	-	-	-
Hedging Interest Expense	-	-	-	-
Other	-	-	-	-
Interest Expense	(0.0)	0.0	(0.0)	(0.0)

Explanations:

A) Variance represents interest earned on operating cash sent to Corp. Money Pool.

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

Investments and other assets	<u>Mo</u>	2011	2012
Investments and other assets			
Cash & Temporary Cash Investments 0.3 - Restricted Cash 3.0 2.9 Customer Accounts Receivables 7.5 17.2 Unbilled Revenue 1.2 1.2 Other Receivables 39.4 35.3 Gas Inventory 54.2 42.3 Unrecovered Purchase Costs - - Material & Supplies 0.1 0.0 Exchange Gas Receivables & Reserve 0.3 0.1 Current Regulatory Assets 3.3 3.2 Prepayments and Other Assets 1.3 2.8 Total Current Assets 11.5 105.0 NC Regulatory Assets 1.8 1.4 Intangible Assets - - Fostretirement and Postemployment - Assets 0.3 0.3 Other receivables - affiliated - - Total Assets 328.3 325.7 Capitalization & Liabilities 328.3 325.7 Capitalization & Liabilities - - Common Stock Equity 8.9 6	200.5	203.6	21
Restricted Cash Customer Accounts Receivables 7.5 17.2 Unbillied Revenue 1.2 1.2 Unbilled Revenue 1.3 3.3 3.3 Unrecovered Purchase Costs 1.0 0.0 Exchange Gas Receivables & Reserve 0.3 0.1 Unrent Regulatory Assets 0.1 0.0 Exchange Gas Receivables & Reserve 0.3 0.1 Unrent Regulatory Assets 1.3 2.8 Total Current Assets 1.0 1.0 10.5 Unrent Regulatory Assets 1.1 3 2.8 Untrent Regulatory Assets 1.1 3 2.8 Untrent Regulatory Assets 1.1 0.5 Untrent Regulatory Assets 1.1 0.3 0.3 Unter Regulatory Assets 1.1 0.3 0.3 Unter Receivables - affiliated	0.4	0.4	
Customer Accounts Receivables 7.5 17.2 Unbilled Revenue 1.2 1.2 Unbilled Revenue 1.2 1.2 Other Receivables 39.4 35.3 Gas inventory 54.2 42.3 Unrecovered Purchase Costs - - Material & Supplies 0.1 0.0 Exchange Gas Receivables & Reserve 0.3 0.1 Current Regulatory Assets 3.3 3.2 Trepayments and Other Assets 1.3 2.8 Total Current Assets 110.5 105.0 NC Regulatory Assets 14.8 14.6 Intangible Assets - - Postretirement and Postemployment - Assets 0.3 0.3 Deferred Charges 1.8 1.8 Other receivables - affiliated - - - - - Total Assets 328.3 325.7 Total Assets 328.3 325.7 Capitalization & Liabilities - - Common Stock Equity <td></td> <td>-</td> <td></td>		-	
Unbilled Revenue			
Other Receivables 39.4 35.3 Gas Inventory 54.2 42.3 Unrecovered Purchase Costs - - Material & Supplies 0.1 0.0 Exchange Gas Receivables & Reserve 0.3 0.1 Current Regulatory Assets 3.3 3.2 Prepayments and Other Assets 1.3 2.8 Total Current Assets 110.5 105.0 NC Regulatory Assets 14.8 14.6 Intangible Assets - - Postretirement and Postemployment - Assets 0.3 0.3 Deferred Charges 1.8 1.8 Chier receivables - affiliated - - Total Assets 17.0 16.7 Total Assets 328.3 325.7 Common Stock Equity 89.6 90.1 Long Term Debt 82.1 82.1 Total Capitalization 171.7 172.1 Obligations due in one year - - Accounts Payable 7.7 11.9 Custome			1
Sas Inventory			
Unrecovered Purchase Costs			•
Material & Supplies 0.1 0.0 Exchange Gas Receivables & Reserve 0.3 0.1 Current Regulatory Assets 1.3 2.8 Prepayments and Other Assets 110.5 105.0 NC Regulatory Assets 110.5 105.0 NC Regulatory Assets 14.8 14.6 Intangible Assets - - Postretirement and Postemployment - Assets 0.3 0.3 Deferred Charges 1.8 1.8 Other receivables - affiliated - - Total Other Assets 328.3 325.7 Total Assets 328.3 325.7 Capitalization & Liabilities 328.3 325.7 Capitalization & Liabilities 32.1 82.1 Common Stock Equity 89.6 90.1 Long Term Debt 82.1 82.1 Long Term Debt 82.1 82.1 Coursing Payable 7.7 11.9 Customer Deposits & A/R Credit Balances 16.5 12.8 Taxes Accrued 1.6 1.0 <td>54.2</td> <td>42.3</td> <td>4</td>	54.2	42.3	4
Exchange Gas Receivables & Reserve	-		
Current Regulatory Assets 3.3 3.2 Prepayments and Other Assets 11.3 2.8 Total Current Assets 110.5 105.0 NC Regulatory Assets 110.5 105.0 NC Regulatory Assets 14.8 14.6 Intangible Assets - - Postretirement and Postemployment - Assets 0.3 0.3 Deferred Charges 1.8 1.8 Other receivables - affiliated - - Total Other Assets 17.0 16.7 Total Assets 328.3 325.7 Capitalization & Liabilities - - Common Stock Equity 89.6 90.1 Long Term Debt 82.1 82.1 Total Capitalization 171.7 172.1 Obligations due in one year - - Accounts Payable 7.7 11.9 Customer Deposits & A/R Credit Balances 16.5 12.8 Taxes Accrued 4.8 4.2 Interest Accrued 0.1 0.1			
Prepayments and Other Assets 1.3 2.8			
Total Current Assets	3.3	3.2	
NC Regulatory Assets	1.3	2.8	
Intangible Assets	110.5	105.0	8
Postretirement and Postemployment - Assets 0.3 0.3 0.3 0.5	14.8		1
Deferred Charges 1.8 1.8 Other receivables - affiliated - - Total Other Assets 17.0 16.7 Total Assets 328.3 325.7 Capitalization & Liabilities - - Common Stock Equity 89.6 90.1 Long Term Debt 82.1 82.1 Total Capitalization 171.7 172.1 Obligations due in one year - - Accounts Payable 7.7 11.9 Customer Deposits & A/R Credit Balances 16.5 12.8 Taxes Accrued 4.8 4.2 Interest Accrued 0.1 0.1 Over recovered Gas & Fuel Costs 12.6 9.9 Current Price Risk Mgmt Llab 2.0 2.0 Exchange Gas Payable 23.1 20.4 Current Deferred Income Taxes (3.6) (3.5) Current Positretirement Benefits 0.1 0.1 Current Positretirement Benefits 0.1 0.1 Other Accruals 67.7 62.6 </td <td>-</td> <td></td> <td></td>	-		
Other receivables - affiliated 17.0 16.7 Total Other Assets 328.3 325.7 Capitalization & Liabilities 89.6 90.1 Common Stock Equity 89.6 90.1 Long Term Debt 82.1 82.1 Total Capitalization 171.7 172.1 Obligations due in one year - - Accounts Payable 7.7 11.9 Customer Deposits & A/R Credit Balances 16.5 12.8 Taxes Accrued 4.8 4.2 Interest Accrued 0.1 0.1 Over recovered Gas & Fuel Costs 12.6 9.9 Current Price Risk Mgmt Liab 2.0 2.0 Exchange Gas Payable 23.1 20.4 Current Price Risk Mgmt Liab 2.0 2.0 Exchange Gas Payable 23.1 20.4 Current Deferred Income Taxes (3.6) (3.5) Current Positretirement Benefits 0.1 0.1 Current Positretirement Benefits 0.1 0.1 Other Accruals 7.7 <td></td> <td></td> <td></td>			
Total Assets 17.0 16.7	1.8	1.8	
Capitalization & Liabilities	17.0	16.7	
Capitalization & Liabilities Common Stock Equity 89.6 90.1 Long Term Debt 82.1 82.1 Total Capitalization 171.7 172.1 Obligations due in one year - - Accounts Payable 7.7 11.9 Customer Deposits & A/R Credit Balances 16.5 12.8 Taxes Accrued 4.8 4.2 Interest Accrued 0.1 0.1 Over recovered Gas & Fuel Costs 12.6 9.9 Current Price Risk Mgmt Liab 2.0 2.0 Exchange Gas Payable 23.1 20.4 Current Deferred Income Taxes (3.6) (3.5) Current Regulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 <td></td> <td></td> <td></td>			
Common Stock Equity 89.6 90.1 Long Term Debt 82.1 82.1 Total Capitalization 171.7 172.1 Obligations due in one year - - Accounts Payable 7.7 11.9 Customer Deposits & A/R Credit Balances 16.5 12.8 Taxes Accrued 4.8 4.2 Interest Accrued 0.1 0.1 Over recovered Gas & Fuel Costs 12.6 9.9 Current Price Risk Mgmt Liab 2.0 2.0 Exchange Gas Payable 23.1 20.4 Current Deferred Income Taxes (3.6) (3.5) Current Regulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 <td>328.3</td> <td>325.7</td> <td>31</td>	328.3	325.7	31
Common Stock Equity 89.6 90.1 Long Term Debt 82.1 82.1 Total Capitalization 171.7 172.1 Obligations due in one year - - Accounts Payable 7.7 11.9 Customer Deposits & A/R Credit Balances 16.5 12.8 Taxes Accrued 4.8 4.2 Interest Accrued 0.1 0.1 Over recovered Gas & Fuel Costs 12.6 9.9 Current Price Risk Mgmt Liab 2.0 2.0 Exchange Gas Payable 23.1 20.4 Current Deferred Income Taxes (3.6) (3.5) Current Regulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 <td></td> <td></td> <td></td>			
Long Term Debt 82.1 82.1 82.1 Total Capitalization 171.7 172.1 Obligations due in one year Accounts Payable 7.7 11.9 Customer Deposits & A/R Credit Balances 16.5 12.8 Taxes Accrued 4.8 4.2 Interest Accrued 0.1 0.1 Over recovered Gas & Fuel Costs 12.6 9.9 Current Price Risk Mgmt Liab 2.0 2.0 Exchange Gas Payable 23.1 20.4 Current Deferred Income Taxes (3.6) (3.5) Current Regulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Income Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Nor-Current Liabilities 89.0 91.0	9.08	90.1	ç
Total Capitalization			Ę
Obligations due in one year - - Accounts Payable 7.7 11.9 Customer Deposits & A/R Credit Balances 16.5 12.8 Taxes Accrued 4.8 4.2 Interest Accrued 0.1 0.1 Over recovered Gas & Fuel Costs 12.6 9.9 Current Price Risk Mgmt Liab 2.0 2.0 Exchange Gas Payable 23.1 20.4 Current Deferred Income Taxes (3.6) (3.5) Current Degulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other NC Liab & Deferred Credits 89.0 91.0			14
Accounts Payable 7.7 11.9 Customer Deposits & A/R Credit Balances 16.5 12.8 Taxes Accrued 4.8 4.2 Interest Accrued 0.1 0.1 Over recovered Gas & Fuel Costs 12.6 9.9 Current Price Risk Mgmt Liab 2.0 2.0 Exchange Gas Payable 23.1 20.4 Current Deferred Income Taxes (3.6) (3.5) Current Regulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management Ilab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0	17 4.1	172.1	•-
Customer Deposits & A/R Credit Balances 16.5 12.8 Taxes Accrued 4.8 4.2 Interest Accrued 0.1 0.1 Over recovered Gas & Fuel Costs 12.6 9.9 Current Price Risk Mgmt Liab 2.0 2.0 Exchange Gas Payable 23.1 20.4 Current Deferred Income Taxes (3.6) (3.5) Current Regulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other NC Liab & Deferred Credits 89.0 91.0		-	2
Taxes Accrued 4.8 4.2 Interest Accrued 0.1 0.1 Over recovered Gas & Fuel Costs 12.6 9.9 Current Price Risk Mgmt Liab 2.0 2.0 Exchange Gas Payable 23.1 20.4 Current Deferred Income Taxes (3.6) (3.5) Current Regulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other NC Liab & Deferred Credits 89.0 91.0	7.7	11.9	
Interest Accrued 0.1 0.1 Over recovered Gas & Fuel Costs 12.6 9.9 Current Price Risk Mgmt Liab 2.0 2.0 Exchange Gas Payable 23.1 20.4 Current Deferred Income Taxes (3.6) (3.5) Current Regulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0	16.5	12.8	1
Over recovered Gas & Fuel Costs 12.6 9.9 Current Price Risk Mgmt Liab 2.0 2.0 Exchange Gas Payable 23.1 20.4 Current Deferred Income Taxes (3.6) (3.5) Current Regulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0	4.8	4.2	
Current Price Risk Mgmt Liab 2.0 2.0 Exchange Gas Payable 23.1 20.4 Current Deferred Income Taxes (3.6) (3.5) Current Regulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0	0.1	0.1	
Exchange Gas Payable 23.1 20.4 Current Deferred Income Taxes (3.6) (3.5) Current Regulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0	12.6	9.9	
Current Deferred Income Taxes (3.6) (3.5) Current Regulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0	2.0	2.0	
Current Deferred Income Taxes (3.6) (3.5) Current Regulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0	23.1	20.4	
Current Regulatory Liabilities 2.0 1.9 Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0	(3.6)	(3.5)	
Current Postretirement Benefits 0.1 0.1 Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0			
Other Accruals 2.3 2.6 Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0	0.1	0.1	
Total Current Liabilities 67.7 62.6 Price Risk Management liab - NC 0.7 0.7 NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0			
NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0			7
NC Deferred Income Tax Liab 40.2 42.0 NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0	0.7	0.7	
NC Deferred Investment Tax Credit 0.5 0.5 Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0			4
Customer Advances 1.5 1.5 Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0			
Non-Current Postretirement Benefits 11.2 11.2 NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0			
NC Reg Liabilities 26.8 26.9 Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0			
Other Non-Current Liabilities 8.1 8.2 Other NC Liab & Deferred Credits 89.0 91.0			2
Other NC Liab & Deferred Credits 89.0 91.0			4
Total Canidalization 9 Liabilities 200 7			
	220 2	325.7	31
Total Capitalization & Liabilities		0.4 0.3 3.0 7.5 1.2 39.4 54.2 - 0.1 0.3 3.3 1.3 110.5 14.8 - 17.0 328.3 89.6 82.1 171.7 7.7 16.5 4.8 0.1 12.6 2.0 23.1 (3.6) 2.0 0.1 2.3 67.7 0.7 40.2 0.5 1.5 11.2 26.8 8.1	200.5 203.6 0.4 0.4 0.3 - 3.0 2.9 7.5 17.2 1.2 1.2 39.4 35.3 54.2 42.3 0.1 0.0 0.3 0.1 3.3 3.2 1.3 2.8 110.5 105.0 14.8 14.6 - - 0.3 0.3 1.8 1.8 - - 17.0 16.7 328.3 325.7 89.6 90.1 82.1 82.1 7.7 11.9 16.5 12.8 4.8 4.2 0.1 0.1 12.6 9.9 2.0 2.0 23.1 20.4 (3.6) (3.5) 2.0 1.9 0.1 0.1 2.3 2.6 <t< td=""></t<>

Assets Net Plant Investments and other assets Cash & Temporary Cash Investments Restricted Cash Customer Accounts Receivables Unbilled Revenue Other Receivables Gas Inventory Unrecovered Purchase Costs Material & Supplies Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets Intangible Assets	199.7 0.4 3.5 14.2 1.5 0.5 40.4 12.7 13.3 0.3 2.1 1.2 89.8	201.6 0.4 - 2.0 33.6 1.5 0.3 30.5 8.6 13.3 0.3 2.0 2.8	209 0 - - 29 1 0 30 8 13 0
Cash & Temporary Cash Investments Restricted Cash Customer Accounts Receivables Unbilled Revenue Other Receivables Gas Inventory Unrecovered Purchase Costs Material & Supplies Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets	0.4 3.5 14.2 1.5 0.5 40.4 12.7 13.3 0.3 2.1 1.2	0.4 - 2.0 33.6 1.5 0.3 30.5 8.6 13.3 0.3 2.0 2.8	29 1 0 30 8 13 0
Cash & Temporary Cash Investments Restricted Cash Customer Accounts Receivables Unbilled Revenue Other Receivables Gas Inventory Unrecovered Purchase Costs Material & Supplies Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets	3.5 14.2 1.5 0.5 40.4 12.7 13.3 0.3 2.1	2.0 33.6 1.5 0.3 30.5 8.6 13.3 0.3 2.0 2.8	29 1 0 30 8 13 0
Restricted Cash Customer Accounts Receivables Unbilled Revenue Other Receivables Gas Inventory Unrecovered Purchase Costs Material & Supplies Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets	14.2 1.5 0.5 40.4 12.7 13.3 0.3 2.1	33.6 1.5 0.3 30.5 8.6 13.3 0.3 2.0 2.8	1 0 30 8 13 0
Customer Accounts Receivables Unbilled Revenue Other Receivables Gas Inventory Unrecovered Purchase Costs Material & Supplies Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets	14.2 1.5 0.5 40.4 12.7 13.3 0.3 2.1	33.6 1.5 0.3 30.5 8.6 13.3 0.3 2.0 2.8	1 0 30 8 13 0
Unbilled Revenue Other Receivables Gas Inventory Unrecovered Purchase Costs Material & Supplies Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets	1.5 0.5 40.4 12.7 13.3 0.3 2.1	1.5 0.3 30.5 8.6 13.3 0.3 2.0 2.8	13 30 8 13 0
Other Receivables Gas Inventory Unrecovered Purchase Costs Material & Supplies Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets	0.5 40.4 12.7 13.3 0.3 2.1 1.2	0.3 30.5 8.6 13.3 0.3 2.0 2.8	0 30 8 13 0
Gas Inventory Unrecovered Purchase Costs Material & Supplies Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets	40.4 12.7 13.3 0.3 2.1 1.2	30.5 8.6 13.3 0.3 2.0 2.8	30 8 13
Unrecovered Purchase Costs Material & Supplies Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets	12.7 13.3 0.3 2.1 1.2	8.6 13.3 0.3 2.0 2.8	13
Unrecovered Purchase Costs Material & Supplies Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets	13.3 0.3 2.1 1.2	13.3 0.3 2.0 2.8	10
Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets	0.3 2.1 1.2	0.3 2.0 2.8	(
Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets	2.1 1.2	2.0 2.8	
Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets	1.2	2.8	
Prepayments and Other Assets Total Current Assets NC Regulatory Assets		2.8	;
Total Current Assets NC Regulatory Assets	89.8	95.0	
			8
	14.1	13.8	1:
	•	•	-
Postretirement and Postemployment - Assets	0.3	0.3	(
Deferred Charges	1.9	1.9	
Other receivables - affiliated	-	<u>-</u>	_
Total Other Assets	16.3	16.1	1:
Total Assets	306.2	313.1	31:
Capitalization & Liabilities Common Stock Equity Long Term Debt	89.7 82.1	91.4 82.1	91 67
Total Capitalization	171,7	173,5	159
Total Capitalization	17 1.7	110.5	15.
Obligations due in one year	3.1	7.5	2
Accounts Payable	14.9	12.2	1
Customer Deposits & A/R Credit Balances	11.3	13.0	1:
Taxes Accrued	3.5	4.4	;
Interest Accrued	0.0	0.0	(
Over recovered Gas & Fuel Costs	-	-	-
Current Price Risk Mgmt Liab	1.0	1.0	
Exchange Gas Payable	5.6	4.4	
Current Deferred Income Taxes	(1.3)	(0.6)	(1
Current Regulatory Liabilities	3.5	3.4	
Current Postretirement Benefits	(0.1)	(0.1)	(1
Other Accruals	4.3	4.3	
Total Current Liabilities	45.8	49.6	6
Price Risk Management liab - NC	0.4	0.4	(
NC Deferred Income Tax Liab	40.5	41.8	4
NC Deferred Investment Tax Credit	0.5	0.5	(
Customer Advances	1.6	1.6	,
Non-Current Postretirement Benefits	11.2	11.1	!
NC Reg Liabilities	26.4	26.5	2
Other Non-Current Liabilities	8.1	8.1	-
Other NC Liab & Deferred Credits	88.7	90.0	92
	306.2	313.1	313

Capitalization & Liabilities Common Stock Equity (0.0) (1.3) 1.9 G) Long Term Debt - - (11.0)	Var	iance	Mo Var	2011 Var	2012 Var
Net Plant 0.8 2.0 1.4 Investments and other assets 0.0 0.0 0.0		Assets			
Investments and other assets		· · · · · · · · · · · · · · · · · · ·	0.8	2.0	1.4
Nestricted Cash					
A) Restricted Cash (0.5) 0.9 1.7		Cash & Temporary Cash Investments	0.3	-	-
B) Customer Accounts Receivables (6.7) (16.4) (9.9) (0.3)	A)		(0.5)	0.9	1.7
Unbilled Revenue (0.3) (0.3) (0.3) (0.3) (0.3) (0.3) (0.3) (0.3) (0.3) (0.3) (0.3) (0.3) (0.3) (0.5) 15.6 D. Gas Inventory 13.8 11.8 14.1 14.1 14.2 1.2 (0.8) (0.8) (0.8) (0.8) (0.8) (0.8) (0.8) (0.8) (0.8) (0.8) (0.8) (0.1) (0.2)		Customer Accounts Receivables		(16.4)	(9.9)
C) Other Receivables 38.9 35.0 15.6 D) Gas Inventory 13.8 11.8 14.1 E) Unrecovered Purchase Costs (12.7) (8.6) (8.8) D) Material & Supplies (13.3) (13.3) (13.3) F Exchange Gas Receivables & Reserve (0.0) (0.2) (0.2) Current Regulatory Assets 1.2 1.2 1.4 Prepayments and Other Assets 0.1 0.0 (0.0) NC Regulatory Assets 0.8 0.8 0.6 Intangible Assets - - - - Postrettrement and Postemployment - Assets - - - - - Deferred Charges (0.1) (0.2) (0.2) (0.2) Other receivables - affiliated - - - - - - Total Other Assets 2.2.1 12.6 2.1 Cammon Stock Equity (0.0) (1.3) 1.9 G. Long Term Debt - - - - - - - - - - - - - <td>•</td> <td></td> <td>(0.3)</td> <td>(0.3)</td> <td>(0.3)</td>	•		(0.3)	(0.3)	(0.3)
Diagnostic Common Stock Equity Common	C)	Other Receivables			
E Unrecovered Purchase Costs (12.7) (8.6) (8.8) D Material & Supplies (13.3) (13.3) (13.3) (13.3) Exchange Gas Receivables & Reserve (0.0) (0.2) (0.2) Current Regulatory Assets 1.2 1.2 1.4 Prepayments and Other Assets 0.1 0.0 (0.0) Total Current Assets 0.8 0.8 0.8 0.6 Intangible Assets Postretirement and Postemployment - Assets Deferred Charges (0.1) (0.2) (0.2) Cuther receivables - affiliated Total Other Assets 0.6 0.6 0.6 0.6 0.4 Total Assets 22.1 12.6 2.1 Capitalization & Liabilities (0.0) (1.3) (1.3) Common Stock Equity (0.0) (1.3) (9.1) Go Deligations due in one year (3.1) (7.5) 4.5 B Accounts Payable (7.2) (0.3) (2.5) Customer Deposits & AIR Credit Balances 5.2 (0.2) (0.2) Taxes Accrued 1.3 (0.1) (0.0) Interest Accrued 0.0 0.0 0.0 Do Ver recovered Gas & Fuel Costs 12.6 9.9 7.6 Customer Pices Risk Mgmt Liab 1.0 1.0 1.0 E Exchange Gas Payable 17.5 16.1 1.1 Current Deferred Income Taxes (2.3) (2.9) (3.3) Current Postretirement Benefits 0.3 0.3 0.3 Other Accruals 1.9 (1.6) (1.6) Price Risk Management liab NC 0.3 0.3 0.3 Other Accruals 0.0 0.0 0.0 Other Accruals 0.0 0.0 0.0 Other General Income Tax Liab 0.3 0.3 0.3 NC Deferred Income Tax Liab 0.0 0.0 0.0 Customer Advances (0.1) (0.1) (0.1) Non-Current Liabilities 0.0 0.0 0.0 Other Non-Current Liabilities 0.0 0.0 0.0 Other Not Liabi & Deferred Credits 0.0 0.0 0.0 Other Not Liabi & Deferred Credits 0.0 0.0 0.0 Other Not Liabi & Deferred Credits 0.0 0.0 0.0 Other Not Liabi & Deferred Credits 0.0 0.0 0.0 Other Not Liabi & Deferred Credits 0.0 0.0 0.0 Other Not Liabi & Deferred Credits 0.0 0.0			13.8	11.8	14.1
Diagnostic Control C			(12.7)	(8.6)	(8.8)
Exchange Gas Receivables & Reserve (0.0) (0.2)					
Current Regulatory Assets					
Prepayments and Other Assets 0.1 0.0 (0.0) Total Current Assets 20.7 10.0 0.2	٠,				
NC Regulatory Assets 0.8 0.8 0.8 0.6 Intangible Assets Postretirement and Postemployment - Assets Deferred Charges (0.1) (0.2) (0.2) Other receivables - affiliated Total Other Assets 0.6 0.6 0.6 0.4 Total Assets 22.1 12.6 2.1 Capitalization & Liabilities (0.0) (1.3) 1.9 Common Stock Equity (0.0) (1.3) (1.1) Total Capitalization (0.0) (1.3) (9.1) G) Long Term Debt (11.0) Total Capitalization (0.0) (1.3) (9.1) G) Obligations due in one year (3.1) (7.5) 4.5 B) Accounts Payable (7.2) (0.3) (2.5 Current Peposits & Ark Credit Balances 5.2 (0.2) (0.2) Taxes Accrued (1.3) (0.0) (1.0) (0.0) Interest Accrued (0.0) (0.0) (0.0) Over recovered Gas & Fuel Costs (1.6) (1.6) (1.0) D EVER TROUBLE STATE S					
Intangible Assets		• •			0.2
Intangible Assets		NC Regulatory Assets	0.8	0.8	0.6
Postretirement and Postemployment - Assets Common Stock Equity Common Stock Equity			•	-	-
Deferred Charges			-	-	_
Capitalization & Liabilities Capitalization & Liabilities		• •	(0.1)	(0.2)	(0.2)
Total Assets 22.1 12.6 2.1			(0.1)	, ,	(0.2)
Capitalization & Liabilities Common Stock Equity (0.0)			0.6	0.6	0.4
Common Stock Equity		Total Assets	22.1	12.6	2.1
Common Stock Equity					
Column C			(0.0)	(4.3)	1.0
Total Capitalization (0.0) (1.3) (9.1) G) Obligations due in one year (3.1) (7.5) 4.5 B) Accounts Payable (7.2) (0.3) 2.5 H) Customer Deposits & A/R Credit Balances 5.2 (0.2) (0.2) Taxes Accrued 1.3 (0.1) (0.0) Interest Accrued 0.0 0.0 0.0 E) Over recovered Gas & Fuel Costs 12.6 9.9 7.6 Current Price Risk Mgmt Liab 1.0 1.0 1.0 F) Exchange Gas Payable 17.5 16.1 1.1 I) Current Deferred Income Taxes (2.3) (2.9) (3.3) Current Regulatory Liabilities (1.5) (1.5) (1.5) (1.5) (1.5) (1.5) Current Postretirement Benefits 0.3 0.3 0.3 0.3 Other Accruals (1.9) (1.6) (1.6) 10.6 Total Current Liabilities 21.9 13.0 10.3 Price Risk Management liab - NC 0.3 0.3 0.3 <td>~\</td> <td></td> <td>(0.0)</td> <td>(1.5)</td> <td></td>	~ \		(0.0)	(1.5)	
B	G)		(0.0)	(1.3)	(9.1)
B	C \	Obligations due in one upon	(2.1)	(7.5)	4.5
Hi		•		, ,	
Taxes Accrued 1.3 (0.1) (0.0) Interest Accrued 0.0 0.0 0.0 E) Over recovered Gas & Fuel Costs 12.6 9.9 7.6 Current Price Risk Mgmt Liab 1.0 1.0 1.0 F) Exchange Gas Payable 17.5 16.1 1.1 I) Current Deferred Income Taxes (2.3) (2.9) (3.3) Current Regulatory Liabilities (1.5) (1.5) (1.5) Current Postretirement Benefits 0.3 0.3 0.3 Other Accruals (1.9) (1.6) (1.6) Total Current Liabilities 21.9 13.0 10.3 Price Risk Management liab - NC 0.3 0.3 0.3 NC Deferred Income Tax Liab (0.3) 0.3 0.3 NC Deferred Investment Tax Credit 0.0 0.0 0.0 Customer Advances (0.1) (0.1) (0.1) NO-Current Postretirement Benefits 0.0 0.1 0.1 NC Reg Liabilities 0.4 0.4 0.4	,			- ,	
Interest Accrued	H)				
E) Over recovered Gas & Fuel Costs					
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NC Deferred Investment Tax Credit 0.0 0.0 0.0 Customer Advances (0.1) (0.1) (0.1) Non-Current Postretirement Benefits 0.0 0.1 0.1 NC Reg Liabilities 0.4 0.4 0.4 Other Non-Current Liabilities 0.0 0.0 0.0 Other NC Liab & Deferred Credits 0.3 0.9 0.9		Price Risk Management liab - NC	0.3	0.3	0.3
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Non-Current Postretirement Benefits 0.0 0.1 0.1 NC Reg Liabilities 0.4 0.4 0.4 Other Non-Current Liabilities 0.0 0.0 0.0 Other NC Liab & Deferred Credits 0.3 0.9 0.9		NC Deferred Investment Tax Credit			
NC Reg Liabilities 0.4 0.4 0.4 Other Non-Current Liabilities 0.0 0.0 0.0 Other NC Liab & Deferred Credits 0.3 0.9 0.9		Customer Advances		(0.1)	(0.1)
Other Non-Current Liabilities 0.0 0.0 0.0 Other NC Liab & Deferred Credits 0.3 0.9 0.9		Non-Current Postretirement Benefits			
Other NC Liab & Deferred Credits 0.3 0.9 0.9		NC Reg Liabilities	0.4		0.4
		Other Non-Current Liabilities			
Total Capitalization & Liabilities 22.1 12.6 2.1		Other NC Liab & Deferred Credits	0.3	0.9	0.9
		Total Capitalization & Liabilities	22.1	12.6	2.1_

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

Variance Explanations:

- A) Variance due to changes to the required reserves related to the Hedging Programs.
- B) 2011 variance due to unrealized Off-System Sales activity (\$5.2M), increased Tariff receivables of \$4.6M, and decreases to Choice & Transportation receivables of (\$4.6M) & (\$1.0M). 2012 variance driven by decreases of (\$5.2M) to Off-System Sales activity and (\$1.1M) to Transportation receivables. 2011 A/P variance is due to decreased Gas Cost of (\$6.7M), while the 2012 A/P variance is due to an increase in Gas Cost of (\$2.4M).
- C) Increase in Money Pool funding.
- D) Sept11 variance due to Rate Differential and Usage variances of \$12.7M and \$1.0M respectively. 2011 annual variance due to Rate Differential and Usage variances of \$13.5M and (\$1.6M) respectively. 2012 annual variance is due to Rate Differential and Usage variances of \$12.7M and \$1.2M respectively. In addition to Rate and Usage variances there are reclassification entries between the Inventory and Material & Supply accounts to accurately state the LIFO inventory balance. As of July11, the entire \$13.3M Lifo layer has been consumed as detailed by the variance in Material & Supply.
- E) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- F) Variance due to an increase in the number of exchange obligations vs. the 2&10.
- G) Variance due to changes neceasary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to a \$5.5M increase to A/P Factoring related to budget payment plans.
- Variance due to adjustments to Tax and Bonus Depreciation expense based on new Capital estimates.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2011 9&3	Mo Actual	YTD Actual	2011 9&3	2012 9&3
New Business	0.1	1.2	2.2	1.7
Betterment	0.0	(0.0)	0.1	1.0
Replacement	1.1	8.4	13.1	10.4
Support Services	0.1	0.6	1.3	1.0
Gross Capital	1.3	10.1	16.7	14.1
Contributions & Reimbursements	(0.0)	(0.2)	(1.3)	(0.6)
Total NGD	1.3	9.9	15.4	13.5
Infrastructure/AMR	0.8	6.5	9.9	8.1

2011 2&10	Mo Budget	YTD	2011 2&10	2012 2&10
New Business	0.1	1.1	1.6	1.7
Betterment	0.0	0.2	0.3	0.2
Replacement	0.8	8.6	11.4	11.6
Support Services	0.1	0.4	1.1	1.1
Gross Capital	1.1	10.3	14.3	14.6
Contributions & Reimbursements	(0.2)	(0.6)	(0.8)	(0.7)
Total NGD	1.0	9.7	13.5	14.0
Infrastructure/AMR	0.7	6.3	8.4	8.1

Vai	iance	Mo Var	YTD Var	Yr Var	Υr Var
	New Business	0.0	0.0	0.6	(0.0)
	Betterment	(0.0)	(0.2)	(0.2)	0.8
A)	Replacement	0.3	(0.2)	1.8	(1.2)
	Support Services	(0.1)	0.2	0.2	(0.1)
	Gross Capital	0.2	(0.3)	2.4	(0.5)
	Contributions & Reimbursements	0.1	0.4	(0.5)	0.0
	Total NGD	0.3	0.1	1.9	(0.5)
	Infrastructure/AMR	0.2	0.2	1.5	-

A) Variance represents adjustments related to Capital spend - specifically AMR.

Replacement plan increase due to additional allocation of \$10M to NGD or which CKY's portion was \$1.5

Columbia Gas of Kentucky Plan vs. Plan - October 2011 (\$ millions)

2011 10&2	Mo Actual	YTD Actual	2011 10&2	2012 10&2
Net Revenues	3.9	47.4	60.8	59.9
O&M Expense	2.5	24.2	29.4	31.0
Depreciation	0.5	5.1	6.2	6.7
Other Taxes	0.2	2,4	2.9	3.0
*Operating Earnings	0.7	15.6	22.3	19.2
Other Income	0.1	0.7	0.8	1.4
Interest Expense	0.4	4.0	4.8	4.8
*Net Operating Income	0.3	12.4	18.3	15.8

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Net Revenues	4.0	47.9	61.0	59.8
O&M Expense	2.7	26.1	31.5	32.0
Depreciation	0.5	5.2	6.3	6.6
Other Taxes	0.2	2.3	2.8	3.0
*Operating Earnings	0.6	14.2	20.3	18.2
Other Income	(0.0)	0.5	0.5	0.2
Interest Expense	0.4	4.0	4.8	4.8
*Net Operating Income	0.1	10.7	16.0	13.6

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	(0.1)	(0.6)	(0.2)	0.1
O&M Expense	(0.1)	(2.0)	(2.1)	(1.0)
Depreciation	(0.0)	(0.1)	(0.1)	0.1
Other Taxes	(0.0)	0.1	0.1	(0.0)
*Operating Earnings	0.1	1.5	1.9	1.0
Other Income	0.1	0.2	0.3	1.1
Interest Expense	(0.0)	0.0	(0.0)	(0.0)
*Net Operating income	0.2	1.7	2.3	2.2

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

2011 10&2	Mo Actual	YTD Actual	2011 10&2	2012 10&2
Base Margin (less LCR)	3.5	39.9	51.6	51.1
LCR	0.4	4.1	5.1	4.9
LCR (Prior Dec. True-Up)	-	0.1	0.1	_
ESS	0.2	1.7	2.1	2.4
Regulatory Outcome	-	-	-	-
Other OGDR	0.0	1.2	1.4	1.0
CKY Purchase Receivable	0.0	0.4	0.6	0.6
Trackers	0.1	1,6	1.9	1.2
Total Revenue	4.0	49.0	62.7	61.1
Total Revenue w/o Trackers	3.9	47.4	60.8	59.9

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Base Margin (less LCR)	3.2	39.2	50.0	49.5
LCR	0.4	4.0	5.0	4.8
LCR (Prior Dec. True-Up)	-	0.1	0.1	•
ESS	0.3	2.2	2.8	2.8
Regulatory Outcome	-	-	_	•
Other OGDR	0.1	1.2	1.4	1.1
CKY Purchase Receivable	0.0	0.4	0.5	0.5
Trackers	0.1	0.9	1.2	1.1
Total Revenue	4.0	47.9	61.0	59.8
Total Revenue w/o Trackers	3.9	47.0	59.7	58.7

Var	iance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Base Margin (less LCR)	0.3	0.7	1.6	1.6
	LCR	0.0	0.1	0.1	0.1
	LCR (Prior Dec. True-Up)	-	-	-	-
B)	ESS	(0.1)	(0.5)	(0.7)	(0.4)
	Regulatory Outcome	- -	-	-	=
	Other OGDR	(0.0)	0.0	0.0	(0.1)
	CKY Purchase Receivable	0.0	0.0	0.0	0.0
C)	Trackers	0.1	0.7	0.7	0.1
	Total Variance	0.0	1.1	1.7	1.2
	Total Variance w/o Trackers	(0.0)	0.3	1.0	1.2

Variance Explanations:

- A) Variance primarily due to changes in Customer Base and Usage; 2011 Customer Base increased \$357K, with Usage up \$304K. 2012 Customer Base and Usage increases are \$465K & \$688K respectively.
- B) Variance represents downward revision to Off-System sales assumptions due to lack of price volatility.
- C) Variance due to additional DSM revenue of approximately \$456K; offset in O&M tracker.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2011 10&2	Mo Actual	YTD Actual	2011 10&2	2012 1082
Penalty Charges	(0.0)	0.5	0.5	0.9
Return Check	0.0	0.1	0.1	0.0
Other Fees	0.0	0.5	0.6	0.1
Pub Util-Flex	0.0	0.1	0.1	-
Company Use	0.0	0.1	0.1	0.0
Balancing Services	-	-	_	-
Other Misc Income	-	-	0.0	•
Misc Merchant Revenue	(0.0)	(0.1)	(0.1)	-
Other	· ·	, , , , , , , , , , , , , , , , , , ,	-	•
Total OGDR	0.0	1.2	1.4	1.0

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Penalty Charges	0.0	0.4	0.4	_
Return Check	0.0	0.4	0.4	•
Other Fees	0.0	0.3	0.4	0.9
Pub Util-Flex	0.0	0.1	0.1	0.0
Company Use	0.0	0.1	0.1	0.1
Balancing Services	-	_	-	_
Other Misc Income	0.0	0.0	0.0	0.0
Misc Merchant Revenue	-	-	-	=
Other	-	0.0	0.0	_
Total OGDR	0.1	1.2	1.3	1.1

Vari	ance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Penalty Charges	(0.0)	0.1	0.1	0.9
	Return Check	(0.0)	(0.2)	(0.2)	0.0
A)	Other Fees	(0.0)	0.2	0.2	(8.0)
•	Pub Util-Flex	0.0	0.1	0.1	(0.0)
	Company Use	(0.0)	(0.0)	(0.0)	(0.1)
	Balancing Services	-	<u>-</u>	-	-
	Other Misc Income	(0.0)	(0.0)	(0.0)	(0.0)
	Misc Merchant Revenue	(0.0)	(0.1)	(0.1)	-
	Other	-	(0.0)	(0.0)	-
	Total OGDR	(0.0)	0.0	0.0	(0.1)

Variance Explanations:

A) 2012 variance due to classification changes between plan versions

Columbia Gas of Kentucky 2011 Customer & Usage Information - 2&10 vs. 10&2

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residential	0.0	0.1
Commercial	0.0	0.2
Total	0.0	0.3

Usage Change	Month	YTD
Residential	(0.0)	0.5
Commercial	(0.0)	0.1
Industrial (Non-LCR)	0.0	0.5
Total	(0.0)	1.1

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	3.3	52.7
Comm	31.0	404.5
Ind	6,983.1	71,145.2

Budget	Month	YTD
Residential	3.4	50.4
Commercial	32.8	399.2
Industrial	7,284.1	72,159.9

Variance	Month	Mo. %	YTD	YTD %
Residential	(0.1)	(0.0)	2.2	4.5%
Commercial	(1.8)	(0.1)	5.3	1.3%
Industrial	(300.9)	(0.0)	(1,014.8)	-1.4%

Customer Count

Month	YTD Avg
118,575	120,072
13,793	13,997
178	180
132,546	134,248
	118,575 13,793 178

Budget	Month	YTD Avg
Residential	118,052	119,650
Commercial	13,636	13,887
Industrial	176	177
Total	131,864	133,713

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	523	0.0	422	0.4%
Commercial	157	0.0	110	0.8%
Industrial	2	0.0	3	1.5%

O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2011 10&2	Mo Actual	YTD Actual	2011 10&2	2012 10&2
Labor	0.6	5.6	6.7	7.1
Benefits	0.2	1.6	2.0	2.0
Materials & Supplies	0.1	1.2	1.4	1.5
Outside Services	0.3	3.6	4.3	4.1
Management Fee	1.0	9.6	11.7	11.6
Uncollectibles	0.1	-0.6	-0.6	0.5
Other *	0.3	3.3	4.0	4.0
Trackers	0.1	1.7	2.1	1.2
Total O&M	2.6	25.9	31.5	32.2
Total O&M w/o Trackers	2.5	24.2	29.4	31.0

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Labor	0.6	6.0	7.1	7.4
Benefits	0.2	1.8	2.2	2.2
Materials & Supplies	0.1	1.2	1.4	1.5
Outside Services	0.4	3.3	3.9	3.9
Management Fee	0.9	9.1	11.0	11.3
Uncollectibles	0.0	0.5	0.6	0.6
Other *	0.3	3.3	3.9	4.0
Trackers	0.1	1.0	1.4	1.2
Total O&M	2.7	26.1	31.5	32.0
Total O&M w/o Trackers	2.6	25.1	30.1	30.9

	Variance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Labor	(0.1)	(0.4)	(0.4)	(0.2)
B)	Benefits	(0.0)	(0.2)	(0.2)	(0.1)
	Materials & Supplies	(0.0)	(0.0)	0.0	(0.0)
C)	Outside Services	(0.1)	0.2	0.3	0.2
D)	Management Fee	0.0	0.5	0.7	0.3
E)	Uncollectibles	0.1	(1.1)	(1.2)	(0.1)
	Other *	0.0	(0.0)	0.0	0.1
F)	Trackers	0.1	0.7	0.7	0.0
	Total Change	0.0	-0.2	0.0	0.1
	Total Change w/o Trackers	-0.1	-1.0	-0.7	0.1

- A) YTD and 2011 Yr Var Primarily underruns in leak repair and meter services partially offset by plant and service training. 2012 - Primarily transfer of Training from Dist. Ops to CO12.
- B) YTD and 2011 Yr Var Primarily active medical, group life and OPEB medical.
- C) YTD Var Primarily Polypipe identification costs and plant leak inspections partially offset by leak repairs. 2011 Yr Var - Primarily Polypipe identification costs, facility protection and leak repair.
- D) YTD Var Primarily administrative services (IT overruns partially offset by Facilities and Real Estate), EDE Finance and Accounting and NGD (Sales and Marketing partially offset by IBM Call Center).
 - 2011 Yr Var Primarily administrative services (IT overruns), EDE Finance and Accounting; NGD-Multiple reorganizations including transfers from opcos to CO12, additional staffing for increased safety, training and compliance services.
 - 2012 Yr Var Primarily Legal and NGD-Multiple reorganizations including transfers from opcos to CO12 and additional staffing for increased safety, training and compliance services partially offset by Administrative Services Facilities and Real Estate.
- E) YTD & 2011 Yr Var Primarily change in accounting method for uncollectibles reserve estimate (reclassed from tracker to non-tracked uncollectible expenses).
- F) Offset in revenue.

Columbia Gas of Kentucky
O&M - Other Cost Element View - Plan-vs.-Plan
(\$ millions)

11 10&2	Mo Actual	YTD Actual	2011 10&2	2012 10&2
Other				-
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.2	0.2	0.3
Corporate Insurance	0.1	0.7	8.0	0.9
Employee Expenses	0.0	0.2	0.3	0.3
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.2	0.3	0.3
Misc Revenues	(0.0)	(0.2)	(0.2)	(0.1)
Misc & Other Expenses	0.0	0.4	0.4	0.3
Amortizations *	0.0	0.4	0.5	0.5
Deferred Credits	(0.0)	(0.2)	(0.2)	(0.1)
I&D Accrual	0.0	0.1	0.1	0.2
Well/Lease Rent/Royalty	-	-	•	
Advertising	0.0	0.2	0.2	0.1
Auto/Trucks Cleared	0.1	1.1	1.3	1.1
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Below the Line O&M	•	-	•	
	0.3	3.3	4.0	4.0

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Other				
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.2	0.2	0.2
Corporate Insurance	0.1	0.8	0.9	0.9
Employee Expenses	0.0	0.2	0.3	0.3
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.2	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.3	0.3	0.3
Amortizations *	0.0	0.4	0.5	0.5
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.1)
I&D Accrual	0.0	0.1	0.1	0.2
Well/Lease Rent/Royalty	-	-	_	-
Advertising	0.0	0.0	0.0	0.0
Auto/Trucks Cleared	0.1	1.0	1.2	1.2
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M	<u> </u>	-	-	-
	0.3	3.3	3.9	4.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Other				
Buildings and Land	(0.0)	(0.0)	(0.0)	0.0
Rents/Leases	(0.0)	(0.0)	0.0	0.1
Corporate Insurance	(0.0)	(0.1)	(0.1)	(0.1)
Employee Expenses	(0.0)	(0.0)	0.0	0.0
Company Memberships	0.0	(0.0)	(0.0)	0.0
Utilities	(0.0)	(0.0)	(0.0)	0.0
Misc Revenues	(0.0)	(0.1)	(0.1)	-
Misc & Other Expenses	0.0	0.1	0.1	(0.0)
Amortizations *	-	-	-	-
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.1)
I&D Accrual	0.0	(0.0)	(0.0)	-
Well/Lease Rent/Royalty	-			
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.0	0.1	0.1	(0.0)
O&M Reclass - Regulatory to GAAP	=	0.0	0.0	0.0
Below the Line O&M	-			
	0.0	(0.0)	0.0	0.1

^{*}Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2011 10&2	Mo Actual	YTD Actual	2011 10&2	2012 10&2
Distribution Ops	0.8	9.2	10.9	11.3
Meter To Cash	0.0	0.5	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.3	0.3	0.3
Presidents	0.1	1.2	1.6	1.6
Other Dept	_	-	-	-
Management Fee	1.0	9.6	11.7	11.6
Benefits	0.2	1.6	2.0	2.0
Uncollectibles	0.1	(0.6)	(0.6)	0.5
Other Corporate *	0.3	2.5	2.9	2.9
Trackers	0.1	1.7	2.1	1.2
Total O&M	2.6	25.9	31.5	32.2
Total O&M w/o Trackers	2.5	24.2	29.4	31.0

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Distribution Ops	1,0	9.4	11.1	11.3
Meter To Cash	0.0	0.5	0.6	0.7
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.3	0.4	0.4
Presidents	0.1	1.3	1,5	1.5
Other Dept	_	-	-	-
Management Fee	0.9	9.1	11.0	11.3
Benefits	0.2	1.8	2.2	2.2
Uncollectibles	0.0	0.5	0.6	0.6
Other Corporate *	0.2	2.4	2.8	2.9
Trackers	0.1	1.0	1.4	1.2
Total O&M	2.7	26.1	31.5	32.0
Total O&M w/o Trackers	2.6	25.1	30.1	30.9

Vari	ance	Mo Var	YTD Var	Yr Var	Yr Var
	Distribution Ops	(0.2)	(0.2)	(0.1)	0.0
	Meter To Cash	(0.0)	(0.0)	(0.0)	(0.0)
	Customer Call Center	0.0	0.0	0.0	0.0
	Integration Center	(0.0)	(0.0)	(0.0)	(0.1)
	Presidents	0.0	(0.0)	0.1	0.1
	Other Dept	-	-	-	-
A)	Management Fee	0.0	0.5	0.7	0.3
B)	Benefits	(0.0)	(0.2)	(0.2)	(0.1)
C)	Uncollectibles	0.1	(1.1)	(1.2)	(0.1)
,	Other Corporate *	0.0	0.1	0.1	0.0
D)	Trackers	0.1	0.7	0.7	0.0
	Total Change	(0.0)	(0.2)	(0.0)	0.1
	Total Change w/o Trackers	(0.1)	(1.0)	(0.7)	0.1

- A) YTD Var Primarily administrative services (IT overruns partially offset by Facilities and Real Estate), EDE Finance and Accounting and NGD (Sales and Marketing partially offset by IBM Call Center).
 2011 Yr Var Primarily administrative services (IT overruns), EDE Finance and Accounting; NGD-Multiple reorganizations including transfers from opcos to CO12, additional staffing for increased safety, training and compliance services.
 - 2012 Yr Var Primarily Legal and NGD-Multiple reorganizations including transfers from opcos to CO12 and additional staffing for increased safety, training and compliance services partially offset by Administrative Services Facilities and Real Estate.
- B) YTD and 2011 Yr Var Primarily active medical, group life and OPEB medical.
- C) YTD & 2011 Yr Var Primarily change in accounting method for uncollectibles reserve estimate (reclassed from tracker to non-tracked uncollectible expenses).
- D) Offset in revenue.
 - * See O&M Other Corp Tab

Columbia Gas of Kentucky O&M - Other Corporate View - Plan-vs.-Plan (\$ millions)

011 1082	Mo Actual	YTD Actual	2011 10&2	2012 1082
Other Corporate				
Net Labor	0.0	0.4	0.5	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.1	0.1
Consulting Fees	•	•	-	-
Legal Fees	-	-	-	-
Outside Services	0.0	0.2	0.2	0.2
Buildings and Land	•	-	-	-
Rents/Leases	0.0	0.1	0.2	0.3
Corporate Insurance	0.1	0.7	0.8	0.9
Employee Expenses	-	-	-	-
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.0	0.0	0.0
Misc Revenues	-	-	-	-
Misc & Other Expenses	0.0	0.4	0.4	0.2
Amertizations *	0.0	0.4	0.5	0.5
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.1)
I&D Accrual	0.0	0.1	0.1	0.2
Well/Lease Rent/Royalty	•	-	-	_
Advertising	-	-	-	-
Auto/Truck Cleared	-	=	•	
O&M Rectass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Stores Clearing	-	-	-	-
Below the line O&M	-	-		
Total Other Corporate	0.3	2.5	2.9	2.9

2011 2810	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Other Corporate				
Net Labor	0.0	0.4	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.1	0.1
Consulting Fees		-	-	-
Legal Fees	-	-	-	-
Outside Services	0.0	0.1	0.2	0.2
Buildings and Land	•	•	-	-
Rents/Leases	0.0	0.1	0.1	0.1
Corporate Insurance	0.1	0.8	0.9	0.9
Employee Expenses	-	-	-	-
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.0	0.0	0.0
Misc Revenues	-		•	
Misc & Other Expenses	0.0	0.2	0.3	0.2
Amortizations *	0.0	0.4	0.5	0.5
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.1)
I&D Accrual	0.0	0.1	0.1	0.2
Well/Lease Rent/Royalty	-	-	-	-
Advertising	-	-	-	-
Auto/Truck Cleared	-	-	•	•
O&M Reciass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Stores Clearing	-	-	-	-
Below the line O&M		-		
Total Other Corporate	0.2	2.4	2.8	2.9

riance	Mo Var	YTD Var	Yr Var	Yr Var
Other				
Net Labor	0.0	0.0	0.0	(0.
Materials/Supplies	(0.0)	0.0	0.0	-
Audit Fees	-	0.0	0.0	(0
Consulting Fees	-	•	-	•
Legal Fees	•	•	-	-
Outside Services	0.0	0.0	0.0	(0
Buildings and Land	-	-	•	•
Rents/Leases	0.0	0.0	0.0	- (
Corporate Insurance	(0.0)	(0.1)	(0.1)	(0
Employee Expenses	-	•	•	
Company Memberships	0.0	(0.0)	(0.0)	-
Utilities	(0.0)	0.0	0.0	(
Misc Revenues	-	•	•	
Misc & Other Expenses	(0.0)	0.1	0.1	-
Amortizations *	-	-	-	-
Deferred Credits	(0.0)	(0.0)	(0.0)	
I&D Accrual	0.0	(0.0)	(0.0)	-
Well/Lease Rent/Royalty	-	-	-	-
Advertising	-	-	•	
Auto/Truck Cleared	•	•	-	-
O&M Reclass - Regulatory to GAAP	-	0.0	0.0	0
Stores Clearing	-	-	•	
Below the line O&M			-	-
Total Other Corporate	0.0	0.1	0.1	C

^{*}Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2011 1082	Mo Actual	YTD Actual	2011 10&2	2012 10&2
Depreciation	0.5	5.1	6.2	6.7
Other Taxes				
Gross Receipts	•	•	-	-
Property Tax	0.2	1.9	2.3	2.4
Payroll	0.0	0.4	0.5	0.6
Distribution	•	-	•	-
Other	•	0.0	0.0	-
Total Other Taxes	0.2	2.3	2.7	3.0
Total Other Taxes w/o Trackers	0.2	2.4	2.9	3.0

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 28.10
Depreciation	0.5	5.2	6.3	6.6
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	1.9	2.2	2.4
Payroll	0.0	0.5	0.5	0.6
Distribution	•	•		-
Other	-	0.0	0.0	-
Total Other Taxes	0.2	2.3	2.8	3.0
Total Other Taxes w/o Trackers	0.2	2.5	2.9	3.1

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	(0.0)	(0.1)	(0.1)	0.1
Other Taxes				
Gross Receipts	-	-	-	
Property Tax	0.0	0.0	0.0	(0.0)
Payroll	(0.0)	(0.1)	(0.1)	• •
Distribution	-	- 1		
Other	-	0.0	0.0	-
Total Other Taxes Change	0.0	(0.1)	(0.1)	(0.0)
Total Change w/o Trackers	(0.0)	(0.0)	(0.1)	(0.0)

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2011 10&2	Mo Actual	YTD Actual	2011 10&2	2012 10&2
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Sales Rec Exp	- '-	-	· <u>-</u>	-
Temp Cash Inv Int Inc	0.1	0.7	0.9	1.4
Hedging Interest Income	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Total Other Income	0.1	0.7	0.8	1.4
LTD Int Exp	0.4	3.9	4.6	4.7
STD Int Exp	-	-	-	-
Cust Dep	0.0	0.1	0.2	0.2
AFUDC	(0.0)	(0.0)	(0.0)	(0.0)
Amort, Of Disc./Fees	· , ,	` <u></u>	<u>`-</u>	-
Hedging Interest Expense	-	-	•	=
Other	-	-	-	-
Interest Expense	0.4	4.0	4.8	4.8

1 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1
Sales Rec Exp	•	· ·	· •	•
Temp Cash Inv Int Inc	-	0.5	0.5	0.4
Hedging Interest Income	0.0	0.1	0.1	0.0
Other	•	-	-	÷
Total Other Income	(0.0)	0.5	0.5	0.2
LTD Int Exp	0.4	3.9	4.6	4.6
STD Int Exp	0.0	0.0	0.1	0.1
Cust Dep	0.0	0.1	0.2	0.2
AFUDC	(0.0)	(0.0)	(0.0)	(0,1
Amort. Of Disc./Fees		<u>.</u> .	<u>-</u> .	`-
Hedging Interest Expense	-	-	•	-
Other	-	-	-	-
Interest Expense	0.4	4.0	4.8	4.8

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Charitable Contributions	0.0	0.0	(0.0)	-
Sales Rec Exp	-	-	-	-
A) Temp Cash inv Int Inc	0.1	0.2	0.4	1.1
Hedging Interest Income	(0.0)	(0.0)	(0.0)	0.0
Other	0.0	0.0	0.0	0.0
Total Other Income	0.1	0.2	0.3	1.1
LTD Int Exp	0.0	0.0	0.0	0.0
STD int Exp	(0.0)	(0.0)	(0.1)	(0.1)
Cust Dep	•	(0.0)	(0.0)	(0.0)
AFUDC	0.0	0.0	0.0	0.0
Amort, Of Disc./Fees	=	-	=	-
Hedging Interest Expense	*	-	-	•
Other	-		•	
Interest Expense	(0.0)	0.0	(0.0)	(0.0)

Explanations:

A) Variance represents interest earned on operating cash sent to Corp. Money Pool.

10&2	Mo	2011	2012
Assets .			
Net Plant	201.6	203.5	211.
Investments and other assets	0.4	0.4	0.
Cash & Temporary Cash Investments	0.6	-	-
Restricted Cash	2.9	2.9	1.
Customer Accounts Receivables	9.5	16.2	17
Unbilled Revenue	1.1	1.1	1
Other Receivables	41.5	36.0	36
Gas Inventory	55.7	44.5	44
Unrecovered Purchase Costs	-	-	-
Material & Supplies	0.1	0.0	0
Exchange Gas Receivables & Reserve	0.1	0.1	0
Current Regulatory Assets	2.7	2.6	2
Prepayments and Other Assets	1.0	2.8	3
Total Current Assets	115.1	106.3	106
NC Regulatory Assets	14.8	14.7	13
Intangible Assets	-	-	-
Postretirement and Postemployment - Assets	0.3	0.3	0
Deferred Charges	1.6	1.7	1
Other receivables - affiliated	<u>-</u>		-
Total Other Assets	16.7	16.7	15
Total Assets	333.9	326.9	334
<u>Capitalization & Liabilities</u> Common Stock Equity Long Term Debt Total Capitalization	90.0 82.1 172.0	90.5 82.1 172.5	94 56 150
Obligations due in one year	-	_	28
Accounts Payable	10.0	12.2	12
Customer Deposits & A/R Credit Balances	19.4	12.8	12
Taxes Accrued	4.8	4.4	5
Interest Accrued	0.1	0.1	ŏ
Over recovered Gas & Fuel Costs	10.6	8.4	24
Current Price Risk Mgmt Liab	1.6	1.6	1
Exchange Gas Payable	25.5	22.9	4
Current Deferred Income Taxes	(3.5)	(3.3)	(3
Current Regulatory Liabilities	2.1	2.1	`1
Current Postretirement Benefits	0.1	0.1	Ö
Other Accruals	2.5	2.6	2
Total Current Liabilities	73.1	63.8	91
Price Risk Management liab - NC	0.8	0.8	c
NC Deferred Income Tax Liab	40.3	42.1	45
NC Deferred Investment Tax Credit	0.5	0.5	0
Customer Advances	1.3	1.3	1
Non-Current Postretirement Benefits	11.2	11.2	9
NC Reg Liabilities	26.5	26.6	27
Other Non-Current Liabilities	8.1	8.1	8
Other NC Liab & Deferred Credits	88.8	90.6	92

1 2&10	Мо	2011	2012
Assets			
Net Plant	200.3	201.6	209.8
Investments and other assets	0.4	0.4	0.4
Cash & Temporary Cash Investments	•	-	_
Restricted Cash	2.7	2.0	_
Customer Accounts Receivables	16.7	33.6	29.1
Unbilled Revenue	1,5	1.5	1.5
Other Receivables	0.4	0.3	0.3
Gas Inventory	42.3	30.5	30.0
Unrecovered Purchase Costs	14.6	8.6	8.8
Material & Supplies	13.3	13.3	13.3
Exchange Gas Receivables & Reserve	0.3	0.3	0.3
Current Regulatory Assets	2.1	2.0	1.7
	1.0	2.8	
Prepayments and Other Assets Total Current Assets	95.0	95.0	3.0 88.1
Total Current Assets	35.0	95.0	00.1
NC Regulatory Assets	14.0	13.8	13.0
Intangible Assets	•	-	
Postretirement and Postemployment - Assets	0.3	0.3	0.3
Deferred Charges	1.9	1.9	1.9
Other receivables - affiliated	<u> </u>	-	-
Total Other Assets	16.2	16.1	15.3
Total Assets	311.9	313.1	313.5
Capitalization & Liabilities Common Stock Equity Long Term Debt	89.8 82.1	91.4 82.1	91.7 67.3
Total Capitalization	171.8	173.5	159.1
Total Sapitalization	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	110.0	100.1
Obligations due in one year	7.1	7.5	24.2
Accounts Payable	13.8	12.2	10.3
Customer Deposits & A/R Credit Balances	15.1	13.0	13.0
Taxes Accrued	3.2	4.4	5.2
Interest Accrued	0.0	0.0	0.0
Over recovered Gas & Fuel Costs	-	_	-
Current Price Risk Mgmt Liab	1.0	1.0	1.0
Exchange Gas Payable	4.4	4.4	1.8
Current Deferred Income Taxes	(1.1)	(0.6)	(0.5
Current Regulatory Liabilities	3.4	3.4	3.2
Current Postretirement Benefits	(0.1)	(0.1)	(0.1
Other Accruals	4.3	4.3	4.3
Total Current Liabilities	51.0	49.6	62.4
Price Risk Management liab - NC	0.4	0.4	0.4
NC Deferred Income Tax Liab	40.8	41.8	45.0
NC Deferred Investment Tax Credit	0.5	0.5	0.4
Customer Advances	1.6	1.6	1.6
Non-Current Postretirement Benefits	11.1	11.1	9.1
NC Reg Liabilities Other Non Gurrant Liabilities	26.4	26.5	27.0
Other Non-Current Liabilities Other NC Liab & Deferred Credits	8.1 89.0	8.1 90.0	8.4 92.0
Total Capitalization & Liabilities	311.9	313.1	313.5

Assets Net Plant Investments and other assets Cash & Temporary Cash Investments A) Restricted Cash	1.4 0.0	1.9	4.5
Investments and other assets Cash & Temporary Cash Investments		1.9	4.5
Cash & Temporary Cash Investments	0.0		1.3
		0.0	0.0
Restricted Cash	0.6	-	-
,	0.2	1.0	1.7
B) Customer Accounts Receivables	(7.1)	(17.4)	(11.6)
Unbilled Revenue	(0.4)	(0.4)	(0.4)
C) Other Receivables	41.1	35.7	36.0
D) Gas Inventory	13.3	14.0	14.5
E) Unrecovered Purchase Costs	(14.6)	(8.6)	(8.8)
D) Material & Supplies	(13.3)	(13.3)	(13.3)
F) Exchange Gas Receivables & Reserve	(0.2)	(0.2)	(0.2)
Current Regulatory Assets	0.6	0.6	0.8
Prepayments and Other Assets	0.0	0.0	(0.0)
Total Current Assets	20.2	11.3	18.7
NC Regulatory Assets	0.8	0.8	0.7
Intangible Assets	-	-	<u> -</u>
Postretirement and Postemployment - Assets	-	-	-
Deferred Charges	(0.4)	(0.2)	(0.2)
Other receivables - affiliated	-	-	-
Total Other Assets	0.5	0.6	0.5
Total Assets	22.0	13.9	20.5
Capitalization & Liabilities			
Common Stock Equity	0.2	(0.9)	2.4
G) Long Term Debt	-	-	(11.0)
Total Capitalization	0.2	(0.9)	(8.6)
G) Obligations due in one year	(7.1)	(7.5)	4.5
B) Accounts Payable	(3.8)	(0.1)	2.1
H) Customer Deposits & A/R Credit Balances	4.2	(0.2)	(0.2)
Taxes Accrued	1.6	`0.0	(0.0)
Interest Accrued	0.0	0.0	0.0
E) Over recovered Gas & Fuel Costs	10.6	8.4	24.7
Current Price Risk Mgmt Liab	0.6	0.6	0.6
F) Exchange Gas Payable	21.1	18.5	2.5
Current Deferred Income Taxes	(2.4)	(2.7)	(2.9)
Current Regulatory Liabilities	(1.3)	(1.4)	(1.4)
Current Postretirement Benefits	0.3	0.3	0.3
Other Accruals	(1.8)	(1.6)	(1.6)
Total Current Liabilities	22.1	14.2	28.6
Price Risk Management liab - NC	0.4	0.4	0.4
NC Deferred Income Tax Liab	(0.4)	0.3	0.3
NC Deferred Investment Tax Credit	0.0	0.0	0.0
Customer Advances	(0.3)	(0.3)	(0.3)
Non-Current Postretirement Benefits	`0.0	0.1	0.1
NC Reg Liabilities	0.1	0.1	0.1
Other Non-Current Liabilities	0.0	0.0	0.0
Other NC Liab & Deferred Credits	(0.2)	0.5	0.5
Total Capitalization & Liabilities	22.0	13.9	20.5

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

Variance Explanations:

- A) Variance due to changes to the required reserves related to the Hedging Programs.
- B) 2011 variance due to unrealized Off-System Sales activity (\$6.1M), decrease in Tariff receivables of (\$5.8M), and decreases to Choice, Transportation and Unbilled receivables of (\$1.3M), (\$0.5M) & (\$3.7M). 2012 variance driven by decreases of (\$6.1M) to Off-System Sales activity, (\$3.8M) to Tariff receivables, (\$0.7M) to Choice receivables and (\$0.5M) to Transportation receivables. October 2011 A/P variance is due to decreased Gas Cost of (\$3.4M), while the 2012 A/P variance is due to a decrease in Gas Cost of (\$1.7M).
- C) Increase in Money Pool funding.
- D) Oct11 variance due to Rate Differential and Usage variances of \$12.2M and \$1.1M respectively. 2011 annual variance due to Rate Differential and Usage variances of \$13.1M and \$932K respectively. 2012 annual variance is due to Rate Differential and Usage variances of \$13.3M and \$1.2M respectively. In addition to Rate and Usage variances the annual variances include reclassification entries between the Inventory and Material & Supply accounts to accurately state the LIFO inventory balance. As of July11, the entire \$13.3M Life layer had been consumed as detailed by the variance in Material & Supply.
- E) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- F) Variance due to an increase in the number of exchange obligations vs. the 2&10.
- G) Variance due to changes neceassry to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to a \$5.5M increase to A/P Factoring related to budget payment plans.
- 1) Variance due to adjustments to Tax and Bonus Depreciation expense based on new Capital estimates.

Columbia Gas of KentuckyCapital Expenditures - Plan-vs.-Plan (\$ millions)

2011 10&2	Mo Actual	YTD Actual	2011 10&2	2012 10&2
New Business	0.2	1.4	2.2	1.7
Betterment	_	(0.0)	0.1	1.0
Replacement	1.4	9.8	13.1	10.4
Support Services	0.2	0.8	1.3	1.0
Gross Capital	1.8	11.9	16.7	14.1
Contributions & Reimbursements	(0.0)	(0.3)	(1.3)	(0.6)
Total NGD	1.8	11.6	15.4	13.5
Infrastructure/AMR	1.3	7.8	9.9	8.1

2011 2&10	Mo Budget	YTD	2011 2&10	2012 2&10
New Business	0.1	1.3	1.6	1.7
Betterment	0.0	0.2	0.3	0.2
Replacement	0.8	9.4	11.4	11.6
Support Services	0.1	0.5	1.1	1.1
Gross Capital	1.1	11.4	14.3	14.6
Contributions & Reimbursements	(0.1)	(0.7)	(0.8)	(0.7)
Total NGD	1.0	10.7	13.5	14.0
Infrastructure/AMR	0.6	6.9	8.4	8.1

Vai	iance	Mo Var	YTD Var	Yr Var	Yr Var
	New Business	0.1	0.1	0.6	(0.0)
	Betterment	(0.0)	(0.3)	(0.2)	0.8
A)	Replacement	0.6	0.4	1.8	(1.2)
	Support Services	0.1	0.3	0.2	(0.1)
	Gross Capital	0.7	0.5	2.4	(0.5)
	Contributions & Reimbursements	0.0	0.4	(0.5)	0.0
	Total NGD	0.8	0.9	1.9	(0.5)
	infrastructure/AMR	0.7	0.9	1.5	•

A) Variance represents adjustments related to Capital spend - specifically AMR.

Replacement plan increase due to additional allocation of \$10M to NGD or which CKY's portion was \$1.5

2011 11&1	Mo Actual	YTD Actual	2011 11&1	2012 11&1
Net Revenues	5.5	52.6	60.3	59.9
O&M Expense	2.3	26.5	29.2	31.0
Depreciation	0.5	5.6	6.2	6.7
Other Taxes	0.2	2.6	2.9	3.0
*Operating Earnings	2.4	17.8	22.1	19.2
Other Income	0.0	0.7	8.0	0.6
Interest Expense	0.4	4.4	4.8	4.8
*Net Operating Income	2.0	14.1	18.1	15.0

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Net Revenues	5.5	52.9	61.0	59.8
O&M Expense	2.6	28.7	31.5	32.0
Depreciation	0.6	5.8	6.3	6.6
Other Taxes	0.2	2.6	2.8	3.0
*Operating Earnings	2.2	15.8	20.3	18.2
Other Income	(0.0)	0.5	0.5	0.2
Interest Expense	0.4	4.4	4.8	4.8
*Net Operating Income	1.7	11.9	16.0	13.6

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	(0.0)	(0.4)	(0.7)	0.1
O&M Expense	(0.2)	(2.2)	(2.3)	(1.0)
Depreciation	(0.0)	(0.1)	(0.2)	0.1
Other Taxes	0.0	0.1	0.1	0.0
*Operating Earnings	0.3	1.9	1.7	1.0
Other Income	0.0	0.3	0.3	0.4
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)
*Net Operating Income	0.3	2.2	2.1	1.4

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

2011 11&1	Mo Actual	YTD Actual	2011 11&1	2012 11&1
Base Margin (less LCR)	4.8	44.4	51.1	51.1
LCR	0.4	4.5	5.1	4.9
LCR (Prior Dec. True-Up)	-	0.1	0.1	-
ESS	0.1	1.8	2.1	2.4
Regulatory Outcome	-	-	-	-
Other OGDR	0.1	1.3	1.4	1.0
CKY Purchase Receivable	0.1	0.5	0.6	0.6
Trackers	0.2	1.8	2.0	1.2
Total Revenue	5.7	54.3	62.3	61.1
Total Revenue w/o Trackers	5.5	52.6	60.3	59.9

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Base Margin (less LCR)	4.6	43.2	50.0	49.5
LCR	0.4	4.4	5.0	4.8
LCR (Prior Dec. True-Up)	-	0.1	0.1	-
ESS	0.3	2.5	2.8	2.8
Regulatory Outcome	-	-	-	-
Other OGDR	0.1	1.2	1.4	1.1
CKY Purchase Receivable	0.0	0.4	0.5	0.5
Trackers	0.1	1.0	1.2	1.1
Total Revenue	5.513	52.908	60.961	59.8
Total Revenue w/o Trackers	5.400	51.906	59.718	58.7

Var	iance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Base Margin (less LCR)	0.3	1.2	1.1	1.6
•	LCR	(0.0)	0.1	0.1	0.1
	LCR (Prior Dec. True-Up)	-	-	-	-
B)	ESS	(0.2)	(0.7)	(0.7)	(0.4)
	Regulatory Outcome	-	-	-	-
	Other OGDR	0.0	0.0	0.0	(0.1)
	CKY Purchase Receivable	0.0	0.0	0.0	0.0
C)	Trackers	0.0	0.8	0.7	_0.0
	Total Variance	0.2	1.4	1.3	1.2
	Total Variance w/o Trackers	0.1	0.7	0.6	1.2

Variance Explanations:

- A) Variance primarily due to changes in Customer Base and Usage; 2011 Customer Base increased \$358K, with Usage up \$491K. 2012 Customer Base and Usage increases are \$584K & \$1.0M respectively.
- B) Variance represents downward revision to Off-System sales assumptions due to lack of price volatility.
- C) Variance due to additional DSM revenue of approximately \$456K; offset in O&M tracker.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2011 11&1	Mo Actual	YTD Actual	2011 11&1	2012 11&1
Penalty Charges	0.0	0.5	0.6	0.9
Return Check	0.0	0.1	0.1	0.0
Other Fees	0.0	0.5	0.6	0.1
Pub Util-Flex	0.0	0.1	0.1	-
Company Use	0.0	0.1	0.1	0.0
Balancing Services	-	-	-	-
Other Misc Income	-	_	0.0	-
Misc Merchant Revenue	(0.0)	(0.1)	(0.1)	-
Other	-	-	_	-
Total OGDR	0.1	1.3	1.4	1.0

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Penalty Charges	0.0	0.4	0.4	-
Return Check	0.0	0.4	0.4	-
Other Fees	0.0	0.3	0.4	0.9
Pub Util-Flex	0.0	0.1	0.1	0.0
Company Use	0.0	0.1	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	-	0.0	0.0	0.0
Misc Merchant Revenue	<u>.</u>	<u></u>	_	-
Other	-	0.0	0.0	-
Total OGDR	0.1	1.2	1.3	1.1

Variance	Mo Var	YTD Var	Yr Var	Yr Var
A) Penalty Charges	0.0	0.2	0.2	0.9
Return Check	0.0	(0.2)	(0.2)	0.0
A) Other Fees	0.0	0.2	0.2	(8.0)
Pub Util-Flex	0.0	0.1	0.1	(0.0)
Company Use	(0.0)	(0.0)	(0.0)	(0.1)
Balancing Services	- · ·	<u>-</u>	· ·	
Other Misc Income	-	(0.0)	(0.0)	(0.0)
Misc Merchant Revenue	(0.0)	(0.1)	(0.1)	-
Other	-	(0.0)	(0.0)	-
Total OGDR	0.0	0.0	0.0	(0.1)

Variance Explanations:

A) 2012 variance due to classification changes between plan versions

2011 Customer & Usage Information - 2&10 vs. 11&1

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residential	0.0	0.1
Commercial	0.0	0.3
Total	0.0	0.4

Usage Change	Month	YTD
Residential	0.1	0.6
Commercial	0.1	0.2
Industrial (Non-LCR)	0.0	(0.0)
Total	0.2	0.8

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	7.7	60.4
Comm	55.6	460.2
Ind	7,752.8	78,898.0

Budget	Month	YTD
Residential	7.3	57.7
Commercial	51.1	450.3
Industrial	7,755.7	79,915.6

Variance	Month	Mo. %	YTD	YTD %
Residential	0.4	5.7%	2.7	4.6%
Commercial	4.5	8.9%	9.8	2.2%
Industrial	(2.9)	0.0%	(1.017.6)	-1.3%

Customer Count

Actual	Month	YTD Avg
Residential	119,770	120,044
Commercial	13,912	13,989
Industrial	178	179
Total	133,860	134,213

Budget	Month	YTD Avg
Residential	119,437	119,630
Commercial	13,795	13,878
Industrial	176	176
Total	133,408	133,685

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	333.000	0.3%	414.182	0.003462
Commercial	117.000	0.8%	110.636	0.8%
Industrial	2.000	1.1%	3.000	1.7%
Total	452.000	0.3%	527.818	0.4%

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2011 11&1	Mo Actual	YTD Actual	2011 11&1	2012 11&1
Labor	0.6	6.2	6.7	7.1
Benefits	(0.0)	1.6	1.8	2.0
Materials & Supplies	0.1	1.3	1.4	1.5
Outside Services	0.4	3.9	4.2	4.1
Management Fee	1.1	10.6	11.6	11.6
Uncollectibles	(0.1)	(0.7)	-0.6	0.5
Other *	0.3	3.6	4.0	4.1
Trackers	0.2	1.9	2.1	1.2
Total O&M	2.5	28.4	31.3	32.2
Total O&M w/o Trackers	2.3	26.5	29.2	31.0

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Labor	0.6	6.5	7.1	7.4
Benefits	0.2	2.0	2.2	2.2
Materials & Supplies	0.1	1.3	1.4	1.5
Outside Services	0.3	3.6	3.9	3.9
Management Fee	0.9	10.0	11.0	11.3
Uncollectibles	0.1	0.6	0.6	0.6
Other *	0.3	3.6	3.9	4.0
Trackers	0.1	1.1	1.4	1.2
Total O&M	2.6	28.7	31.5	32.0
Total O&M w/o Trackers	2.4	27.6	30.1	30.9

	Variance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Labor	(0.0)	(0.4)	(0.4)	(0.2)
B)	Benefits	(0.2)	(0.4)	(0.4)	(0.1)
	Materials & Supplies	0.0	0.0	0.0	(0.0)
C)	Outside Services	0.0	0.3	0.3	0.2
D)	Management Fee	0.1	0.6	0.7	0.3
E)	Uncollectibles	(0.1)	(1.2)	(1.2)	(0.1)
	Other *	(0.0)	(0.0)	0.0	0.1
F)	Trackers	0.0	8.0	0.7	0.0
	Total Change	(0.1)	(0.3)	(0.2)	0.2
	Total Change w/o Trackers	(0.1)	(1.1)	(1.0)	0.1

- A) YTD and 2011 Yr Var Primarily underruns in leak repair and meter services. 2012 Yr Var Primarily transfer of Training from Dist. Ops to CO12.
- B) Mo Var Primarily SFAS 112 accrual. YTD and 2011 Yr Var Primarily SFAS 112 accrual, active medical and OPEB medical.
- C) YTD Var Primarily facility protection, Polypipe identification costs and plant leak inspections partially offset by leak repairs. 2011 Yr Var Primarily Polypipe identification costs, facility protection and leak repair.
- D) YTD Var Primarily administrative services (IT overruns partially offset by Facilities and Real Estate), EDE Finance and Accounting and NGD (Operations partially offset by IBM Call Center).
 2011 Yr Var Primarily administrative services (IT overruns), EDE Finance and Accounting; NGD-Multiple reorganizations including
 - transfers from opcos to CO12, additional staffing for increased safety, training and compliance services.

 2012 Yr Var Primarily Legal and NGD-Multiple reorganizations including transfers from opcos to CO12 and additional staffing for increased safety, training and compliance services partially offset by Administrative Services Facilities and Real Estate.
- E) YTD & 2011 Yr Var Primarily change in accounting method for uncollectibles reserve estimate (reclassed from tracker to non-tracked uncollectible expenses).
- F) Offset in revenue.

Columbia Gas of Kentucky O&M - Other Cost Element View - Plan-vs.-Plan (\$ millions)

2011 11&1	Mo Actual	YTD Actual	2011 11&1	2012 11&1
Other				
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.2	0.2	0.3
Corporate Insurance	0.1	0.7	8.0	0.9
Employee Expenses	0.0	0.2	0.2	0.3
Company Memberships	-	0.1	0.1	0.1
Utilities	0.0	0.3	0.3	0.3
Misc Revenues	(0.0)	-0.2	(0.2)	(0.1)
Misc & Other Expenses	0.0	0.4	0.4	0.3
Amortizations *	0.0	0.4	0.5	0.5
Deferred Credits	(0.0)	-0.2	(0.2)	(0.1)
I&D Accrual	0.0	0.1	0.1	0.2
Well/Lease Rent/Royalty	-	0.0	-	-
Advertising	0.0	0.2	0.2	0.1
Auto/Trucks Cleared	0.1	1.2	1.3	1.1
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Below the Line O&M	•	- .		
	0.3	3.6	4.0	4.1

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Other				
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.2	0.2	0.2
Corporate Insurance	0.1	0.8	0.9	0.9
Employee Expenses	0.0	0.3	0.3	0.3
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.3	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.3	0.3	0.3
Amortizations *	0.0	0.4	0.5	0.5
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.1)
I&D Accrual	0.0	0.1	0.1	0.2
Well/Lease Rent/Royalty	-	-	_	-
Advertising	0.0	0.0	0.0	0.0
Auto/Trucks Cleared	0.1	1.1	1.2	1.2
O&M Reclass - Regulatory to GAAP	(0.0)	0.1	0.2	0.2
Below the Line O&M		-	-	-
	0.3	3.6	3.9	4.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Other				
Buildings and Land	(0.0)	(0.0)	(0.0)	0.0
Rents/Leases	(0.0)	(0.0)	0.0	0.1
Corporate Insurance	(0.0)	(0.1)	(0.1)	(0.1)
Employee Expenses	(0.0)	(0.0)	(0.0)	0.0
Company Memberships	(0.0)	(0.0)	(0.0)	0.0
Utilities	0.0	(0.0)	(0.0)	0.0
Misc Revenues	(0.0)	(0.1)	(0.1)	-
Misc & Other Expenses	(0.0)	0.1	0.1	(0.0)
Amortizations *	-	-	-	-
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.1)
I&D Accrual	(0.0)	(0.0)	(0.0)	-
Well/Lease Rent/Royalty	-			
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.0	0.1	0.1	(0.0)
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.0	0.1
Below the Line O&M	-	_		
	(0.0)	(0.0)	0.0	0.1

^{*}Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2011 11&1	Mo Actual	YTD Actual	2011 11&1	2012 11&1
Distribution Ops	0.9	10.0	11.0	11.3
Meter To Cash	0.0	0.5	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.3	0.3	0.3
Presidents	0.1	1.4	1.5	1.6
Other Dept	-	-	-	-
Management Fee	1.1	10.6	11.6	11.6
Benefits	(0.0)	1.6	1.8	2.0
Uncollectibles	(0.1)	(0.7)	(0.6)	0.5
Other Corporate *	0.3	2.7	3.0	3.0
Trackers	0.2	1.9	2.1	1.2
Total O&M	2.5	28.4	31.3	32.2
Total O&M w/o Trackers	2.3	26.5	29.2	31.0

2011 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Distribution Ops	0.9	10.2	11.1	11.3
Meter To Cash	0.0	0.6	0.6	0.7
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.3	0.4	0.4
Presidents	0.1	1.4	1.5	1.5
Other Dept	-	-	-	-
Management Fee	0.9	10.0	11.0	11.3
Benefits	0.2	2.0	2.2	2.2
Uncollectibles	0.1	0.6	0.6	0.6
Other Corporate *	0.2	2.6	2.8	2.9
Trackers	0.1	1.1	1.4	1.2
Total O&M	2.6	28.7	31.5	32.0
Total O&M w/o Trackers	2.4	27.6	30.1	30.9

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Distribution Ops	(0.0)	(0.2)	(0.1)	0.0
Meter To Cash	(0.0)	(0.0)	(0.0)	(0.0)
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	(0.0)	(0.0)	(0.0)	(0.1)
Presidents	0.0	(0.0)	(0.0)	0.1
Other Dept	•	-	-	•
A) Management Fee	0.1	0.6	0.7	0.3
B) Benefits	(0.2)	(0.4)	(0.4)	(0.1)
C) Uncollectibles	(0.1)	(1.2)	(1.2)	(0.1)
Other Corporate *	0.1	0.2	0.2	0.1
D) Trackers	0.0	0.8	0.7	0.0
Total Change	(0.1)	(0.3)	(0.2)	0.2
Total Change w/o Trac	kers (0.1)	(1.1)	(1.0)	0.1

- A) YTD Var Primarily administrative services (IT overruns partially offset by Facilities and Real Estate), EDE Finance and Accounting and NGD (Operations partially offset by IBM Call Center).
 - 2011 Yr Var Primarily administrative services (IT overruns), EDE Finance and Accounting; NGD-Multiple reorganizations including transfers from opcos to CO12, additional staffing for increased safety, training and compliance services.
 - 2012 Yr Var Primarily Legal and NGD-Multiple reorganizations including transfers from opcos to CO12 and additional staffing for increased safety, training and compliance services partially offset by Administrative Services Facilities and Real Estate.
- B) Mo Var Primarily SFAS 112 accrual. YTD and 2011 Yr Var Primarily SFAS 112 accrual, active medical and OPEB medical.
- YTD & 2011 Yr Var Primarily change in accounting method for uncollectibles reserve estimate (reclassed from tracker to non-tracked uncollectible expenses).
- D) Offset in revenue.

^{*} See O&M Other Corp Tab

1 11&1	Mo Actual	YTD Actual	2011 11&1	2012 11&1
Other Corporate				
Net Labor	0.1	0.5	0.5	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.1	0.4
Consulting Fees	0.0	0.0	0.0	-
Legal Fees		-	-	•
Outside Services	0.0	0.2	0.2	0.2
Buildings and Land	-	-	-	-
Rents/Leases	0.0	0.1	0.2	0.3
Corporate Insurance	0.1	0.7	8.0	0.9
Employee Expenses	-	-	-	-
Company Memberships	-	0.1	0.1	0.1
Utilities	0.0	0.0	0.0	0.0
Misc Revenues	-	-	-	-
Misc & Other Expenses	0.0	0.4	0.4	0.3
Amortizations *	0.0	0.4	0.5	0.5
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.1
I&D Accrual	0.0	0.1	0.1	0.3
Well/Lease Rent/Royalty		-	-	
Advertising	-	-	-	-
Auto/Truck Cleared	-	-	-	_
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.5
Stores Clearing	-	-	-	-
Below the line O&M	-	-	-	-
Total Other Corporate	0.3	2.7	3.0	3.4

1 2&10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Other Corporate				
Net Labor	0.0	0.4	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.1
Audit Fees	0.0	0.1	0.1	0.
Consulting Fees	-	•	•	-
Legal Fees	-	-	-	-
Outside Services	0.0	0.2	0.2	0.
Buildings and Land	-	-	•	-
Rents/Leases	0.0	0.1	0.1	0.
Corporate insurance	0.1	0.8	0.9	0.
Employee Expenses	-	-	-	-
Company Memberships	-	0.1	0.1	0.
Utilities	0.0	0.0	0.0	0.
Misc Revenues	-		-	-
Misc & Other Expenses	0.0	0.3	0.3	0.
Amortizations *	0.0	0.4	0.5	0.
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.
I&D Accrual	0.0	0.1	0.1	O.
Well/Lease Rent/Royalty	-	•	-	-
Advertising	-	-	-	-
Auto/Truck Cleared	•	•	-	
O&M Reclass - Regulatory to GAAP	(0.0)	0.1	0.2	0.
Stores Clearing	- '-	-	-	-
Below the line O&M		•	•	
Total Other Corporate	0.2	2.6	2.8	2.

ance	Mo Var	YTĐ Var	Yr Var	Yr Var
Other				
Net Labor	0.0	0.1	0.1	0.0)
Materials/Supplies	0.0	0.0	0.0	
Audit Fees	-	0.0	0.0	(0.0)
Consulting Fees	0.0	0.0	0.0	-
Legal Fees	•	-	-	•
Outside Services	(0.0)	0.0	0.0	(0.0)
Buildings and Land	-	-	-	-
Rents/Leases	0.0	0.0	0.0	0.1
Corporate Insurance	(0.0)	(0.1)	(0.1)	(0.1
Employee Expenses	-	-	=	-
Company Memberships		(0.0)	(0.0)	-
Utilities	0.0	0.0	0.0	0.0
Misc Revenues	-	-	-	-
Misc & Other Expenses	(0.0)	0.1	0.1	-
Amortizations *	-	-	•	-
Deferred Credits	0.0	0.0	0.0	
I&D Accrual	(0.0)	(0.0)	(0.0)	-
Weil/Lease Rent/Royalty	-	-	•	-
Advertising	-	-	-	-
Auto/Truck Cleared	•	•	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.0	0.1
Stores Clearing	-	-	-	-
Below the line O&M			-	
Total Other Corporate	0.1	0.2	0.2	0.1

^{*}Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

2011 11&1	Mo Actual	YTD Actual	2011 11&1	2012 11&1
Depreciation	0.5	5.6	6.2	6.7
Other Taxes				
Gross Receipts	-			•
Property Tax	0.2	2.1	2.3	2.4
Payroll	0.0	0.4	0.5	0.6
Distribution	-	•	•	•
Other	0.0	0.0	0.0	-
Total Other Taxes	0.2	2.5	2.7	3.0
Total Other Taxes w/o Trackers	0.2	2.6	2.9	3.0

2011 28.10	Mo Budget	YTD Budget	2011 2&10	2012 2&10
Depreciation	0.55	5.79	6.3	6.6
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.19	2.06	2.2	2.4
Payroll	0.04	0.51	0.5	0.6
Distribution	-	-	•	•
Other	•	0.01	0.0	<u> </u>
Total Other Taxes	0.23	2.58	2.8	3.0
Total Other Taxes w/o Trackers	0.23	2.69	2.9	3.1

iance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	(0.0)	(0.1)	(0.2)	0.1
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	(0.0)	0.0	0.0	(0.0)
Payroll	(0.0)	(0.1)	(0.1)	-
Distribution	-	-	-	-
Other	0.0	0.0	0.0	-
Total Other Taxes Change	-	(0.1)	(0.1)	(0.0
Total Change w/o Trackers	0.0	(0.0)	(0.0)	(0.0

2011 11&1	Mo Actual	YTD Actual	2011 11&1	2012 11&1
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Sales Rec Exp	•		-	
Temp Cash Inv Int Inc	0.1	0.8	0.9	0.7
Hedging Interest Income	0.0	0.0	0.0	0.1
Other	(0.0)	_	_	=
Total Other Income	0.0	0.7	0.8	0.6
LTD Int Exp	0.4	4.3	4.6	4.7
STD Int Exp	-	-	-	-
Cust Dep	0.0	0.1	0.2	0.2
AFUDC	0.0	(0.0)	(0.0)	(0.0)
Amort, Of Disc./Fees	-	`• '	` <u>.</u>	`- '
Hedging Interest Expense	-	-	-	
Other	•	-	_	-
Interest Expense	0.4	4.4	4.8	4.8

2011 2810	Mo Budget	YTD Budget	2011 2810	2012 2&10
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Sales Rec Exp			-	<u>`</u>
Temp Cash Inv Int Inc	•	0.5	0.5	0.4
Hedging Interest Income	0.0	0.1	0.1	0.0
Other	-	-	=	-
Total Other Income	(0.0)	0.5	0.5	0.2
LTD Int Exp	0.4	4.3	4.6	4.6
STD Int Exp	0.0	0.0	0.1	0.1
Cust Dep	0.0	0.1	0.2	0.2
AFUDC	(0.0)	(0.0)	(0.0)	(0.1)
Amort, Of Disc./Fees	<u>`</u>			-
Hedging Interest Expense	•	_	_	-
Other	-	•	-	•
Interest Expense	0.4	4.4	4.8	4.8

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Charitable Contributions	(0.0)	0.0	(0.0)	-
Sales Rec Exp		-	-	-
A) Temp Cash Inv Int Inc	0.1	0.3	0.3	0.3
Hedging Interest Income	(0.0)	(0.0)	(0.0)	0.1
Other	(0.0)	-	•	•
Total Other Income	0.0	0.3	0.3	0.4
LTD Int Exp	0.0	0.0	0.0	0.0
STD Int Exp	(0.0)	(0.0)	(0.1)	(0.1)
Cust Dep	(0.0)	(0.0)	(0.0)	(0.0)
AFUDC	0.0	0.0	0.0	0.0
Amort. Of Disc./Fees	-	•	*	-
Hedging Interest Expense	=	-	=	-
Other		-	-	-
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)

Explanations:

A) Variance represents interest earned on operating cash sent to Corp. Money Pool.

11&1	Мо	2011	2012
<u>Assets</u>			
Net Plant	202.8	203.5	211.
Investments and other assets	0.4	0.4	0.
Cash & Temporary Cash Investments	1.0	-	-
Restricted Cash	1.0	4.3	3
Customer Accounts Receivables	13.4	16.3	18
Unbilled Revenue	1.1	1.1	1
Other Receivables	41.6	30.8	13
Gas Inventory	53.7	44.9	44
Unrecovered Purchase Costs	-	-	-
Material & Supplies	0.1	0.0	0
Exchange Gas Receivables & Reserve	0.1	0.1	0
Current Regulatory Assets	2.9	2.9	2
Prepayments and Other Assets	1.0	2.8	3
Total Current Assets	115.8	103.2	86
NC Regulatory Assets	14.9	14.8	13
Intangible Assets	-		-
Postretirement and Postemployment - Assets	0.3	0.3	0
Deferred Charges	1.6	1.8	1
Other receivables - affiliated Total Other Assets	0.0 16.8	0.0 16.9	0 15
Total Assets	335.8	324.0	314
Total Assets		324.U	V1-
Capitalization & Liabilities			
Common Stock Equity	88.7	88.1	91
Long Term Debt	82.1	82.1	56
Total Capitalization	170.8	170.2	147
Obligations due in one year	-	-	28
Accounts Payable	11.7	12.0	12
Customer Deposits & A/R Credit Balances	20.4	12.8	12
Taxes Accrued	2.8	4.4	5
Interest Accrued	0.0	0.0	0
Over recovered Gas & Fuel Costs	8.3	7.5	6
Current Price Risk Mgmt Liab	0.2	0.2	C
Exchange Gas Payable	26.7	24.0	5
Current Deferred Income Taxes	(3.1)	(3.0)	(3
Current Regulatory Liabilities	2.2	2.2	2
Current Postretirement Benefits	0.1	0.1	0
Other Accruals	6.0	2.6	2
Total Current Liabilities	75.3	62.9	73
Price Risk Management liab - NC	0.4	0.4	C
NC Deferred Income Tax Liab	41.9	43.0	46
NC Deferred Investment Tax Credit	0.5	0.5	0
Customer Advances	1.3	1.3	1
Non-Current Postretirement Benefits	10.9	11.0	9
NC Reg Liabilities	26.5	26.5	27
Other Non-Current Liabilities	8.1	8.1	8
Other NC Liab & Deferred Credits	89.7	90.9	92

2&10	Мо	2011	2012
Assets			
Net Plant	201.0	201.6	209.
Investments and other assets	0.4	0.4	0.
Cash & Temporary Cash Investments	_	_	_
Restricted Cash	2.3	2.0	_
Customer Accounts Receivables	22.3	33.6	29
Unbilled Revenue	1.5	1.5	1
Other Receivables	0.3	0.3	o O
Gas Inventory	37.3	30.5	30
Unrecovered Purchase Costs	14.3	8.6	8
Material & Supplies	13.3	13.3	13
Exchange Gas Receivables & Reserve	0.3	0.3	0
Current Regulatory Assets	2.1	2.0	1
Prepayments and Other Assets	0.8	2.8	3
Total Current Assets	94.6	95.0	88
NC Regulatory Assets	13.9	13.8	13
Intangible Assets	-	13.0	13
Postretirement and Postemployment - Assets	0.3	0.3	C
Deferred Charges	1.9	1.9	1
Other receivables - affiliated	-	1.0	' -
Total Other Assets	16.2	16.1	15
Total Assets	312.1	313.1	313
Iotal Assets		0.00.1	0.0
0 11 11 11 11 11 11 11 11 11 11 11 11 11			
Capitalization & Liabilities	00.0	04.4	91
Common Stock Equity	90.9	91.4	67
Long Term Debt	82.1 172.9	82.1 173.5	159
Total Capitalization	172.9	173.3	108
Obligations due in one year	9.6	7.5	24
Accounts Payable	10.7	12.2	10
Customer Deposits & A/R Credit Balances	16.1	13.0	13
Taxes Accrued	1.3	4.4	5
Interest Accrued	0.0	0.0	C
Over recovered Gas & Fuel Costs	-	-	-
Current Price Risk Mgmt Liab	1.0	1.0	1
Exchange Gas Payable	4.4	4.4	1
Current Deferred Income Taxes	(0.9)	(0.6)	(0
Current Regulatory Liabilities	3.5	3.4	3
Current Postretirement Benefits	(0.1)	(0.1)	(C
Other Accruals	4.3	4.3	4
Total Current Liabilities	49.7	49.6	62
Price Risk Management liab - NC	0.4	0.4	0
NC Deferred Income Tax Liab	41.2	41.8	45
NC Deferred Investment Tax Credit	0.5	0.5	0
Customer Advances	1.6	1.6	1
Non-Current Postretirement Benefits	11.1	11.1	g
NC Reg Liabilities	26.5	26.5	27
Other Non-Current Liabilities	8.1	8.1	8
Other NC Liab & Deferred Credits	89.4	90.0	92
Total Capitalization & Liabilities	312.1	313.1	313

Vai	iance	Mo Var	2011 Var	2012 Var
	Assets			
	Net Plant	1.8	1.8	1.3
	Investments and other assets	0.0	0.0	0.0
	Cash & Temporary Cash Investments	1.0	-	_
A)	Restricted Cash	(1.3)	2.4	3.5
B)	Customer Accounts Receivables	(8.9)	(17.3)	(10.3)
	Unbilled Revenue	(0.5)	(0.5)	(0.5)
C)	Other Receivables	41.3	30.6	12.8
D)	Gas Inventory	16.4	14.4	14.4
E)	Unrecovered Purchase Costs	(14.3)	(8.6)	(8.8)
D)	Material & Supplies	(13.3)	(13.3)	(13.3)
F)	Exchange Gas Receivables & Reserve	(0.2)	(0.2)	(0.2)
	Current Regulatory Assets	0.9	0.9	0.9
	Prepayments and Other Assets	0.2	0.0	(0.0)
	Total Current Assets	21.2	8.2	(1.5)
	NC Regulatory Assets	1.0	1.0	0.8
	Intangible Assets	•	₩	-
	Postretirement and Postemployment - Assets	-	-	-
	Deferred Charges	(0.3)	(0.2)	(0.2)
	Other receivables - affiliated	0.0 0.7	0.0	0.0
	Total Other Assets	U. <i>7</i>	0.8	0.7
	Total Assets	23.7	10.9	0.5
G)	<u>Capitalization & Liabilities</u> Common Stock Equity Long Term Debt	(2.1) - (2.1)	(3.3)	(0.1) (11.0)
	Total Capitalization	(2.1)	(3.3)	(11.1)
G)	Obligations due in one year	(9.6)	(7.5)	4.5
B)	Accounts Payable	1.0	(0.3)	2.0
H)	Customer Deposits & A/R Credit Balances	4.3	(0.2)	(0.2)
	Taxes Accrued	1.5	0.1	(0.0)
	Interest Accrued	(0.0)	(0.0)	(0.0)
E)	Over recovered Gas & Fuel Costs	8.3	7.5	6.9
E۱	Current Price Risk Mgmt Liab	(0.8)	(0.8)	(0.8)
F)	Exchange Gas Payable Current Deferred Income Taxes	22.3	19.6	3.7
l) A	Current Regulatory Liabilities	(2.2) (1.2)	(2.5) (1.2)	(2.6) (1.2)
^	Current Postretirement Benefits	0.3	0.3	0.3
	Other Accruals	1.7	(1.6)	(1.6)
	Total Current Liabilities	25.6	13.4	10.8
	Price Risk Management liab - NC	0.0	0.0	0.0
	NC Deferred Income Tax Liab	0.7	1.3	1.2
	NC Deferred Investment Tax Credit	0.0	0.0	0.0
	Customer Advances	(0.3)	(0.3)	(0.3)
	Non-Current Postretirement Benefits	(0.2)	(0.1)	(0.1)
	NC Reg Liabilities	0.1	0.0	0.0
	Other Non-Current Liabilities	0.0	(0.0)	(0.0)
	Other NC Liab & Deferred Credits	0.3	0.9	0.8
	Total Capitalization & Liabilities	23.7	10.9	0.5
	•			

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

Variance Explanations:

- A) Variance due to changes to the required reserves related to the Hedging Program, and MF Global bankruptcy (\$1.8M).
- B) 2011 variance due to unrealized Off-System Sales activity (\$6.1M), decreases to Tariff receivables of (\$5.8M), Choice receivables (\$1.3M), and Unbilled receivables of (\$3.7M). 2012 variance driven by decreases of (\$6.1M) to Off-System Sales activity, (\$3.8M) to Tariff receivables, (\$0.7M) to Choice receivables and (\$0.5M) to Transportation receivables. November 2011 A/P variance is due to increased Gas Cost of (\$1.3M), while the 2012 A/P variance is due to a increase in Gas Cost of (\$1.94M).
- C) Increase in Money Pool funding.
- D) Nov11 variance due to Rate Differential and Usage variances of \$12.2M and \$4.2M respectively. 2011 annual variance due to Rate Differential and Usage variances of \$13.0M and \$1.5M respectively. 2012 annual variance is due to Rate Differential and Usage variances of \$13.4M and \$1.0M respectively. In addition to Rate and Usage variances the annual variances include reclassification entries between the Inventory and Material & Supply accounts to accurately state the LIFO inventory balance. As of July11, the entire \$13.3M Life layer had been consumed as detailed by the variance in Material & Supply.
- E) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- F) Variance due to an increase in the number of exchange obligations vs. the 2&10.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to a \$4.7M increase to A/P Factoring related to budget payment plans.
- 1) Variance due to adjustments to Tax and Bonus Depreciation expense based on new Capital estimates.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2011 11&1	Mo Actual	YTD Actual	2011 11&1	2012 11&1
New Business	0.29	1.67	2.20	1.70
Betterment	0.02	(0.01)	0.11	1.00
Replacement	1.33	11.09	13.13	10.40
Support Services	0.07	0.83	1.30	1.05
Gross Capital	1.71	13.59	16.74	14.15
Contributions & Reimbursements	(0.04)	(0.30)	(1.32)	(0.65)
Total NGD	1.66	13.29	15.42	13.50
Infrastructure/AMR	1.08	8.88	9.85	8.12

2011 2&10	Mo Budget	YTD	2011 2&10	2012 2&10
New Business	0.14	1.42	1.62	1.70
Betterment	0.02	0.25	0.29	0.20
Replacement	0.88	10.27	11.36	11.60
Support Services	0.23	0.73	1.08	1.14
Gross Capital	1.26	12.67	14.34	14.63
Contributions & Reimbursements	(0.07)	(0.77)	(0.85)	(0.65)
Total NGD	1.19	11.90	13.49	13.98
Infrastructure/AMR	0.57	7.51	8.35	8.12

Vai	iance	Mo Var	YTD Var	Yr Var	Yr Var
	New Business	0.2	0.2	0.6	
	Betterment	0.0	(0.3)	(0.2)	8.0
A)	Replacement	0.4	0.8	1.8	(1.2)
	Support Services	(0.2)	0.1	0.2	(0.1)
	Gross Capital	0.4	0.9	2.4	(0.5)
	Contributions & Reimbursements	0.0	0.5	(0.5)	-
	Total NGD	0.5	1.4	1.9	(0.5)
	Infrastructure/AMR	0.5	1.4	1.5	•

A) Variance represents adjustments related to Capital spend - specifically AMR.

Replacement plan increase due to additional allocation of \$10M to NGD or which CKY's portion was \$1.5

Columbia Gas of Kentucky Plan vs. Plan - December 2011 (\$ millions)

2012 0&12	2011	2012	2013
Net Revenues	60.6	60.9	61.4
O&M Expense	29.4	30.9	31.1
Depreciation	6.2	6.6	6.9
Other Taxes	2.9	2.9	3.1
Operating Earnings	22.0	20.5	20.4
Other Income	0.7	0.7	0.5
Interest Expense	4.8	4.8	5.3
Net Operating Income	18.0	16.4	15.6

2011 7&5	2011	2012	2013
Net Revenues	60.5	59.9	59.7
O&M Expense	30.9	31.0	30.8
Depreciation	6.2	6.7	7.0
Other Taxes	2.8	2.8	3.0
Operating Earnings	20.5	19.4	18.9
Other Income	0.7	0.5	0.4
Interest Expense	4.8	4.8	5.1
Net Operating Income	16.5	15.1	14.1

Variance	2011	2012	2013
Net Revenues	0.1	1.0	1.7
O&M Expense	(1.5)	(0.1)	0.2
Depreciation	(0.1)	(0.1)	(0.1)
Other Taxes	0.1	0.1	0.1
Operating Earnings	1.5	1.1	1.5
Other Income	(0.0)	0.2	0.1
Interest Expense	0.0	0.0	0.2
Net Operating Income	1.5	1.3	1.5

^{*} net of trackers

Revenue - Plan-vs.-Plan (\$ millions)

2012 0&12	2011	2012	2013
Base Margin (less LCR)	51.6	51.1	50.4
LCR	5.0	5.1	4.9
LCR (Prior Dec. True-Up)	0.1	-	-
Supply Optimization	1.9	2.4	2.8
Regulatory Outcome	0.0	0.3	1.1
Other OGDR	1.4	1.2	1.2
CKY Purchase Receivable	0.5	0.5	0.5
Uncollectibles - Non Tracked	-	0.3	0.4
Uncollectibles - Tracked	-	0.2	0.2
Trackers	2.0	0.5	0.5
Total Revenue	62.6	61.6	62.2
Total Revenue w/o Trackers	60.6	60.9	61.4

2011 7&5	2011	2012	2013
Base Margin (less LCR)	51.3	51.1	50.4
LCR	5.0	4.8	4.9
LCR (Prior Dec. True-Up)	0.1	-	_
ESS	2.1	2.4	2.8
Regulatory Outcome	-	-	-
Other OGDR	1.5	1.0	1.0
CKY Purchase Receivable	0.6	0.6	0.6
Uncollectibles - Non Tracked	-	-	-
Uncollectibles - Tracked	-	_	-
Trackers	1.8	1.2	1.3
Total Revenue	62.3	61.1	60.9
Total Revenue w/o Trackers	60.5	59.9	59.7

Variance	2011	2012	2013
Base Margin (less LCR)	0.3	0.0	(0.0)
LCR	0.0	0.2	0.1
LCR (Prior Dec. True-Up)	0.0	-	-
ESS	(0.2)	-	-
Regulatory Outcome	0.0	0.3	1.1
Other OGDR	(0.1)	0.2	0.2
CKY Purchase Receivable	(0.1)	(0.1)	(0.1)
A) Uncollectibles - Non Tracked	-	0.3	0.4
A) Uncollectibles - Tracked	-	0.2	0.2
A) Trackers	0.2	(0.7)	(0.8)
Total Variance	0.3	0.5	1.2
Total Variance w/o Trackers	0.1	1.0	1.7

A) Variance due to a change in the Uncollectible revenue calculation methodology.

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 0&12	2011	2012	2013
Labor	6.8	6.6	6.9
Benefits	1.8	2.0	1.6
Materials & Supplies	1.5	1.5	1.5
Outside Services	4.3	4.3	4.5
Management Fee	11.7	11.9	12.2
Uncollectibles	(0.6)	0.5	0.5
Other *	4.0	3.9	3.9
Trackers	2.1	8.0	0.7
Total O&M	31.6	31.6	31.8
Total O&M w/o Trackers	29,4	30.9	31.1

2011 7&5	2011	2012	2013
Labor	7.0	7.1	7.4
Benefits	2.0	2.0	1.6
Materials & Supplies	1.5	1.5	1.5
Outside Services	4.2	4.1	4.1
Management Fee	11.7	11.6	11.8
Uncollectibles	0.5	0.5	0.5
Other *	4.0	4.0	3.9
Trackers	1.8	1.2	1.3
Total O&M	32.7	32.2	32.1
Total O&M w/o Trackers	30.9	31.0	30.8

Variance	2011	2012	2013
A) Labor	(0.2)	(0.5)	(0.5)
Benefits	(0.2)	(0.0)	0.0
Materials & Supplies	0.0	0.0	0.0
B) Outside Services	0.1	0.2	0.4
C) Management Fee	(0.1)	0.3	0.4
D) Uncollectibles	(1.1)	-	-
Other *	(0.0)	(0.1)	(0.1)
E) Trackers	0.3	(0.5)	(0.5)
Total Change	(1.1)	(0.6)	(0.3)
Total Change w/o Trackers	(1.5)	(0.1)	0.2

- A) 2012-2017 Primarily revised grass roots estimates for Dist Ops labor.
- B) 2013-2014 Primarily increased Dist Ops activities to align with work plans and NiFit O&M expenses.
- C) 2012-2017 Primarily decreased capitalization transfers related to NGD operations, partially offset by decreased IT.
- D) 2011 Primarily change in accounting method for uncollectibles reserve estimate (reclassed from tracker to non-tracked uncollectible expenses).
- E) 2012-2017 Primarily change in methodology that significantly reduces the expense component of the Uncollectible tracker.

Columbia Gas of Kentucky O&M - Other Cost Element View - Plan-vs.-Plan (\$ millions)

Auto/Trucks Cleared

O&M Reclass - Regulatory to GAAP Below the Line O&M

2012 0&12	2011	2012	2013
Other	· -	<u> </u>	
Buildings and Land	0.1	0.1	0.1
Rents/Leases	0.2	0.3	0.3
Corporate Insurance	8.0	0.9	0.9
Employee Expenses	0.3	0.3	0.4
Company Memberships	0.1	0.1	0.1
Utilities	0.3	0.3	0.3
Misc Revenues	(0.2)	(0.1)	(0.1)
Misc & Other Expenses	0.4	(0.0)	(0.0)
Amortizations *	0.5	0.5	0.4
Deferred Credits	(0.2)	(0.1)	(0.2)
I&D Accrual	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	-
Advertising	0.2	0.1	0.1

1.3

0.2

4.0

1.4

0.2

3.9

1.4

0.2

3.9

2011 7&5	2011	2012	2013
Other			
Buildings and Land	0.1	0.1	0.1
Rents/Leases	0.2	0.3	0.3
Corporate Insurance	0.8	0.9	0.9
Employee Expenses	0.3	0.3	0.3
Company Memberships	0.1	0.1	0.1
Utilities	0.3	0.3	0.3
Misc Revenues	(0.2)	(0.1)	(0.1)
Misc & Other Expenses	0.5	0.3	0.3
Amortizations *	0.5	0.5	0.4
Deferred Credits	(0.1)	(0.1)	(0.2)
I&D Accrual	0.1	0.2	0.2
Well/Lease Rent/Royalty	-	-	-
Advertising	0.1	0.1	0.1
Auto/Trucks Cleared	1.2	1.1	1.1
O&M Reclass - Regulatory to GAAP	0.1	0.2	0.2
Below the Line O&M	-	-	-
	4.0	4.0	3.9

Variance	2011	2012	2013
Other		•	
Buildings and Land	(0.0)	(0.0)	(0.0)
Rents/Leases	(0.0)	-	-
Corporate Insurance	(0.0)	-	-
Employee Expenses	0.0	0.0	0.0
Company Memberships	(0.0)	(0.0)	(0.0)
Utilities	0.0	(0.0)	(0.0)
Misc Revenues	(0.1)	0.0	0.0
Misc & Other Expenses	(0.1)	(0.3)	(0.3)
Amortizations *	-	-	-
Deferred Credits	(0.1)	-	-
I&D Accrual	(0.0)	(0.0)	(0.0)
Well/Lease Rent/Royalty	-	_	-
Advertising	0.1	=	-
Auto/Trucks Cleared	0.2	0.2	0.2
O&M Reclass - Regulatory to GAAP	0.1	0.1	0.1
Below the Line O&M		-	-
	(0.0)	(0.1)	(0.1)

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2012 0&12	2011	2012	2013
Distribution Ops	11.1	10.9	11.2
Meter To Cash	0.6	0.6	0.6
Customer Call Center	0.0	0.0	0.0
Integration Center	0.3	0.4	0.4
Presidents	1.4	1.6	1.6
Other Departments	-	-	-
Management Fee	11.7	11.9	12.2
Benefits	1.8	2.0	1.6
Uncollectibles	(0.6)	0.5	0.5
Other Corporate*	3.1	2.9	3.0
Trackers	2.1	0.8	0.7
Total O&M	31.6	31.6	31.8
	0.0	-	-
Total O&M w/o Trackers	29.4	30.9	31.1

2011 7&5	2011	2012	2013
Distribution Ops	11.2	11.3	11.4
Meter To Cash	0.6	0.6	0.7
Customer Call Center	0.0	0.0	0.0
Integration Center	0.3	0.3	0.3
Presidents	1.6	1.6	1.6
Other Departments	-	-	-
Management Fee	11.7	11.6	11.8
Benefits	2.0	2.0	1.6
Uncollectibles	0.5	0.5	0.5
Other Corporate*	3.0	2.9	2.8
Trackers	1.8	1.2	1.3
Total O&M	32.7	32.2	32.1
	0.0	+	·-·
Total O&M w/o Trackers	30.9	31.0	30.8

Va	riance	2011	2012	2013
A)	Distribution Ops	(0.1)	(0.4)	(0.2)
	Meter To Cash	(0.0)	(0.0)	(0.1)
	Customer Call Center	0.0	(0.0)	(0.0)
	Integration Center	(0.0)	0.0	0.0
	Presidents	(0.1)	0.0	0.0
	Other Departments	-	-	-
B)	Management Fee	(0.1)	0.3	0.4
	Benefits	(0.2)	(0.0)	0.0
C)	Uncollectibles	(1.1)	•	-
	Other Corporate*	0.2	0.0	0.1
D)	Trackers	0.3	(0.5)	(0.5)
	Total Change	(1.1)	(0.6)	(0.3)
	Total Change w/o Trackers	(1.5)	(0.1)	0.2

- A) 2012-2017 Primarily revised grass roots estimate for labor partially offset by anticipated increases in other Dist Ops activities to align with work plans.
- B) 2012-2017 Primarily decreased capitalization transfers related to NGD operations, partially offset by decreased IT.
- C) 2011 Primarily change in accounting method for uncollectibles reserve estimate (reclassed from tracker to non-tracked uncollectible expenses).
- D) 2012-2017 Primarily change in methodology that significantly reduces the expense component of the Uncollectible tracker.

2012 0&12	2011	2012	2013
Other Corporate		•	
Net Labor (CIP)	0.6	0.4	0.4
Materials/Supplies	0.0	0.0	0.0
Audit Fees	0.1	0.1	0.1
Consulting Fees	0.0	0.0	0.2
Legal Fees	-	-	_
Outside Services	0.2	0.2	0.2
Buildings and Land	-	-	-
Rents/Leases	0.2	0.3	0.3
Corporate Insurance	0.8	0.9	0.9
Employee Expenses	-	-	-
Company Memberships	0.1	0.1	0.1
Utilities	0.0	0.0	0.0
Misc Revenues	-	-	-
Misc & Other Expenses	0.4	0.2	0.2
Amortizations *	0.5	0.5	0.4
Deferred Credits	(0.1)	(0.1)	(0.1)
I&D Accrual	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	-
Advertising	-	-	-
Auto/Truck Cleared	0.1	-	-
O&M Reclass - Regulatory to GAAP	0.2	0.2	0.2
Stores Clearing			
Below the line O&M			
Total Other Corporate	3.1	2.9	3.0

2011 7&5	2011	2012	2013
Other Corporate			
Net Labor (CiP)	0.5	0.4	0.4
Materials/Supplies	0.0	0.0	0.0
Audit Fees	0.1	0.1	0.1
Consulting Fees	-	-	-
Legal Fees	-	-	-
Outside Services	0.2	0.2	0.2
Buildings and Land	-	-	-
Rents/Leases	0.2	0.3	0.3
Corporate Insurance	8.0	0.9	0.9
Employee Expenses	-	=	-
Company Memberships	0.1	0.1	0.1
Utilitles	0.0	0.0	0.0
Misc Revenues	-	-	•
Misc & Other Expenses	0.4	0.2	0.2
Amortizations *	0.5	0.5	0.4
Deferred Credits	(0.1)	(0.1)	(0.1)
I&D Accrual	0.1	0.2	0.2
Well/Lease Rent/Royalty	-	-	-
Advertising	-	-	-
Auto/Truck Cleared	-	-	-
O&M Reclass - Regulatory to GAAP	0.1	0.2	0.2
Stores Clearing	-	-	-
Below the line Q&M		*	
Total Other Corporate	3.0	2.9	2.8

Variance	2011	2012	2013
Other			
Net Labor (CIP)	0.1	(O.D)	(0.0)
Materials/Supplies	0.0	-	-
Audit Fees	0.0	-	-
Consulting Fees	0.0	0.0	0.2
Legal Fees	-	-	-
Outside Services	0.0	-	-
Buildings and Land		-	-
Rents/Leases	(0.0)	-	-
Corporate Insurance	(0.0)	-	-
Employee Expenses	•	-	-
Company Memberships	(0.0)	(0.0)	(0.0)
Utilities	0.0	(0.0)	-
Misc Revenues	-	-	-
Misc & Other Expenses	(0.0)	(0.1)	(0.0)
Amortizations *		-	-
Deferred Credits	(0.0)	-	-
I&D Accrual	(0.0)	(0.0)	(0.0)
Well/Lease Rent/Royalty		-	-
Advertising	-	-	-
Auto/Truck Cleared	0.1	-	-
O&M Reclass - Regulatory to GAAP	0.1	0.1	0.1
Stores Clearing	-	-	•
Below the line O&M	-		
Total Other Corporate	0.2	0.0	0.1

Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2012 0&12	2011	2012	2013
Depreciation	6.2	6.6	6.9
Other Taxes			
Gross Receipts	-	-	-
Property Tax	2.3	2.4	2.6
Payroll	0.5	0.5	0.5
Distribution	-	-	-
Other	0.0	_	-
Total Other Taxes	2.8	2.9	3.1
Total Other Taxes w/o Trackers	2.9	2.9	3.1

2011 7&5	2011	2012	2013
Depreciation	6.2	6.7	7.0
Other Taxes			
Gross Receipts	-	-	-
Property Tax	2.2	2.2	2.4
Payroll	0.5	0.6	0.6
Distribution	-	-	-
Other	0.0	_	-
Total Other Taxes	2.8	2.8	3.0
Total Other Taxes w/o Trackers	2.8	2.8	3.0

Variance	2011	2012	2013
Depreciation Change	(0.1)	(0.1)	(0.1)
Other Taxes			
Gross Receipts	-	-	-
Property Tax	0.0	0.2	0.2
Payroll	(0.1)	(0.1)	(0.1)
Distribution	-	-	
Other	0.0	-	_
Total Other Taxes Change	(0.0)	0.1	0.1
Total Change w/o Trackers	0.1	0.1	0.1

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2012 0&12	2011	2012	2013
AFUDC	-	-	
Hedging Interest Income	(0.0)	0.1	0.1
UnderCollection Income	0.0	0.1	0.0
Sales Receivable	-	-	-
Charitable Contributions	-	-	-
Temp Cash Inv Int Inc	(0.2)	(0.1)	(0.1)
Gain/(Loss) of Sale of Asset	0.9	0.6	0.5
Customer Tax Contribution	(0.0)	-	-
Total Other Income	0.7	0.7	0.5
Long-Term Interest Expense	4.7	4.7	5.2
Short-Term Interest Expense	-	-	-
Customer Deposits	0.2	0.2	0.2
Rate Refund Expense	-	-	-
OverCollection Interest Expense	-	_	_
Other Interest Expense	0.0	-	_
Carrying Cost Interest Expense	-	-	_
Hedging Interest Expense	-	-	_
AFUDC	(0.0)	(0.0)	(0.0)
Interest Expense	4.8	4.8	5.3

2011 7&5	2011	2012	2013
AFUDC		-	-
Hedging Interest Income	0.0	-	-
UnderCollection Income	0.0	0.0	0.0
Sales Receivable	-	-	-
Charitable Contributions	-	-	-
Temp Cash Inv Int Inc	(0.1)	(0.1)	(0.1)
Gain/(Loss) of Sale of Asset	0.8	0.6	0.5
Customer Tax Contribution	(0.0)	-	-
Total Other Income	0.7	0.5	0.4
Long-Term Interest Expense	4.6	4.7	5.1
Short-Term Interest Expense	-	-	0.0
Customer Deposits	0.2	0.2	0.2
Rate Refund Expense	-	-	•
OverCollection Interest Expense	-	-	•
Other Interest Expense	0.0	-	-
Carrying Cost Interest Expense	-	-	_
Hedging Interest Expense	-	-	-
AFUDC	(0.0)	(0.0)	(0.1)
Interest Expense	4.8	4.8	5.1

Variance	2011	2012	2013
AFUDC	-		-
Hedging Interest Income	(0.0)	0.1	0.1
UnderCollection Income	(0.0)	0.0	0.0
Sales Receivable	-	_	_
Charitable Contributions	_	_	_
A) Temp Cash Inv Int Inc	(0.0)	_	_
Gain/(Loss) of Sale of Asset	0.0	0.0	0.0
Customer Tax Contribution	-	-	_
Total Other Income	(0.0)	0.2	0.1
		-	
B) Long-Term Interest Expense	0.0	0.0	0.1
Short-Term Interest Expense	-	-	(0.0)
Customer Deposits	(0.0)	(0.0)	(0.0)
Rate Refund Expense	`- '	`- '	- '
OverCollection Interest Expense	-	-	-
Other Interest Expense	=	-	-
Carrying Cost Interest Expense	-	_	-
Hedging Interest Expense		.=	-
AFUDC	0.0	(0.0)	0.1
Interest Expense	0.0	0.0	0.2

- A) Variance due to fluctuations in normal operating activity.
 B) Variance related to adjustments to the capital structure.

2 0&12	2011	2012	2013
Assets			
Net Plant	203.2	211.6	219.7
investments and other assets	0.4	0.4	0.4
involutions and other assets	0.4	U. 7	0.4
Cash & Temporary Cash Investments	0.5	-	-
Restricted Cash	2.1	3.6	-
Customer Accounts Receivables	20.1	23.7	25.7
Unbilled Revenue	1.3	1.3	1.3
Other Receivables	33.0	14.1	4.3
Gas Inventory	47.8	45.1	44.6
Jnrecovered Purchase Costs	•	=	0.5
Material & Supplies	0.1	0.0	0.0
Exchange Gas Receivables & Reserve	0.1	0.1	0.1
Current Regulatory Assets	3.0	2.7	2.7
Prepayments and Other Assets	2.8	2.9	3.1
Total Current Assets	110.8	93.5	82.5
NC Regulatory Assets	18.4	17.5	16.8
ntangible Assets	-	-	•
Postretirement and Postemployment - Assets	- 	-	
Deferred Charges	1.7	1.7	1.7
Other receivables - affiliated			
Total Other Assets	20.1	19.2	18.5
Total Assets	334.5	324.7	321.1
Capitalization & Liabilities	90.3	94.4	05.0
Common Stock Equity		58.3	95.9
ong Term Debt Total Capitalization	82.1 172.4	152.7	89.3 185.2
otal Capitalization	172.4	152.7	105.2
Obligations due in one year	-	28.7	-
Accounts Payable	13.5	11.1	11.4
Customer Deposits & A/R Credit Balances	19.5	17.7	17.7
Taxes Accrued	3.3	5.1	5.5
nterest Accrued	0.0	0.0	0.0
Over recovered Gas & Fuel Costs	8.2	7.9	_
Current Price Risk Mgmt Liab	0.6	0.6	0.6
Exchange Gas Payable	23.2	4.7	4.7
Current Deferred Income Taxes	(3.8)	(4.1)	(3.9)
Current Regulatory Liabilities	2.4	2.1	2.0
Current Postretirement Benefits	0.1	0.1	0.1
Other Accruals	3.5	3.3	3.3
Total Current Liabilities	70.6	77.4	41.4
Price Risk Management liab - NC	1.1	1.1	1.1
NC Deferred Income Tax Liab	43.8	46.8	47.7
NC Deferred Investment Tax Credit	0.5	0.4	0.4
Customer Advances	1.3	1.3	1.3
Non-Current Postretirement Benefits	10.2	10.0	8.5
NC Reg Liabilities	24.3	24.5	24.8
Other Non-Current Liabilities	10.3	10.5	10.7
Other NC Liab & Deferred Credits	91.5	94.7	94.5
Total Capitalization & Liabilities	334.5	324.7	321.1
i viui vupituimutivii m =10Dilitto		VMT. 1	- VA 1.1

011 7&5	2011	2012	2013
<u>Assets</u>			
Net Plant	203.4	211.0	218.7
Investments and other assets	0.4	0.4	0.4
Cash & Temporary Cash Investments	•	-	-
Restricted Cash	2.8	1.6	_
Customer Accounts Receivables	17.1	19.8	20.3
Unbilled Revenue	1.2	1.2	1.2
Other Receivables	24.7	10.8	6.1
Gas Inventory	41.8	43.9	44.2
Unrecovered Purchase Costs	-	-	-
Material & Supplies	0.0	0.0	0.0
Exchange Gas Receivables & Reserve	2.2	2.2	2.2
Current Regulatory Assets	2.3	2.3	2.3
Prepayments and Other Assets	2.6	2.8	3.0
Total Current Assets	94.8	84.6	79.3
NC Regulatory Assets	14.4	13.4	12.7
Intangible Assets	-	-	-
Postretirement and Postemployment - Assets	0.3	0.3	0.3
Deferred Charges	1.8	1.8	1.8
Other receivables - affiliated		48.8	
Total Other Assets	16.5	15.5	14.9
Total Assets	315.1	311.6	313.3
Capitalization & Liabilities Common Stock Equity Long Term Debt Total Capitalization	89.3 82.1 171.4	92.8 56.3 149.2	94.3 86.3 180.7
•			
Obligations due in one year	-	28.7	-
Accounts Payable	12.0	12.8	13.3
Customer Deposits & A/R Credit Balances	12.8	12.8	12.8
Taxes Accrued	4.2	4.7	5.1
Interest Accrued	0.1	0.1	0.1
Over recovered Gas & Fuel Costs	5.3	5.6	3.7
Current Price Risk Mgmt Liab	1.6	1.6	1.6
Exchange Gas Payable	15.0	1.9	1.9
Current Deferred Income Taxes	(3.5) 3.1	(3.9) 2.9	(3.9) 2.8
Current Regulatory Liabilities			
Current Postretirement Benefits	0.1	0.1	0.1
Other Accruals	2.6	2.6	2.6
Total Current Liabilities	53.3	70.1	40.0
Price Risk Management liab - NC	0.4	0.4	0.4
NC Deferred Income Tax Liab	42.0	45.3	46.3
NC Deferred Investment Tax Credit	0.5	0.4	0.4
Customer Advances	1.5	1.5	1.5
Non-Current Postretirement Benefits	11.2	9.2	7.7
NC Reg Liabilities	24.4	25.0	25.5
Other Non-Current Liabilities	10.3	10.6	10.8
Other NC Liab & Deferred Credits	90.4	92.3	92.6
Total Capitalization & Liabilities	315.1	311.6	313.3

Var	iance	2011	2012	2013
	Assets			
	Net Plant	(0.3)	0.6	1.0
	Investments and other assets	0.0	0.0	0.0
	Cash & Temporary Cash Investments	0.5	_	_
A)	Restricted Cash	(0.7)	1.9	_
B)	Customer Accounts Receivables	`3.0	3.9	5.4
·	Unbilled Revenue	0.1	0.1	0.1
C)	Other Receivables	8.3	3.3	(1.8)
D)	Gas Inventory	6.0	1.2	0.5
E)	Unrecovered Purchase Costs	-	-	0.5
	Material & Supplies	0.1	-	-
F)	Exchange Gas Receivables & Reserve	(2.1)	(2.1)	(2.1)
	Current Regulatory Assets	0.7	0.5	0.5
	Prepayments and Other Assets	0.1	0.1	0.2
	Total Current Assets	16.0	8.9	3.2
	NO Descriptory Assets	2.1	2.1	4.4
IVI)	NC Regulatory Assets Intangible Assets	4.0	4.1	4.1
	Postretirement and Postemployment - Assets	(0.3)	(0.3)	(0.3)
	Deferred Charges	(0.2)	(0.3)	(0.3)
	Other receivables - affiliated	-	(0.2)	(0.2)
	Total Other Assets	3.6	3.6	3.6
	Total Assets	19.3	13.2	7.8
			1713	
	Capitalization & Liabilities			
G)	Common Stock Equity	1.0	1.5	1.6
	Long Term Debt	-	2.0	3.0
·	Total Capitalization	1.0	3.5	4.6
G)	Obligations due in one year	-	-	-
B)	Accounts Payable	1.5	(1.7)	(1.9)
H)	Customer Deposits & A/R Credit Balances	6.7	4.9	4.9
	Taxes Accrued	(0.9)	0.4	0.4
	Interest Accrued	(0.1)	(0.1)	(0.1)
E)	Over recovered Gas & Fuel Costs	2.9	2.3	(3.7)
Α	Current Price Risk Mgmt Liab	(1.0)	(1.0)	(1.0)
F)	Exchange Gas Payable	8.1	2.7	2.7
I)	Current Deferred Income Taxes	(0.2)	(0.2)	(0.0)
J	Current Regulatory Liabilities	(0.7)	(0.7)	(0.7)
	Current Postretirement Benefits	(0.0)	(0.0)	(0.0)
	Other Accruals	0.9 17.2	0.6	0.6 1.3
	Total Current Liabilities	17.2	7.3	1.3
Α	Price Risk Management liab - NC	0.7	0.7	0.7
K	NC Deferred Income Tax Liab	1.8	1.6	1.4
	NC Deferred Investment Tax Credit	0.0	0.0	0.0
	Customer Advances	(0.2)	(0.2)	(0.2)
L	Non-Current Postretirement Benefits	(1.1)	8.0	0.8
	NC Reg Liabilities	(0.1)	(0.5)	(0.7)
	Other Non-Current Liabilities	(0.1)	(0.1)	(0.1)
	Other NC Liab & Deferred Credits	1.1	2.3	1.9
	Total Capitalization & Liabilities	19.3	13.2	7.8

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

Variance Explanations:

D)

- A) Variance due to changes to the required reserves related to the Hedging Program, and MF Global bankruptcy (\$1.8M).
- B) Variance in Customer Accounts Receivable due to fluctuations in Gas Cost and Usage primarily to Tariff and Transportation customers. 2011 variance due to increased Off-System Sales (\$575K), Tarrif Receivables (\$7.5M) and Other Receivables (\$930K), partially offset by decreases to Transportation Receivables (\$3.9M), and Unbilled Receivables (\$2.1M). 2012-2017 variances are due to increases in Tariff Receivables of \$3.0M+, and Transportation Receivables of \$1.3M+, offset by decreased Unbilled Receivables of \$1.1M \$1.8M.

C) Increase in Money Pool funding.

Year	Volume Variance (\$\$\$)	Rate Variance (\$\$\$)	Total Variance (\$\$\$)
2011	6.38	(0.34)	6.04
2012	1.19	(0.00)	1.19
2013	0.05	0.42	0.47
2014	(2.22)	0.87	(1.35)
2015	(1.35)	0.67	(0.68)
2016	(0.78)	0.68	(0.10)
2017	1.21	0.78	1.99

- E) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- F) Variance due to an increase in the number of exchange obligations vs. the 7&5.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to a \$6.7M increase to A/P Factoring related to budget payment plans.
- Variance due to adjustments to Tax and Bonus Depreciation expense based on new Capital estimates
- J) Variance due to revisions to the Bad Debt / Uncollectible Tracker methodology that resulted in \$788K reduction to outstanding liabilities. Going forward this methodology change is reflected in Base margin.
- K) Variance in 2011 & out years primarily driven by Federal and State tax liabilities.
- Variances are due to a December 2011 prepayment that eliminated pension funding obligations for 2012
- M) Variance due to increased Pension and Hedging balances since the 7&5.

Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 0&12	2011	2012	2013
New Business	2.0	1.7	1.7
Betterment	0.0	1.0	0.2
Replacement	12.3	11.4	11.7
Support Services	1.3	1.2	1.6
Gross Capital	15.6	15.3	15.1
Contributions & Reimbursements	(1.3)	(0.7)	(0.7)
Total CKY *	14.3	14.7	14.5
Infrastructure/AMR	9.2	9.1	8.2

2011 7&5	2011	2012	2013
New Business	1.6	1.7	1.7
Betterment	0.3	1.0	0.2
Replacement	12.9	10.4	11.7
Support Services	1.4	1.0	1.0
Gross Capital	16.1	14.1	14.5
Contributions & Reimbursements	(0.9)	(0.7)	(0.7)
Total CKY	15.3	13.5	13.9
Infrastructure/AMR	9.9	8.1	8.2

Variance	2011	2012	2013
New Business	0.4	-	-
Betterment	(0.3)	-	-
Replacement	(0.5)	1.0	-
Support Services	(0.1)	0.2	0.6
Gross Capital	(0.5)	1.2	0.6
Contributions & Reimbursements	(0.4)	-	-
Total CKY goog ooo gaaag	(0.9)	1.2 _{xx}	, § 0.6
Infrastructure/AMR	(0.6)	1.0	

^{*} Note: Total does not include \$0.1M in unallocated overheads in 2011.

2012 1&11	Mo Actual	YTD Actual	2012 1&11	2013 1&11
Net Revenues	8.2	8.2	60.6	61.5
O&M Expense	3.4	3.4	31.0	31.0
Depreciation	0.5	0.5	6.6	6.9
Other Taxes	0.3	0.3	3.2	3.4
*Operating Earnings	4.0	4.0	19.8	20.3
Other Income	0.1	0.1	0.7	0.7
Interest Expense	0.4	0.4	4.8	5.3
*Operating Earnings before Taxes	3.7	3.7	15.7	15.6
Income Tax				
Net Operating Earnings	3.7	3.7	15.7	15.6

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Net Revenues	9.0	9.0	61.6	61.6
O&M Expense	2.7	2.7	31.6	31.8
Depreciation	0.5	0.5	6.6	6.9
Other Taxes	0.2	0.2	2.9	3.1
*Operating Earnings	5.5	5.5	20.5	19.8
Other Income	0.1	0.1	0.7	0.5
Interest Expense	0.4	0.4	4.8	5.3
*Operating Earnings before Taxes	5.2	5.2	16.4	15.0
Income Tax		-		
Net Operating Earnings	5.2	5.2	16.4	15.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	(0.8)	(0.8)	(1.1)	(0.1)
O&M Expense	0.7	0.7	(0.7)	(0.8)
Depreciation	0.0	0.0	(0.0)	
Other Taxes	0.0	0.0	0.3	0.3
*Operating Earnings	(1.5)	(1.5)	(0.7)	0.5
Other Income	(0.0)	(0.0)	0.0	0.2
Interest Expense	0.0	0.0	0.0	-
*Operating Earnings before Taxes	(1.5)	(1.5)	(0.6)	0.6
Income Tax	•			
Net Operating Earnings	(1.5)	(1.5)	(0.6)	0.6

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

012 1&11	Mo Actual	YTD Actual	2012 1&11	2013 1&11
Base Margin (less LCR)	7.3	7,3	50.8	50.4
LCR	0.6	0.6	5.0	4.9
LCR (Prior Dec. True-Up)	(0.1)	(0.1)	(0.1)	-
ESS	0.1	0.1	2.4	2.8
Regulatory Outcome	-	-	0.3	1.1
Other OGDR	0.1	0.1	1.2	1.2
CKY Purchase Receivable	0.1	0.1	0.5	0.5
Uncollectibles - NonTracked	0.1	0.1	0.3	0.4
Uncollectibles - Tracked	0.0	0.0	0.2	0.2
Trackers	0.1	0.1	0.5	0.5
Total Revenue	8.3	8.3	61.1	62.0
Total Revenue w/o Trackers	8.2	8.2	60.6	61.5

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Base Margin (less LCR)	7.6	7.6	51.1	50.4
LCR	0.6	0.6	5.1	4.9
LCR (Prior Dec. True-Up)	-	-	-	-
ESS	0.3	0.3	2.4	2.8
Regulatory Outcome	-	-	0.3	0.6
Other OGDR	0.1	0.1	1.2	1.2
CKY Purchase Receivable	0.2	0.2	0.5	0.5
Uncollectibles - NonTracked	0.1	0.1	0.3	0.4
Uncollectibles - Tracked	0.0	0.0	0.2	0.2
Trackers	0.1	0.1	0.5	0.5
Total Revenue	9.0	9.0	61.6	61.6
Total Revenue w/o Trackers	8.9	8.9	61.1	61.1

Var	iance	Mo Var	YTD Var	Yr Var	Yr Var
	Base Margin (less LCR)	(0.4)	(0.4)	(0.3)	(0.0)
	LCR	(0.0)	(0.0)	(0.1)	-
	LCR (Prior Dec. True-Up)	(0.1)	(0.1)	(0.1)	-
A)	ESS	(0.2)	(0.2)	-	-
•	Regulatory Outcome	· -	-	-	0.6
B)	Other OGDR	(0.0)	(0.0)	(0.0)	(0.0)
B)	CKY Purchase Receivable	(0.1)	(0.1)	(0.1)	(0.1)
B)	Uncollectibles - NonTracked	0.0	0.0	(0.0)	(0.1)
,	Uncollectibles - Tracked	(0.0)	(0.0)	(0.0)	•
	Trackers	0.0	0.0	0.0	0.0
	Total Variance	(0.6)	(0.6)	(0.5)	0.4
	Total Variance w/o Trackers	(0.7)	(0.7)	(0.6)	0.4

Variance Explanations:

- A) Variance represents downward revision to Off-System sales assumptions due to lack of price volatility.
- B) Variance due to declining gas costs.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2012 1&11	Mo Actual	YTD Actual	2012 1&11	2013 1&11
Penalty Charges	0.0	0.0	0.4	0.3
Return Check	0.0	0.0	0.1	0.1
Other Fees	0.0	0.0	0.4	0.4
Other Revenue	0.0	0.0	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	0.0	0.0	0.0	-
Total OGDR	0.1	0.1	1.2	1.2

12 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Penalty Charges	0.0	0.0	0.3	0.3
Return Check	0.0	0.0	0.1	0.1
Other Fees	0.1	0.1	0.4	0.4
Other Revenue	0.0	0.0	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	-	-	-	-
Total OGDR	0.1	0.1	1.2	1.2

riance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	0.0	0.0	0.0	-
Return Check	0.0	0.0	0.0	-
Other Fees	(0.0)	(0.0)	(0.0)	-
Other Revenue	(0.0)	(0.0)	(0.0)	-
Pub Util-Flex	0.0	0.0	0.0	-
Company Use	-	_	(0.0)	•
Balancing Services	-	-	•	-
Other Misc Income	-	-	-	-
Misc Merchant Revenue	0.0	0.0	0.0	
Total OGDR	(0.0)	(0.0)	(0.0)	

2012 Customer & Usage Information - 0&12 vs. 1&11

Customer & Usage Change (\$ million)

Customer Change	Month	YTD	
Residential	(0.0)	(0.0)	
Commercial	0.0	0.0	
Total	(0.0)	(0.0)	

Usage Change	Month	YTD
Residential	0.0	0.0
Commercial	(0.0)	(0.0)
Industrial (Non-LCR)	0.0	0.0
Total	0.0	0.0

Normalized UPC (Mmcf)

Actual	Month	YTD	
Residential	15.5	45.4	
Comm	96.0	333.3	
Ind	9,775.3	51,449.3	

Budget	Month	YTD	
Residential	15.4	45.3	
Commercial	97.4	334.7	
Industrial	9,569.1	51,243.1	

Variance	Month	Mo. %	YTD	YTD %
Residential	0.1	0.6%	0.1	0.2%
Commercial	(1.4)	-1.4%	(1.4)	-0.4%
Industrial	206.2	2.2%	206.2	0.4%

Customer Count

Actual	Month	YTD Avg	
Residential	121,257	120,009	
Commercial	14,116	13,926	
Industrial	178	181	
Total	135,551	134,115	

Budget	Month	YTD Avg
Residential	121,640	120,064
Commercial	14,081	13,921
Industrial	181	181
Total	135,902	134,165

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	(383.000)	-0.3%	(54.714)	-0.000456
Commercial	35.000	0.2%	5.000	0.0%
Industrial	(3.000)	-1.7%	(0.429)	-0.2%
Total	(351.000)	-0.3%	(50.143)	0.0%

2012 1&11	Mo Actual	YTD Actual	2012 1&11	2013 1&11
Labor	0.6	0.6	6.7	6.8
Benefits	0.2	0.2	2.1	1.5
Materials & Supplies	0.1	0.1	1.5	1.5
Outside Services	0.4	0.4	4.3	5.0
Management Fee	1.8	1.8	11.9	12.2
Uncollectibles	0.0	0.0	0.5	0.5
Other *	0.3	0.3	3.9	3.4
Trackers	0.2	0.2	0.8	8.0
Total O&M	3.5	3.5	31.8	31.7
Total O&M w/o Trackers	3.4	3.4	31.0	31.0

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Labor	0.6	0.6	6.6	6.9
Benefits	0.2	0.2	2.0	1.6
Materials & Supplies	0.1	0.1	1.5	1.5
Outside Services	0.3	0.3	4.3	5.0
Management Fee	1.0	1.0	11.9	12.2
Uncollectibles	0.1	0.1	0.5	0.5
Other *	0.3	0.3	3.9	3.4
Trackers	0.1	0.1	8.0	0.7
Total O&M	2.7	2.7	31.6	31.8
Total O&M w/o Trackers	2.5	2.5	30.9	31.1

	Variance	Mo Var	YTD Var	Yr Var	Yr Var
	Labor	0.1	0.1	0.1	(0.0)
	Benefits	0.0	0.0	0.1	(0.1)
	Materials & Supplies	(0.0)	(0.0)	0.0	=
	Outside Services	0.0	0.0	(0.1)	0.0
A)	Management Fee	0.8	0.8	(0.0)	-
·	Uncollectibles	(0.0)	(0.0)	0.0	-
	Other *	(0.0)	(0.0)	0.0	0.0
B)	Trackers	0.0	0.0	0.1	0.0
	Total Change	0.9	0.9	0.1	(0.1)
	Total Change w/o Trackers	0.8	0.8	0.1	(0.1)

- A) Mo & YTD Var Primarily the incorrect allocation percentage of January Call Center charges to Kentucky.
- B) Offset in revenue.

2012 1&11	Mo Actual	YTD Actual	2012 1&11	2013 1&11
Other				
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.0	0.3	0.3
Corporate Insurance	0.1	0.1	0.8	0.9
Employee Expenses	0.0	0.0	0.3	0.4
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.0	0.3	0.3
Misc Revenues	(0.0)	(0.0)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.0	(0.0)	(0.0)
Amortizations *	0.0	0.0	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.2)	(0.7)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	•	-	-	•
Advertising	-	-	0.1	0.1
Auto/Trucks Cleared	0.1	0.1	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.2	0.2
Below the Line O&M		-		
	0.3	0.3	3.9	3.4

2012 0812	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Other	-	-		
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.0	0.3	0.3
Corporate Insurance	0.1	0.1	0.9	0.9
Employee Expenses	0.0	0.0	0.3	0.4
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.0	0.3	0.3
Misc Revenues	0.0	0.0	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.0	(0.0)	(0.0)
Amortizations *	0.0	0.0	0.5	0.4
Deferred Credits	0.0	0.0	(0.1)	(0.7)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	0.0	0.0	-	-
Advertising	0.0	0.0	0.1	0.1
Auto/Trucks Cleared	0.1	0.1	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.2	0.2
Below the Line O&M	•	-	•	-
	0.3	0.3	3.9	3.4

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Other				
Buildings and Land	0.0	0.0	0.0	-
Rents/Leases	(0.0)	(0.0)	(0.0)	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	-
Employee Expenses	(0.0)	(0.0)	(0.0)	-
Company Memberships	(0.0)	(0.0)	0.0	0.0
Utilities	(0.0)	(0.0)	0.0	0.0
Misc Revenues	(0.0)	(0.0)	(0.0)	•
Misc & Other Expenses	0.0	0.0	0.0	(0.0)
Amortizations *	-	-	-	-
Deferred Credits	(0.0)	(0.0)	(0.0)	(0.0)
I&D Accrual	0.0	0.0	-	-
Well/Lease Rent/Royalty	-			
Advertising	(0.0)	(0.0)	(0.0)	-
Auto/Trucks Cleared	(0.0)	(0.0)	(0.0)	•
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M				
	(0.0)	(0.0)	0.0	0.0

^{*}Amortizations: IBM and Cali Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2012 1&11	Mo Actual	YTD Actual	2012 1&11	2013 1&11
Distribution Ops	1.0	1.0	10.9	11.2
Meter To Cash	0.0	0.0	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.0	0.4	0.4
Presidents	0.1	0.1	1.6	1.6
Other Dept	-	-	-	-
Management Fee	1.8	1.8	1 1 .9	12.2
Benefits	0.2	0.2	2.1	1.5
Uncollectibles	0.0	0.0	0.5	0.5
Other Corporate *	0.2	0.2	2.9	3.0
Trackers	0.2	0.2	0.8	0.8
Total O&M	3.5	3.5	31.8	31.7
Total O&M w/o Trackers	3.4	3.4	31.0	31.0

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Distribution Ops	0.9	0.9	10.9	11.2
Meter To Cash	0.0	0.0	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.0	0.4	0.4
Presidents	0.1	0.1	1.6	1.6
Other Dept	-	-	-	-
Management Fee	1.0	1.0	11.9	12.2
Benefits	0.2	0.2	2.0	1.6
Uncollectibles	0.1	0.1	0.5	0.5
Other Corporate *	0.3	0.3	2.9	3.0
Trackers	0.1	0.1	0.8	0.7
Total O&M	2.7	2.7	31.6	31.8
Total O&M w/o Trackers	2.5	2.5	30.9	31.1

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Distribution Ops	0.1	0.1	0.0	-
Meter To Cash	0.0	0.0	0.0	-
Customer Call Center	0.0	0.0	0.0	-
Integration Center	0.0	0.0	0.0	<u></u>
Presidents	(0.0)	(0.0)	(0.0)	-
Other Dept	-	-	· ·	-
A) Management Fee	0.8	8.0	(0.0)	_
Benefits	0.0	0.0	0.1	(0.1)
Uncollectibles	(0.0)	(0.0)	0.0	-
Other Corporate *	(0.0)	(0.0)	(0.0)	(0.0)
B) Trackers	0.0	0.0	0.1	0.0
Total Change	0.9	0.9	0.1	(0.1)
Total Change w/o Trackers	0.8	0.8	0.1	(0.1)

A) Mo & YTD Var - Primarily the incorrect allocation percentage of January Call Center charges to Kentucky.
 B) Offset in revenue.

^{*} See O&M Other Corp Tab

12 1811	Mo Actual	YTD Actual	2012 1811	2013 1&11
Other Corporate			,	
Net Labor	0.0	0.0	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.0	0.1	0.1
Consulting Fees	0.0	0.0	0.0	0.2
Legal Fees	-	-	-	-
Outside Services	0.0	0.0	0.1	0.2
Buildings and Land	-	-	-	•
Rents/Leases	0.0	0.0	0.3	0.3
Corporate Insurance	0.1	0.1	0.8	0.9
Employee Expenses	•	-	•	•
Company Memberships	-	-	0.1	0.1
Utilities	0.0	0.0	0.0	0.0
Misc Revenues	-	•	•	•
Misc & Other Expenses	0.0	0.0	0.2	0.2
Amortizations *	0.0	0.0	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	•	-	-	-
Advertising	-	-	-	•
Auto/Truck Cleared	-	-	•	-
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.2	0.2
Stores Clearing	-	-	•	•
Below the line O&M		-	•	
Total Other Corporate	0.2	0.2	2.9	3.0

2012 0812	Mo Budget	YTD Budget	2012 0&12	2013 0812
Other Corporate				
Net Labor	0.0	0.0	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.0	0.1	0.1
Consulting Fees	0.0	0.0	0.0	0.2
Legal Fees	-	-	•	•
Outside Services	0.0	0.0	0.2	0.2
Buildings and Land	•	•	-	-
Rents/Leases	0.0	0.0	0.3	0.3
Corporate Insurance	0.1	0.1	0.9	0.9
Employee Expenses	•	-	-	-
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.0	0.0	0.0
Misc Revenues	•	•	=	-
Misc & Other Expenses	0.0	0.0	0.2	0.2
Amortizations *	0.0	0.0	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	•	-	-	-
Advertising	-	-	•	-
Auto/Truck Cleared	•	-	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.2	0.2
Stores Clearing	-	-	•	-
Below the line O&M	•			<u> </u>
Total Other Corporate	0.3	0.3	2.9	3.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Other				
Net Labor	0.0	0.0	(0.0)	(0.0)
Materials/Supplies	0.0	0.0	0.0	-
Audit Fees	0.0	0.0	0.0	-
Consulting Fees	(0.0)	(0.0)	(0.0)	-
Legal Fees	•	-	·-	-
Outside Services	(0.0)	(0.0)	(0.0)	0.0
Buildings and Land	•	-	• '	-
Rents/Leases	(0.0)	(0.0)	(0.0)	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	-
Employee Expenses	-	-	-	-
Company Memberships	(0.0)	(0.0)	0.0	0.0
Utilities	0.0	0.0	0.0	0.0
Misc Revenues	-	-		-
Misc & Other Expenses	0.0	0.0	0.0	(0.0)
Amortizations *	-	•	-	
Deferred Credits	(0.0)	(0.0)	(0.0)	(0.0)
I&D Accrual	0.0	0.0	-	-
Well/Lease Rent/Royalty		-	•	+
Advertising	•	-	-	-
Auto/Truck Cleared	•	-	-	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Stores Clearing	-	•	-	-
Below the line O&M	•		-	-
Total Other Corporate	(0.0)	(0.0)	(0.0)	(0.0)

^{*}Amortizations; IBM and Call Center Costs, Severance Costs, Rate Case Expenses

2012 1&11	Mo Actual	YTD Actual	2012 1&11	2013 1&11
Depreciation	0.5	0.5	6.6	6.9
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	0.2	2.4	2.6
Payroll	0.1	0.1	0.5	0.5
Distribution	-	-	=	-
Other	•	-	=	-
Total Other Taxes	0.3	0.3	2.9	3.1
Total Other Taxes w/o Trackers	0.3	0.3	3.2	3.4

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Depreciation	0.53	0.53	6.6	6.9
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.20	0.20	2.4	2.6
Payroll	0.04	0.04	0.5	0.5
Distribution	-	-	-	-
Other		•	-	-
Total Other Taxes	0.25	0.25	2.9	3.1
Total Other Taxes w/o Trackers	0.27	0.27	3.1	3.3

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.0	(0.0)	•
Other Taxes				
Gross Receipts	=	٠	÷	-
Property Tax	-	=	-	0.0
Payroll	0.0	0.0	0.0	-
Distribution	-	-	-	-
Other	-	-	-	-
Total Other Taxes Change	0.0	0.0	0.0	0.0
Total Change w/o Trackers	0.0	0.0	0.0	0.1

2012 1&11	Mo Actual	YTD Actual	2012 1811	2013 1811
Miscellaneous		-	-	-
AFUDC	0.0	0.0	0.1	0.1
Hedging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income	-	-	-	-
Sale Receivables	-	-	=	•
Customer Tax Contribution	•	-	•	-
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.1	0.1	0.6	0.7
Total Other Income	0.1	0.1	0.7	0.7
Long-Term Interest Expense	0.4	0.4	4.7	5.2
Short-Term Interest Expense		-	-	-
Customer Deposits Interest Expense	0.0	0.0	0.2	0.2
Rate Refund Interest Expense	-	-	-	-
Over-Collection Interest Expense	•	•	-	-
Other Interest Expense	-	-	-	-
Carrying Cost Interest Expense	-	-	-	-
Hedging Interst Expense	•	•	u.	-
PISCC	-	-	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	0.4	0.4	4.8	5.3

12 0&12	Mo Budget	YTD Budget	2012 0812	2013 0&12
Miscellaneous	•			•
AFUDC	0.0	0.0	0.1	0.1
Hedging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income	•	-	-	-
Sale Receivables	•	•	-	-
Customer Tax Contribution	-	-	-	-
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1
Temp Cash Investment Interest Income	0.1	0.1	0.6	0.5
Total Other Income	0.1	0.1	0.7	0.5
Long-Term Interest Expense	0.4	0.4	4.7	5.2
Short-Term Interest Expense	•	•	-	-
Customer Deposits Interest Expense	0.0	0.0	0.2	0.2
Rate Refund Interest Expense	•	-	-	-
Over-Collection Interest Expense	-		•	-
Other Interest Expense	-	-	-	-
Carrying Cost Interest Expense	•	=	•	-
Hedging Interst Expense	-	-	=	-
PISCC	=	=	=	
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	0.4	0.4	4.8	5.3

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous	-	*	-	- '
AFUDC	0.0	0.0	0.0	-
Hedging Interest Income	(0.0)	(0.0)	(0.0)	-
Under-Collection Interest Income	-		-	-
Sale Receivables	-	-	-	-
Customer Tax Contribution	-	*	•	-
Charitable Contributions	(0.0)	(0.0)	0.0	-
A) Temp Cash Investment Interest Income	(0.0)	(0.0)	0.0	0.2
Total Other Income	(0.0)	(0.0)	_0.0	0.2
Long-Term Interest Expense	0.0	0.0	0.0	_
Short-Term Interest Expense	-	-	-	=
Customer Deposits Interest Expense	-	-	-	•
Rate Refund Interest Expense	•	•	•	-
Over-Collection Interest Expense	-	_	-	-
Other Interest Expense	-	-	-	-
Carrying Cost Interest Expense		•	•	-
Hedging Interst Expense	-	-	-	-
PISCC	-	-	•	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	-
Interest Expense	0.0	0.0	0.0	

Explanations:

A) Variance represents interest earned on operating cash sent to Corp. Money Pool.

1&11	Мо	2012	2013
Assets			
Net Plant	202.9	211.6	219.
Investments and other assets	0.4	0.4	0.
Cash & Temporary Cash Investments	0.7	-	_
Restricted Cash	2.6	3.6	_
Customer Accounts Receivables	22.7	23.3	24.
Unbilled Revenue	1.2	1.2	1.
Other Receivables	38.1	18.7	6.
Gas Inventory	35.3	39.6	39.
Unrecovered Purchase Costs	30.3	-	2.
Material & Supplies	4.4	4.3	4.
Exchange Gas Receivables & Reserve	0.1	0.1	0.
Current Regulatory Assets	3.0	2.7	2.
Prepayments and Other Assets	2.5	3.0	3.
Total Current Assets	110.4	96.5	84.
Total Current Assets	110.4	90.3	04.
NC Regulatory Assets	18.6	17.4	16.
Intangible Assets	-	-	•
Postretirement and Postemployment - Assets	-	-	
Deferred Charges	1.7	1.7	1.
Other receivables - affiliated	- 20.2	40.4	
Total Other Assets	20.3	19.1	10.
Total Assets	334.1	327.7	323.
Capitalization & Liabilities Common Stock Equity	- 92.6	- 94.0	- 95.
Long Term Debt	67.3	58.3	89.
Total Capitalization	159.9	152.3	184.
Obligations due in one year	14.7	28.7	_
Accounts Payable	14.6	11.4	11.
Customer Deposits & A/R Credit Balances	16.9	17.7	17.
Taxes Accrued	4.2	4.7	5.
Interest Accrued	0.0	0.0	0.
Over recovered Gas & Fuel Costs	9.4	3.0	-
Current Price Risk Mgmt Liab	0.9	0.9	0.
Exchange Gas Payable	18.5	11.4	4.
Current Deferred Income Taxes	(3.8)	(3.3)	(2.
Current Regulatory Liabilities	2.3	2.1	2.
Current Postretirement Benefits	0.1	0.1	0.
Other Accruals	4.0	3.8	3.
Total Current Liabilities	81.9	80.6	43.
Price Risk Management liab - NC	1.6	1.6	1.
NC Deferred Income Tax Liab	44.3	46.7	47.
NC Deferred Investment Tax Credit	0.5	0.4	0.
Customer Advances	1.3	1.3	1.
Non-Current Postretirement Benefits	10.1	9.9	8.
NO Reg Liabilities	24.1	24.4	24.
Other Non-Current Liabilities	10.3	10.5	10.
Other NC Liab & Deferred Credits	92.3	94.8	94.
Tatal Canitalization 9 5 inhilities	224.4	227 7	323.
Total Capitalization & Liabilities	334.1	327.7	323.

0&12	Mo	2012	2013
Assets			
Net Plant	203.7	211.6	219
Investments and other assets	0.4	0.4	0
Cash & Temporary Cash Investments	-	_	
Restricted Cash	3.9	3.6	_
Customer Accounts Receivables	25.4	23.7	25
Unbilled Revenue	1.3	1.3	1
Other Receivables	27.3	14.2	4
Gas Inventory	37.3	45.1	44
Unrecovered Purchase Costs	- -	~ ∪.1	٠
Material & Supplies	0.0	0.0	(
Exchange Gas Receivables & Reserve	0.0		
		0.1	(
Current Regulatory Assets	3.0	2.7	2
Prepayments and Other Assets	2.6	2.9	- 3
Total Current Assets	100.9	93.6	82
NC Regulatory Assets	18.3	17.4	16
Intangible Assets	-	-	-
Postretirement and Postemployment - Assets	-	_	-
Deferred Charges	1.7	1.7	-
Other receivables - affiliated		<u>-</u>	
Total Other Assets	20.0	19.1	18
Total Assets	325.0	324.7	32
<u>Capitalization & Liabilities</u> Common Stock Equity	93.5	94.4	95
Long Term Debt	67.3	58.3	89
Total Capitalization	160.9	152.7	185
Obligations due in one year	14.7	28.7	_
Accounts Payable	12.4	11,1	1.
Customer Deposits & A/R Credit Balances	8.2	17.7	17
Taxes Accrued	4.9	5.1	ţ
Interest Accrued	0.0	0.0	(
Over recovered Gas & Fuel Costs	10.0	7.9	_
Current Price Risk Mgmt Liab	0.6	0.6	(
Exchange Gas Payable	19.2	4.7	ì
Current Deferred Income Taxes	(3.8)	(4.1)	(3
Current Regulatory Liabilities	2.3	2.1	()
Current Postretirement Benefits	0.1	0.1	(
Other Accruals			
Other Accidals Total Current Liabilities	3.5 72.2	3.3 77.4	3
Total Current Liabilities	12.2	11.4	4*
Price Risk Management liab - NC	1.1	1.1	
NC Deferred Income Tax Liab	44.3	46.8	47
NC Deferred Investment Tax Credit	0.5	0.4	C
Customer Advances	1.3	1.3	1
Non-Current Postretirement Benefits	10.2	10.0	8
NC Reg Liabilities	24.2	24.5	24
Other Non-Current Liabilities	10.3	10.5	10
Other NC Liab & Deferred Credits	91.9	94.7	94

Assets Net Plant Investments and other assets Cash & Temporary Cash Investments	(0.8) 0.0	0.0	
Net Plant Investments and other assets		0.0	
	n n	0.0	0.0
Cash & Temporary Cash Investments	0.0	0.0	0.0
	0.7	-	_
A) Restricted Cash	(1.4)	0.1	<u></u>
B) Customer Accounts Receivables	(2.7)	(0.4)	(0.9)
	(0.1)	(0.1)	(0.1)
C) Other Receivables	10.8	`4.5 [°]	1.9
D) Gas Inventory	(2.0)	(5.4)	(5.2)
E) Unrecovered Purchase Costs	-		1.9
D) Material & Supplies	4.4	4.3	4.3
F) Exchange Gas Receivables & Reserve	(0.0)	(0.0)	(0.0)
Current Regulatory Assets	(0.0)	(0.0)	(0.0)
Prepayments and Other Assets	(0.1)	0.0	0.0
Total Current Assets	9.5	2.9	1.8
Total Current Assets	9.3	2.9	1.6
NC Regulatory Assets	0.3	(0.0)	(0.0)
Intangible Assets	-	•	-
Postretirement and Postemployment - Assets	-	-	-
Deferred Charges	0.0	0.0	0.0
Other receivables - affiliated		•	
Total Other Assets	0.3	0.0	0.0
Total Assets	9.1	2.9	1.8
Capitalization & Liabilities Common Stock Equity	(0.9)	(0.4)	(0.3)
G) Long Term Debt Total Capitalization	(0.9)	(0.4)	(0.3)
·	, ,	, ,	, ,
G) Obligations due in one year	-	<u>.</u>	-
B) Accounts Payable	2.2	0.3	0.5
H) Customer Deposits & A/R Credit Balances	8.7	-	-
Taxes Accrued	(0.7)	(0.4)	0.0
Interest Accrued	0.0	0.0	0.0
E) Over recovered Gas & Fuel Costs	(0.7)	(4.9)	-
Current Price Risk Mgmt Liab	0.3	0.3	0.3
F) Exchange Gas Payable	(0.7)	6.7	(0.7)
Current Deferred Income Taxes	0.0	0.8	1.6
A Current Regulatory Liabilities	0.1	(0.0)	(0.0)
Current Postretirement Benefits	-	-	-
Other Accruals	0.5	0.5	0.5
Total Current Liabilities	9.7	3.2	2.2
A) Price Risk Management liab - NC	0.5	0.5	0.5
NC Deferred income Tax Liab	0.0	(0.1)	(0.2)
NC Deferred Investment Tax Credit	0.0	(0.0)	(0.0)
Customer Advances	(0.0)	(0.0)	(0.0)
Non-Current Postretirement Benefits	(0.0)	(0.0)	(0.0)
NC Reg Liabilities	(0.1)	(0.1)	(0.1)
Other Non-Current Liabilities Other NC Liab & Deferred Credits	(0.0) 0.4	(0.0) 0.1	(0.0) 0.0
Other NC Liab & Deferred Credits	U. 4	U. I	0.0
Total Capitalization & Liabilities	9.1	2.9	1.8

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

Variance Explanations:

- A) Variance due to changes to the required reserves related to the Hedging Program, and MF Global bankruptcy (\$256K).
- B) Janaury variance due to increases to Tariff receivables of \$2.2M, offset by decreases to Tariff Transportation (%4.1M) and Unbilled receivables of (\$1.3M). 2013 variance driven by a decrease of (\$1.2M) to Unbilled receivables. January A/P variance due to increased Gas Cost of (\$703K), and Marketer payables of (\$957K).
- C) Increase in Money Pool funding.
- D) January variance due to Rate Differential and Usage variances of (\$4.35M) and \$2.34M respectively. 2012 annual variance due to Rate Differential and Usage variances of (\$4.86M) and (\$583K) respectively. 2013 annual variance is due to Rate Differential and Usage variances of (\$4.58M) and (\$668K) respectively. In addition to Rate and Usage variances the annual variances include reclassification entries between the Inventory and Material & Supply accounts to accurately state the LIFO inventory balance; which was \$4.4M as of January 30th.
- E) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- F) January variance due to a decrease in balancing requires, while the 2012 variance is due to an increase in the number of exchange obligations vs. the 0&12.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to an \$8.7M increase to A/P Factoring related to budget payment plans.
- I) Variance due to adjustments to Tax and Bonus Depreciation expense based on new Capital estimates.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 1&11	Mo Actual	YTD Actual	2012 1&11	2013 1&11
New Business	0.27	0.27	1.70	1.70
Betterment	0.08	0.08	1.00	0.15
Replacement	0.77	0.77	11.40	11.70
Support Services	0.04	0.04	1.20	1.57
Gross Capital	1.17	1.17	15.30	15.12
Contributions & Reimbursements	(0.96)	(0.96)	(0.65)	(0.65)
Total NGD	0.21	0.21	14.65	14.47
Infrastructure/AMR	0.09	0.09	9.12	8.20

2012 0&12	Mo Budget	YTD	2012 0&12	2013 0&12
New Business	0.16	0.16	1.70	1.70
Betterment	0.11	0.11	1.00	0.15
Replacement	0.80	0.80	11.40	11.70
Support Services	0.05	0.05	1.20	1.57
Gross Capital	1.13	1.13	15.30	15.12
Contributions & Reimbursements	(0.02)	(0.02)	(0.65)	(0.65)
Total NGD	1.11	1.11	14.65	14.47
Infrastructure/AMR	0.76	0.76	9.12	8.20

Variance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	0.1	0.1	-	-
Betterment	(0.0)	(0.0)	-	-
Replacement	(0.0)	(0.0)	-	-
Support Services	(0.0)	(0.0)		
Gross Capital	0.0	0.0	-	-
Contributions & Reimbursements	(0.9)	(0.9)	-	-
Total NGD	(0.9)	(0.9)	-	
Infrastructure/AMR	(0.7)	(0.7)	•	-

2012 2&10	2012	2013
Net Revenues	59.8	61.5
O&M Expense	31.0	31.4
Depreciation	6.6	6.9
Other Taxes	3.0	3.1
Operating Earnings	19.3	20.1
Other Income	0.9	0.7
Interest Expense	4.8	5.3
Net Operating Income	15.4	15.5
Income Tax	5.8	6.0
Net Operating Earnings	9.5	9.5

2012 0&12	2012	2013
Net Revenues	60.9	60.8
O&M Expense	30.9	31 <i>.</i> 1
Depreciation	6.6	6.9
Other Taxes	3.1	3.3
Operating Earnings	20.2	19.6
Other Income	0.7	0.5
Interest Expense	4.8	5.3
Net Operating Income	16.1	14.8
Income Tax	6.3	6.0
Net Operating Earnings	9.8	8.7

Variance	2012	2013
Net Revenues	(1.1)	0.6
O&M Expense	0.1	0.3
Depreciation	(0.0)	-
Other Taxes	(0.2)	(0.2)
Operating Earnings	(1.0)	0.5
Other Income	0.2	0.2
Interest Expense	0.0	(0.0)
Net Operating Income	(8.0)	0.7
Income Tax	(0.5)	(0.0)
Net Operating Earnings	(0.3)	0.8

^{*} net of trackers

Revenue - Plan-vs.-Plan (\$ millions)

2012 2&10	2012	2013
Base Margin (less LCR)	50.3	50.4
LCR	5.0	4.9
LCR (Prior Dec. True-Up)	(0.1)	•
Supply Optimization	2.4	2.8
Regulatory Outcome	0.4	1.4
Other OGDR	1.2	1.2
CKY Purchase Receivable	0.4	0.4
Uncollectibles - Non Tracked	0.3	0.3
Uncollectibles - Tracked	0.2	0.2
Trackers	0.6	0.5
Total Revenue	60.7	62.2
Total Revenue w/o Trackers	59.8	61.5

2012 0&12	2012	2013
Base Margin (less LCR)	51.1	50.4
LCR	5.1	4.9
LCR (Prior Dec. True-Up)	-	-
ESS	2.4	2.8
Regulatory Outcome	0.3	0.6
Other OGDR	1.2	1.2
CKY Purchase Receivable	0.5	0.5
Uncollectibles - Non Tracked	0.3	0.4
Uncollectibles - Tracked	0.2	0.2
Trackers	0.5	0.5
Total Revenue	61.6	61.6
Total Revenue w/o Trackers	60.9	60.8

Variance	2012	2013
Base Margin (less LCR)	(0.8)	0.0
LCR	(0.1)	-
LCR (Prior Dec. True-Up)	(0.1)	-
ESS	(0.0)	-
Regulatory Outcome	0.1	0.9
Other OGDR	(0.0)	(0.0)
CKY Purchase Receivable	(0.1)	(0.1)
Uncollectibles - Non Tracked	(0.1)	(0.1)
Uncollectibles - Tracked	(0.0)	-
Trackers	0.1	0.0
Total Variance	(1.0)	0.6
Total Variance w/o Trackers	(1.1)	0.6

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O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 2&10	2012	2013
Labor	6.8	6.8
Benefits	2.2	1.9
Materials & Supplies	1.5	1.5
Outside Services	4.2	4.5
Management Fee	11.9	12.2
Uncollectibles	0.5	0.5
Other *	4.0	3.9
Trackers	0.9	8.0
Total O&M	31.9	32.1
Total O&M w/o Trackers	31.0	31.4

2012 0&12	2012	2013
Labor	6.6	6.9
Benefits	2.0	1.6
Materials & Supplies	1.5	1.5
Outside Services	4.3	4.5
Management Fee	11.9	12.2
Uncollectibles	0.5	0.5
Other *	3.9	3.9
Trackers	8.0	0.7
Total O&M	31.6	31.8
Total O&M w/o Trackers	30.9	31.1

Variance	2012	2013
Labor	0.1	(0.0)
A) Benefits	0.1	0.3
Materials & Supplies	0.0	_
Outside Services	(0.1)	0.0
Management Fee	(0.1)	H
Uncollectibles	-	_
Other *	0.0	(0.0)
B) Trackers	0.2	0.0
Total Change	0.2	0.3
Total Change w/o Trackers	0.1	0.3

- A) 2013 Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- B) Offset in revenues.

Columbia Gas of Kentucky O&M - Other Cost Element View - Plan-vs.-Plan (\$ millions)

2012 2&10	2012	2013
Other		
Buildings and Land	0.1	0.1
Rents/Leases	0.2	0.3
Corporate Insurance	0.8	0.9
Employee Expenses	0.3	0.4
Company Memberships	0.1	0.1
Utilities	0.3	0.3
Misc Revenues	(0.1)	(0.1)
Misc & Other Expenses	0.0	(0.0)
Amortizations *	0.5	0.4
Deferred Credits	(0.2)	(0.2)
1&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	•	-
Advertising	0.1	0.1
Auto/Trucks Cleared	1.4	1.4
O&M Reclass - Regulatory to GAAP Below the Line O&M	0.2	0.2
	4.0	3.9

2012 0&12	2012	2013
Other		
Buildings and Land	0.1	0.1
Rents/Leases	0.3	0.3
Corporate Insurance	0.9	0.9
Employee Expenses	0.3	0.4
Company Memberships	0.1	0.1
Utilities	0.3	0.3
Misc Revenues	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.2)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	-	-
Advertising	0.1	0.1
Auto/Trucks Cleared	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.2	0.2
Below the Line O&M		
	3.9	3.9

Variance	2012	2013
Other		
Buildings and Land	0.0	-
Rents/Leases	(0.1)	-
Corporate Insurance	(0.0)	-
Employee Expenses	0.0	-
Company Memberships	0.0	0.0
Utilities	0.1	0.0
Misc Revenues	(0.0)	-
Misc & Other Expenses	0.0	(0.0)
Amortizations *	=	-
Deferred Credits	(0.0)	(0.0)
I&D Accrual	-	-
Well/Lease Rent/Royalty	-	-
Advertising	0.0	-
Auto/Trucks Cleared	(0.0)	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)
Below the Line O&M		
	0.0	(0.0)

2012 2&10	2012	2013
Distribution Ops	10.9	11.2
Meter To Cash	0.6	0.6
Customer Call Center	0.0	0.0
Integration Center	0.4	0.4
Presidents	1.6	1.6
Other Departments	-	-
Management Fee	11.9	12.2
Benefits	2.2	1.9
Uncollectibles	0.5	0.5
Other Corporate*	2.9	3.0
Trackers	0.9	8.0
Total O&M	31.9	32.1
Total O&M w/o Trackers	31.0	31.4

2012 0&12	2012	2013
Distribution Ops	10.9	11.2
Meter To Cash	0.6	0.6
Customer Call Center	0.0	0.0
Integration Center	0.4	0.4
Presidents	1.6	1.6
Other Departments	-	-
Management Fee	11.9	12.2
Benefits	2.0	1.6
Uncollectibles	0.5	0.5
Other Corporate*	2.9	3.0
Trackers	8.0	0.7
Total O&M	31.6	31.8
Total O&M w/o Trackers	30.9	31.1

Variance	2012	2013
Distribution Ops	0.0	-
Meter To Cash	0.0	-
Customer Call Center	(0.0)	-
Integration Center	0.0	-
Presidents	(0.0)	-
Other Departments	-	-
Management Fee	(0.1)	-
A) Benefits	0.1	0.3
Uncollectibles	-	-
Other Corporate*	(0.0)	(0.0)
B) Trackers	0.2	0.0
Total Change	0.2	0.3
Total Change w/o Trackers	0.1	0.3

- A) 2013 Primarily revised assumptions for active medical, pension,
 OPEB and capital transfer percentages.
- B) Offset in revenues.

2012 2&10	2012	2013
Other Corporate		
Net Labor (CIP)	0.4	0.4
Materials/Supplies	0.0	0.0
Audit Fees	0.1	0.1
Consulting Fees	0.0	0.2
Legai Fees	-	-
Outside Services	0.1	0.2
Buildings and Land	•	•
Rents/Leases	0.2	0.3
Corporate Insurance	8.0	0.9
Employee Expenses	•	-
Company Memberships	0.1	0.1
Utilities	0.1	0.0
Misc Revenues	-	-
Misc & Other Expenses	0.2	0.2
Amortizations *	0.5	0.4
Deferred Credits	(0,1)	(0.1)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	-	-
Advertising	-	•
Auto/Truck Cleared	-	-
O&M Reclass - Regulatory to GAAP	0.2	0.2
Stores Clearing		
Below the line O&M		
Total Other Corporate	2.9	3.0

1012 0&12	2012	2013
Other Corporate		
Net Labor (CIP)	0.4	0.4
Materials/Supplies	0.0	0.0
Audit Fees	0.1	0.1
Consulting Fees	0.0	0.2
Legal Fees	•	•
Outside Services	0.2	0.2
Buildings and Land	-	-
Rents/Leases	0.3	0.3
Corporate Insurance	0.9	0.9
Employee Expenses	-	-
Company Memberships	0.1	0.1
Utilities	0.0	0.0
Misc Revenues	•	-
Misc & Other Expenses	0.2	0.2
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.1)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	•	-
Advertising	-	•
Auto/Truck Cleared	-	-
O&M Reclass - Regulatory to GAAP	0.2	0.2
Stores Clearing	-	•
Below the line O&M		-
Total Other Corporate	2.9	3.0

Variance	2012	2013
Other	_	
Net Labor (CIP)	(0.0)	(0.0)
Materials/Supplies	(0.0)	
Audit Fees	0.0	-
Consulting Fees	(0.0)	-
Legal Fees	•	•
Outside Services	(0.0)	0.0
Buildings and Land	-	-
Rents/Leases	(0.1)	•
Corporate Insurance	(0.0)	-
Employee Expenses	-	-
Company Memberships	0.0	0.0
Utilities	0.1	0.0
Misc Revenues	•	•
Misc & Other Expenses	0.0	(0.0)
Amortizations *	-	-
Deferred Credits	(0.0)	(0.0)
I&D Accrual	-	-
Well/Lease Rent/Royalty	-	_
Advertising	•	-
Auto/Truck Cleared	-	
O&M Reciass - Regulatory to GAAP	(0.0)	(0.0)
Stores Clearing	-	-
Below the line O&M	-	•
Total Other Corporate	(0.0)	(0.0)

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2012 2&10	2012	2013
Depreciation	6.6	6.9
Other Taxes		
Gross Receipts	-	-
Property Tax	2.4	2.6
Payroli	0.5	0.5
Distribution	-	-
Other		_
Total Other Taxes	2.9	3.1
Total Other Taxes w/o Trackers	3.0	3.1

2012 0&12	2012	2013
Depreciation	6.6	6.9
Other Taxes		
Gross Receipts	-	-
Property Tax	2.4	2.6
Payroll	0.5	0.5
Distribution	-	-
Other	-	_
Total Other Taxes	2.9	3.1
Total Other Taxes w/o Trackers	3.1	3.3

Variance	2012	2013
Depreciation Change	(0.0)	-
Other Taxes		
Gross Receipts	-	_
Property Tax	-	0.0
Payroll	0.0	_
Distribution	-	_
Other	-	-
Total Other Taxes Change	0.0	0.0
Total Change w/o Trackers	(0.2)	(0.2)

2012 2&10	2012	2013
Miscellaneous	-	-
AFUDC	0.1	0.1
Hedging Interest Income	0.1	0.1
UnderCollection Income	•	-
Sales Receivable	-	-
Customer Tax Contribution	-	-
Charitable Contributions	(0.1)	(0.1)
Temp Cash Inv Int Inc	0.8	0.6
Total Other Income	0.9	0.7
Long-Term Interest Expense	4,7	5.2
Short-Term Interest Expense	_	-
Customer Deposits	0.2	0.2
Rate Refund Expense	-	-
OverCollection Interest Expense	-	•
Other Interest Expense	-	-
Carrying Cost Interest Expense	-	-
Hedging Interest Expense	-	-
AFUDC	(0.1)	(0.1)
Interest Expense	4.8	5.3

2012 0&12	2012	2013
Miscellaneous	-	-
AFUDC	0.1	0.1
Hedging Interest Income	0.1	0.0
UnderCollection Income	=	-
Sales Receivable	-	-
Customer Tax Contribution	•	•
Charitable Contributions	(0.1)	(0.1)
Temp Cash Inv Int Inc	0.6	0.5
Total Other Income	0.7	0.5
Long-Term Interest Expense	4.7	5.2
Short-Term Interest Expense	-	-
Customer Deposits	0.2	0.2
Rate Refund Expense	-	-
OverCollection Interest Expense	-	-
Other Interest Expense	=	-
Carrying Cost Interest Expense	-	-
Hedging Interest Expense	-	-
AFUDC	(0.0)	(0.0)
Interest Expense	4.8	5.3

Variance	2012	2013
Miscellaneous	-	-
AFUDC	0.0	0.0
Hedging Interest Income	(0.0)	0.1
UnderCollection Income	-	-
Sales Receivable	-	-
Customer Tax Contribution	-	-
Charitable Contributions	(0.0)	-
A) Temp Cash Inv Int Inc	0.2	0.1
Total Other Income	0.2	0.2
Long-Term Interest Expense	0.0	_
Short-Term Interest Expense	-	-
Customer Deposits	-	-
Rate Refund Expense	-	-
OverCollection Interest Expense	-	-
Other Interest Expense	-	•
Carrying Cost Interest Expense	-	-
Hedging Interest Expense AFUDC	(0.0)	(0.0)
Interest Expense	0.0	(0.0)

2 2&10	2012	2013
Assets		
Net Property Plant and Equipment	211.6	219.7
Total Investments	0.4	0.4
Cash and Cash Equivilents	-	_
Restricted Cash	3.7	-
Accounts Receivable	49.1	30.
Gas Inventory	43.8	45.3
Unrecovered Purchase Costs	-	11.
Material & Supplies	-	_
Price Risk Management Assets	-	_
Exchange Gas Receivables & Reserve	0.1	0.
Current Regulatory Assets	2.2	2.
Prepayments and Other Assets	3.0	3.
Total Current Assets	101.9	92.
Other Assets		
NC Regulatory Assets	17.1	16.0
Intangible Assets	-	-
Post Retirement Benefits NC Assets	-	•
Other Receivables Affiliated	-	-
Deferred Charges	1.7	1.
Total Other Assets	18.8	17.
Total Assets	332.8	330.
Capitalization & Liabilities	00.0	0.4
Total Common Stock Equity	92.8	94.
Long Term Debt , excluding amounts due within one year	58.3	89.
Total Capitalization	151.1	183.
Current Portion of Long Term Debt	28.7	-
Accounts Payable	11.7	12.
Customer Deposits and AR Credit Balance	17.7	17.
Taxes Accrued	4.7	5.
Interest Accrued	0.0	0.
Overrecovered Gas and Fuel Costs	4.6	-
Price Risk Management Liabilities (Current)	0.8	0.
Exchange Gas Payable	16.9	10.
Current Regulatory Liabilities	2.0	1.
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.
Environmental	-	_
Other Accruals	(0.1)	3.
Total Current Liabilities	87.2	52.
Price Risk Management Liabilities - NC	1.3	1.3
Deferred Income Taxes	46.8	47.
Deferred Investment Tax Credits	0.4	0.4
Noncurrent Regulatory Liabilities	26.4	26.
Accrued Liab for Post Retirement Benefits - NC	9.9	9.
Other Non-Current Liabilities	9.6	9.8
Other NC Liab & Defferred Credits	94.5	94.

2 0&12	2012	2013
Assets		
Net Property Plant and Equipment	211.6	219.7
Total Investments	0.4	0.4
Cash and Cash Equivilents		-
Restricted Cash	3.6	-
Accounts Receivable	39.2	31.4
Gas Inventory	45.1	44.6
Unrecovered Purchase Costs	-	0.5
Material & Supplies	0.0	0.0
Price Risk Management Assets	-	-
Exchange Gas Receivables & Reserve	0.1	0.1
Current Regulatory Assets	2.7	2.7
Prepayments and Other Assets	2.9	3.1
Total Current Assets	93.6	82.6
Other Assets		
NC Regulatory Assets	17.4	16.8
Intangible Assets	•	-
Post Retirement Benefits NC Assets	_	_
Other Receivables Affiliated	_	_
Deferred Charges	1.7	1.7
Total Other Assets	19.1	18.4
Total Assets	324.7	- 321.1
Total Assets	- J24.1	<u> </u>
Capitalization & Liabilities	0.1.1	
Total Common Stock Equity	94.4	95.9
Long Term Debt , excluding amounts due within one year	58.3	89.3
Total Capitalization	152.7	185.3
Current Portion of Long Term Debt	28.7	_
Accounts Payable	11.1	11.4
Customer Deposits and AR Credit Balance	17.7	17.7
Taxes Accrued	5.1	5.5
Interest Accrued	0.0	0.0
Overrecovered Gas and Fuel Costs	7.9	-
Price Risk Management Liabilities (Current)	0.6	0.6
Exchange Gas Payable	4.7	4.7
Current Regulatory Liabilities	2.2	2.1
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1
Environmental	•	-
Other Accruals	(0.8)	(0.7)
Total Current Liabilities	77.4	41.4
Price Risk Management Liabilities - NC	1.1	1,1
Deferred Income Taxes	46.8	47.7
Deferred Investment Tax Credits	0.4	0.4
Noncurrent Regulatory Liabilities	26.7	27.0
Accrued Liab for Post Retirement Benefits - NC	10.0	8.5
Other Non-Current Liabilities	9.7	9.8
Other NC Liab & Defferred Credits	94.7	94.5
Total Capitalization & Liabilities	324.7	321.1
iotal oapitalization & Liabilities	364.1	J4 1. I

Var	iance	2012	2013
	Assets		
	Net Property Plant and Equipment Total Investments	0.0 0.0	0.0 0.0
	Cash and Cash Equivilents	_	_
	Restricted Cash	0.1	_
A)	Accounts Receivable	10.0	(1.0)
B)	Gas Inventory	(1.3)	0.6
,	Unrecovered Purchase Costs	- '-	11.0
•	Material & Supplies	(0.0)	(0.0)
	Price Risk Management Assets	=	-
	Exchange Gas Receivables & Reserve	(0.0)	(0.0)
	Current Regulatory Assets	(0.5)	(0.5)
	Prepayments and Other Assets	0.0	0.0
	Total Current Assets	8.3	10.1
ъ.	Other Assets	(0.2)	(0.7)
D)	•	(0.3)	(0.7)
	Intangible Assets Post Retirement Benefits NC Assets	•	-
	Other Receivables Affiliated	-	_
	Deferred Charges	0.1	0.1
	Total Other Assets	(0.2)	(0.7)
	Total Assets	8.0	9.4
	Capitalization & Liabilities		
E)	Total Common Stock Equity	(1.6)	(1.7)
E)	Long Term Debt , excluding amounts due within one year		
	Total Capitalization	(1.6)	(1.7)
E)	Current Portion of Long Term Debt	-	_
A)	Accounts Payable	0.6	0.8
- •,	Customer Deposits and AR Credit Balance	•	
	Taxes Accrued	(0.4)	(0.2)
	Interest Accrued	0.0	0.0
C)	Overrecovered Gas and Fuel Costs	(3.4)	-
	Price Risk Management Liabilities (Current)	0.1	0.1
F)	Exchange Gas Payable	12.3	5.8
٠,	Current Regulatory Liabilities	(0.1)	(0.1)
	Accrued Liability for Post Retirement Benefits - Cur	· ,	-
	Environmental	-	_
G)	Other Accruals	0.7	4.5
,	Total Current Liabilities	9.8	11.1
	Price Risk Management Liabilities - NC	0.2	0.2
G)	Deferred Income Taxes	(0.0)	(0.5)
	Deferred Investment Tax Credits	(0.0)	(0.0)
	Noncurrent Regulatory Liabilities	(0.2)	(0.2)
	Accrued Liab for Post Retirement Benefits - NC	(0.1)	0.5
	Other Non-Current Liabilities	(0.0)	(0.0)
	Other NC Liab & Defferred Credits	(0.2)	(0.0)
	Total Capitalization & Liabilities	8.0	9.4

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

Variance Explanations:

A) Variances due to fluctuations in Gas Cost and Usage primarily to Tariff Sales and Off-System sales, as well as Money Pool deposits. 2012 A/R variance due to decreased Tariff Sales (\$1.7M) and Off-System sales (\$1.1M), offset by Money Pool deposits of \$16.8M.

В)	Year	Volume Variance (\$\$\$)	Rate Variance (\$\$\$)	Total Variance (\$\$\$)
	2012	(1,858.5)	570.4	(1,288.0)
	2013	(597.6)	1,213.1	615.5
	2014	820.3	842.7	1,663.1
	2015	840.2	690.0	1,530.2
	2016	282.4	734.9	1,017.3
	2017	19.4	828.0	847.4
	2018	19.4	828.0	847.4

- C) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- D) Variances are due to changes to pension funding obligations.
- E) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- F) Variance due to an changes in the number of exchange obligations vs. the 0&12.
- G) Variance in 2012 & out years primarily driven by Federal and State tax liabilities.

Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 2&10	2012	2013
New Business	1.7	1.7
Betterment	1.0	0.2
Replacement	11.4	11.7
Support Services	1.2	1.6
Gross Capital	15.3	15.1
Contributions & Reimbursements	(0.7)	(0.7)
Total CKY *	14.7	14.5
Infrastructure/AMR	9.2	9.1

2012 0&12	2012	2013
New Business	1.7	1.7
Betterment	1.0	0.2
Replacement	11.4	11.7
Support Services	1.2	1.6
Gross Capital	15.3	15.1
Contributions & Reimbursements	(0.7)	(0.7)
Total CKY	14.7	14.5
Infrastructure/AMR	9.2	9.1

Variance	2012	2013
New Business	-	-
Betterment	-	-
Replacement	=	-
Support Services		-
Gross Capital	-	-
Contributions & Reimbursements	-	-
Total CKY		-
Infrastructure/AMR		

^{*} Note: Total does not include \$0.1M in unallocated overheads in 2011.

Columbia Gas of Kentucky Plan vs. Plan - March 2012 (\$ millions)

2012 3&9	Mo Actual	YTD Actual	2012 3&9	2013 3&9
Net Revenues	5.7	20.8	59.3	61.4
O&M Expense	2.6	7.8	31.0	31.4
Depreciation	0.5	1.6	6.6	6.9
Other Taxes	0.3	0.9	3.2	3.4
*Operating Earnings	2.2	10.6	18.6	19.7
Other Income	0.1	0.2	0.8	0.6
Interest Expense	0.4	1.2	4.8	5.3
*Operating Earnings before Taxes	1.9	9.6	14.6	15.0
Income Tax	0.7	3.7	5.7	5.9
Net Operating Earnings	1.2	5.8	8.9	9.1

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Net Revenues	6.4	23.0	60.9	60.8
O&M Expense	2.7	7.8	30.8	31.1
Depreciation	0.5	1.6	6.6	6.9
Other Taxes	0.3	0.8	3.1	3.3
*Operating Earnings	2.9	12.8	20.35	19.6
Other Income	0.1	0.2	0.7	0.5
Interest Expense	0.4	1.2	4.8	5.3
*Operating Earnings before Taxes	2.6	11.8	16.2	14.8
Income Tax	1.0	4.6	6.3	6.0
Net Operating Earnings	1.6	7.2	9.9	8.7

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	(0.7)	(2.2)	(1.5)	0.5
O&M Expense	(0.1)	(0.0)	0.2	0.3
Depreciation	0.0	0.0	(0.0)	-
Other Taxes	0.0	0.1	0.0	0.1
*Operating Earnings	(0.7)	(2.2)	(1.8)	0.1
Other Income	(0.0)	(0.0)	0.1	0.1
Interest Expense	(0.0)	0.0	0.0	0.0
*Operating Earnings before Taxes	(0.7)	(2.2)	(1.6)	0.2
Income Tax				
Net Operating Earnings	(0.7)	(2.2)	(1.6)	0.2

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

2012 3&9	Mo Actual	YTD Actual	2012 3&9	2013 3&9
Base Margin (less LCR)	5.0	18.3	49.8	50.4
LCR	0.4	1.5	5.0	4.9
LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	=
ESS	0.0	0.2	2.4	2.8
Regulatory Outcome	-	-	0.4	1.4
Other OGDR	0.1	0.4	1.1	1.1
CKY Purchase Receivable	0.1	0.3	0.4	0.4
Uncollectibles - NonTracked	0.0	0.2	0.3	0.3
Uncollectibles - Tracked	0.0	0.1	0.2	0.2
Trackers	0.1	0.4	0.6	0.5
Total Revenue	5.8	21.2	60.2	62.1
Total Revenue w/o Trackers	5.7	20.8	59.3	61.4

012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Base Margin (less LCR)	5.4	19.7	51.1	50.4
LCR	0.5	1.6	5.1	4.9
LCR (Prior Dec. True-Up)	-	-	-	-
ESS	0.2	0.7	2.4	2.8
Regulatory Outcome	-	-	0.3	0.6
Other OGDR	0.1	0.4	1.2	1.2
CKY Purchase Receivable	0.1	0.4	0.5	0.5
Uncollectibles - NonTracked	0.0	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.1	0.2	0.2
Trackers	0.1	0.3	0.5	0.5
Total Revenue	6.5	23.3	61.6	61.6
Total Revenue w/o Trackers	6.4	23.0	60.9	60.8

Var	iance	Mo Var	YTD Var	Yr Var	Yr Var
	Base Margin (less LCR)	(0.4)	(1.3)	(1.2)	(0.0)
	LCR	(0.1)	(0.1)	(0.1)	-
	LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
A)	ESS	(0.2)	(0.5)	0.0	-
•	Regulatory Outcome	•	-	0.1	0.9
B)	Other OGDR	(0.0)	(0.0)	(0.0)	(0.1)
B)	CKY Purchase Receivable	(0.0)	(0.1)	(0.1)	(0.1)
B)	Uncollectibles - NonTracked	(0.0)	(0.0)	(0.1)	(0.1)
•	Uncollectibles - Tracked	·-	(0.0)	(0.0)	-
	Trackers	(0.0)	0.1	0.1	(0.0)
	Total Variance	(0.7)	(2.1)	(1.5)	0.5
	Total Variance w/o Trackers	(0.7)	(2.2)	(1.5)	0.5

- A) Variance represents downward revision to Off-System sales assumptions due to lack of price volatility.
 B) Variance due to declining gas costs.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2012 3&9	Mo Actual	YTD Actual	2012 3&9	2013 3&9
Penalty Charges	0.1	0.2	0.4	0.3
Return Check	0.0	0.0	0.2	0.2
Other Fees	0.0	0.1	0.3	0.3
Other Revenue	0.0	0.0	0.1	0.1
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	_	0.0	0.0	-
Total OGDR	0.1	0.4	1.1	1.1

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Penalty Charges	0.1	0.2	0.3	0.3
Return Check	0.0	0.0	0.1	0.1
Other Fees	0.0	0.2	0.4	0.4
Other Revenue	0.0	0.0	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	•	-	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	_	-	-	_
Total OGDR	0.1	0.4	1,2	1.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	0.0	0.0	0.0	(0.0)
Return Check	0.0	0.0	0.0	0.0
Other Fees	(0.0)	(0.0)	(0.0)	(0.0)
Other Revenue	(0.0)	(0.0)	(0.0)	(0.0)
Pub Util-Flex	0.0	0.0	0.0	_
Company Use	(0.0)	(0.0)	(0.0)	0.0
Balancing Services	· ·	-	-	_
Other Misc Income	-	-	-	_
Misc Merchant Revenue	-	0.0	0.0	-
Total OGDR	(0.0)	(0.0)	(0.0)	(0.1)

2012 Customer & Usage Information - 0&12 vs. 3&9

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residential	(0.1)	(0.4)
Commercial	(0.0)	0.0
Total	(0.1)	(0.4)

Usage Change	Month	YTD
Residential	0.1	(0.1)
Commercial	(0.3)	(1.0)
Industrial (Non-LCR)	0.0	0.3
Total	(0.2)	(0.8)

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	9.2	36.9
Comm	60.8	236.1
Ind	8,536.3	27,159.1

Budget	Month	YTD
Residential	9.1	37.0
Commercial	62.2	240.2
Industrial	8,430.9	51,243.1

Variance	Month	Mo. %	YTD	YTD %
Residential	0.0	0.3%	(0.1)	-0.2%
Commercial	(1.4)	-2.2%	(4.1)	-1.7%
Industrial	105.4	1.2%	(24.084.0)	-47.0%

Customer Count

Actual	Month	YTD Avg
Residential	121,121	121,213
Commercial	14,079	14,102
Industrial	179	178
Total	135,379	135,493

Budget	Month	YTD Avg
Residential	121,452	121,607
Commercial	14,075	14,086
Industrial	181	181
Total	135,708	135,873

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	(331.000)	-0.3%	(393.667)	-0.003237
Commercial	4.000	0.0%	16.333	0.1%
Industrial	(2.000)	-1.1%	(3.000)	-1.7%
Tota!	(329.000)	-0.2%	(380.333)	-0.3%

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 3&9	Mo Actual	YTD Actual	2012 3&9	2013 3&9
Labor	0.6	1.9	6.8	6.8
Benefits	0.2	0.6	2.2	1.9
Materials & Supplies	0.2	0.4	1.5	1.5
Outside Services	0.3	1.0	4.1	5.0
Management Fee	1.0	2.8	11.8	12.2
Uncollectibles	0.0	0.1	0.5	0.5
Other *	0.3	1.0	4.0	3.4
Trackers	0.1	0.5	0.8	8.0
Total O&M	2.7	8.3	31.8	32.1
Total O&M w/o Trackers	2.6	7.8	31.0	31.4

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Labor	0.6	1.7	6.6	6.9
Benefits	0.2	0.5	1.9	1.6
Materials & Supplies	0.1	0.3	1.5	1.5
Outside Services	0.4	1.1	4.3	5.0
Management Fee	1.0	3.0	11.9	12.2
Uncollectibles	0.0	0.2	0.5	0.5
Other *	0.3	1.0	3.9	3.4
Trackers	0.1	0.3	8.0	0.7
Total O&M	2.8	8.2	31.5	31.8
Total O&M w/o Trackers	2.7	7.8	30.8	31.1

	Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Labor	0.1	0.2	0.2	(0.0)
B)	Benefits	0.0	0.1	0.3	0.3
	Materials & Supplies	0.0	0.0	0.1	-
C)	Outside Services	(0.1)	(0.1)	(0.2)	0.0
D)	Management Fee	(0.1)	(0.2)	(0.1)	-
	Uncollectibles	(0.0)	(0.0)	-	-
	Other *	0.0	0.0	0.0	0.0
E)	Trackers	(0.0)	0.1	0.1	0.0
	Total Change	(0.1)	0.1	0.2	0.3
	Total Change w/o Trackers	(0.1)	(0.0)	0.2	0.3

- A) YTD Var Primarily under runs in capital.
 B) 2012 and 2013 Yr Var primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- C) 2012 Yr Var Primarily leak repairs.
 D) YTD Var Primarily Legal and NGD Operations.
 E) Offset in revenue.

2012 3&9	Mo Actual	YTD Actual	2012 3&9	2013 3&9
Other				
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.1	0.2	0.3
Corporate Insurance	0.1	0.2	8.0	0.9
Employee Expenses	0.0	0.1	0.3	0.4
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.1	0.3	0.3
Misc Revenues	(0.0)	(0.0)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.0	0.0	(0.0)
Amortizations *	0.0	0.1	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.7)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	-
Advertising	0.0	0.0	0.1	0.1
Auto/Trucks Cleared	0.1	0.3	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.2	0.2
Below the Line O&M	-	-	<u>-</u>	
	0.3	1.0	4.0	3.4

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Other	<u>.</u>	-		
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.1	0.3	0.3
Corporate Insurance	0.1	0.2	0.9	0.9
Employee Expenses	0.0	0.1	0.3	0.4
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.1	0.3	0.3
Misc Revenues	(0.0)	(0.0)	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	(0.0)
Amortizations *	0.0	0.1	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	-
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	0.3	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M		-	-	-
	0.3	1.0	3.9	3.4

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Buildings and Land	0.0	0.0	0.0	-
Rents/Leases	(0.0)	(0.0)	(0.1)	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	-
Employee Expenses	(0.0)	(0.0)	0.0	•
Company Memberships	(0.0)	0.0	0.0	0.0
Utilities	0.0	0.0	0.1	0.0
Misc Revenues	(0.0)	(0.0)	(0.0)	*
Misc & Other Expenses	0.0	0.1	0.1	(0.0)
Amortizations *	-	-	-	-
Deferred Credits	0.0	0.0	0.0	(0.0)
I&D Accrual	0.0	0.0	-	-
Well/Lease Rent/Royalty	-			
Advertising	(0.0)	(0.0)	(0.0)	_
Auto/Trucks Cleared	0.0	(0.0)	(0.0)	-
O&M Reclass - Regulatory to GAAP	-	(0.0)	(0.0)	(0.0)
Below the Line O&M				, -
	0.0	0.0	0.0	0.0

Variance Explanations:

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2012 3&9	Mo Actual	YTD Actual	2012 3&9	2013 3&9
Distribution Ops	1.0	2.9	10.9	11.2
Meter To Cash	0.1	0.2	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.1	0.4	0.4
Presidents	0.1	0.4	1.6	1.6
Other Dept	•	-	-	-
Management Fee	1.0	2.8	11.8	12.2
Benefits	0.2	0.6	2.2	1.9
Uncollectibles	0.0	0.1	0.5	0.5
Other Corporate *	0.251	0.740	2.894	2.960
Trackers	0.1	0.5	0.8	0.8
Total O&M	2.719	8.253	31.785	32.109
Total O&M w/o Trackers	2.6	7.8	31.0	31.4

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Distribution Ops	1.0	2.8	10.9	11.2025
Meter To Cash	0.1	0.2	0.6	0.6249
Customer Call Center	0.0	0.0	0.0	0.0128
Integration Center	0.0	0.1	0.4	0.3629
Presidents	0.2	0.4	1.6	1.5609
Other Dept	-	-	-	-
Management Fee	1.0	3.0	11.9	12.2
Benefits	0.2	0.5	1.9	1.6
Uncollectibles	0.0	0.2	0.5	0.5
Other Corporate *	0.235	0.732	2.916	2.983
Trackers	0.1	0.3	8.0	0.7
Total O&M	2.780	8.155	31.536	31.802
Total O&M w/o Trackers	2.7	7.8	30.8	31.1

Var	iance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Distribution Ops	0.0	0.2	0.0	-
	Meter To Cash	(0.0)	(0.0)	0.0	-
	Customer Call Center	(0.0)	(0.0)	(0.0)	-
	Integration Center	(0.0)	0.0	0.0	-
	Presidents	(0.0)	(0.1)	(0.0)	-
	Other Dept	-	•	-	-
B)	Management Fee	(0.1)	(0.2)	(0.1)	-
C)	Benefits	0.0	0.1	0.3	0.3
	Uncollectibles	(0.0)	(0.0)	-	-
	Other Corporate *	0.0	0.0	(0.0)	(0.0)
D)	Trackers	(0.0)	0.1	0.1	0.0
	Total Change	(0.1)	0.1	0.2	0.3
	Total Change w/o Trackers	(0.1)	(0.0)	0.2	0.3

- A) YTD Var Primarily under runs in capital offset by leak repairs.
- B) YTD Var Primarily Legal and NGD Operations.
- C) 2012 and 2013 Yr Var primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- D) Offset in revenue.

^{*} See O&M Other Corp Tab

2 3&9	Mo Actual	YTD Actual	2012 3&9	2013 3&9
Other Corporate				
Net Labor	0.0	0.1	0.4	0.4
Materials/Supplies	0.0	0.0	8.0	0.0
Audit Fees	0.0	0.1	0.1	0.1
Consulting Fees		0.0	0.0	0.2
Legal Fees	-	-	-	-
Outside Services	0.0	0.0	0.1	0.2
Buildings and Land		•	-	-
Rents/Leases	0.0	0.1	0.2	0.3
Corporate insurance	0.1	0.2	8.0	0.9
Employee Expenses	-	-	=	-
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.0	0.1	0.0
Misc Revenues		-	-	-
Misc & Other Expenses	0.0	0.0	0.2	0.2
Amortizations *	0.0	0.1	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	•	-	
Advertising	-	-	=	-
Auto/Truck Cleared		•	_	-
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.2	0.2
Stores Clearing	-	-	-	-
Below the line O&M	•	•		
Total Other Corporate	0.251	0.740	2.894	2.9604

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Other Corporate				
Net Labor	0.0	0.1	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.0	0.1	0.1
Consulting Fees	0.0	0.0	0.0	0.2
Legal Fees	-	-	-	
Outside Services	0.0	0.0	0.2	0.2
Buildings and Land		-	-	-
Rents/Leases	0.0	0.1	0.3	0.3
Corporate Insurance	0.1	0.2	0.9	0.9
Employee Expenses		•	-	-
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.0	0.0	0.0
Misc Revenues		-	-	
Misc & Other Expenses	0.0	0.0	0.2	0.2
Amortizations *	0.0	0.1	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	•		-	-
Advertising	-	-	-	•
Auto/Truck Cleared	•	-	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Stores Clearing	-	-	_	-
Below the line O&M		-	-	-
Total Other Corporate	0.235	0.732	2.916	2.983

ance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Net Labor	(0.0)	0.0	(0.0)	(0.0)
Materials/Supplies	(0.0)	(0.0)	(0.0)	•
Audit Fees	0.0	0.0	0.0	-
Consulting Fees	(0.0)	(0.0)	(0.0)	-
Legal Fees	-	-	-	-
Outside Services	(0.0)	(0.0)	(0.0)	0.0
Buildings and Land	•	-	-	-
Rents/Leases	(0.0)	(0.0)	(0.1)	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	-
Employee Expenses	-	-	•	
Company Memberships	(0.0)	0.0	0.0	0.0
Utilities	0.0	0.0	0.1	0.0
Misc Revenues		•	•	-
Misc & Other Expenses	0.0	0.0	0.0	(0.0)
Amortizations *	•	-	-	-
Deferred Credits	(0.0)	(0.0)	(0.0)	(0.0)
I&D Accrual	0.0	0.0	-	-
Well/Lease Rent/Royalty	•	-	-	-
Advertising	-	-	-	-
Auto/Truck Cleared	-	-	•	-
O&M Reclass - Regulatory to GAAP	-	(0.0)	(0.0)	(0.0)
Stores Clearing	-	-	•	-
Below the line O&M		-	-	-
Total Other Corporate	0.0	0.0	(0.0)	(0.0)

Variance Explanations:

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2012 3&9	Mo Actual	YTD Actual	2012 3&9	2013 3&9
Depreciation	0.5	1.6	6.6	6.9
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	0.6	2.4	2.6
Payroll	0.0	0.1	0.5	0.5
Distribution	-	-	-	-
Other	_	-	-	_
Total Other Taxes	0.2	0.8	2.9	3.1
Total Other Taxes w/o Trackers	0.3	0.9	3.2	3.4

012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Depreciation	0.5	1.6	6.6	6.9
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	0.6	2.4	2.6
Payroll	0.0	0.1	0.5	0.5
Distribution	-	-		-
Other	-	-	-	-
Total Other Taxes	0.2	0.7	2.9	3.1
Total Other Taxes w/o Trackers	0.3	0.8	3.1	3.3

riance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.0	(0.0)	-
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.0	0.0	0.0	0.0
Payroll	0.0	0.0	0.0	-
Distribution	-	-	-	_
Other	-	-	-	-
Total Other Taxes Change	0.0	0.0	0.1	0.0
Total Change w/o Trackers	0.0	0.1	0.0	0.1

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2012 3&9	Mo Actual	YTD Actual	2012 3&9	2013 389
Miscellaneous	-	-		-
AFUDC	0.0	0.0	0.1	0.1
Hedging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income	-	-	-	-
Sale Receivables	-	-	-	-
Customer Tax Contribution	-	-	-	-
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.1	0.2	0.7	0.6
Total Other Income	0.1	0.2	0.8	0.6
Long-Term Interest Expense	0.4	1.2	4.7	5.2
Short-Term Interest Expense	-	•	-	0.0
Customer Deposits Interest Expense	0.0	0.0	0.2	0.2
Rate Refund Interest Expense	-	-	-	
Over-Collection Interest Expense	-	•	-	-
Other Interest Expense	-	-	-	-
Carrying Cost Interest Expense	-	-	-	•
Hedging Interst Expense	-	•	-	-
PISCC	-	_	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.1)	(0.1)
Interest Expense	0.4	1.2	4.8	5.3
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	-

? 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Miscellaneous	-	=	-	-
AFUDC	0.0	0.0	0.1	0.1
Hedging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income	-	-	-	-
Sale Receivables	-	-	-	_
Customer Tax Contribution		-	-	-
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1
Temp Cash Investment Interest Income	0.1	0.2	0.6	0.5
Total Other Income	0.1	0.2	0.7	0.
Long-Term Interest Expense	0.4	1.1	4.7	5.:
Short-Term Interest Expense	-	_	-	=
Customer Deposits Interest Expense	0.0	0.0	0.2	0.
Rate Refund Interest Expense	-	•	-	_
Over-Collection Interest Expense	_	-	•	-
Other Interest Expense	_	-	-	_
Carrying Cost Interest Expense		•	-	
Hedging Interst Expense	-	-	-	_
PISCC	_	-	-	_
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.
Interest Expense	0.4	1.2	4.8	5.
NET INCOME FROM SUBSIDIARIES	-	-		-

Variance	Мо Var	YTD Var	Yr Var	Yr Var
Miscellaneous	-	-	-	-
AFUDC	0.0	0.0	0.0	0.0
Hedging Interest Income	(0.0)	(0.0)	(0.0)	0.0
Under-Collection Interest Income	-	•	•	-
Sale Receivables	-	-	-	-
Customer Tax Contribution	-	-	-	-
Charitable Contributions	0.0	0.0	(0.0)	-
A) Temp Cash Investment Interest Income	(0.0)	(0.0)	0,1	0.0
Total Other Income	(0.0)	(0.0)	0.1	0.1
Long-Term Interest Expense	0.0	0.0	0.0	_
Short-Term Interest Expense	-	_	-	0.0
Customer Deposits Interest Expense	-	_	-	
Rate Refund Interest Expense	-	-	-	-
Over-Collection Interest Expense	-	-	•	-
Other Interest Expense	-	-	-	•
Carrying Cost Interest Expense	-	-	-	-
Hedging Interst Expense	=	-		-
PISCC		-	-	_
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	(0.0)	0.0	0.0	0.0
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	

Variance Explanations:

A) Variance represents interest earned on operating cash sent to Corp. Money Pool.

2 3&9	<u> </u>	2012	2013
Assets			
Net Property Plant and Equipment	205.6	211. 6	219
Total Investments	0.4	0.4	
Cash and Cash Equivilents	1.0	-	-
Restricted Cash	2.9	2.9	
Accounts Receivable	61.8	49.3	2
Gas Inventory	29.7	43.4	4
Unrecovered Purchase Costs	25.1		1
Material & Supplies	0.1	•	'
Price Risk Management Assets	0.1	-	
		0.4	
Exchange Gas Receivables & Reserve	0.1	0.1	
Current Regulatory Assets	3.0	2.8	
Prepayments and Other Assets	2.0	3.0	
Total Current Assets	100.5	101.4	9
NC Regulatory Assets	17.7	16.9	1
Intangible Assets	-	-	
Post Retirement Benefits NC Assets	-	-	
Other Receivables Affiliated	_	-	
Deferred Charges	1.7	1.8	
Total Other Assets	19.5	18.7	1
Total Assets	326.0	332.1	32
Capitalization & Liabilities			
Total Common Stock Equity	94.2	92.5	9
Long Term Debt, excluding amounts due within one year	67.3	58.3	8
Total Capitalization	161.6	150.9	18
Obligations Due in One Year	14.7	28.7	
Accounts Payable	9.4	11.6	1
Customer Deposits and AR Credit Balance	14.3	17.7	1
Taxes Accrued	5.0		
		4.5	
Interest Accrued	0.0	0.0	
Overrecovered Gas and Fuel Costs	12.2	5.5	
Price Risk Management Liabilities (Current)	1.2	1.2	
Exchange Gas Payable	12.8	15.8	
Current Regulatory Liabilities	2.5	2.1	
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	
Environmental	-	-	
Other Accruals	(0.6)	(0.7)	
Total Current Liabilities	71.7	86.7	5
Price Risk Management Liabilities - NC	1.2	1.2	
Deferred Income Taxes	45.1	46.8	4
Deferred Investment Tax Credits	0.5	0.4	7
Noncurrent Regulatory Liabilities	26.0	26.2	2
Accrued Liab for Post Retirement Benefits - NC	10.2	10.0	
Other Non-Current Liabilities Other NC Liab & Deferred Credits	9.7 92.7	9.9 94.6	
			_
Total Capitalization & Liabilities	326.0	332.1	32

0&12	Мо	2012	2013
Assets			
Net Property Plant and Equipment	204.6	211.6	21
Total Investments	0.4	0.4	
Cash and Cash Equivilents	-	-	
Restricted Cash	3.5	3.6	
Accounts Receivable	65.2	39.2	3
Gas Inventory	24.4	45.1	4
Unrecovered Purchase Costs	-	-	
Material & Supplies	0.0	0.0	
Price Risk Management Assets	-	-	
Exchange Gas Receivables & Reserve	0.1	0.1	
Current Regulatory Assets	2.9	2.7	
Prepayments and Other Assets	2.2	2.9	
Total Current Assets	98.4	93.6	8
NC Regulatory Assets	18.2	17.4	1
Intangible Assets	-	-	
Post Retirement Benefits NC Assets	-	-	
Other Receivables Affiliated	-	-	
Deferred Charges	1.7	1.7	
Total Other Assets	19.8	19.1	
Total Assets	323.3	324.7	32
Capitalization & Liabilities			
Total Common Stock Equity	96.6	94.4	9
Long Term Debt, excluding amounts due within one year	67.3	58.3	ε
Total Capitalization	163.9	152.7	18
Obligations Due in One Year	14.7	28.7	
Accounts Payable	10.7	11.1	1
Customer Deposits and AR Credit Balance	5.6	17.7	1
Taxes Accrued	6.5	5.0	
Interest Accrued	0.0	0.0	
Overrecovered Gas and Fuel Costs	10.3	7.9	
Price Risk Management Liabilities (Current)	0.6	0.6	
Exchange Gas Payable	16.3	4.7	
Current Regulatory Liabilities	2.3	2.2	
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	
Environmental	-	-	
Other Accruals	(0.6)	(0.8)	(
Total Current Liabilities	66.5	77,2	4
· · · · · · · · · · · · · · · · · · ·			
Price Risk Management Liabilities - NC	1.1	1.1	
Deferred Income Taxes	45.0	46.8	4
Deferred Investment Tax Credits	0.5	0.4	
Noncurrent Regulatory Liabilities	26.4	26.7	2
Accrued Liab for Post Retirement Benefits - NC	10.1	10.0	
	0.7	9.8	1
Other Non-Current Liabilities	9.7		
	92.9	94.8	g

Vai	riance	Mo Var	2012 Var	2013 Var
	Assets			
A)	Net Property Plant and Equipment	1.0	(0.0)	(0.0)
, · · ,	Total Investments	0.0	0.0	0.0
B)	Cash and Cash Equivilents	1.0	-	-
C)	Restricted Cash	(0.6)	(0.6)	-
D)	Accounts Receivable	(3.4)	10.1	(3.7)
E)	Gas Inventory	5.3	(1.7)	0.5
F)	Unrecovered Purchase Costs	-	· , ,	12.3
-	Material & Supplies	0.1	(0.0)	(0.0)
	Price Risk Management Assets	-	-	-
	Exchange Gas Receivables & Reserve	(0.0)	(0.0)	(0.0)
	Current Regulatory Assets	0.0	0.0	0.0
	Prepayments and Other Assets	(0.3)	0.0	0.0
	Total Current Assets	2.1	7.8	9.1
	NC Regulatory Assets	(0.4)	(0.6)	(1.0)
	Intangible Assets	-	•	-
	Post Retirement Benefits NC Assets	-	-	-
	Other Receivables Affiliated	-	-	-
	Deferred Charges	0.1	0.1	0.2
	Total Other Assets	(0.4)	(0.4)	(0.9)
	Total Assets	2.7	7.4	8.3
	Capitalization & Liabilities			
G)	Total Common Stock Equity	(2.3)	(1.9)	(2.1)
G)	Long Term Debt, excluding amounts due within one year	-	-	-
	Total Capitalization	(2.3)	(1.9)	(2.1)
	Current Portion of Long Term Debt	-	•	-
D)	Accounts Payable	(1.3)	0.5	8.0
D)	Customer Deposits and AR Credit Balance	8.8	-	-
H)	Taxes Accrued	(1.5)	(0.4)	0.0
	Interest Accrued	0.0	0.0	0.0
F)	Overrecovered Gas and Fuel Costs	1.9	(2.5)	-
I)	Price Risk Management Liabilities (Current)	0.6	0.6	0.6
J)	Exchange Gas Payable	(3.5)	11.2	4.8
	Current Regulatory Liabilities	0.3	(0.0)	(0.0)
	Accrued Liability for Post Retirement Benefits - Cur	-	-	-
	Environmental	-	-	-
	Other Accruals	0.0	0.1	4.3
	Total Current Liabilities	5.2	9.5	10.6
	Price Risk Management Liabilities - NC	0.1	0.1	0.1
	Deferred Income Taxes	0.1	0.0	(0.5)
	Deferred Investment Tax Credits	0.0	(0.0)	(0.0)
	Noncurrent Regulatory Liabilities	(0.4)	(0.4)	(0.4)
	Accrued Liab for Post Retirement Benefits - NC	0.0	0.0	0.6
	Other Non-Current Liabilities Other NC Liab & Defferred Credits	0.0 (0.2)	(0.3)	(0.1)
	Total Capitalization & Liabilities	2.7	7.4	8.3

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- A) Variance due to timing issues around 2012 In-Service (+\$623K) and Decreciation (-\$328).
- B) Increase in Money Pool funding.
- C) Variance due to changes to the required reserves related to the Hedging Program, and MF Global bankruptcy (\$256K).
- D) March A/R variance due to decreases to Tariff receivables (\$2.5M), Choice Receiveables (\$2.6), and Unbilled receivables of (\$2.0M), partially offset by increased Money Pool deposits of \$10.0M. The \$8.8M Customer Deposits variance is due to an \$8.8M increase to A/P Factoring related to budget payment plans.resulting from warmer than expected weather. The 2012 A/R variance is due to decreased Tariff receivables (\$1.7M), Unbilled receivables (\$1.9M), and Off-Systems Sales (\$1.4M), outset by \$16.6M in Money Pool funding. A/P Variance due to decreased Marketer payables.
- E) March variance due to Rate Differential and Usage variances of \$2.1M and \$3.34M respectively. 2012 annual variance due to Rate Differential and Usage variances of (\$1.0M) and (\$700K) respectively. 2013 annual variance is due to Rate Differential and Usage variances of \$1.4M and (\$904K) respectively.
- F) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to an unfavorable \$1.1M increase to Federal Income tax payable.
- Variance due to changes in the Hedging obligations.
- J) March variance due to a decrease in the number of outstanding exchange obligations vs. the 0&12, while the variance in 2012 & 2013 indicate an increase in the number of outstanding exchange obligations.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 3&9	Mo Actual	YTD Actual	2012 3&9	2013 3&9
New Business	0.2	0.8	1.7	1.7
Betterment	0.1	0.3	1.0	0.2
Replacement	0.9	2.6	11.4	11.7
Support Services	0.1	0.1	1.2	1.6
Gross Capital	1.4	3.8	15.3	15.1
Contributions & Reimbursements	0.0	(0.0)	(0.7)	(0.7)
Total NGD	1.4	3.8	14.7	14.5
Infrastructure/AMR	0.6	2.0	9.1	8.2

2012 0&12	Mo Budget	YTD	2012 08.12	2013 0&12
New Business	0.1	0.3	1.7	1.7
Betterment	0.1	0.4	1.0	0.2
Replacement	0.9	2.4	11.4	11.7
Support Services	0.0	0.1	1.2	1.6
Gross Capital	1.1	3.3	15.3	15.1
Contributions & Reimbursements	(0.1)	(0.2)	(0.7)	(0.7)
Total NGD	0.9	3.0	14.7	14.5
Infrastructure/AMR	0.8	2.2	9.1	8.2

ariance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	0.2	0.5	-	-
Betterment	0.0	(0.1)		-
Replacement	0.1	0.2	-	-
Support Services	0.0	(0.0)	-	-
Gross Capital	0.3	0.5	-	_ -
Contributions & Reimbursements	0.1	0.2	-	-
Total NGD	0.4	0.8		
Infrastructure/AMR	(0.1)	(0.2)		 -

2012 4&8	Mo Actual	YTD Actual	2012 4&8	2013 4&8
Net Revenues	3.7	24.5	58.7	61.3
O&M Expense	2.5	10.3	30.9	31.3
Depreciation	0.6	2.2	6.6	6.9
Other Taxes	0.3	1.1	3.2	3.4
*Operating Earnings	0.3	10.9	17.9	19.7
Other Income	0.1	0.3	8.0	0.5
Interest Expense	0.4	1.6	4.8	5.3
*Operating Earnings before Taxes	(0.0)	9.6	13.9	14.9
Income Tax	0.2	4.4	6.1	5.9
Net Operating Earnings	(0.2)	5.1	7.8	9.0

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Net Revenues	4.5	27.5	60.9	60.8
O&M Expense	2.5	10.3	30.8	31.1
Depreciation	0.5	2.1	6.6	6.9
Other Taxes	0.3	1.1	3.1	3.3
*Operating Earnings	1.2	14.0	20.35	19.6
Other Income	0.1	0.3	0.7	0.5
Interest Expense	0.4	1.6	4.8	5.3
*Operating Earnings before Taxes	0.9	12.7	16.2	14.8
Income Tax	0.4	5.0	6.3	6.0
Net Operating Earnings	0.6	7.7	9.9	8.7

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	(0.9)	(3.0)	(2.2)	0.5
O&M Expense	0.0	(0.0)	0.1	0.3
Depreciation	0.0	0.0	(0.0)	-
Other Taxes	0.0	0.1	0.1	0.1
*Operating Earnings	(0.9)	(3.1)	(2.4)	0.1
Other Income	(0.0)	(0.0)	0.1	0.0
Interest Expense	(0.0)	0.0	0.0	0.0
*Operating Earnings before Taxes	(0.9)	(3.1)	(2.3)	0.1
Income Tax				
Net Operating Earnings	(0.9)	(3.1)	(2.3)	0.1

^{*} net of trackers

Revenue - Plan-vs.-Plan

(\$ millions)

2012 4&8	Mo Actual	YTD Actual	2012 4&8	2013 4&8
Base Margin (less LCR)	3.1	21.4	49.2	50.4
LCR	0.3	1.8	5.0	4.9
LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
ESS	0.1	0.3	2.4	2.8
Regulatory Outcome	-	-	0.4	1.4
Other OGDR	0.1	0.5	1.1	1.1
CKY Purchase Receivable	0.0	0.3	0.4	0.4
Uncollectibles - NonTracked	0.0	0.2	0.3	0.3
Uncollectibles - Tracked	0.0	0.1	0.2	0.2
Trackers	0.1	0.5	0.7	0.5
Total Revenue	3.8	25.0	59.6	62.1
Total Revenue w/o Trackers	3.7	24.5	58.7	61.3

12 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Base Margin (less LCR)	3.7	23.4	51.1	50.4
LCR	0.4	2.0	5.1	4.9
LCR (Prior Dec. True-Up)	-	-	-	-
ESS	0.2	0.9	2.4	2.8
Regulatory Outcome	-	-	0.3	0.6
Other OGDR	0.1	0.6	1.2	1.2
CKY Purchase Receivable	0.0	0.4	0.5	0.5
Uncollectibles - NonTracked	0.0	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.1	0.2	0.2
Trackers	0.0	0.3	0.5	0.5
Total Revenue	4.6	27.9	61.6	61.6
Total Revenue w/o Trackers	4.5	27.5	60.9	60.8

Var	iance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Base Margin (less LCR)	(0.7)	(2.0)	(1.9)	0.0
	LCR	(0.1)	(0.2)	(0.1)	-
	LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
B)	ESS	(0.1)	(0.6)	0.0	-
	Regulatory Outcome	-		0.1	0.9
C)	Other OGDR	(0.0)	(0.0)	(0.1)	(0.1)
C)	CKY Purchase Receivable	(0.0)	(0.1)	(0.1)	(0.1)
C)	Uncollectibles - NonTracked	(0.0)	(0.0)	(0.1)	(0.1)
	Uncollectibles - Tracked	-	(0.0)	(0.0)	-
	Trackers	0.1	0.2	0.2	(0.0)
	Total Variance	(0.8)	(2.9)	(2.1)	0.5
	Total Variance w/o Trackers	(0.9)	(3.0)	(2.2)	0.5

- A) Variance due to customer and usage erosion
- B) Variance represents downward revision to Off-System sales assumptions due to lack of price volatility
- C) Variance due to declining gas costs

Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2012 4&8	Mo Actual	YTD Actual	2012 4&8	2013 4&8
Penalty Charges	0.1	0.2	0.4	0.3
Return Check	0.0	0.1	0.2	0.2
Other Fees	0.0	0.2	0.3	0.3
Other Revenue	0.0	0.0	0.1	0.1
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	-	0.0	0.0	-
Total OGDR	0.1	0.5	1.1	1.1

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Penalty Charges	0.1	0.2	0.3	0.3
Return Check	0.0	0.0	0.1	0.1
Other Fees	0.0	0.2	0.4	0.4
Other Revenue	0.0	0.1	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	-	-	-	-
Total OGDR	0.1	0.6	1.2	1.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	0.0	0.0	0.0	(0.0)
Return Check	0.0	0.0	0.0	0.0
Other Fees	(0.0)	(0.0)	(0.0)	(0.0)
Other Revenue	(0.0)	(0.1)	(0.1)	(0.0)
Pub Util-Flex	0.0	0.0	0.0	-
Company Use	(0.0)	(0.0)	(0.0)	0.0
Balancing Services	- -	- · ·	, , , <u>.</u>	-
Other Misc Income	-	-	-	-
Misc Merchant Revenue	-	0.0	0.0	-
Total OGDR	(0.0)	(0.0)	(0.1)	(0.1)

2012 Customer & Usage Information - 0&12 vs. 4&8

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residential	0.1	0.5
Commercial	0.0	0.0
Total	0.1	0.5

Usage Change	Month	YTD
Residential	0.4	0.5
Commercial	0.7	0.3
Industrial (Non-LCR)	(0.0)	0.2
Total	1.0	1.0

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	4.2	41.1
Comm	39.1	275.2
Ind	7,610.2	34,769.0

Budget	Month	
Residential	4.4	41.4
Commercial	36.2	276.4
Industrial	7, 44 2.0	34,066.0

Variance	Month	Mo. %	YTD	YTD %
Residential	(0.2)	-4.4%	(0.3)	-0.7%
Commercial	2.9	7.9%	(1.2)	-0.4%
Industrial	168.2	2.3%	703.0	2.1%

Customer Count

Actual	Month	YTD Avg
Residential	120,207	120,962
Commercial	13,990	14,074
Industrial	177	176
Total	134,374	135,212

Budget	Month	YTD Avg
Residential	120,562	121,346
Commercial	13,969	14,057
Industrial	181	179
Total	134,712	135,582

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	(355.0)	-0.3%	(384.0)	-0.3%
Commercial	21.0	0.2%	17.0	0.1%
Industrial	(4.0)	-2.2%	(3.0)	-1.7%
Total	(338.0)	-0.3%	(370.0)	-0.3%

O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 4&8	Mo Actual	YTD Actual	2012 4&8	2013 4&8
Labor	0.6	2.5	6.8	6.8
Benefits	0.2	8.0	2.2	1.9
Materials & Supplies	0.1	0.5	1.5	1.5
Outside Services	0.3	1.3	4.1	5.0
Management Fee	0.9	3.8	11.8	12.2
Uncollectibles	0.1	0.2	0.5	0.5
Other *	0.3	1.3	4.0	3.4
Trackers	0.1	0.6	0.9	8.0
Total O&M	2.7	10.9	31.8	32.1
Total O&M w/o Trackers	2.5	10.3	30.9	31.3

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Labor	0.6	2.3	6.6	6.9
Benefits	0.2	0.7	1.9	1.6
Materials & Supplies	0.1	0.5	1.5	1.5
Outside Services	0.3	1.4	4.3	5.0
Management Fee	1.0	4.0	11.9	12.2
Uncollectibles	0.0	0.2	0.5	0.5
Other *	0.3	1.3	3.9	3.4
Trackers	0.1	0.4	0.8	0.7
Total O&M	2.6	10.7	31.5	31.8
Total O&M w/o Trackers	2.5	10.3	30.8	31.1

	Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Labor	(0.0)	0.2	0.2	(0.0)
B)	Benefits	0.0	0.1	0.3	0.3
_	Materials & Supplies	(0.0)	0.0	(0.0)	-
C)	Outside Services	0.0	(0.1)	(0.2)	0.0
D)	Management Fee	(0.0)	(0.2)	(0.1)	-
	Uncollectibles	0.0	(0.0)	-	-
	Other *	(0.0)	(0.0)	0.0	(0.0)
E)	Trackers	0.1	0.2	0.1	0.0
	Total Change	0.1	0.2	0.3	0.3
	Total Change w/o Trackers	0.0	(0.0)	0.1	0.3

- A) YTD & 2012 Yr Var Primarily under runs in capital.
- B) 2012 and 2013 Yr Var primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- C) 2012 Yr Var Primarily leak repairs.
- D) YTD Var Primarily Legal and NGD Operations.
- E) Offset in revenue.

012 4&8	Mo Actual	YTD Actual	2012 4&8	2013 4&8
Other				
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.1	0.2	0.3
Corporate Insurance	0.1	0.3	8.0	0.9
Employee Expenses	0.0	0.1	0.3	0.4
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.1	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.1	0.1	(0.0)
Amortizations *	0.0	0.2	0.5	0.4
Deferred Credits	(0.0)	(0.3)	(0.1)	(0.7)
I&D Accrual	(0.0)	0.3	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	-
Advertising	-	0.0	0.1	0.1
Auto/Trucks Cleared	0.1	0.4	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M	-	-	•	
	0.3	1.3	4.0	3.4

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Other	•	•		
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.1	0.3	0.3
Corporate Insurance	0.1	0.3	0.9	0.9
Employee Expenses	0.0	0.1	0.3	0.4
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.1	0.3	0.3
Misc Revenues	(0.0)	(0.0)	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	(0.0)
Amortizations *	0.0	0.2	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0.0	`0.0	0.1	0.1
Well/Lease Rent/Royalty		•	-	_
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	0.5	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M	•	-		-
	0.3	1.3	3.9	3.4

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				. ,
Buildings and Land	(0.0)	(0.0)	(0.0)	-
Rents/Leases	(0.0)	(0.0)	(0.1)	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	-
Employee Expenses	(0.0)	(0.0)	0.0	•
Company Memberships	0.0	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.0
Misc Revenues	0.0	(0.0)	(0.0)	_
Misc & Other Expenses	0.0	0.1	0.1	(0.0)
Amortizations *	-	-	-	-
Deferred Credits	(0.0)	(0.2)	0.0	(0.0)
I&D Accrual	(0.0)	0.2	-	-
Well/Lease Rent/Royalty	-			
Advertising	(0.0)	(0.0)	(0.0)	•
Auto/Trucks Cleared	(0.0)	(0.0)	(0.0)	
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M	<u> </u>		_	
	(0.0)	(0.0)	0.0	(0.0)

Variance Explanations:

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2012 4&8	Mo Actual	YTD Actual	2012 4&8	2013 4&8
Distribution Ops	0.9	3.9	10.9	11.2
Meter To Cash	0.0	0.2	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.1	0.3	0.4
Presidents	0.1	0.4	1.6	1.6
Other Dept	-	-	-	-
Management Fee	0.9	3.8	11.8	12.2
Benefits	0.2	0.8	2.2	1.9
Uncollectibles	0.1	0.2	0.5	0.5
Other Corporate *	0.2	1.0	2.9	3.0
Trackers	0.1	0.6	0.9	0.8
Total O&M	2.7	10.9	31.8	32.1
Total O&M w/o Trackers	2.5	10.3	30.9	31.3

012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Distribution Ops	0.9	3.6	10.9	11.2
Meter To Cash	0.0	0.2	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.1	0.4	0.4
Presidents	0.1	0.6	1.6	1.6
Other Dept	-	-	-	-
Management Fee	1.0	4.0	11.9	12.2
Benefits	0.2	0.7	1.9	1.6
Uncollectibles	0.0	0.2	0.5	0.5
Other Corporate *	0.2	1.0	2.9	3.0
Trackers	0.1	0.4	0.8	0.7
Total O&M	2.6	10.7	31.5	31.8
Total O&M w/o Trackers	2.5	10.3	30.8	31.1

Var	iance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Distribution Ops	0.1	0.2	0.0	-
	Meter To Cash	(0.0)	(0.0)	0.0	-
	Customer Call Center	(0.0)	(0.0)	(0.0)	-
	Integration Center	(0.0)	(0.0)	(0.0)	-
	Presidents	(0.0)	(0.1)	(0.0)	-
	Other Dept	-	-		-
B)	Management Fee	(0.0)	(0.2)	(0.1)	-
C)	Benefits	0.0	0.1	0.3	0.3
	Uncollectibles	0.0	(0.0)	-	-
	Other Corporate *	(0.0)	0.0	(0.0)	(0.0)
D)	Trackers	0.1	0.2	0.1	0.0
	Total Change	0.1	0.2	0.3	0.3
	Total Change w/o Trackers	0.0	(0.0)	0.1	0.3

- YTD Var Primarily under runs in capital offset by leak repairs.
- YTD Var Primarily Legal and NGD Operations.
 2012 and 2013 Yr Var primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages. C)
- D) Offset in revenue.

^{*} See O&M Other Corp Tab

2012 4&8	Mo Actual	YTD Actual	2012 48.8	2013 488
Other Corporate				
Net Labor	0.0	0.1	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.1	0.1
Consulting Fees	0.0	0.0	0.0	0.2
Legal Fees	-		-	-
Outside Services	0.0	0.0	0.1	0.2
Buildings and Land	-	-		-
Rents/Leases	0.0	0.1	0.2	0.3
Corporate Insurance	0.1	0.3	8.0	0.9
Employee Expenses	-	-	-	•
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.1	0.1	0.0
Misc Revenues	-	•	-	-
Misc & Other Expenses	0.0	0.1	0.2	0.2
Amortizations *	0.0	0.2	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
I&D Accrual	(0.0)	0.0	0.1	0.1
Well/Lease Rent/Royalty	-		-	-
Advertising	-		-	•
Auto/Truck Cleared		•	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Stores Clearing			-	-
Below the line O&M		-		-
Total Other Corporate	0.2	1.0	2.9	3.0

2 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Other Corporate				
Net Labor	0.0	0.1	0.4	0.
Materials/Supplies	0.0	0.0	0.0	0.
Audit Fees	0.0	0.0	0.1	0.
Consulting Fees	0.0	0.0	0.0	O.
Legal Fees	-	-	•	-
Outside Services	0.0	0.1	0.2	0.
Buildings and Land	-	•	-	-
Rents/Leases	0.0	0.1	0.3	0.
Corporate Insurance	0.1	0.3	0.9	0.
Employee Expenses		•	-	-
Company Memberships	-	0.0	0.1	0.
Utilities	0.0	0.0	0.0	0.
Misc Revenues	-	•	-	-
Misc & Other Expenses	0.0	0.1	0.2	0.
Amortizations *	0.0	0.2	0.5	0.
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.
I&D Accrual	0.0	0.0	0.1	0.
Well/Lease Rent/Royalty	-	-	•	-
Advertising	-	-	•	
Auto/Truck Cleared		•	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.
Stores Clearing	-	-		
Below the line O&M	-	•	•	
Total Other Corporate	0.2	1.0	2.9	3.

riance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Net Labor	(0.0)	0.0	(0.0)	(0.0
Materials/Supplies	0.0	0.0	0.0	-
Audit Fees	0.0	0.0	0.0	
Consulting Fees	0.0	(0.0)	(0.0)	•
Legal Fees	•	•	-	-
Outside Services	0.0	(0.0)	(0.0)	0.0
Buildings and Land	-	-		•
Rents/Leases	(0.0)	(0.0)	(0.1)	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	-
Employee Expenses	-	-	*	-
Company Memberships	0.0	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.0
Misc Revenues	-	-	•	-
Misc & Other Expenses	0.0	0.0	0.0	(0.0)
Amortizations *	-	-	-	-
Deferred Credits	(0.0)	(0.0)	(0.0)	0.0)
I&D Accrual	(0.0)	(0.0)	-	•
Well/Lease Rent/Royalty	-	-	-	_
Advertising	-	-	-	-
Auto/Truck Cleared	-	•	-	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Stores Clearing	-	-	•	
Below the line O&M		•		
Total Other Corporate	(0.0)	0.0	(0.0)	(0.0)

2012 4&8	Mo Actual	YTD Actual	2012 4&8	2013 4&8
Depreciation	0.6	2.2	6.6	6.9
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	0.8	2.5	2.6
Payroll	0.0	0.2	0.5	0.5
Distribution	-	-	-	-
Other	-	-	-	-
Total Other Taxes	0.2	1.0	3.0	3.1
Total Other Taxes w/o Trackers	0.3	1.1	3.2	3.4

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Depreciation	0.5	2.1	6.6	6.9
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	8.0	2.4	2.6
Payroll	0.0	0.2	0.5	0.5
Distribution	-	-	-	-
Other	-	-	_	-
Total Other Taxes	0.2	1.0	2.9	3.1
Total Other Taxes w/o Trackers	0.3	1.1	3.1	3.3

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.0	(0.0)	-
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.0	0.0	0.1	0.1
Payroll	0.0	0.0	0.0	-
Distribution	-	-	-	-
Other	-	-	•	_
Total Other Taxes Change	0.0	0.0	0.1	0.1
Total Change w/o Trackers	0.0	0.1	0.1	0.1

2012 4&8	Mo Actual	YTD Actual	2012 4&8	2013 4&8
Miscellaneous	-	-	•	-
AFUDC	0.0	0.0	0.1	0.1
Hedging interest Income	0.0	0.0	0.1	0.1
Under-Collection Interest Income	-	-	-	-
Sale Receivables	-	•	-	-
Customer Tax Contribution	-	-	-	-
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.1	0.2	0.7	0.5
Total Other Income	0.1	0.3	0.8	0.5
Long-Term Interest Expense	0.4	1.5	4.7	5.2
Short-Term Interest Expense	-	-	•	0.0
Customer Deposits Interest Expense	0.0	0.0	0.2	0.2
Rate Refund Interest Expense	-	-	-	-
Over-Collection Interest Expense	-	=		-
Other Interest Expense	-	=	-	-
Carrying Cost Interest Expense	•	•	-	
Hedging Interst Expense	-	-		_
PISCC	-	_	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.1)	(0.1)
Interest Expense	0.4	1.6	4.8	5.3
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	-

2 0&12	Mo Budget	YTD Budget	2012 08.12	2013 0&12
Miscellaneous	-	-	-	-
AFUDC	0.0	0.0	0.1	0.1
Hedging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income	-	-	-	-
Sale Receivables		_	-	-
Customer Tax Contribution	-	-	-	-
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1
Temp Cash Investment Interest Income	0.1	0.3	0.6	0.5
Total Other Income	0.1	0.3	0.7	0.4
Long-Term Interest Expense	0.4	1.5	4,7	5.2
Short-Term Interest Expense	-	_	-	-
Customer Deposits Interest Expense	0.0	0.0	0.2	0.3
Rate Refund Interest Expense	-	-	-	-
Over-Collection Interest Expense	-	-	-	-
Other Interest Expense	-		-	_
Carrying Cost Interest Expense	-	•		
Hedging Interst Expense	-	-	•	-
PISCC	-	-	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0
Interest Expense	0.4	1.6	4.8	5.3
NET INCOME FROM SUBSIDIARIES	-	-		_

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous	-	-	•	-
AFUDC	0.0	0.0	0.0	0.0
Hedging Interest Income	(0.0)	(0.0)	(0.0)	0.0
Under-Collection Interest Income	-	-	•	-
Sale Receivables	-	-	-	-
Customer Tax Contribution	-	•	-	-
Charitable Contributions	0.0	0.0	(0.0)	-
A) Temp Cash Investment Interest Income	(0.0)	(0.0)	0.1	(0.0)
Total Other Income	(0.0)	(0.0)	0.1	0.0
Long-Term interest Expense	0.0	0.0	0.0	_
Short-Term Interest Expense	-	-	-	0.0
Customer Deposits Interest Expense	-		-	•
Rate Refund Interest Expense	-	-	•	_
Over-Collection Interest Expense	-	-	-	-
Other Interest Expense	•	•	-	-
Carrying Cost Interest Expense	-	-	•	-
Hedging Interst Expense	-	-	-	-
PISCC	-	-	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	(0.0)	0.0	0.0	0.0
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	-

Variance Explanations:

A) Variance represents changes to the interest earned on operating cash sent to Corp. Money Pool.

Assets Net Property Plant and Equipment Total Investments Cash and Cash Equivilents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets	207.1 0.4 0.6 3.0 59.7 34.2	211.6 0.4 - 3.0	219 0
Net Property Plant and Equipment Total Investments Cash and Cash Equivilents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies	0.4 0.6 3.0 59.7	0.4	
Total Investments Cash and Cash Equivilents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies	0.4 0.6 3.0 59.7	0.4	
Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies	3.0 59.7	- 3.0	
Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies	59.7	3.0	-
Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies			-
Unrecovered Purchase Costs Material & Supplies	34.2	48.4	26
Unrecovered Purchase Costs Material & Supplies		44.9	46
· ·	-	_	1.
, ,	0.1	_	_
	-	_	-
Exchange Gas Receivables & Reserve	0.4	0.4	(
Current Regulatory Assets	3.0	2.8	
Prepayments and Other Assets	1.8	3.0	;
Total Current Assets	102.5	102.4	9(
NC Regulatory Assets	17.7	16.9	15
Intangible Assets	-	~	
Post Retirement Benefits NC Assets	_	_	_
Other Receivables Affiliated		_	<u>.</u>
Deferred Charges	1.7	1.8	
Total Other Assets	19.4	18.7	1
Total Assets	329.4	333.1	32
Capitalization & Liabilities		/	
Total Common Stock Equity	94.3	92.1	93
Long Term Debt, excluding amounts due within one year	67.3	58.3	89
Total Capitalization	161.6	150.4	183
Obligations Due in One Year	14.7	28.7	2
Accounts Payable	9.3	11.6	12
Customer Deposits and AR Credit Balance	13.1	17.7	17
Taxes Accrued	4.1	4.5	!
Interest Accrued	0.1	0.1	(
Overrecovered Gas and Fuel Costs	17.7	8.8	
Price Risk Management Liabilities (Current)	1.2	1.2	•
Exchange Gas Payable	12.5	14.0	8
Current Regulatory Liabilities	2.6	2.3	
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	(
Environmental	_	-	_
Other Accruals	(1.1)	(1.3)	
Total Current Liabilities	74.4	87.7	5
Price Risk Management Liabilities - NC	1.3	1.3	
Deferred income Taxes	45.4	46.8	47
Deferred Investment Tax Credits	0.5	0.4	(
Noncurrent Regulatory Liabilities	26.4	26.6	26
Accrued Liab for Post Retirement Benefits - NC	10.1	9.9	2(
Other Non-Current Liabilities	9.8	10.0	10
Other NC Liab & Deferred Credits	93.4	95.0	94
Total Capitalization & Liabilities	329.4	333.1	328

0&12	Мо	2012	2013
Assets			
Net Property Plant and Equipment	205.5	211.6	219.7
Total Investments	0.4	0.4	0.4
Cash and Cash Equivilents	-	_	=
Restricted Cash	3.5	3.6	-
Accounts Receivable	62.1	39.2	31.4
Gas Inventory	27.5	45.1	44.6
Unrecovered Purchase Costs	-	-	0.5
Material & Supplies	0.0	0.0	0.0
Price Risk Management Assets	-	-	_
Exchange Gas Receivables & Reserve	0.1	0.1	0.1
Current Regulatory Assets	2.9	2.7	2.7
Prepayments and Other Assets	2.0	2.9	3.1
Total Current Assets	98.2	93.6	82.6
NC Regulatory Assets	18.1	17.4	16.8
Intangible Assets	•	<u>-</u>	_
Post Retirement Benefits NC Assets	-	-	_
Other Receivables Affiliated	•	-	_
Deferred Charges	1.7	1.7	1.7
Total Other Assets	19.8	19.1	18.4
Total Assets	323.9	324.7	321.1
Canitalization 9 Linkilities			_
Capitalization & Liabilities Total Common Stock Equity	97.2	94.4	95.9
Long Term Debt, excluding amounts due within one year	67.3	58.3	89.3
Total Capitalization	164.5	152.7	185.3
Obligations Due in One Year	14.7	28.7	_
Accounts Payable	13.5	11.1	11.4
Customer Deposits and AR Credit Balance	4.8	17.7	17.7
Taxes Accrued	5.9	5.0	5.3
Interest Accrued	0.0	0.0	0.0
Overrecovered Gas and Fuel Costs	11.2	7.9	-
Price Risk Management Liabilities (Current)	0.6	0.6	0.6
Exchange Gas Payable	13.8	4.7	4.7
Current Regulatory Liabilities	2.2	2.2	2.1
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	0.1
Environmental	-	<u>.</u>	-
Other Accruals	(0.7)	(8.0)	(0.7
Total Current Liabilities	66.2	77.2	41.2
Price Risk Management Liabilities - NC	1.1	1.1	1.1
Deferred Income Taxes	45.3	46.8	47.7
Deferred Income Taxes Deferred Investment Tax Credits	0.5	0.4	0.4
Noncurrent Regulatory Liabilities	26.5	26.7	27.0
Accrued Liab for Post Retirement Benefits - NC	10.2	10.0	8.5
Other Non-Current Liabilities	9.7	9.8	10.0
Other NC Liab & Deferred Credits	93.2	94.8	94.6
Total Capitalization & Liabilities	323.9	324.7	321.1
roter Capitalization of Frankings	323.5	324.1	<u> </u>

Var	iance	Mo Var	2012 Var	2013 Var
	<u>Assets</u>			
A)	Net Property Plant and Equipment	1.5	(0.0)	(0.0)
	Total Investments	0.0	0.0	0.0
B)	Cash and Cash Equivilents	0.6	-	_
C)	Restricted Cash	(0.6)	(0.6)	-
D)	Accounts Receivable	(2.5)	9.2	(4.7)
E)	Gas Inventory	6.6	(0.2)	2.1
F)	Unrecovered Purchase Costs	•	-	10.7
	Material & Supplies	0.1	(0.0)	(0.0)
	Price Risk Management Assets	-		•
	Exchange Gas Receivables & Reserve	0.2	0.2	0.2
	Current Regulatory Assets	0.1	0.1	0.1
	Prepayments and Other Assets Total Current Assets	(0.2) 4.3	0.0 8.8	0.0 8.4
	Total Current Assets	4.3	0.0	0.4
	NC Regulatory Assets	(0.4)	(0.5)	(1.0)
	Intangible Assets	-	-	-
	Post Retirement Benefits NC Assets	-	-	-
	Other Receivables Affiliated	- 0.4	- 0.4	
	Deferred Charges Total Other Assets	0.1 (0.3)	0.1 (0.4)	(0.8)
	Total Other Assets	(0.3)	(0.4)	(0.6)
	Total Assets	5.5	8.4	7.5
	Capitalization & Liabilities			
G)		(2.9)	(2.3)	(2.6)
G)	Long Term Debt, excluding amounts due within one year	-	· ·	_
,	Total Capitalization	(2.9)	(2.3)	(2.6)
G)	Current Portion of Lang Torm Debt			2.0
D)	Current Portion of Long Term Debt Accounts Payable	(4.2)	0.5	2.0 0.8
D)	Customer Deposits and AR Credit Balance	8.3	0.5	-
H)	Taxes Accrued	(1.7)	(0.4)	0.1
•••	Interest Accrued	0.0	0.0	0.0
F)	Overrecovered Gas and Fuel Costs	6.5	0.9	-
i)	Price Risk Management Liabilities (Current)	0.6	0.6	0.6
J)	Exchange Gas Payable	(1.4)	9.3	3.4
	Current Regulatory Liabilities	0.5	0.1	0.1
	Accrued Liability for Post Retirement Benefits - Cur	-	-	-
	Environmental	-	-	-
	Other Accruals	(0.5)	(0.4)	3.1
	Total Current Liabilities	8.2	10.5	10.0
	Price Risk Management Liabilities - NC	0.2	0.2	0.2
	Deferred Income Taxes	0.1	0.0	(0.5)
	Deferred Investment Tax Credits	0.0	(0.0)	(0.0)
	Noncurrent Regulatory Liabilities	(0.1)	(0.1)	(0.1)
	Accrued Liab for Post Retirement Benefits - NC	(0.1)	(0.1)	0.5
	Other Non-Current Liabilities	0.1	0.1	(0.0)
	Other NC Liab & Defferred Credits	0.3	0.2	0.1
	Total Capitalization & Liabilities	5.5	8.4	7.5

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

- A) Variance due to timing issues around 2012 In-Service (\$1.1M) and Decreciation (\$425K)
- B) Increase in Money Pool funding
- C) Variance due to changes to the required reserves related to the Hedging Program, and MF Global bankruptcy (\$256K).
- D) April A/R variance due to decreases to Tariff receivables (\$5.3M), Choice Receiveables (\$4.3), and Off-Systems Sales of (\$1.3M), partially offset by increased Money Pool deposits of \$9.9M. The \$8.3M Customer Deposits variance is due to an \$8.3M increase to A/P Factoring related to budget payment plans.resulting from warmer than expected weather. The 2012 A/R variance is due to decreased Tariff receivables (\$1.7M), Unbilled receivables (\$2.3M), and Off-Systems Sales (\$1.3M), outset by \$15.7M in Money Pool funding. A/P Variance due to decreased payables related to declining Gas Costs (\$4.1M).
- E) April variance due to Rate Differential and Usage variances of \$3.02M and \$3.59M respectively. 2012 annual variance due to Rate Differential and Usage variances of (\$609K) and \$790K respectively. 2013 annual variance is due to Rate Differential and Usage variances of \$1.4M and (\$700K) respectively.
- F) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to an unfavorable \$1.5M increase to Federal Income tax payable.
-) Variance due to changes in the Hedging obligations.
- J) March variance due to a decrease in the number of outstanding exchange obligations vs. the 0&12, while the variance in 2012 & 2013 indicate an increase in the number of outstanding exchange obligations.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 4&8	Mo Actual	YTD Actual	2012 4&8	2013 4&8
New Business	0.1	1.0	1.7	1.7
Betterment	0.0	0.3	1.0	0.2
Replacement	1.5	4.1	11.4	11.7
Support Services	0.3	0.5	1.2	_1.6
Gross Capital	2.0	5.8	15.3	15.1
Contributions & Reimbursements	0.0	(0.0)	(0.7)	(0.7)
Total NGD	2.0	5.7	14.7	14.5
Infrastructure/AMR	1.4	3.4	9.1	8.2

2012 0&12	Mo Budget	YTD	2012 0&12	2013 0&12
New Business	0.1	0.5	1.7	1.7
Betterment	0.3	0.6	1.0	0.2
Replacement	1.1	3.5	11.4	11.7
Support Services	0.0	0.2	1.2	_1.6_
Gross Capital	1.5	4.8	15.3	15.1
Contributions & Reimbursements	(0.1)	(0.4)	(0.7)	(0.7)
Total NGD	1.4	4.4	14.7	14.5
Infrastructure/AMR	0.9	3.1	9.1	8.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	(0.0)	0.5	-	-
Betterment	(0.3)	(0.4)	<u>.</u>	-
Replacement	0.4	0.6	=	-
Support Services	0.3	0.3	-	-
Gross Capital	0.4	1.0	<u>-</u>	•
Contributions & Reimbursements	0.1	0.3	-	-
Total NGD	0.6	1.3		*
Infrastructure/AMR	0.5	0.2	-	<u> </u>

Variance Explanations:

Primarily mild weather and contractor availability.

2012 5&7	2012	2013
Net Revenues	58.6	61.3
O&M Expense	31.0	31.0
Depreciation	6.6	7.0
Other Taxes	3.0	3.2
Operating Earnings	18.0	20.1
Other income	8.0	0.5
Interest Expense	4.8	5.4
Net Operating Income	13.9	15.2
Income Tax	5.3	5.9
Net Operating Earnings	8.6	9.3

2012 0&12	2012	2013
Net Revenues	60.9	60.8
O&M Expense	30.9	31.1
Depreciation	6.6	6.9
Other Taxes	3.1	3.3
Operating Earnings	20.2	19.6
Other Income	0.7	0.5
Interest Expense	4.8	5.3
Net Operating Income	16.1	14.8
Income Tax	6.3	6.0
Net Operating Earnings	9.8	8.7

Variance	2012	2013
Net Revenues	(2.3)	0.5
O&M Expense	0.1	(0.0)
Depreciation	0.0	0.1
Other Taxes	(0.2)	(0.1)
Operating Earnings	(2.3)	0.5
Other Income	0.1	0.0
Interest Expense	0.0	0.1
Net Operating Income	(2.2)	0.5
Income Tax	(1.0)	(0.1)
Net Operating Earnings	(1.2)	0.6

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

2012 5&7	2012	2013
Base Margin (less LCR)	48.9	50.4
LCR	5.0	4.9
LCR (Prior Dec. True-Up)	(0.1)	-
Supply Optimization	2.4	2.8
Regulatory Outcome	0.4	1.4
Other OGDR	1.4	1.1
CKY Purchase Receivable	0.4	0.4
Uncollectibles - Non Tracked	0.3	0.3
Uncollectibles - Tracked	0.2	0.2
Trackers	0.7	0.5
Total Revenue	59.5	62.0
Total Revenue w/o Trackers	58.6	61.3

2012 0&12	2012	2013
Base Margin (less LCR)	51.1	50.4
LCR	5.1	4.9
LCR (Prior Dec. True-Up)	-	-
ESS	2.4	2.8
Regulatory Outcome	0.3	0.6
Other OGDR	1.2	1.2
CKY Purchase Receivable	0.5	0.5
Uncollectibles - Non Tracked	0.3	0.4
Uncollectibles - Tracked	0.2	0.2
Trackers	0.5	0.5
Total Revenue	61.6	61.6
Total Revenue w/o Trackers	60.9	60.8

Variance	2012	2013
Base Margin (less LCR)	(2.2)	(0.0)
LCR	(0.1)	-
LCR (Prior Dec. True-Up)	(0.1)	-
ESS	0.0	-
Regulatory Outcome	0.1	8.0
Other OGDR	0.2	(0.1)
CKY Purchase Receivable	(0.1)	(0.1)
Uncollectibles - Non Tracked	(0.1)	(0.1)
Uncollectibles - Tracked	(0.0)	-
Trackers	0.2	(0.0)
Total Variance	(2.1)	0.4
Total Variance w/o Trackers	(2.3)	0.5

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2012 5&7	2012	2013
Labor	6.8	6.8
Benefits	2.2	1.9
Materials & Supplies	1.5	1.6
Outside Services	4.3	4.3
Management Fee	11.6	11.8
Uncollectibles	0.5	0.5
Other *	4.047	4.126
Trackers	0.9	0.8
Total O&M	31.933	31.791
Total O&M w/o Trackers	31.0	31.0

2012 0&12	2012	2013
Labor	6.6	6.9
Benefits	2.0	1.6
Materials & Supplies	1.5	1.5
Outside Services	4.3	4.5
Management Fee	11.9	12.2
Uncollectibles	0.5	0.5
Other *	3.9	3.9
Trackers	8.0	0.7
Total O&M	31.6	31.8
Total O&M w/o Trackers	30.9	31.1

Var	iance	2012	2013
	Labor	0.2	(0.0)
A)	Benefits	0.2	0.3
	Materials & Supplies	0.0	0.0
	Outside Services	(0.0)	(0.2)
B)	Management Fee	(0.4)	(0.4)
	Uncollectibles	-	-
	Other *	0.1	0.2
C)	Trackers	0.2	0.0
	Total Change	0.3	(0.0)
	Total Change w/o Trackers	0.1	(0.0)

- A) 2013 Primarily revised assumptions for pension, OPEB, active medical and capital transfer percentages.
- B) 2012 Primarily revised capital transfers, legal and NGD Operations. '2013-2014 Primarily revised management fee transfers.
- C) Offset in revenues.

(\$ millions)

2012 5&7	2012	2013
Other		
Buildings and Land	0.1	0.1
Rents/Leases	0.2	0.3
Corporate Insurance	0.8	0.9
Employee Expenses	0.3	0.4
Company Memberships	0.1	0.1
Utilities	0.3	0.3
Misc Revenues	(0.1)	(0.1)
Misc & Other Expenses	0.2	0.2
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.2)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	-	-
Advertising	0.1	0.1
Auto/Trucks Cleared	1.3	1.4
O&M Reclass - Regulatory to GAAP Below the Line O&M	0.2	0.2
	4.047	4.126

2012 0&12	2012	2013
Other		
Buildings and Land	0.1	0.1
Rents/Leases	0.3	0.3
Corporate Insurance	0.9	0.9
Employee Expenses	0.3	0.4
Company Memberships	0.1	0.1
Utilities	0.3	0.3
Misc Revenues	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.2)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	-	-
Advertising	0.1	0.1
Auto/Trucks Cleared	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.2	0.2
Below the Line O&M		
	3.9	3.889

Variance	2012	2013
Other	-	
Buildings and Land	(0.0)	_
Rents/Leases	(0.1)	-
Corporate Insurance	(0.0)	-
Employee Expenses	0.0	-
Company Memberships	0.0	0.0
Utilities	0.1	0.0
Misc Revenues	(0.0)	-
Misc & Other Expenses	0.2	0.2
Amortizations *	-	-
Deferred Credits	0.0	(0.0)
I&D Accrual	(0.0)	_
Well/Lease Rent/Royalty	-	-
Advertising	(0.0)	-
Auto/Trucks Cleared	(0.0)	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)
Below the Line O&M		-
	0.1	0.2

2012 5&7	2012	2013
Distribution Ops	11.2	11.2
Meter To Cash	0.6	0.6
Customer Call Center	0.0	0.0
Integration Center	0.4	0.4
Presidents	1.6	1.6
Other Departments		-
Management Fee	11.6	11.8
Benefits	2.2	1.9
Uncollectibles	0.5	0.5
Other Corporate*	2.861	2.956
Trackers	0.9	0.8
Total O&M	31.933	31.791
Total O&M w/o Trackers	31.0	31.0

2012 0&12	2012	2013
Distribution Ops	10.9	11.2
Meter To Cash	0.6	0.6
Customer Call Center	0.0	0.0
Integration Center	0.4	0.4
Presidents	1.6	1.6
Other Departments	-	-
Management Fee	11.9	12.2
Benefits	2.0	1.6
Uncollectibles	0.5	0.5
Other Corporate*	2.9	3.0
Trackers	8.0	0.7
Total O&M	31.6	31.8
	-	-
Total O&M w/o Trackers	30.9	31.1

Variance	2012	2013
A) Distribution Ops	0.3	0.0
Meter To Cash	0.0	-
Customer Call Center	(0.0)	_
Integration Center	0.0	-
Presidents	(0.0)	0.0
Other Departments	-	-
B) Management Fee	(0.4)	(0.4)
C) Benefits	0.2	0.3
Uncollectibles	-	-
Other Corporate*	(0.1)	(0.0)
D) Trackers	0.2	0.0
Total Change	0.3	(0.0)
Total Change w/o Trackers	0.1	(0.0)

- A) 2012 Primarily fleet adj., right of way (ROW) clearing and tools and uniforms. '2014-2017 -Primarily fleet adj. and decreased AMR Savings.
- B) 2012 Primarily revised capital transfers, legal and NGD Operations. '2013-2014 Primarily revised management fee transfers.
- C) 2013 Primarily revised assumptions for pension, OPEB, active medical and capital transfer percentages.
- D) Offset in revenues.

2012 5&7	2012	2013
Other Corporate		
Net Labor (CIP)	0.4	0.4
Materials/Supplies	0.0	0.0
Audit Fees	0.2	0.1
Consulting Fees	0.0	0.2
Legal Fees	-	-
Outside Services	0.1	0.2
Buildings and Land	•	-
Rents/Leases	0.2	0.3
Corporate Insurance	8.0	0.9
Employee Expenses	-	-
Company Memberships	0.1	0.1
Utilities	0.1	0.0
Misc Revenues		•
Misc & Other Expenses	0.2	0.2
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.1)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	-	
Advertising	-	-
Auto/Truck Cleared	-	-
O&M Reclass - Regulatory to GAAP	0.2	0.2
Stores Clearing		
Below the line O&M		
Total Other Corporate	2.861	2.956

2012 0812	2012	2013
Other Corporate		
Net Labor (CIP)	0.4	0.4
Materials/Supplies	0.0	0.0
Audit Fees	0.1	0.1
Consulting Fees	0.0	0.2
Legal Fees	•	-
Outside Services	0.2	0.2
Buildings and Land	_	-
Rents/Leases	0.3	0.3
Corporate Insurance	0.9	0.9
Employee Expenses	-	-
Company Memberships	0.1	0.1
Utilities	0.0	0.0
Misc Revenues	-	
Misc & Other Expenses	0.2	0.2
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.1)
I&D Accrual	0,1	0.1
Well/Lease Rent/Royalty	-	-
Advertising	•	-
Auto/Truck Cleared	-	-
O&M Reclass - Regulatory to GAAP	0.2	0.2
Stores Clearing		-
Below the line O&M	-	-
Total Other Corporate	2.9	3.0

Variance	2012	2013
Other		
Net Labor (CIP)	(0.0)	(0.0)
Materials/Supplies	0.0	-
Audit Fees	0.0	-
Consulting Fees	(0.0)	
Legal Fees	<u>.</u>	-
Outside Services	(0.0)	0.0
Buildings and Land	-	-
Rents/Leases	(0.1)	-
Corporate Insurance	(0.0)	-
Employee Expenses	-	-
Company Memberships	0.0	0.0
Utilities	0.1	0.0
Misc Revenues	-	•
Misc & Other Expenses	0.0	(0.0)
Amortizations *	-	-
Deferred Credits	(0.0)	(0.0)
I&D Accrual	(0.0)	-
Well/Lease Rent/Royalty	-	-
Advertising	•	
Auto/Truck Cleared	-	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)
Stores Clearing		•
Below the line O&M	*	
Total Other Corporate	(0.1)	(0.0)

Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2012 5&7	2012	2013
Depreciation	6.6	7.0
Other Taxes		
Gross Receipts	-	-
Property Tax	2.5	2.7
Payroll	0.5	0.5
Distribution	-	-
Other	0.0	-
Total Other Taxes	3.0	3.1
Total Other Taxes w/o Trackers	3.0	3.2

2012 0&12	2012	2013
Depreciation	6.6	6.9
Other Taxes		
Gross Receipts	-	-
Property Tax	2.4	2.6
Payroll	0.5	0.5
Distribution	-	-
Other	-	_
Total Other Taxes	2.9	3.1
Total Other Taxes w/o Trackers	3.1	3.3

Var	iance	2012	2013
A)	Depreciation Change	0.0	0.1
	Other Taxes		
	Gross Receipts	-	-
	Property Tax	0.1	0.1
	Payroll	0.0	-
	Distribution	-	-
	Other	0.0	-
	Total Other Taxes Change	0.1	0.1
	Total Change w/o Trackers	(0.2)	(0.1)

A) Variance due to increased Capital spend

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2012 5&7	2012	2013
Miscellaneous		-
AFUDC	0.1	0.2
Hedging Interest Income	0.1	0.1
UnderCollection Income	-	-
Sales Receivable	~	-
Customer Tax Contribution	-	-
Charitable Contributions	(0.1)	(0.1)
Temp Cash Inv Int Inc	0.7	0.5
Total Other Income	0.8	0.5
Long-Term Interest Expense	4,7	5.3
Short-Term Interest Expense		0.1
Customer Deposits	0.2	0.2
Rate Refund Expense	-	-
OverCollection Interest Expense	-	-
Other Interest Expense	-	-
Carrying Cost Interest Expense	•	-
Hedging Interest Expense	•	-
AFUDC	(0.1)	(0.1)
Interest Expense	4.8	5.4

2012 0&12	2012	2013
Miscellaneous	-	-
AFUDC	0.1	0.1
Hedging Interest Income	0.1	0.0
UnderCollection Income	-	-
Sales Receivable	-	-
Customer Tax Contribution	-	-
Charitable Contributions	(0.1)	(0.1)
Temp Cash Inv Int Inc	0.6	0.5
Total Other Income	0.7	0.5
Long-Term Interest Expense	4.7	5.2
Short-Term Interest Expense	-	-
Customer Deposits	0.2	0.2
Rate Refund Expense	-	-
OverCollection Interest Expense		-
Other Interest Expense	-	-
Carrying Cost Interest Expense		-
Hedging Interest Expense	-	-
AFUDC	(0.0)	(0.0)
Interest Expense	4.8	5.3

Var	iance	2012	2013
	Miscellaneous	-	
	AFUDC	0.0	0.0
	Hedging Interest Income	(0.0)	0.0
	UnderCollection Income	•	-
	Sales Receivable		
	Customer Tax Contribution	-	-
	Charitable Contributions	(0.0)	-
A)	Temp Cash Inv Int Inc	0.1	(0.0)
	Total Other Income	0.1	0.0
B)	Long-Term Interest Expense	0.0	0.1
A)	Short-Term Interest Expense	•	0.1
ŕ	Customer Deposits	-	-
	Rate Refund Expense	-	-
	OverCollection Interest Expense	-	•
	Other Interest Expense	-	-
	Carrying Cost Interest Expense	•	-
	Hedging Interest Expense	-	-
	AFUDC	(0.0)	(0.0)
	Interest Expense	0.0	0.1

- A) Variance due to fluctuations in normal operating activity.
 B) Variance due to changes in Capital structure to maintain appropriate debt / equity percentages.

5&7	2012	2013
Assets		
Net Property Plant and Equipment	212.6	226
Total Investments	0.4	0.
Cash and Cash Equivilents	_	_
Restricted Cash	3.0	-
Accounts Receivable	47.4	26
Gas Inventory	45.0	46
Unrecovered Purchase Costs	-	5
Material & Supplies	-	-
Price Risk Management Assets	-	-
Exchange Gas Receivables & Reserve	0.1	0
Current Regulatory Assets	2.8	2
Prepayments and Other Assets	3.0	3
Total Current Assets	101.4	84
NC Regulatory Assets	16.9	15
Intangible Assets	-	-
Post Retirement Benefits NC Assets	-	-
Other Receivables Affiliated	_	_
Deferred Charges	2.0	1
Total Other Assets	18.9	17
Total Assets	333.3	328
Conitalization 9 Linkilision		
Capitalization & Liabilities	92.0	97
Total Common Stock Equity	58.3	87
Long Term Debt , excluding amounts due within one year Total Capitalization	150.3	184
·		
Current Portion of Long Term Debt	28.7	9
Accounts Payable	10.6	12
Customer Deposits and AR Credit Balance	17.7	17
Taxes Accrued	4.5	5
Interest Accrued	0.1	0
Overrecovered Gas and Fuel Costs	14.0	-
Price Risk Management Liabilities (Current)	1.2	1
Exchange Gas Payable	9.6	0
Current Regulatory Liabilities	2.5	2
Accrued Liability for Post Retirement Benefits - Cur	0.1	0
Environmental	-	-
Other Accruals	(1.3)	0
Total Current Liabilities	87.7	48
Price Risk Management Liabilities - NC	1.3	1
Deferred Income Taxes	47.0	47
Deferred Investment Tax Credits	0.4	0
Noncurrent Regulatory Liabilities	26.6	26
Accrued Liab for Post Retirement Benefits - NC	10.0	9
Other Non-Current Liabilities	9.9	9
Other 14011 Other Elabandes		
Other NC Liab & Defferred Credits	95.2	95

2 0&12	2012	2013
Assets		
Net Property Plant and Equipment	211.6	219.7
Total Investments	0.4	0.4
Cash and Cash Equivilents	_	
Restricted Cash	3.6	_
Accounts Receivable	39.2	31.4
Gas Inventory	45.1	44.6
Unrecovered Purchase Costs	40.1	0.5
Material & Supplies	0.0	0.0
Price Risk Management Assets	-	-
Exchange Gas Receivables & Reserve	0.1	0.1
Current Regulatory Assets	2.7	2.7
Prepayments and Other Assets	2.9	3.1
Total Current Assets	93.6	82.6
NC Pagulatan, Aspata	17.4	40.0
NC Regulatory Assets Intangible Assets	17.4	16.8
Post Retirement Benefits NC Assets	-	-
Other Receivables Affiliated	-	-
Deferred Charges	17	- 17
Total Other Assets	1.7 19.1	1.7 18.4
Total Access	-	-
Total Assets	324.7	321.1
Capitalization & Liabilities		
Total Common Stock Equity	94.4	95.9
Long Term Debt , excluding amounts due within one year	58.3	89.3
Total Capitalization	152.7	185.3
Current Portion of Long Term Debt	28.7	_
Accounts Payable	11.1	11.4
Customer Deposits and AR Credit Balance	17.7	17.7
Taxes Accrued	5.0	5.3
Interest Accrued	0.0	0.0
Overrecovered Gas and Fuel Costs	7.9	_
Price Risk Management Liabilities (Current)	0.6	0.6
Exchange Gas Payable	4.7	4.7
Current Regulatory Liabilities	2.2	2.1
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1
Environmental	_	-
Other Accruals	(0.8)	(0.7)
Total Current Liabilities	77.2	41.2
Price Risk Management Liabilities - NC	1.1	1.1
Deferred income Taxes	46.8	47.7
Deferred Investment Tax Credits	0.4	0.4
Noncurrent Regulatory Liabilities	26.7	27.0
Accrued Liab for Post Retirement Benefits - NC	10.0	8.5
Other Non-Current Liabilities	9.8	10.0
Other NC Liab & Defferred Credits	94.8	94.6
Total Capitalization & Liabilities	324.7	321.1
i orai oahiraiirarioti a Franiiries	324.1	341.1

iance	2012	2013
Assets		
	0.9	6.6
Total Investments	0.0	0.0
Cash and Cash Equivilents	-	-
Restricted Cash	(0.5)	-
Accounts Receivable	8.2	(5.5)
	(0.0)	2.3
	-	4.5
	(0.0)	(0.0)
	-	<u>-</u>
•		(0.0)
<u> </u>	= :	0.1
• •		0.1
Total Current Assets	7.7	1.5
NC Regulatory Assets	(0.5)	(1.0)
Intangible Assets	-	-
Post Retirement Benefits NC Assets	-	-
Other Receivables Affiliated	-	-
Deferred Charges	0.3	0.3
Total Other Assets	(0.2)	(0.7)
Total Assets	8.5	7.4
Capitalization & Liabilities		
Total Common Stock Equity	(2.4)	1.4
- · · · · · · · · · · · · · · · · · · ·	-	(2.3)
Total Capitalization	(2.4)	(0.9)
Current Portion of Long Term Debt	-	9.1
Accounts Payable	(0.5)	0.9
Customer Deposits and AR Credit Balance	-	-
Taxes Accrued	(0.4)	0.2
Interest Accrued	0.0	0.0
Output and Control Control Control	0.0	0.0
Overrecovered Gas and Fuel Costs	6.0	-
Price Risk Management Liabilities (Current)		- 0.6
Price Risk Management Liabilities (Current)	6.0	0.6
Price Risk Management Liabilities (Current) Exchange Gas Payable	6.0 0.6	-
Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur	6.0 0.6 4.9	0.6 (4.0)
Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental	6.0 0.6 4.9 0.3	0.6 (4.0) 0.1 -
Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	6.0 0.6 4.9 0.3 - (0.5)	- 0.6 (4.0) 0.1 - - 0.7
Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental	6.0 0.6 4.9 0.3	0.6 (4.0) 0.1 -
Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC	6.0 0.6 4.9 0.3 - (0.5) 10.5	- 0.6 (4.0) 0.1 0.7 7.6
Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes	6.0 0.6 4.9 0.3 - (0.5) 10.5	0.6 (4.0) 0.1 - - 0.7 7.6 0.2 (0.0)
Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits	6.0 0.6 4.9 0.3 - (0.5) 10.5	0.6 (4.0) 0.1 - - 0.7 7.6 0.2 (0.0) (0.0)
Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities	6.0 0.6 4.9 0.3 - (0.5) 10.5 0.2 0.2 (0.0) (0.1)	- 0.6 (4.0) 0.1 0.7 7.6 0.2 (0.0) (0.0) (0.1)
Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	6.0 0.6 4.9 0.3 - (0.5) 10.5 0.2 0.2 (0.0) (0.1) (0.0)	0.6 (4.0) 0.1 - - 0.7 7.6 0.2 (0.0) (0.0) (0.1) 0.6
Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities	6.0 0.6 4.9 0.3 - (0.5) 10.5 0.2 0.2 (0.0) (0.1) (0.0) 0.1	0.6 (4.0) 0.1 - 0.7 7.6 0.2 (0.0) (0.0) (0.1) 0.6 (0.1)
Price Risk Management Liabilities (Current) Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	6.0 0.6 4.9 0.3 - (0.5) 10.5 0.2 0.2 (0.0) (0.1) (0.0)	0.6 (4.0) 0.1 - - 0.7 7.6 0.2 (0.0) (0.0) (0.1) 0.6
	Assets Net Property Plant and Equipment Total Investments Cash and Cash Equivilents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies Price Risk Management Assets Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges Total Other Assets Total Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued	Assets Net Property Plant and Equipment Total Investments Cash and Cash Equivilents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs Material & Supplies (0.0) Price Risk Management Assets Exchange Gas Receivables & Reserve Exchange Gas Receivables & Reserve Current Regulatory Assets Prepayments and Other Assets Total Current Assets Chapitalization Total Charges Total Other Assets Capitalization & Liabilities Total Common Stock Equity Long Term Debt , excluding amounts due within one year Total Capitalization Current Portion of Long Term Debt Accounts Payable Customer Deposits and AR Credit Balance Taxes Accrued Conscience 1.0 0.9 0.9 0.9 0.9 0.9 0.9 0.9 0.9 0.9 0

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

Variance Explanations:

A) Variances due to fluctuations in Gas Costs and Usage primarily to Tariff Sales and Off-System sales, as well as Money Pool deposits effecting balances in both A/R and A/P (short term borrowings). 2012 A/R variance due to decreased Tariff Sales (\$1.8M), Off-System sales (\$700K), and Unbilled (\$2.2M), offset by Money Pool deposits of \$14.7M.

B)	Year	Volume Variance (\$\$\$)	Rate Variance (\$\$\$)	Total Variance (\$\$\$)
	2012	(0.8)	0.8	(0.0)
	2013	1.4	0.8	2.2
	2014	3.8	0.3	4.1
	2015	3.5	0.0	3.5
[2016	3.0	0.2	3.1
	2017	2.7	0.2	2.9

- C) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- D) Variances are due to changes to pension funding obligations
- E) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- F) Variance due to changes in the number of exchange obligations vs. the 0&12.
- G) Variance in 2012 & out years primarily driven by Federal and State tax liabilities.

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Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

New Business Betterment Replacement Support Services Gross Capital	2012	2013
New Business	2.7	2.4
Betterment	0.3	0.2
Replacement	12.0	16.7
Support Services	1.3	1.6
Gross Capital	16.3	20.8
Contributions & Reimbursements	(0.7)	(0.7)
Total CKY *	15.6	20.2
Infrastructure/AMR	9.6	13.2

2012 0&12	2012	2013
New Business	1.7	1.7
Betterment	1.0	0.2
Replacement	11.4	11.7
Support Services	1.2	1.6
Gross Capital	15.3	15.1
Contributions & Reimbursements	(0.7)	(0.7)
Total CKY	14.7	14.5
Infrastructure/AMR	9.1	8.2

Variance	2012	2013
New Business	1.0	0.7
Betterment	(0.7)	-
Replacement	0.6	5.0
Support Services	0.1	-
Gross Capital	1.0	5.7
Contributions & Reimbursements	-	-
Total CKY	1.0	5.7
Infrastructure/AMR	0.5	5.0

Plan variances due to additional capital allocations to NGD and updated forecasts.

2012 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Net Revenues	2.9	31.1	58.6	61.3
O&M Expense	2.5	15.3	31.1	31.0
Depreciation	0.6	3.3	6.6	7.0
Other Taxes	0.2	1.5	3.0	3.2
*Operating Earnings	(0.4)	11.1	17.9	20.1
Other Income	0.1	0.4	0.7	0.6
Interest Expense	0.4	2.4	4.8	5.4
*Operating Earnings before Taxes	(0.7)	9.1	13.9	15.2
Income Tax	(0.2)	3.5	5.4	5.9
Net Operating Earnings	(0.5)	5.6	8.5	9.3

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Net Revenues	3.1	34.2	60.9	60.8
O&M Expense	2.6	15.5	30.9	31.1
Depreciation	0.5	3.2	6.6	6.9
Other Taxes	0.2	1.5	2.9	3.1
*Operating Earnings	(0.3)	14.0	20.5	19.8
Other Income	0.1	0.4	0.7	0.5
Interest Expense	0.4	2.4	4.8	5.3
*Operating Earnings before Taxes	(0.6)	12.1	16.4	15.0
Income Tax	0.4	5.0	6.3	6.0
Net Operating Earnings	(1.0)	7.1	10.0	9.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	(0.2)	(3.1)	(2.3)	0.5
O&M Expense	(0.2)	(0.2)	0.2	(0.0)
Depreciation	0.0	0.0	0.0	0.1
Other Taxes	(0.0)	0.1	0.1	0.1
*Operating Earnings	(0.1)	(3.0)	(2.6)	0.3
Other Income	(0.0)	(0.0)	0.1	0.1
Interest Expense	0.0	0.0	0.0	0.1
*Operating Earnings before Taxes	(0.1)	(3.0)	(2.5)	0.2
Income Tax			· ·	
Net Operating Earnings	(0.1)	(3.0)	(2.5)	0.2

^{*} net of trackers

Revenue - Plan-vs.-Plan (\$ millions)

012 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Base Margin (less LCR)	2.3	26.7	48.9	50.4
LCR	0.3	2.5	5.0	4.9
LCR (Prior Dec. True-Up)	<u></u>	(0.1)	(0.1)	-
ESS	0.1	0.6	2.4	2.8
Regulatory Outcome	-	-	0.4	1.4
Other OGDR	0.1	0.9	1.3	1.1
CKY Purchase Receivable	0.0	0.3	0.4	0.4
Uncollectibles - NonTracked	(0.0)	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.1	0.2	0.2
Trackers	0.1	0.6	0.8	0.5
Total Revenue	3.0	31.9	59.6	62.0
Total Revenue w/o Trackers	2.9	31.1	58.6	61.3

012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Base Margin (less LCR)	2.5	28.9	51.1	50.4
LCR	0.3	2.6	5.1	4.9
LCR (Prior Dec. True-Up)	-	-	-	•
ESS	0.2	1.3	2.4	2.8
Regulatory Outcome	0.0	0.0	0.3	0.6
Other OGDR	0.1	0.7	1.2	1.2
CKY Purchase Receivable	(0.0)	0.4	0.5	0.5
Uncollectibles - NonTracked	(0.0)	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.1	0.2	0.2
Trackers	0.0	0.3	0.5	0.5
Total Revenue	3.1	34.7	61.6	61.6
Total Revenue w/o Trackers	3.1	34.2	60.9	60.8

Variance	Mo Var	YTD Var	Yr Var	Yr Var
A) Base Margin (less LCR)	(0.2)	(2.2)	(2.1)	(0.0)
LCR	0.0	(0.2)	(0.1)	-
LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
B) ESS	(0.0)	(0.7)	0.0	
Regulatory Outcome	(0.0)	(0.0)	0.0	0.8
Other OGDR	(0.0)	0.2	0.2	(0.1)
C_ CKY Purchase Receivable	0.0	(0.1)	(0.1)	(0.1)
D) Uncollectibles - NonTracked	0.0	0.0	(0.0)	(0.1)
Uncollectibles - Tracked	~	(0.0)	(0.0)	-
Trackers	0.1	0.3	0.3	(0.0)
Total Variance	(0.2)	(2.8)	(2.0)	0.4
Total Variance w/o Trackers	(0.2)	(3.1)	(2.3)	0.5

- A) Variance due to customer and usage erosion.
- B) Variance represents downward revision to Off-System sales assumptions due to lack of price volatility.
- C) Variance due to April Billing Service interuptions of \$265K.
- D) Variance due to declining gas costs.

Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2012 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Penalty Charges	0.1	0.3	0.4	0.3
Return Check	0.0	0.1	0.2	0.1
Other Fees	0.0	0.4	0.6	0.4
Other Revenue	0.0	0.0	0.1	0.1
Pub Util-Flex	0.0	0.0	0.1	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	<u>-</u>	0.0	0.0	-
Total OGDR	0.1	0.9	1.3	1.1

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Penalty Charges	0.0	0.3	0.3	0.3
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.2	0.4	0.4
Other Revenue	0.0	0.1	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	-	-	-	-
Total OGDR	0.1	0.7	1.2	1.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	0.0	0.0	0.0	0.0
Return Check	0.0	0.0	0.0	0.0
Other Fees	0.0	0.2	0.2	(0.0)
Other Revenue	(0.0)	(0.1)	(0.1)	(0.1)
Pub Util-Flex	0.0	0.0	0.0	-
Company Use	(0.0)	(0.0)	(0.0)	(0.0)
Balancing Services	<u>-</u>	-	-	-
Other Misc Income	-	-	-	-
Misc Merchant Revenue	-	0.0	0.0	_
Total OGDR	0.0	0.2	0.2	(0.1)

2012 Customer & Usage Information - 6&6 vs. 0&12

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residential	0.1	0.4
Commercial	0.0	0.0
Total	0.1	0.4

Usage Change	Month	YTD
Residential	0.2	0.0
Commercial	0.5	0.4
Industrial (Non-LCR)	(0.1)	0.1
Total	0.6	0.6

Normalized UPC (Mmcf)

Actual	Month	YŤD
Residential	1.1	44.3
Comm	18.7	541.3
Ind	5,384.2	87,224.9

Budget	Month	YTD	
Residential	1.0	44.4	
Commercial	16.7	318.4	
Industrial	5,287.3	45,707.2	

Variance	Month	Mo. %	YTD	YTD %
Residential	0.1	7.0%	(0.1)	-0.1%
Commercial	2.0	12.1%	222.9	70.0%
Industrial	96.9	1.8%	41,517.7	90.8%

Customer Count

Actual	Month	YTD Avg
Residential	118,913	120,385
Commercial	13,808	14,001
Industrial	177	178
Totai	132,898	134,563

Budget	Month	YTD Avg
Residential	118,250	120,496
Commercial	13,741	13,967
Industrial	181	1 81
Total	132,172	134,644

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	663.0	0.6%	(110.7)	-0.1%
Commercial	67.0	0.5%	33.5	0.2%
Industrial	(4.0)	-2.2%	(3.5)	-1.9%
Total	726.0	0.5%	(80.7)	-0.1%

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Labor	0.6	3.6	6.9	6.8
Benefits	0.2	1.1	2.2	1.9
Materials & Supplies	0.1	0.7	1.5	1.6
Outside Services	0.4	2.0	4.4	4.8
Management Fee	0.9	5.6	11.6	11.8
Uncollectibles	(0.0)	0.2	0.5	0.5
Other *	0.3	1.9	4.1	3.6
Trackers	0.1	0.7	1.0	8.0
Total O&M	2.5	16.0	32.1	31.8
Total O&M w/o Trackers	2.5	15.3	31.1	31.0

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Labor	0.5	3.4	6.6	6.9
Benefits	0.2	1.0	2.0	1.6
Materials & Supplies	0.2	0.7	1.5	1.5
Outside Services	0.4	2.1	4.3	5.0
Management Fee	1.0	6.0	11.9	12.2
Uncollectibles	0.0	0.3	0.5	0.5
Other *	0.3	2.0	3.9	3.4
Trackers	0.0	0.5	0.8	0.7
Total O&M	2.6	16.0	31.6	31.8
Total O&M w/o Trackers	2.6	15.5	30.9	31.1

	Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Labor	0.0	0.2	0.2	(0.0)
B)	Benefits	(0.0)	0.1	0.2	0.3
	Materials & Supplies	(0.1)	(0.0)	(0.0)	0.0
	Outside Services	0.0	(0.1)	0.0	(0.2)
C)	Management Fee	(0.1)	(0.3)	(0.4)	(0.4)
	Uncollectibles	(0.0)	(0.0)	-	-
	Other *	0.0	(0.0)	0.1	0.2
D)	Trackers	0.0	0.3	0.2	0.0
	Total Change	(0.1)	0.0	0.4	(0.0)
	Total Change w/o Trackers	(0.2)	(0.2)	0.2	(0.0)

- A) YTD & 2012 Yr Var Primarily meter reading and maintenance of mains.
- B) 2012 & 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- C) YTD Var Primarily Legal and NGD Operations. 2012 & 2013 Yr Var Primarily revised capitalization transfers.
- D) Offset in revenue.

2012 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Other				
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.1	0.2	0.3
Corporate Insurance	0.1	0.4	0.8	0.9
Employee Expenses	0.0	0.1	0.3	0.4
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.2	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.1	0.2	0.2
Amortizations *	0.0	0.2	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.7)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	-
Advertising	-	0.0	0.1	0.1
Auto/Trucks Cleared	0.1	0.7	1.3	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M		•	•	
	0.3	1.9	4.1	3.6

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Other		.		·
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.2	0.3	0.3
Corporate Insurance	0.1	0.4	0.9	0.9
Employee Expenses	0.0	0.1	0.3	0.4
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.1	0.3	0.3
Misc Revenues	(0.0)	(0.0)	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	(0.0)
Amortizations *	0.0	0.2	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	-
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	0.7	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M	-		-	
	0.3	2.0	3.9	3.4

iance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Buildings and Land	(0.0)	(0.0)	(0.0)	•
Rents/Leases	(0.0)	(0.0)	(0.1)	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	-
Employee Expenses	(0.0)	(0.0)	(0.0)	•
Company Memberships	0.0	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.0
Misc Revenues	(0.0)	(0.0)	(0.0)	-
Misc & Other Expenses	0.0	0.1	0.2	0.2
Amortizations *	-	•	-	-
Deferred Credits	0.0	0.0	0.0	(0.0)
I&D Accrual	(0.0)	(0.0)	-	-
Well/Lease Rent/Royalty	-			
Advertising	(0.0)	(0.0)	(0.0)	-
Auto/Trucks Cleared	(0.0)	(0.0)	(0.0)	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M	- '		• •	
	0.0	(0.0)	0.1	0.2

Variance Explanations:

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses.

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2012 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Distribution Ops	0.9	5.6	11.2	11.2
Meter To Cash	0.0	0.3	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.1	0.2	0.4	0.4
Presidents	0.1	0.7	1.6	1.6
Other Dept	-	-	-	-
Management Fee	0.9	5.6	11.6	11.8
Benefits	0.2	1.1	2.2	1.9
Uncollectibles	(0.0)	0.2	0.5	0.5
Other Corporate *	0.3	1.5	2.9	3.0
Trackers	0.1	0.7	1.0	8.0
Total O&M	2.5	16.0	32.1	31.8
Total O&M w/o Trackers	2.5	15.3	31.1	31.0

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Distribution Ops	0.9	5.5	10.9	11.2
Meter To Cash	0.1	0.3	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.2	0.4	0.4
Presidents	0.1	8.0	1.6	1.6
Other Dept	-	-	-	-
Management Fee	1.0	6.0	11.9	12.2
Benefits	0.2	1.0	2.0	1.6
Uncollectibles	0.0	0.3	0.5	0.5
Other Corporate *	0.2	1.5	2.9	3.0
Trackers	0.0	0.5	8.0	0.7
Total O&M	2.6	_16.0	31.6	31.8
Total O&M w/o Trackers	2.6	15.5	30.9	31.1

Var	iance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Distribution Ops	(0.0)	0.1	0.3	0.0
	Meter To Cash	(0.0)	(0.0)	(0.0)	•
	Customer Call Center	(0.0)	(0.0)	(0.0)	•
	Integration Center	0.0	0.0	0.0	-
	Presidents	(0.0)	(0.2)	(0.0)	0.0
	Other Dept	-	-	-	-
B)	Management Fee	(0.1)	(0.3)	(0.4)	(0.4)
C)	Benefits	(0.0)	0.1	0.2	0.3
	Uncollectibles	(0.0)	(0.0)	-	-
	Other Corporate *	0.0	0.0	0.0	(0.0)
D)	Trackers	0.0	0.3	0.2	0.0
	Total Change	(0.1)	0.0	0.4	(0.0)
	Total Change w/o Trackers	(0.2)	(0.2)	0.2	(0.0)

- A) 2012 Yr Var Primarily meter reading, maintenance of mains and fleet adj. partially offset by leak repairs.
- B) YTD Var Primarily Legal and NGD Operations. 2012 & 2013 Yr Var Primarily revised capitalization transfers.
- C) 2012 and 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- D) Offset in revenue.

^{*} See O&M Other Corp Tab

2 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Other Corporate				
Net Labor	0.0	0.2	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.2	0.1
Consulting Fees	0.0	0.0	0.0	0.3
Legal Fees	-	-	-	-
Outside Services	0.0	0.1	0.1	0.3
Buildings and Land	-		•	-
Rents/Leases	0.0	0.1	0.2	0.3
Corporate Insurance	0.1	0.4	0.8	0.9
Employee Expenses	-	-	•	-
Company Memberships	0.0	0.1	0.1	0.
Utilities	0.0	0.1	0.1	0.
Misc Revenues	•	-	•	-
Misc & Other Expenses	0.0	0.1	0.2	0.
Amortizations *	0.0	0.2	0.5	0.
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.
I&O Accrual	0.0	0.0	0.1	0.
Weli/Lease Rent/Royalty	-	•	-	-
Advertising	-	_	-	-
Auto/Truck Cleared		-	_	
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.
Stores Clearing	-	-	•	-
Below the line O&M	•	_	_	
Total Other Corporate	0.3	1.5	2.9	3.0

2 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Other Corporate				
Net Labor	0.0	0.2	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.
Audit Fees	0.0	0.1	0.1	0.
Consulting Fees	0.0	0.0	0.0	0.
Legal Fees	-		-	
Outside Services	0.0	0.1	0.2	0.
Buildings and Land	-	-	-	-
Rents/Leases	0.0	0.1	0.3	0.
Corporate Insurance	0.1	0.4	0.9	0.
Employee Expenses		-	_	-
Company Memberships	•	0.0	0.1	Ü.
Utilities	0.0	0.0	0.0	0.
Misc Revenues			-	
Misc & Other Expenses	0.0	0.1	0.2	0.
Amortizations *	0.0	0.2	0.5	0.
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.
I&D Accrual	0.0	0.1	0.1	Ò.
Well/Lease Rent/Royalty	-		-	
Advertising	-			-
Auto/Truck Cleared	•	-	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.
Stores Clearing	-	•	-	-
Below the line O&M		-	-	-
Total Other Corporate	0.2	1.5	2.9	3.

ariance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other			-	
Net Labor	(0.0)	(0.0)	(0.0)	(0.0)
Materials/Supplies	0.0	0.0	0.0	
Audit Fees	0.0	0.0	0.0	
Consulting Fees	0.0	0.0	0.0	-
Legal Fees	-	-	_	-
Outside Services	(0.0)	(0.0)	(0.0)	0.0
Buildings and Land	-	-		-
Rents/Leases	(0.0)	(0.0)	(0.1)	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	
Employee Expenses	-		•	-
Company Memberships	0.0	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.0
Misc Revenues	-	-	-	-
Misc & Other Expenses	0.0	0.0	0.0	(0.0)
Amortizations *	•	•	-	
Deferred Credits	0.0	(0.0)	(0.0)	(0.0)
I&D Accrual	(0.0)	(0.0)		
Well/Lease Rent/Royalty		•	-	
Advertising	-	•	•	-
Auto/Truck Cleared		-		-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Stores Clearing	-		•	-
Below the line O&M	•	-	-	-
Total Other Corporate	0.0	0.0	0.0	(0.0)

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2012 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Depreciation	0.6	3.3	6.6	7.0
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	1.2	2.5	2.7
Payroll	0.1	0.3	0.5	0.5
Distribution	-	-	-	-
Other	-	0.0	0.0	-
Total Other Taxes	0.3	1.5	3.0	3.1
Total Other Taxes w/o Trackers	0.2	_ 1.5	3.0	3.2

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Depreciation	0.5	3.2	6.6	6.9
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	1.2	2.4	2.6
Payroll	0.0	0.2	0.5	0.5
Distribution	-	-	-	-
Other	-	-	-	-
Total Other Taxes	0.2	1.4	2.9	3.1
Total Other Taxes w/o Trackers	0.2	1.5	2.9	3.1

/ariance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.0	0.0	0.1
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.0	0.0	0.1	0.1
Payroll	0.0	0.0	0.0	_
Distribution	-	_	-	_
Other	-	0.0	0.0	_
Total Other Taxes Change	0.0	0.1	0.1	0.1
Total Change w/o Trackers	(0.0)	0.1	0.1	0.1

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2012 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
Miscellaneous	-	•	-	-
AFUDC	0.0	0.1	0.1	0.2
Hedging Interest Income	0.0	0.0	0.1	0.1
Under-Collection Interest Income	-	•	-	-
Sale Receivables	•	-	•	-
Customer Tax Contribution	-	=	-	•
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.3	0.7	0.5
Total Other Income	0.1	0.4	0.7	0.6
Long-Term Interest Expense	0.4	2.3	4.7	5.3
Short-Term Interest Expense	-	-		0.1
Customer Deposits Interest Expense	0.0	0.1	0.2	0.2
Rate Refund Interest Expense	-	-	•	-
Over-Collection Interest Expense	-	-	•	•
Other Interest Expense	-	-	-	-
Carrying Cost Interest Expense	-	-	-	-
Hedging Interst Expense	-	-	•	•
PISCC	-	-	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.1)
Interest Expense	0.4	2.4	4.8	5.4
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	-

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Miscellaneous	-	-	-	-
AFUDC	0.0	0.0	0.1	0.1
Hedging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income	-	-	-	-
Sale Receivables		•	_	-
Customer Tax Contribution	•	-	•	-
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.1	0.4	0.6	0.5
Total Other Income	0.1	0.4	0.7	0.5
Long-Term Interest Expense	0.4	2.3	4.7	5.2
Short-Term Interest Expense	-	-	=	-
Customer Deposits Interest Expense	0.0	0.1	0.2	0.2
Rate Refund Interest Expense	-	-	-	-
Over-Collection Interest Expense	-	-	-	
Other Interest Expense		-	-	-
Carrying Cost Interest Expense	-	-	•	-
Hedging Interst Expense	-	-	_	
PISCC	-	•	_	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	0.4	2.4	4.8	5.3
NET INCOME FROM SUBSIDIARIES	-	-	-	

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous	-	-	-	-
AFUDC	0.0	0.0	0.0	0 .0
Hedging Interest Income	(0.0)	(0.0)	(0.0)	0.1
Under-Collection Interest Income	-	-	-	-
Sale Receivables	•	•	-	-
Customer Tax Contribution	•	-	•	-
Charitable Contributions	0.0	0.0	(0.0)	•
A) Temp Cash Investment Interest Income	(0.0)	(0.1)	0.1	(0.0)
Total Other Income	(0.0)	(0.0)	0.1	0.1
Long-Term Interest Expense	0.0	0.0	0.0	0.1
Short-Term Interest Expense	•	-	-	0.1
Customer Deposits Interest Expense	•	-	•	-
Rate Refund Interest Expense	-	-	-	-
Over-Collection Interest Expense	-	-	-	-
Other Interest Expense	•	-	-	-
Carrying Cost Interest Expense	-	-	-	•
Hedging Interst Expense	•	-	-	-
PISCC	•	-	•	-
Interest Expense on Plant Investment	0.0	(0.0)	(0.0)	(0.0)
Interest Expense	0.0	0.0	0.0	0.1
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	-

Variance Explanations:

A) Variance represents changes to the interest earned on operating cash sent to Corp. Money Pool.

6&6	Мо	2012	201
Assets			
Net Property Plant and Equipment	209.6	212.6	2
Total Investments	0.4	0.4	4
iota mireathenta	U. 4	U.4	
Cash and Cash Equivalents	1.5	-	
Restricted Cash	2.7	3.1	
Accounts Receivable	48.5	46.8	
Gas Inventory	39.7	45.2	
Unrecovered Purchase Costs	•	•	
Material & Supplies	0.1	-	
Price Risk Management Assets	-	-	
Exchange Gas Receivables & Reserve	0.1	0.1	
Current Regulatory Assets	2.8	2.7	
Prepayments and Other Assets	1.2	3.0	
Total Current Assets	96.5	100.7	-
NC Regulatory Assets	17.3	16.7	
Intangible Assets	17.5	10.7	
Post Retirement Benefits NC Assets	<u>-</u>	-	
Other Receivables Affiliated	• -	- -	
Deferred Charges	2.1	2.2	
Total Other Assets	19.4	18.9	
	<u>-</u>	-	
Total Assets	326.0	332.6	3
Controllection 9 Linkillation			
Capitalization & Liabilities Total Common Stock Equity	92.9	91.9	
Long Term Debt , excluding amounts due within one year	67.3	58.3	
Total Capitalization	160.3	150.3	1
Obligations Due in One Year	14.7	28.7	
Accounts Payable	6.9	10.7	
Customer Deposits and AR Credit Balance	11.2	17.7	
Taxes Accrued	3.7	4.5	
Interest Accrued	0.1	0.1	
Overrecovered Gas and Fuel Costs	19.4	12.0	
Price Risk Management Liabilities (Current)	1.0	1.0	
Exchange Gas Payable	14.2	11.4	,
Current Regulatory Liabilities	4.1	4.0	
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	
Environmental	-	-	
Other Accruals	(1.6)	(1.6)	
Total Current Liabilities	73.8	88.8	
Drice Disk Management Lightlities ALC	4.4	4.4	
Price Risk Management Liabilities - NC	1.1	1.1	
	45.5 0.5	47.0	
Deferred Income Taxes	(15	0.4	
Deferred Investment Tax Credits			
Deferred Investment Tax Credits Noncurrent Regulatory Liabilities	25.0	25.1	
Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	25.0 9.9	9.9	
Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities	25.0 9.9 9.8	9.9 9.9	
Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	25.0 9.9	9.9	

	Мо	2012	2013
Assets			
Net Property Plant and Equipment	207.0	211.6	219.
Total Investments	0.4	0.4	0.
Cash and Cash Equivalents	_	_	_
Restricted Cash	3.5	3.6	_
Accounts Receivable	43.5	39.2	31.
Gas Inventory	37.4	45.1	44.
Unrecovered Purchase Costs	-	-	0.
Material & Supplies	0.0	0.0	0.
Price Risk Management Assets	-	5.5	-
Exchange Gas Receivables & Reserve	0.1	0.1	0.
Current Regulatory Assets	2.9	2.7	2.
Prepayments and Other Assets	1.7	2.9	3.
Total Current Assets	89.1	93.6	82.
Total Guiterit Assets	05.1	55.0	0£.
NC Begulatory Access	17.9	- 17.4	- 16.
NC Regulatory Assets	17.8	17.4	10.
Intangible Assets Post Retirement Benefits NC Assets	-	•	-
Other Receivables Affiliated	-	-	-
* · · · · · · · · · · · · · · · · · · ·	- 47	- 4.7	-
Deferred Charges Total Other Assets	1.7	1.7	1.
Total Other Assets	19.6 -	19.1 -	18. -
Total Assets	316.0	324.7	321.
Total Common Stock Equity Long Term Debt, excluding amounts due within one year	95.7 67.3	94.4 58.3	95. 89.
Total Capitalization	163.1	152.7	185.
Obligations Due in One Year	14.7	28.7	-
Accounts Payable	11.7	11.1	11.
Customer Deposits and AR Credit Balance	6.2	17.7	17.
Taxes Accrued	4.1	5.0	5.
Interest Accrued	0.0	0.0	0.
Overrecovered Gas and Fuel Costs	10.4	7.9	-
Price Risk Management Liabilities (Current)	0.6	0.6	0.
E 1	9.9	4.7	
	ອ.ອ	7.7	4.
	3.6	3.6	
Current Regulatory Liabilities			3.
Current Regulatory Liabilities	3.6	3.6 0.1 -	3.
Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental	3.6 0.1	3.6 0.1	3. 0. -
Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	3.6 0.1	3.6 0.1 -	3. 0. - (0.
Exchange Gas Payable Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities	3.6 0.1 - (0.7)	3.6 0.1 - (0.8) 78.6	3. 0. (0. 42.
Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities	3.6 0.1 - (0.7)	3.6 0.1 - (0.8)	3. 0. (0. 42.
Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC	3.6 0.1 - (0.7) 60.8	3.6 0.1 - (0.8) 78.6	3. 0. (0. 42 .
Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes	3.6 0.1 - (0.7) 60.8 - 1.1	3.6 0.1 - (0.8) 78.6 - 1.1	3. 0. (0. 42. 1. 47.
Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals	3.6 0.1 - (0.7) 60.8 - 1.1 45.7	3.6 0.1 - (0.8) 78.6 - 1.1 46.8	3. 0. - (0. 42. - 1. 47. 0.
Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities	3.6 0.1 - (0.7) 60.8 - 1.1 45.7 0.5	3.6 0.1 - (0.8) 78.6 - 1.1 46.8 0.4	3. 0. - (0. 42. - 1. 47. 0. 25.
Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits	3.6 0.1 - (0.7) 60.8 - 1.1 45.7 0.5 25.1 10.1 9.7	3.6 0.1 - (0.8) 78.6 - 1.1 46.8 0.4 25.2	4. 3. 0. - (0. 42. - 1, 47. 0. 25. 8.
Current Regulatory Liabilities Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Total Current Liabilities Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	3.6 0.1 - (0.7) 60.8 - 1.1 45.7 0.5 25.1 10.1	3.6 0.1 - (0.8) 78.6 - 1.1 46.8 0.4 25.2 10.0	3. 0. - (0. 42. - 1. 47. 0. 25. 8.

Var	iance	Mo Var	2012 Var	2013 Var
	Assets			
A)	Net Property Plant and Equipment	2.6	0.9	6.5
, ,,	Total Investments	0.0	0.0	0.0
B)	Cash and Cash Equivalents	1.5	_	_
C)	Restricted Cash	(0.9)	(0.5)	_
D)	Accounts Receivable	5.0	7.6	(6.0)
E)	Gas Inventory	2.3	0.1	2.5
F)	Unrecovered Purchase Costs	-	-	6.3
٠,	Material & Supplies	0.1	(0.0)	(0.0)
	Price Risk Management Assets	-	-	(0.0)
	Exchange Gas Receivables & Reserve	(0.0)	(0.0)	(0.0)
	Current Regulatory Assets	(0.1)	(0.1)	(0.1)
	Prepayments and Other Assets	(0.4)	0.0	0.1
	Total Current Assets	7.5	7.1	2.7
	NO Devidence Access	(0.6)	(0.7)	(4.4)
	NC Regulatory Assets	(0.6)	(0.7)	(1.1)
	Intangible Assets	-	-	-
	Post Retirement Benefits NC Assets	-	-	-
	Other Receivables Affiliated	- 0.4		-
	Deferred Charges Total Other Assets	0.4	0.5	0.4
	Total Other Assets	(0.2)	(0.2)	(0.7)
	Total Assets	9.9	7.9	8.6
	Capitalization & Liabilities			
G)	Total Common Stock Equity	(2.8)	(2.4)	1.3
G)	Long Term Debt, excluding amounts due within one year	-	-	(2.3)
	Total Capitalization	(2.8)	(2.4)	(0.9)
G)	Current Portion of Long Term Debt	~	-	9.5
D)	Accounts Payable	(4.8)	(0.4)	1.0
D)	Customer Deposits and AR Credit Balance	5.0	-	•
H)	Taxes Accrued	(0.4)	(0.4)	0.2
• ,	Interest Accrued	0.0	0.0	0.0
F)	Overrecovered Gas and Fuel Costs	8.9	4.1	•
1)	Price Risk Management Liabilities (Current)	0.4	0.4	0.4
J)	Exchange Gas Payable	4.3	6.8	(3.1)
•	Current Regulatory Liabilities	0.4	0.4	0.1
	Accrued Liability for Post Retirement Benefits - Cur		-	-
	Environmental	-	-	_
	Other Accruals	(0.9)	(0.7)	1.2
	Total Current Liabilities	13.0	10.2	9.2
	Price Risk Management Liabilities - NC	0.1	0.1	0.1
	Deferred Income Taxes	(0.2)	0.1	(0.0)
	Deferred Investment Tax Credits	0.0	(0.0)	(0.0)
	Noncurrent Regulatory Liabilities	(0.1)	(0.1)	(0.1)
	Accrued Liab for Post Retirement Benefits - NC	(0.1)	(0.1)	0.5
	Other Non-Current Liabilities	0.1	0.1	(0.1)
	Other NC Liab & Deferred Credits	(0.2)	0.1	0.3
	Total Capitalization 9.1 inhilities	0.0	70	0.0
	Total Capitalization & Liabilities	9.9	7.9	8.6

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- A) Variance due to timing issues around 2012 In-Service (\$2.1M) and Depreciation (\$600K).
- B) Increase in Money Pool funding.
- C) Monthly variance due to changes to the required reserves related to the Hedging Program, while YTD variance is due to MF Global bankruptcy (\$483K).
- D) June A/R variance due to decreases to Tariff receivables (\$2.2M), Choice Receivables (\$3.2M), and Off-Systems Sales of (\$1.4M), partially offset by increased Money Pool deposits of \$13.8M. The \$8.3M Customer Deposits variance is due to an \$8.3M increase to A/P Factoring related to budget payment plans.resulting from warmer than expected weather. The 2012 A/R variance is due to decreased Tariff receivables (\$1.8M), Unbilled receivables (\$2.1M), and Off-Systems Sales (\$1.4M), outset by \$14.7M in Money Pool funding. A/P Variance due to decreased payables related to declining Gas Costs (\$4.9M).
- E) June variance due to Rate Differential and Usage variances of \$1.7M and \$639K respectively. 2012 annual variance due to Rate Differential and Usage variances of \$898K and (\$802)K respectively. 2013 annual variance is due to Rate Differential and Usage variances of \$1.05M and \$1.4M respectively.
- F) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to seasonality.
- Variance due to changes in the Hedging obligations.
- J) Variances are due to an increase in the number of outstanding exchange obligations vs. the 0&12.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 6&6	Mo Actual	YTD Actual	2012 6&6	2013 6&6
New Business	0.3	1.6	2.7	2.4
Betterment	0.0	0.3	0.3	0.2
Replacement	1.5	7.2	12.0	16.7
Support Services	0.2	0.7_	1.3	1.6
Gross Capital	2.0	9.8	16.3	20.8
Contributions & Reimbursements	•	(0.2)	(0.7)	(0.7)
Total NGD	2.0	9.6	15.6	20.2
Infrastructure/AMR	1.4	6.2	9.6	13.2

2012 0812	Mo Budget	YTD	2012 0&12	2013 0&12
New Business	0.1	0.7	1.7	1.7
Betterment	0.1	0.8	1.0	0.2
Replacement	1.1	5.4	11.4	11.7
Support Services	0.1	0.3	1.2	1.6
Gross Capital	1.3	7.2	15.3	15.1
Contributions & Reimbursements	(0.0)	(0.4)	(0.7)	(0.7)
Total NGD	1.3	6.9	14.7	14.5
Infrastructure/AMR	1.0	4.8	9.1	8.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	0.2	0.9	1.0	0.7
Betterment	(0.1)	(0.5)	(0.7)	0.1
Replacement	0.4	1.8	0.6	5.0
Support Services	0.1	0.4	0.1	0.0
Gross Capital	0.7	2.6	1.0	5.8
Contributions & Reimbursements	0.0	0.2	(0.0)	(0.0)
Total NGD	0.7	2.8	1.0	5.7
Infrastructure/AMR	0.4	1.4	0.5	5.0

Variance Explanations:

Primarily mild weather and contractor availability.

Plan variances due to additional allocation to NGD: CKY portion.

Columbia Gas of Kentucky Plan vs. Plan - July 2012 (\$ millions)

2012 7&5	2012	2013
Net Revenues	58.5	60.4
O&M Expense	31.2	31.8
Depreciation	6.7	7.0
Other Taxes	2.7	3.2
Operating Earnings	17.8	18.4
Other Income	0.7	0.4
Interest Expense	4.8	5.1
Net Operating Income	13.7	13.7
Income Tax	6.0	5.3
Net Operating Income	7.7	8.4

2012 0&12	2012	2013
Net Revenues	60.9	60.8
O&M Expense	30.9	31.1
Depreciation	6.6	6.9
Other Taxes	3.1	3.3
Operating Earnings	20.2	19.6
Other Income	0.7	0.5
Interest Expense	4.8	5.3
Net Operating Income	16.1	14.8
Income Tax	6.3	6.0
Net Operating Income	9.8	8.7

Variance	2012	2013
Net Revenues	(2.4)	(0.4)
O&M Expense	0.4	0.7
Depreciation	0.1	0.1
Other Taxes	(0.4)	(0.1)
Operating Earnings	(2.4)	(1.1)
Other Income	0.0	(0.1)
Interest Expense	0.0	(0.2)
Net Operating Income	(2.4)	(1.0)
Income Tax	(0.3)	(0.7)
Net Operating Income	(2.1)	(0.3)

^{*} net of trackers

Revenue - Plan-vs.-Plan (\$ millions)

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2012 7&5	2012	2013
Base Margin (less LCR)	49.2	50.2
LCR	4.9	5.1
LCR (Prior Dec. True-Up)	(0.1)	-
Supply Optimization	2.4	2.8
Regulatory Outcome	=	0.6
Other OGDR	1.3	1.0
CKY Purchase Receivable	0.4	0.4
Uncollectibles - Non Tracked	0.3	0.4
Uncollectibles - Tracked	0.2	0.2
Trackers	0.8	0.5
Total Revenue	59.5	61.1
Total Revenue w/o Trackers	58.5	60.4

2012 0&12	2012	2013
Base Margin (less LCR)	51.4	50.4
LCR	5.1	4.9
LCR (Prior Dec. True-Up)	-	-
ESS	2.4	2.8
Regulatory Outcome	-	0.6
Other OGDR	1,2	1.2
CKY Purchase Receivable	0.5	0.5
Uncollectibles - Non Tracked	0.3	0.4
Uncollectibles - Tracked	0.2	0.2
Trackers	0.5	0.5
Total Revenue	61.6	61.6
Total Revenue w/o Trackers	60.9	60.8

Vai	iance	2012	2013
A)	Base Margin (less LCR)	(2.2)	(0.2)
	LCR	(0.1)	0.2
	LCR (Prior Dec. True-Up)	(0.1)	-
	ESS	(0.0)	(0.0)
	Regulatory Outcome	-	0.0
	Other OGDR	0.1	(0.2)
	CKY Purchase Receivable	(0.1)	(0.1)
	Uncollectibles - Non Tracked	(0.0)	(0.1)
	Uncollectibles - Tracked	(0.0)	-
	Trackers	0.3	(0.0)
	Total Variance	(2.1)	(0.5)
	Total Variance w/o Trackers	(2.4)	(0.4)
			

A) 2013 variance due to downward revisions to volumetric forecasts (\$1.5M), partially offset by increased customer charge (+\$600K).

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 7&5	2012	2013
Labor	7.0	7.3
Benefits	2.1	1.9
Materials & Supplies	1.5	1.5
Outside Services	4.3	4.3
Management Fee	12.1	12.4
Uncollectibles	0.2	0.5
Other *	4.1	3.8
Trackers	0.8	0.7
Total O&M	32.1	32.5
Total O&M w/o Trackers	31.2	31.8

2012 0&12	2012	2013
Labor	6.6	6.9
Benefits	2.0	1.6
Materials & Supplies	1.5	1.5
Outside Services	4.3	4.5
Management Fee	11.9	12.2
Uncollectibles	0.5	0.5
Other *	3.9	3.9
Trackers	0.8	0.7
Total O&M	31.6	31.8
Total O&M w/o Trackers	30.9	31.1

Vai	riance	2012	2013
A)	Labor	0.4	0.5
B)	Benefits	0.1	0.3
	Materials & Supplies	(0.0)	(0.0)
	Outside Services	0.0	(0.2)
C)	Management Fee	0.1	0.2
D)	Uncollectibles	(0.3)	(0.1)
	Other *	0.1	(0.0)
E)	Trackers	0.1	0.0
	Total Change	0.4	0.7
	Total Change w/o Trackers	0.4	0.7

- A) Primarily increase due to vacancy fills (LOGI & EGCO).
- B) 2013-2017 Primarily revised assumptions for pension, OPEB, active medical and capital transfer percentages.
- C) 2012-2017 Primarily revised assumptions for Administrative Services (IT) and NGD EH&S
 Distribution partially offset by capital transfers.
- D) Reflects revised expenditure forecast.
- E) Offset in revenues.

Columbia Gas of Kentucky O&M - Other Cost Element View - Plan-vs.-Plan (\$ millions)

2012 7&5	2012	2013
Other		
Buildings and Land	0.1	0.1
Rents/Leases	0.2	0.2
Corporate Insurance	0.8	0.8
Employee Expenses	0.3	0.4
Company Memberships	0.1	0.1
Utilities	0.4	0.4
Misc Revenues	(0.2)	(0.2)
Misc & Other Expenses	0.2	0.1
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.2)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	-	-
Advertising	0.1	0.1
Auto/Trucks Cleared	1.3	1.3
O&M Reclass - Regulatory to GAAP	0.2	0.2
Below the Line O&M		
	4.1	3.8

2012 0&12	2012	2013
Other		
Buildings and Land	0.1	0.1
Rents/Leases	0.3	0.3
Corporate Insurance	0.9	0.9
Employee Expenses	0.3	0.4
Company Memberships	0.1	0.1
Utilities	0.3	0.3
Misc Revenues	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.2)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	-	-
Advertising	0.1	0.1
Auto/Trucks Cleared	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.2	0.2
Below the Line O&M	_	_
	3.9	3.9

Variance	2012	2013
Other		
Buildings and Land	(0.0)	(0.0)
Rents/Leases	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.0)
Employee Expenses	0.0	0.0
Company Memberships	0.0	0.0
Utilities	0.1	0.1
Misc Revenues	(0.1)	(0.1)
Misc & Other Expenses	0.2	0.1
Amortizations *	-	-
Deferred Credits	0.0	(0.0)
I&D Accrual	0.0	-
Well/Lease Rent/Royalty	-	-
Advertising	(0.0)	-
Auto/Trucks Cleared	(0.1)	(0.1)
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)
Below the Line O&M		
	0.1	(0.0)

2012 7&5	2012	2013
Distribution Ops	11.1	11.2
Meter To Cash	0.6	0.6
Customer Call Center	0.0	0.0
Integration Center	0.6	0.7
Presidents	1.6	1.6
Other Departments	-	-
Management Fee	12.1	12.4
Benefits	2.1	1.9
Uncollectibles	0.2	0.5
Other Corporate*	3.0	2.9
Trackers	8.0	0.7
Total O&M	32.1	32.5
Total O&M w/o Trackers	31.2	31.8

2012 0&12	2012	2013
Distribution Ops	10.9	11.2
Meter To Cash	0.6	0.6
Customer Call Center	0.0	0.0
Integration Center	0.4	0.4
Presidents	1.6	1.6
Other Departments	-	-
Management Fee	11.9	12.2
Benefits	2.0	1.6
Uncollectibles	0.5	0.5
Other Corporate*	2.9	3.0
Trackers	0.8	0.7
Total O&M	31.6	31.8
Total O&M w/o Trackers	30.9	31.1

Var	iance	2012	2013
A)	Distribution Ops	0.2	(0.0)
	Meter To Cash	(0.0)	-
	Customer Call Center	(0.0)	-
B)	Integration Center	0.2	0.3
	Presidents	(0.0)	0.0
	Other Departments	-	-
C)	Management Fee	0.1	0.2
D)	Benefits	0.1	0.3
E)	Uncollectibles	(0.3)	(0.1)
	Other Corporate*	0.1	(0.1)
F)	Trackers	0.1	0.0
	Total Change	0.4	0.7
	Total Change w/o Trackers	0.4	0.7

- A) 2012 Primarily fleet adj.,right of way (ROW) clearing and tools and uniforms. 2014-2017 - Primarily fleet adj. and decreased AMR Savings.
- B) 2012-2017 Primarily vacancy fills.
- C) 2012-2017 Primarily revised assumptions for Administrative Services (IT) and NGD EH&S Distribution partially offset by capital transfers.
- D) 2013-2017 Primarily revised assumptions for pension, OPEB, active medical and capital transfer percentages.
- E) Reflects revised expenditure forecast.
- F) Offset in revenues.

2012 7&5	2012	2013
Other Corporate		
Net Labor (CIP)	0.4	0.4
Materials/Supplies	0.0	0.0
Audit Fees	0.2	0.1
Consulting Fees	0.1	0.1
Legal Fees	•	-
Outside Services	0.2	0.2
Buildings and Land	-	-
Rents/Leases	0.2	0.2
Corporate Insurance	8.0	0.8
Employee Expenses	-	
Company Memberships	0.1	0.1
Utilities	0.1	0.1
Misc Revenues		-
Misc & Other Expenses	0.2	0.2
Amortizations *	0.5	0.4
Deferred Credits	(0.1)	(0.1)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	_	_
Advertising	_	
Auto/Truck Cleared		-
O&M Reclass - Regulatory to GAAP	0.2	0.2
Stores Clearing		
Below the line O&M		
Total Other Corporate	3.0	2.9

012 0&12	2012	2013
Other Corporate		
Net Labor (CIP)	0.4	0.4
Materials/Supplies	0.0	0.0
Audit Fees	0.1	0.1
Consulting Fees	0.0	0.2
Legal Fees	-	-
Outside Services	0.2	0.2
Buildings and Land		-
Rents/Leases	0.3	0.3
Corporate Insurance	0.9	0.9
Employee Expenses	-	_
Company Memberships	0.1	0.1
Utilitles	0.0	0.0
Misc Revenues	-	-
Misc & Other Expenses	0.2	0.2
Amertizations *	0.5	0.4
Deferred Credits	(0.1)	(0.1)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	-	_
Advertising	_	-
Auto/Truck Cleared		-
O&M Reclass - Regulatory to GAAP	0.2	0.2
Stores Clearing	-	
Below the line O&M		-
Total Other Corporate	2.9	3.0

riance	2012	2013
Other	·	
Net Labor (CIP)	(0.0)	(0.0)
Materials/Supplies	0.0	
Audit Fees	0.0	0.0
Consulting Fees	0.1	(0.1)
Legal Fees	-	
Outside Services	0.0	(0.0)
Buildings and Land	•	- '-
Rents/Leases	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.0)
Employee Expenses	`. '	- '-
Company Memberships	0.0	0.0
Utilities	0.1	0.1
Misc Revenues	•	-
Misc & Other Expenses	0.0	(0.0)
Amortizations *		
Deferred Credits	(0.0)	(0.0)
I&D Accrual	0.0	`• '
Well/Lease Rent/Royalty	-	
Advertising		-
Auto/Truck Cleared	-	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)
Stores Clearing	- '	- '
Below the line Q&M	-	-
Total Other Corporate	0.1	(0.1)

Columbia Gas of Kentucky

Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2012 7&5	2012	2013
Depreciation	6.7	7.0
Other Taxes		
Gross Receipts	-	-
Property Tax	2.5	2.7
Payroll	0.5	0.5
Distribution	-	-
Other	0.0	-
Total Other Taxes	3.0	3.1
Total Other Taxes w/o Trackers	2.7	3.2

2012 0&12	2012	2013
Depreciation	6.6	6.9
Other Taxes		
Gross Receipts	-	-
Property Tax	2.4	2.6
Payroll	0.5	0.5
Distribution	-	-
Other	-	-
Total Other Taxes	2.9	3.1
Total Other Taxes w/o Trackers	3.1	3.3

Variance		2012	2013
A) Deprec	ation Change	0.1	0.1
Other T	axes		
Gross F		-	_
Property	•	0.0	0.1
Payroll		0.0	-
Distribu	tion	-	-
Other		0.0	
Total O	ther Taxes Change	0.1	0.1
Total C	hange w/o Trackers	(0.4)	(0.1)

A) Variance due to increased Capital spend

2012 7&5	2012	2013
Miscellaneous	-	-
AFUDC	0.1	0.2
Hedging Interest Income	0.0	0.0
UnderCollection Income	-	-
Sales Receivable	•	-
Customer Tax Contribution	=	-
Charitable Contributions	(0.1)	(0.1)
Temp Cash Inv Int Inc	0.6	0.3
Total Other Income	0.7	0.4
Long-Term Interest Expense	4.7	5.0
Short-Term Interest Expense	-	0.0
Customer Deposits	0.1	0.1
Rate Refund Expense		-
OverCollection Interest Expense	-	-
Other Interest Expense	-	-
Carrying Cost Interest Expense	•	•
Hedging Interest Expense	-	-
AFUDC	(0.1)	(0.1)
Interest Expense	4.8	5.1

2012 0&12	2012	2013
Miscellaneous	-	-
AFUDC	0.1	0.1
Hedging Interest Income	0.1	0.0
UnderCollection Income	•	-
Sales Receivable	-	-
Customer Tax Contribution	-	-
Charitable Contributions	(0.1)	(0.1)
Temp Cash inv Int Inc	0.6	0.5
Total Other Income	0.7	0.5
Long-Term Interest Expense	4.7	5.2
Short-Term Interest Expense	-	•
Customer Deposits	0.2	0.2
Rate Refund Expense	•	-
OverCollection Interest Expense	=	-
Other Interest Expense	=	-
Carrying Cost Interest Expense	•	•
Hedging Interest Expense	=	-
AFUDC	(0.0)	(0.0)
Interest Expense	4.8	5.3

Va	riance	2012	2013
	Miscellaneous	•	-
	AFUDC	0.0	0.1
	Hedging Interest Income	(0.0)	0.0
	UnderCollection Income		-
	Sales Receivable	-	-
	Customer Tax Contribution	-	-
	Charitable Contributions	(0.0)	-
A)	Temp Cash Inv Int Inc	0.0	(0.2)
	Total Other Income	0.0	(0.1)
B)	Long-Term Interest Expense	0.0	(0.2)
A)	Short-Term Interest Expense	•	0.0
•	Customer Deposits	(0.0)	(0.0)
	Rate Refund Expense	- '	-
	OverCollection Interest Expense	=	-
	Other Interest Expense	=	-
	Carrying Cost Interest Expense	•	-
	Hedging Interest Expense	•	-
	AFUDC	(0.0)	(0.0)
	Interest Expense	0.0	(0.2)

- A) Variance due to fluctuations in normal operating activity
- Variance due to changes in Capital structure to maintain appropriate debt / equity percentages.

2.7&5	2012	2013
Assets		
Net Property Plant and Equipment	212.7	227.
Total Investments	0.4	0.
Total Hivodillonia	0.4	•
Cash and Cash Equivalents	-	-
Restricted Cash	3.2	-
Accounts Receivable	48.6	26.
Gas Inventory	45.1	45.
Unrecovered Purchase Costs	-	8.
Material & Supplies	=	-
Price Risk Management Assets	-	-
Exchange Gas Receivables & Reserve	0.1	0.
Current Regulatory Assets	2.5	2.
Prepayments and Other Assets	3.0	3.
Total Current Assets	102.4	86.
NC Regulatory Assets	16.5	15.
Intangible Assets	10.0	-
Post Retirement Benefits NC Assets	_	_
Other Receivables Affiliated	-	-
	2.2	- 2
Deferred Charges Total Other Assets	3.3	3.
Total Other Assets	19.9	18.
Total Assets	335.4	333.
Capitalization & Liabilities		
Total Common Stock Equity	91.9	98.
Long Term Debt , excluding amounts due within one year	58.3	87.
Total Capitalization	150.2	185.
Current Portion of Long Term Debt	28.7	5.
Accounts Payable	10.6	11.
Customer Deposits and AR Credit Balance	17.7	17.
Taxes Accrued	4.6	5.
Interest Accrued	0.1	0.
Overrecovered Gas and Fuel Costs	9.7	-
Price Risk Management Liabilities (Current)	0.8	0.
Exchange Gas Payable	13.2	2.
Current Regulatory Liabilities	4.1	3.
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.
Environmental	-	-
Other Accruals	(1.4)	1.
Total Current Liabilities	88.2	49.
	00.2	40.
Price Risk Management Liabilities - NC	1.0	1.
Deferred Income Taxes	49.8	51.
Deferred Investment Tax Credits	0.4	0.
Noncurrent Regulatory Liabilities	25.1	25.
Accrued Liab for Post Retirement Benefits - NC	9.6	9.
	11.0	11.
Other Non-Current Liabilities		
Other Non-Current Liabilities Other NC Liab & Deferred Credits	96.9	98.

2 0&12	2012	2013
Assets		
Net Property Plant and Equipment	211.6	219.7
Total Investments	0.4	0.4
Cash and Cash Equivalents	_	_
Restricted Cash	3.6	-
Accounts Receivable	39.2	31.4
Gas Inventory	45.1	44.6
Unrecovered Purchase Costs	43.1	0.5
Material & Supplies		
	0.0	0.0
Price Risk Management Assets	-	_
Exchange Gas Receivables & Reserve	0.1	0.1
Current Regulatory Assets	2.7	2.7
Prepayments and Other Assets	2.9	3.1
Total Current Assets	93.6	82.6
NO Decidetors Access	47.4	40.0
NC Regulatory Assets	17.4	16.8
Intangible Assets	-	-
Post Retirement Benefits NC Assets	-	-
Other Receivables Affiliated	-	-
Deferred Charges	1.7	1.3
Total Other Assets	19.1	18.4
Total Assets	324.7	321.1
Capitalization & Liabilities		
Total Common Stock Equity	94.4	95.9
Long Term Debt , excluding amounts due within one year	58.3	89.3
Total Capitalization	152.7	185.3
Current Portion of Long Term Debt	28.7	-
Accounts Payable	11.1	11.4
Customer Deposits and AR Credit Balance	17.7	17.3
Taxes Accrued	5.0	5.3
Interest Accrued	0.0	0.0
Overrecovered Gas and Fuel Costs	7.9	-
Price Risk Management Liabilities (Current)	0.6	0.6
Exchange Gas Payable	4.7	4.7
Current Regulatory Liabilities	3.6	3.5
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1
Environmental	0.1	v.
Other Accruals	(0.9)	<u>-</u>
Total Current Liabilities	(0.8)	(0.7
Total Current Liabilities	78.6	42.6
Price Risk Management Liabilities - NC	1.1	1.1
Deferred Income Taxes	46.8	47.7
Deferred Investment Tax Credits	0.4	0.4
Noncurrent Regulatory Liabilities	25.2	25.5
Accrued Liab for Post Retirement Benefits - NC	10.0	8.5
Other Non-Current Liabilities	9.8	10.0
Other NC Liab & Deferred Credits	93.4	93.2

Var	iance	2012	2013
	Assets		
	Net Property Plant and Equipment	1.0	7.8
	Total Investments	0.0	0.0
	Cash and Cash Equivalents	_	_
	Restricted Cash	(0.4)	_
A)	Accounts Receivable	9.4	(5.3)
B)	Gas Inventory	0.0	1.1
C)	Unrecovered Purchase Costs	-	8.4
	Material & Supplies	(0.0)	(0.0)
	Price Risk Management Assets	-	=
	Exchange Gas Receivables & Reserve	(0.0)	(0.0)
	Current Regulatory Assets	(0.2)	(0.2)
	Prepayments and Other Assets	0.0	0.1
	Total Current Assets	8.8	4.0
D)	NC Regulatory Assets	(0.9)	(1.5)
•	Intangible Assets	-	-
	Post Retirement Benefits NC Assets	-	-
	Other Receivables Affiliated	_	-
	Deferred Charges	1.7	1.7
	Total Other Assets	8.0	0.2
	Total Assets	10.6	12.0
		• •	_
	Capitalization & Liabilities		
E)	Total Common Stock Equity	(2.5)	2.3
E)	Long Term Debt, excluding amounts due within one year		(2.3)
	Total Capitalization	(2.5)	0.0
E)	Current Portion of Long Term Debt	-	5.3
A)	Accounts Payable	(0.5)	0.1
	Customer Deposits and AR Credit Balance	0.0	0.0
	Taxes Accrued	(0.4)	0.2
	Interest Accrued	0.0	0.0
C)	Overrecovered Gas and Fuel Costs	1.8	-
1	Price Risk Management Liabilities (Current)	0.2	0.2
F)	Exchange Gas Payable	8.6	(2.3)
•	Current Regulatory Liabilities	0.5	0.3
	Accrued Liability for Post Retirement Benefits - Cur	-	•
G)	Environmental Other Agentude	(0.6)	2.6
G)	Other Accruals Total Current Liabilities	9.6	6.3
		(5.4)	
•	Price Risk Management Liabilities - NC	(0.1)	(0.1)
G)	Deferred Income Taxes	3.0	3.7
	Deferred Investment Tax Credits	(0.0)	(0.0)
	Noncurrent Regulatory Liabilities	(0.2)	(0.2)
	Accrued Liab for Post Retirement Benefits - NC	(0.4)	1.2
H)	Other Non-Current Liabilities Other NC Liab & Deferred Credits	1.2 3.5	1.0
			5.6
	Total Capitalization & Liabilities	10.6	12.0

A) 2012 variance is due to a (\$7.1M) reduction to the A/R balance stemming from fluctuations in Gas Costs and Usage (primarily to Tariff Sales and Off-System sales), offset by \$15.7M of favorable Money Pool deposits. The variance in the out years represents decreases in A/R balances and Money Pool fundings.

B)	Year	Volume Variance (\$\$\$)	Rate Variance (\$\$\$)	Total Variance (\$\$\$)
	2012	(0.5)	0.5	0.0
[2013	0.4	0.7	1.1
Ī	2014	1.5	0.5	1.9
	2015	1.6	0.3	1.9
[2016	1.5	0.3	1.9
ſ	2017	1.4	0.4	1.8

- C) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- D) Variances are due to changes to pension funding obligations.
- E) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- F) Variance due to changes in the number of exchange obligations vs. the 0&12.
- G) Variances primarily driven by Federal and State tax liabilities.
- H) Variance due to increases to Customer advances; specifically ColorPoint Greenhouse in Paris, KY.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 7&5 R	2012	2013
New Business	2.7	4.0
Betterment	0.3	0.1
Replacement	12.0	15.8
Support Services	1.4	2.0
Gross Capital	16.4	21.9
Contributions & Reimbursements	(0.7)	(0.6)
Total CKY *	15.8	21.3
Infrastructure/AMR	9.6	12.2

2012 0&12	2012	2013
New Business	1.7	1.7
Betterment	1.0	0.2
Replacement	11.4	11.7
Support Services	1.2	1.6
Gross Capital	15.3	15.1
Contributions & Reimbursements	(0.7)	(0.7)
Total CKY	14.7	14.5
Infrastructure/AMR	9.1	8.2

Variance	2012	2013
New Business	1.0	2.3
Betterment	(0.7)	(0.1)
Replacement	0.6	4.1
Support Services	0.2	0.5
Gross Capital	1.1	6.8
Contributions & Reimbursements	-	0.1
Total CKY	1.1	6.9
Infrastructure/AMR	н недровоек 0.5	oe 4.0 o

Plan variances due to additional capital allocations to NGD and updated forecasts.

Columbia Gas of Kentucky Plan vs. Plan - August 2012 (\$ millions)

2012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Net Revenues	3.2	37.5	58.3	60.4
O&M Expense	2.7	20.5	31.3	31.8
Depreciation	0.6	4.4	6.7	7.0
Other Taxes	0.2	1.8	2.7	3.2
*Operating Earnings	(0.3)	10.8	17.6	18.5
Other Income	0.0	0.5	0.6	0.4
Interest Expense	0.4	3.2	4.8	5.1
*Operating Earnings before Taxes	(0.6)	8.1	13.5	13.7
Income Tax	(0.2)	3.5	5.4	5.9
Net Operating Earnings	(0.5)	4.6	8.2	7.8

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Net Revenues	3.0	40.2	60.9	60.8
O&M Expense	2.5	20.6	30.9	31.1
Depreciation	0.6	4.3	6.6	6.9
Other Taxes	0.2	1.9	2.9	3.1
*Operating Earnings	(0.3)	13.3	20.5	19.8
Other Income	0.0	0.5	0.7	0.5
Interest Expense	0.4	3.2	4.8	5.3
*Operating Earnings before Taxes	(0.6)	10.7	16.4	15.0
Income Tax	0.4	5,0	6.3	6.0
Net Operating Earnings	(1.0)	5.7	10.0	9.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	0.2	(2.7)	(2.6)	(0.4)
O&M Expense	0.2	(0.1)	0.4	0.7
Depreciation	0.0	0.0	0.1	0.1
Other Taxes	0.0	(0.1)	(0.2)	0.1
*Operating Earnings	0.0	(2.5)	(2.8)	(1.4)
Other Income	(0.0)	(0.1)	(0.0)	(0.1)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.2)
*Operating Earnings before Taxes	0.0	(2.6)	(2.9)	(1.3)
Income Tax	_			
Net Operating Earnings	0.0	(2.6)	(2.9)	(1.3)

^{*} net of trackers

Columbia Gas of Kentucky

Revenue - Plan-vs.-Plan (\$ millions)

2012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Base Margin (less LCR)	2.7	32.0	49.0	50.1
LCR	0.3	3.1	4.9	5.2
LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
ESS	0.2	0.9	2.4	2.8
Regulatory Outcome	-	=	-	0.6
Other OGDR	0.0	1.0	1.3	1.0
CKY Purchase Receivable	0.0	0.3	0.5	0.5
Uncollectibles - NonTracked	(0.0)	0.2	0.3	0.3
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.0	0.7	8.0	0.5
Total Revenue	3.3	38.3	59.4	61.1
Total Revenue w/o Trackers	3.2	37.5	58.3	60.4

12 0812	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Base Margin (less LCR)	2.5	33.9	51.4	50.4
LCR	0.3	3.2	5.1	4.9
LCR (Prior Dec. True-Up)	-	-	-	-
ESS The second s	0.2	1.6	2.4	2.8
Regulatory Outcome	-	-	-	0.6
Other OGDR	0.1	0.8	1.2	1.2
CKY Purchase Receivable	(0.0)	0.4	0.5	0.5
Uncollectibles - NonTracked	(0.0)	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.0	0.3	0.5	0.5
Total Revenue	3.0	40.7	61.6	61.6
Total Revenue w/o Trackers	3.0	40.2	60.9	60.8

Vai	iance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Base Margin (less LCR)	0.2	(1.9)	(2.4)	(0.3)
	LCR	0.0	(0.1)	(0.1)	0.3
	LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
B)	ESS	(0.0)	(0.7)	0.0	(0.0)
	Regulatory Outcome	-	-	-	0.0
	Other OGDR	(0.0)	0.1	0.1	(0.2)
	CKY Purchase Receivable	0.0	(0.1)	(0.1)	(0.1)
	Uncollectibles - NonTracked	0.0	0.0	(0.0)	(0.1)
	Uncollectibles - Tracked	-	(0.0)	(0.0)	-
	Trackers	0.0	0.4	0.3	(0.0)
	Total Variance	0.2	(2.4)	(2.2)	(0.5)
	Total Variance w/o Trackers	0.2	(2.7)	(2.6)	(0.4)

- A) Annual variance due to customer and usage erosion.
- B) Variance represents fluctuations in Off-System sales assumptions steaming from price volatility.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Penalty Charges	0.0	0.3	0.4	0.4
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.5	0.6	0.4
Other Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.1	0.1	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	_
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	-	0.0	0.0	-
Total OGDR	0.0	10	13	10

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Penalty Charges	0.0	0.3	0.3	0.3
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.3	0.4	0.4
Other Revenue	0.0	0.1	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.1	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	-	-	-	-
Total OGDR	0.1	0.8	1.2	1.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	0.0	0.0	0.0	0.0
Return Check	(0.0)	0.0	0.0	0.0
Other Fees	(0.0)	0.2	0.2	(0.0)
Other Revenue	(0.0)	(0.1)	(0.2)	(0.2)
Pub Util-Flex	`0.0	0.0	0.0	`-
Company Use	(0.0)	(0.0)	(0.0)	0.0
Balancing Services	-		-	-
Other Misc Income	-	_	=	-
Misc Merchant Revenue	-	0.0	0.0	_
Total OGDR	(0.0)	0.1	0.1	(0.2)

Columbia Gas of Kentucky

2012 Customer & Usage Information - 8&4 vs. 0&12

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residential	0.1	(0.2)
Commercial	0.1	0.1
Total	0.1	(0.0)

Usage Change	Month	YTD
Residential	0.1	0.2
Commercial	0.6	1.4
Industrial (Non-LCR)	(0.3)	(0.3)
Total	0.3	1.3

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	1.0	46.4
Comm	18.9	355.9
Ind	5,550.6	57,854.6

Budget	Month	YTD
Residential	1.0	46.3
Commercial	16.1	350.8
Industrial	5,917.1	57,160.2

Variance	Month	Mo. %	YTD	YTD %
Residential	0.0	2.9%	0.0	0.0%
Commercial	2.8	17.2%	5.1	1.5%
Industrial	(366.6)	-6.2%	694 4	1.2%

Customer Count

Actual	Month	YTD Avg
Residential	117,884	119,803
Commercial	13,729	13,939
Industrial	178	177
Tota!	131,791	133,919

Budget	Month	YTD Avg
Residential	17,252	119,712
Commercial	13,547	13,881
Industrial	181	181
Total	30,980	133,774

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	100,632	583.3%	91	0.1%
Commercial	182	1.3%	58	0.4%
Industrial	(3)	-1.7%	(4)	-2.2%
Total	100,811	325.4%	145	0.1%

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Labor	0.6	4.8	7.1	7.3
Benefits	0.2	1.5	2.1	1.9
Materials & Supplies	0.1	1.0	1.5	1.5
Outside Services	0.3	2.8	4.3	4.8
Management Fee	1.0	7.5	12.1	12.4
Uncollectibles	0.1	0.2	0.2	0.5
Other *	0.4	2.6	4.0	3.3
Trackers	0.1	0.6	8.0	0.7
Total O&M	2.7	21.1	32.110	32.499
Total O&M w/o Trackers	2.7	20.5	31.3	31.8

2012 0&12	Mo Budget	YTD Budget	2012 0812	2013 0&12
Labor	0.5	4.5	6.6	6.9
Benefits	0.2	1.4	2.0	1.6
Materials & Supplies	0.1	1.0	1.5	1.5
Outside Services	0.3	2.9	4.3	5.0
Management Fee	1.0	7.9	11.9	12.2
Uncollectibles	0.0	0.3	0.5	0.5
Other *	0.3	2.7	3.9	3.4
Trackers	0.0	0.5	8.0	0.7
Total O&M	2.5	21.1	31.6	31.8
Total O&M w/o Trackers	2.5	20.6	30.9	31.1

	Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Labor	0.1	0.3	0.5	0.5
B)	Benefits	0.0	0.2	0.1	0.3
	Materials & Supplies	(0.0)	(0.0)	(0.0)	(0.0)
	Outside Services	(0.0)	(0.0)	(0.1)	(0.2)
C)	Management Fee	0.0	(0.3)	0.2	0.2
	Uncollectibles	0.0	(0.2)	(0.3)	(0.1)
	Other *	0.0	(0.1)	0.1	(0.1)
D)	Trackers	0.0	0.1	0.1	0.0
	Total Change	0.2	0.0	0.5	0.7
	Total Change w/o Trackers	0.2	(0.1)	0.4	0.7

- A) YTD & 2012 Yr Var unfavorablwe shift in labor allocation (capitalization transfers), with slight offset for select vacancies.
- B) 2012 & 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- C) YTD Var Primarily Legal and NGD Operations. 2012 & 2013 Yr Var Primarily revised capitalization transfers.
- D) Offset in revenue.

2012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Other				
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.1	0.2	0.2
Corporate Insurance	0.1	0.5	0.8	0.8
Employee Expenses	0.0	0.2	0.3	0.4
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.3	0.4	0.4
Misc Revenues	(0.0)	(0.1)	(0.2)	(0.2)
Misc & Other Expenses	0.0	0,1	0.2	0.1
Amortizations *	0.0	0.3	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.7)
I&D Accrual	(0.0)	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	•	•	-
Advertising	0.0	0.0	0.1	0.1
Auto/Trucks Cleared	0.1	0.9	1.3	1.3
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M		<u> </u>	<u> </u>	
	0.4	2.6	4.0	3.3

012 0&12	Mo Budget	YTD Budget	2012 08.12	2013 0&12
Other			<u> </u>	
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.2	0.3	0.3
Corporate Insurance	0.1	0.6	0.9	0.9
Employee Expenses	0.0	0.2	0.3	0.4
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.2	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	(0.0)
Amortizations *	0.0	0.3	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0.0	0.1	0.1	0.1
Weli/Lease Rent/Royalty		-	-	•
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	0.9	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M		-	-	-
	0.3	2.7	3.9	3.4

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other	•			
Buildings and Land	(0.0)	(0.0)	(0.0)	(0.0)
Rents/Leases	(0.0)	(0.1)	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.1)	(0.0)	(0.0)
Employee Expenses	(0.0)	(0.0)	(0.0)	0.0
Company Memberships	0.0	(0.0)	0.0	0.0
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.2	0.2	0.1
Amortizations *	-	_	_	-
Deferred Credits	0.0	0.0	0.0	(0.0)
I&D Accrual	(0.0)	(0.0)	(0.0)	- 1
Well/Lease Rent/Royalty	-			
Advertising	(0.0)	(0.0)	(0.0)	-
Auto/Trucks Cleared	0.0	(0.0)	(0.0)	(0.1)
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M	· ·			, ,
	0.0	(0.1)	0.1	(0.1)

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

2012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Distribution Ops	0.9	7.6	11.1	11.2
Meter To Cash	0.1	0.4	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.1	0.3	0.6	0.7
Presidents	0.2	1.0	1.6	1.6
Other Dept	-	_	-	-
Management Fee	1.0	7.5	12.1	12.4
Benefits	0.2	1.5	2.1	1.9
Uncollectibles	0.1	0.2	0.2	0.5
Other Corporate *	0.3	2.0	3.0	2.9
Trackers	0.1	0.6	0.8	0.7
Total O&M	2.7	21.1	32.1	32.5
Total O&M w/o Trackers	2.7	20.5	31.3	31.8

2 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Distribution Ops	0.9	7.3	10.9	11.2
Meter To Cash	0.1	0.4	0.6	0.6
Customer Call Center	0.0	0.0	0 .0	0.0
Integration Center	0.0	0.2	0.4	0.4
Presidents	0.1	1.1	1.6	1.6
Other Dept	-	-	-	-
Management Fee	1.0	7.9	11.9	12.2
Benefits	0.2	1.4	2.0	1.6
Uncollectibles	0.0	0.3	0.5	0.5
Other Corporate *	0.3	2.0	2.9	3.0
Trackers	0.0	0.5	8.0	0.7
Total O&M	2.5	21.1	31.6	31.8
Total O&M w/o Trackers	2.5	20.6	30.9	31.1

Var	iance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Distribution Ops	(0.0)	0.2	0.1	(0.0)
	Meter To Cash	(0.0)	(0.0)	(0.0)	-
	Customer Call Center	(0.0)	(0.0)	(0.0)	-
	Integration Center	0.0	0.1	0.2	0.3
	Presidents	0.0	(0.1)	(0.0)	0.0
	Other Dept	-	-		-
B)	Management Fee	0.0	(0.3)	0.2	0.2
C)	Benefits	0.0	0.2	0.1	0.3
	Uncollectibles	0.0	(0.2)	(0.3)	(0.1)
	Other Corporate *	0.0	0.0	0.1	(0.1)
D)	Trackers	0.0	0.1	0.1	0.0
	Total Change	0.2	0.0	0.5	0.7
	Total Change w/o Trackers	0.2	(0.1)	0.4	0,7

- 2012 Yr Var Primarily meter reading, maintenance of mains and fleet adj. partially offset by leak repairs.
- B)
- YTD Var Primarily Legal and NGD Operations. 2012 & 2013 Yr Var Primarily revised capitalization transfers. 2012 and 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages. C)
- D) Offset in revenue.

^{*} See O&M Other Corp Tab

12 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Other Corporate				
Net Labor	0.0	0.3	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.2	0.1
Consulting Fees	0.0	0.0	0.1	0.1
Legal Fees	•	•	•	
Outside Services	0.0	0.1	0.2	0.2
Buildings and Land	-	-	-	-
Rents/Leases	0.0	0.1	0.2	0.2
Corporate Insurance	0.1	0.5	8.0	0.8
Employee Expenses	-	-	-	-
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	-	-	-	
Misc & Other Expenses	0.0	0.1	0.2	0.2
Amortizations *	0.0	0.3	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1
f&D Accrual	(0.0)	0.0	0.1	0.1
Well/Lease Rent/Royalty	•	•		
Advertising	-	-	-	-
Auto/Truck Cleared	-	-	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Stores Clearing		•	-	
Below the line O&M	-	-	-	-
Total Other Corporate	0.3	2.0	3.0	2.9

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Other Corporate	· ·			
Net Labor	0.0	0.3	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.1	0.1
Consulting Fees	0.0	0.0	0.0	0.2
Legal Fees	-	-	-	
Outside Services	0.0	0.1	0.2	0.2
Buildings and Land	-	-	-	-
Rents/Leases	0.0	0.2	0.3	0.3
Corporate Insurance	0.1	0.6	0.9	0.9
Employee Expenses	-	-	-	-
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.0	0.0	0.0
Misc Revenues	-	-	-	-
Misc & Other Expenses	0.0	0.1	0.2	0.2
Amortizations *	0.0	0.3	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	•
Advertising	•	•	•	•
Auto/Truck Cleared	-	-	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Stores Clearing	-	-	-	-
Below the line O&M		•	•	-
Total Other Corporate	0.3	2.0	2.9	3.0

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Net Labor	0.0	0.0	(0.0)	(0.0)
Materials/Supplies	0.0	0.0	0.0	
Audit Fees	0.0	0.0	0.0	0.0
Consulting Fees	0.0	0.0	0.1	(0.1)
Legal Fees	-	-	•	•
Outside Services	(0.0)	(0.0)	(0.0)	(0.0)
Buildings and Land		-	-	-
Rents/Leases	(0.0)	(0.0)	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.1)	(0.0)	(0.0)
Employee Expenses	-	-	-	-
Company Memberships	(0.0)	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.1
Misc Revenues		-	-	-
Misc & Other Expenses	0.0	0.0	0.0	(0.0)
Amortizations *	•	•	•	•
Deferred Credits	0.0	(0.0)	(0.0)	(0.0)
I&D Accrual	(0.0)	(0.0)	(0.0)	-
Well/Lease Rent/Royalty	-	-	•	-
Advertising	•	•		
Auto/Truck Cleared		-	-	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Stores Clearing	•	•	•	• 1
Below the line O&M	-	-	-	-
Total Other Corporate	0.0	0.0	0.1	(0.1)

2012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Depreciation	0.6	4.4	6.7	7.0
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	1.6	2.5	2.7
Payroll	0.0	0.4	0.5	0.5
Distribution	-	-	-	-
Other	0.0	0.0	0.0	.
Total Other Taxes	0.2	2.0	3.0	3.1
Total Other Taxes w/o Trackers	0.2	1.8	2.7	3.2

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Depreciation	0.6	4.3	6.6	6.9
Other Taxes				
Gross Receipts	•	-	-	-
Property Tax	0.2	1.6	2.4	2.6
Payroll	0.0	0.3	0.5	0.5
Distribution	-	-	-	-
Other	-	-	-	-
Total Other Taxes	0.2	1.9	2.9	3.1
Total Other Taxes w/o Trackers	0.2	1.9	2.9	3.1

ariance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.0	0.1	0.1
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	(0.0)	0.0	0.0	0.1
Payroll	0.0	0.0	0.0	-
Distribution	<u></u>	-	-	-
Other	0.0	0.0	0.0	-
Total Other Taxes Change	0.0	0.1	0.1	0.1
Total Change w/o Trackers	0.0	(0.1)	(0.2)	0.1

2012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
Miscellaneous	-			-
AFUDC	0.0	0.1	0.1	0.2
Hedging Interest Income	0.0	0.0	0.0	0.0
Under-Collection Interest Income	-	-	-	-
Sale Receivables	-	•	-	-
Customer Tax Contribution	•	_	-	-
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.4	0.6	0.3
Total Other Income	0.0	0.5	0.6	0.4
Long-Term Interest Expense	0.4	3.1	4.7	5.0
Short-Term Interest Expense	-	•	-	0.0
Customer Deposits Interest Expense	-	0.1	0.1	0.1
Rate Refund Interest Expense		-	-	-
Over-Collection Interest Expense	-	-	-	_
Other Interest Expense	•	-	<u></u>	_
Carrying Cost Interest Expense	-	-	-	-
Hedging Interst Expense	-	-	*	•
PISCC	-	-	-	_
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.1)	(0.1)
Interest Expense	0.4	3.2	4.8	5.1
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	

0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Miscellaneous	•		-	-
AFUDC	0.0	0.1	0.1	0.1
Hedging Interest Income	0.0	0.1	0.1	0.0
Under-Collection Interest Income	-	-	-	-
Sale Receivables	-	-	-	-
Customer Tax Contribution	•	-	-	-
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1
Temp Cash Investment Interest Income	0.0	0.5	0.6	0.5
Total Other Income	0.0	0.5	0.7	0.5
Long-Term Interest Expense	0.4	3.1	4,7	5.2
Short-Term Interest Expense	-	-	-	-
Customer Deposits Interest Expense	0.0	0.1	0.2	0.2
Rate Refund Interest Expense	-		•	-
Over-Collection Interest Expense	•	-	-	
Other Interest Expense	-		-	-
Carrying Cost Interest Expense	-	-	-	-
Hedging Interst Expense	-	-	=	-
PISCC	-	•	•	-
nterest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	0.4	3.2	4.8	5.3
NET INCOME FROM SUBSIDIARIES		-	-	

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous	•			•
AFUDC	0.0	0.0	0.0	0.1
Hedging Interest Income	(0.0)	(0.0)	(0.0)	0.0
Under-Collection Interest Income	•	=	=	
Sale Receivables	-	-	-	-
Customer Tax Contribution	-	-	•	-
Charitable Contributions	0.0	0.0	(0.0)	-
A) Temp Cash Investment Interest Income	(0.0)	(0.1)	(0.0)	(0.2)
Total Other Income	(0.0)	(0.1)	(0.0)	(0.1)
Long-Term Interest Expense	0.0	0.0	0.0	(0.2)
Short-Term Interest Expense	-	-	-	0.0
Customer Deposits Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)
Rate Refund Interest Expense	•	<u>-</u> ·	-	
Over-Collection Interest Expense	•	-	-	-
Other Interest Expense	-	-	•	
Carrying Cost Interest Expense	-	-	-	-
Hedging Interst Expense	-	-	-	-
PISCC	-	-	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.2)
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	

A) Variance represents changes to the interest earned on operating cash sent to Corp. Money Pool.

8&4	Мо	2012	2013
Assets			
Net Property Plant and Equipment	211.0	212.7	227.
Total Investments	0.4	0.4	0.
Cash and Cash Equivalents	0.2	-	-
Restricted Cash	3.0	2.9	-
Accounts Receivable	42.8	50.1	26.
Gas Inventory	48.6	43.9	45.
Unrecovered Purchase Costs	-	-	6.
Material & Supplies	0.1	-	-
Price Risk Management Assets	-	-	-
Exchange Gas Receivables & Reserve	0.1	0,1	0.
Current Regulatory Assets	2.9	2.8	2.
Prepayments and Other Assets	1.6	3.0	3
Total Current Assets	99.2	102.7	84.
	-	•	-
Price Risk Management Assets	_	-	-
NC Regulatory Assets	17.2	16.9	15.
Intangible Assets	-	-	-
Post Retirement Benefits NC Assets	_	_	_
Other Receivables Affiliated	_	-	_
Deferred Charges	3.2	3.2	3.
Total Other Assets	20.5		<u>3.</u> 18.
Total Other Assets	20.5	20.1	10.
Total Assets	331.1	335.9	331.
Capitalization & Liabilities			
Total Common Stock Equity	92.4	91.7	98.
Long Term Debt , excluding amounts due within one year	67.3	58.3	87.
Total Capitalization	159.7	150.1	185.
Total Capitalization	-	190.1	103.
Obligations Due in One Year	14,7	28.7	5.
Accounts Payable	11.1	10.5	11.
Customer Deposits and AR Credit Balance	12.7	17.7	17.
Taxes Accrued	2.6	5.1	5.
Interest Accrued	0.1	0.1	0.
Overrecovered Gas and Fuel Costs	18.6	10.8	0.
Price Risk Management Liabilities (Current)	1.2	1.2	- 1.
Exchange Gas Payable	14.0	1.2 12.1	1.
Current Regulatory Liabilities	4.3	4.2	3.
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	0.
Environmental	- 4	-	-
Other Accruals	(1.4)	(1.4)	0.
Total Current Liabilities	77.6	88.9	47.
material and the state of the s	(0.4)	(0.4)	0.
Price Risk Management Liabilities - NC	1.3	1.3	1.
Deferred Income Taxes	46.3	49.7	51.
Deferred Investment Tax Credits	0.5	0.4	0.
Noncurrent Regulatory Liabilities	25.0	25.1	25.
Accrued Liab for Post Retirement Benefits - NC	9.9	9.6	9.
			4.4
Other Non-Current Liabilities	10.8	10.9	<u> </u>
	93.7	10.9 97.0	99.

2 0&12	Мо	2012	2013
Assets			
Net Property Plant and Equipment	208.0	211.6	219.
Total investments	0.4	0.4	0
Cash and Cash Equivalents	-	-	-
Restricted Cash	3 .5	3.6	-
Accounts Receivable	33.6	39.2	31
Gas Inventory	47.2	45 .1	44
Unrecovered Purchase Costs	-	-	0
Material & Supplies	0.0	0.0	0
Price Risk Management Assets	-	-	-
Exchange Gas Receivables & Reserve	0.1	0.1	0
Current Regulatory Assets	2.8	2.7	2
Prepayments and Other Assets	1.3	2.9	3
Total Current Assets	88.5	93.6	82
Price Risk Management Assets		-	_
NC Regulatory Assets	17.8	17.4	16
Intangible Assets	-	-	-
Post Retirement Benefits NC Assets	_	-	_
Other Receivables Affiliated	-	-	_
Deferred Charges	1.7	1.7	1
Total Other Assets	19.4	19.1	18
Table & Annala	316.3	324.7	321
Total Assets	310.3	324.1	321
Capitalization & Liabilities			
Total Common Stock Equity	95.0	94.4	95
Long Term Debt, excluding amounts due within one year	67.3	58.3	89
Total Capitalization	162.3	152.7	185
Obligations Due in One Year	14.7	28.7	
Accounts Payable	12.3	11.1	11
Customer Deposits and AR Credit Balance	12.1	17.7	17
Taxes Accrued	3.2	5.0	5
Interest Accrued	0.0	0.0	Ö
Overrecovered Gas and Fuel Costs	8.6	7.9	_
Price Risk Management Liabilities (Current)	0.6	0.6	- 0
Exchange Gas Payable	7.1	4.7	4
	3.6	3.6	3
Current Regulatory Liabilities			
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	0
Environmental	- (0.7)	(0.0)	-
Other Accruals Total Current Liabilities	(0.7)	(0.8)	(0
Total Current Liabilities	61.5 (0.2)	78.6	42
Price Risk Management Liabilities - NC	1.1	1.1	1
Deferred Income Taxes	46.0	46.8	47
Deferred Investment Tax Credits	0.5	0.4	0
Noncurrent Regulatory Liabilities	25.1	25.2	25
Accrued Liab for Post Retirement Benefits - NC	10.1	10.0	23 8
Other Non-Current Liabilities	9.8	9.8	10
Other NC Liab & Deferred Credits	92.6	93.4	93
T. a. L. Constanting of the Late of the La			
Total Capitalization & Liabilities	316.3	324.7	321

Var	ance	Mo Var	2012 Var	2013 Var
	Assets			
A)	Net Property Plant and Equipment	3.0	1.0	7.8
•	Total Investments	0.0	0.0	0.0
B)	Cash and Cash Equivalents	0.2	•	-
C)	Restricted Cash	(0.6)	(0.7)	-
D)	Accounts Receivable	9.2	10.9	(5.2)
E)	Gas Inventory	1.4	(1.2)	0.9
F)	Unrecovered Purchase Costs	_	-	6.2
	Material & Supplies	0.1	(0.0)	(0.0)
	Price Risk Management Assets	_	· , ,	` <u> </u>
	Exchange Gas Receivables & Reserve	(0.0)	(0.0)	(0.0)
	Current Regulatory Assets	`0.1	0.1	0.1
	Prepayments and Other Assets	0.3	0.0	0.1
	Total Current Assets	10.7	9.1	2.0
	Price Risk Management Assets	-	_	-
K)	NC Regulatory Assets	(0.5)	(0.6)	(1.2)
,	Intangible Assets	-	-	•
	Post Retirement Benefits NC Assets	-	-	-
	Other Receivables Affiliated	_	-	_
K)	Deferred Charges	1.5	1.5	1.6
/	Total Other Assets	1.0	1.0	0.4
	Total Assets	14.7	11.2	10.2
	Capitalization & Liabilities			
G)	Total Common Stock Equity	(2.6)	(2.7)	2.2
G)	Long Term Debt, excluding amounts due within one year	-	•	(2.3)
,	Total Capitalization	(2.6)	(2.7)	(0.1)
G)	Current Portion of Long Term Debt	-	-	5.2
D)	Accounts Payable	(1.1)	(0.6)	0.0
D)	Customer Deposits and AR Credit Balance	0.6	0.0	0.0
H)	Taxes Accrued	(0.6)	0.1	0.2
	Interest Accrued	0.0	0.0	0.0
F)	Overrecovered Gas and Fuel Costs	10.0	2.9	-
i)	Price Risk Management Liabilities (Current)	0.5	0.5	0.5
J)	Exchange Gas Payable	6.9	7.5	(3.4)
	Current Regulatory Liabilities	0.7	0.6	0.4
	Accrued Liability for Post Retirement Benefits - Cur	-	-	-
	Environmental	-	-	-
K)	Other Accruals	(0.7)	(0.5)	1.4
	Total Current Liabilities	16.1	10.2	4.4
	Price Risk Management Liabilities - NC	0.2	0.2	0.2
H)	Deferred Income Taxes	0.3	2.9	3.5
	Deferred Investment Tax Credits	0.0	(0.0)	(0.0)
	Noncurrent Regulatory Liabilities	(0.1)	(0.1)	(0.1)
	Accrued Liab for Post Retirement Benefits - NC	(0.3)	(0.4)	`1.2 [*]
	Other Non-Current Liabilities	`1.0	1.0	1.0
	Other NC Liab & Deferred Credits	1.2	3.6	5.9
	Total Capitalization & Liabilities	14.7	11.2	10.2

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

- A) Variance due to timing issues around 2012 in-Service (\$2.1M) and Depreciation (\$600K)
- B) Increase in Money Pool funding
- C) Monthly variance due to changes to the required reserves related to the Hedging Program, while YTD variance is due to MF Global bankruptcy (\$483K).
- D) August A/R variance due to decreases to Choice Receivables (\$3.8M), and Off-Systems Sales of (\$1.2M), partially offset by increased Tariff receivables of \$2.1M & Money Pool deposits of \$13.4M. The \$600K Customer Deposits variance is due to adjustments to budget payment plans, and represents a \$7.7M decrease to prior month balances which stem from warmer than expected weather. The 2012 A/R variance is due to decreased Tariff receivables (\$2.3M), Unbilled receivables (\$2.5M), and Off-Systems Sales (\$1.2M), outset by \$15.7M in Money Pool funding. 2013 A/R Variance due to decreased Money Pool balance. A/P Variance is due to decreased payables related to declining Gas Costs: (\$1.3M) for August, (\$1.2M) for 2012.
- E) August variance due to Rate Differential and Usage variances of \$(75)K and \$1.49M respectively. 2012 annual variance due to Rate Differential and Usage variances of \$312K and (\$1.5M) respectively. 2013 annual variance is due to Rate Differential and Usage variances of \$743K and \$118K respectively.
- F) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to in part to seasonality around commodity usage / delivery.
- Variance due to changes in the Hedging obligations.
- J) Variances are due to changes in the number of outstanding exchange obligations vs. the 0&12.
- K) Variance due to account reclassifications of Miscellaneous Deferrals; primarily Customer Advances related to capital projects.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 8&4	Mo Actual	YTD Actual	2012 8&4	2013 8&4
New Business	(0.6)	1.4	2.7	4.0
Betterment	0.0	0.3	0.3	0.1
Replacement	1.5	9.9	12.0	15.8
Support Services	0.0	0.9	1.4	2.0
Gross Capital	1.0	12.5	16.4	21.9
Contributions & Reimbursements	-	(0.3)	(0.7)	(0.6
Total NGD	1.0	12.2	15.8	21.3
Infrastructure/AMR	1.3	8.6	9.6	12.2

2012 0&12	Mo Budget	YTD	2012 0&12	2013 0&12
New Business	0.1	0.9	1.7	1.7
Betterment	(0.1)	0.8	1.0	0.2
Replacement	0.8	7.2	11.4	11.7
Support Services	0.0	0.4	1.2	1.6
Gross Capital	0.9	9.3	15.3	15.1
Contributions & Reimbursements	(0.0)	(0.4)	(0.7)	(0.7)
Total NGD	0.9	8.9	14.7	14.5
Infrastructure/AMR	0.6	6.2	9.1	8.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	(0.7)	0.5	1.0	2.3
Betterment	0.1	(0.4)	(0.7)	(0.1)
Replacement	0.7	2.6	0.6	4.1
Support Services	(0.0)	0.5	0.2	0.5
Gross Capital	0.1	3.2	1.1	6.8
Contributions & Reimbursements	0.0	0.1	-	0.1
Total NGD	0.1	3.3	1.1	6.9
Infrastructure/AMR	0.7	2.3	0.5	4.0

Variance Explanations:

Primarily mild weather and contractor availability.

Plan variances due to additional allocation to NGD: CKY portion.

2012 9&3	Mo Actual	YTD Actual	2012 9&3	2013 9&3
Net Revenues	3.3	40.8	58.5	60.7
O&M Expense	2.5	23.0	31.0	31.7
Depreciation	0.6	5.0	6.7	7.0
Other Taxes	0.2	2.0	2.7	3.2
Operating Earnings	0.1	10.9	 18.1	18.8
Other Income	0.0	0.5	0.6	0.5
Interest Expense	0.4	3.5	4.8	5.1
Net Operating Income	(0.3)	7.9	13.9	14.2
Income Tax	(0.1)	3.8	5.3	5.5
Net Operating Income	(0.1)	4.1	8.6	8.7

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Net Revenues	3.1	43.4	60.9	60.8
O&M Expense	2.7	23.3	30.9	31.1
Depreciation	0.6	4.9	6.6	6.9
Other Taxes	0.2	2.2	2.9	3.1
Operating Earnings	(0.4)	13.0	20.5	19.8
Other Income	0.0	0.6	0.7	0.5
Interest Expense	0.4	3.5	4.8	5.3
Net Operating Income	(0.7)	10.0	16.4	15.0
Income Tax	(0.3)	3.9	6.3	6.0
Net Operating Income	(0.5)	6.1	10.0	9.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	0.2	(2.5)	(2.4)	(0.1)
O&M Expense	(0.2)	(0.4)	0.1	0.7
Depreciation	0.0	0.1	0.1	0.1
Other Taxes	(0.0)	(0.2)	(0.2)	0.1
Operating Earnings	0.5	(2.1)	(2.4)	(1.0)
Other Income	(0.0)	(0.1)	(0.0)	(0.0)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.2)
Net Operating Income	0.4	(2.1)	(2.4)	(0.8)
Income Tax	0.1	(0.1)	(1.0)	(0.6)
Net Operating Income	0.6	(2.3)	(3.5)	(1.4)

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan

(\$ millions)

2012 9&3	Mo Actual	YTD Actual	2012 9&3	2013 9&3
Base Margin (less LCR)	2.8	34.8	49.2	50.3
LCR	0.4	3.5	4.9	5.2
LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
ESS	0.1	1.1	2.4	2.8
Regulatory Outcome	-	-	-	0.6
Other OGDR	0.1	1.0	1.3	1.0
CKY Purchase Receivable	0.0	0.3	0.5	0.5
Uncollectibles - NonTracked	(0.0)	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.1	0.8	1.0	0.5
Total Revenue	3.5	41.8	59.7	61.4
Total Revenue w/o Trackers	3.3	40.8	58.5	60.7

2012 0&12	Mo Budget	YTD Budget	2012 0812	2013 0&12
Base Margin (less LCR)	2.6	36.5	51.4	50.4
LCR	0.3	3.6	5.1	4.9
LCR (Prior Dec. True-Up)	-	-	-	-
ESS	0.2	1.8	2.4	2.8
Regulatory Outcome	_	-	-	0.6
Other OGDR	0.1	0.9	1.2	1.2
CKY Purchase Receivable	(0.0)	0.4	0.5	0.5
Uncollectibles - NonTracked	(0.0)	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.0	0.3	0.5	0.5
Total Revenue	3.2	43.9	61.6	61.6
Total Revenue w/o Trackers	3.1	43.4	60.9	60.8

Variance	Мо Var	YTD Var	Yr Var	Yr Var
Base Margin (less LCR)	0.2	(1.7)	(2.2)	(0.1)
LCR	0.0	(0.1)	(0.1)	0.3
LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
A) ESS	(0.0)	(0.7)	(0.0)	(0.0)
Regulatory Outcome	-	-	-	0.0
Other OGDR	(0.0)	0.1	0.1	(0.2)
CKY Purchase Receivable	0.0	(0.1)	(0.1)	(0.1)
Uncollectibles - NonTracked	0.0	0.0	(0.0)	(0.0)
Uncollectibles - Tracked	-	(0.0)	(0.0)	-
Trackers	0.1	0.5	0.5	(0.0)
Total Variance	0.3	(2.0)	(2.0)	(0.1)
Total Variance w/o Trackers	0.2	(2.5)	(2.4)	(0.1)

Variance Explanations:

A) YTD variance represents fluctuations in Off-System sales assumptions stemming from price volatility.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2012 9&3	Mo Actual	YTD Actual	2012 9&3	2013 9&3
Penalty Charges	0.0	0.3	0.4	0.4
Return Check	0.0	0.1	0.2	0.1
Other Fees	0.0	0.5	0.6	0.4
Other Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.1	0.1	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	-	_	0.0	0.0
Misc Merchant Revenue	-	0.0	0.0	-
Total OGDR	0.0	1.0	1.3	1.0

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Penalty Charges	0.0	0.3	0.3	0.3
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.3	0.4	0.4
Other Revenue	0.0	0.1	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.1	0.1	0.1
Balancing Services	<u>.</u>	-	-	-
Other Misc Income	0.0	0.0	0.0	0.0
Misc Merchant Revenue	-	-	-	-
Total OGDR	0.1	0.9	1.2	1.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	(0.0)	0.0	0.0	0.0
Return Check	(0.0)	0.0	0.0	0.0
Other Fees	(0.0)	0.2	0.2	(0.0)
Other Revenue	(0.0)	(0.1)	(0.2)	(0.2)
Pub Util-Flex	0.0	0.0	0.1	-
Company Use	(0.0)	(0.0)	(0.0)	0.0
Balancing Services	-	_	-	_
Other Misc Income	(0.0)	(0.0)	(0.0)	(0.0)
Misc Merchant Revenue	-	0.0	0.0	-
Total OGDR	(0.0)	0.1	0.1	(0.2)

Columbia Gas of Kentucky

2012 Customer & Usage Information - 9&3 vs. 0&12

Customer & Usage Change (\$ million)

Customer Change	Month	YTD	
Residential	0.088	(0.073)	
Commercial	0.063	0.209	
Total	0.150	0.136	

Usage Change	Month	YTD
Residential	0.142	0.330
Commercial	0.551	1.984
Industrial (Non-LCR)	(0.325)	(0.641)
Total	0.368	1.673

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	1.25	47.61
Comm	21.74	377.66
Ind	6,344.63	64,199.24

Budget	Month	YTD	
Residential	1.19	47.53	
Commercial	19.86	370.65	
Industrial	6,701.66	63,861.88	

Variance	Month	Mo. %	YTD	YTD %
Residential	0.06	5.2%	0.08	0.2%
Commercial	1.88	9.5%	7.01	1.9%
Industrial	(357.02)	-5.3%	337.37	0.5%

Customer Count

Actual	Month	YTD Avg
Residential	117,792	119,579
Commercial	13,708	13,913
Industrial	177	177
Total	131,677	133,669

Budget	Month	YTD Avg
Residential	117,227	119,436
Commercial	13,547	13,844
Industrial	181	181
Total	130,955	133,461

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	565	0.5%	143	0.1%
Commercial	161	1.2%	69	0.5%
Industrial	(4)	-2.2%	(4)	-2.0%
Total	722	0.6%	209	0.2%

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 9&3	Mo Actual	YTD Actual	2012 9&3	2013 9&3
Labor	0.6	5.4	7.2	7.3
Benefits	0.2	1.7	2.2	1.9
Materials & Supplies	0.1	1.1	1.4	1.5
Outside Services	0.3	3.2	4.2	4.8
Management Fee	1.0	8.5	12.0	12.4
Uncollectibles	0.0	0.2	0.1	0.5
Other *	0.3	2.8	4.0	3.3
Trackers	0.1	8.0	1.0	0.7
Total O&M	2.6	23.7	32.0	32.5
Total O&M w/o Trackers	2.5	23.0	31.0	31.7

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Labor	0.5	5.0	6.6	6.9
Benefits	0.2	1.6	2.0	1.6
Materials & Supplies	0.1	1.2	1.5	1.5
Outside Services	0.5	3.3	4.3	5.0
Management Fee	1.0	8.9	11.9	12.2
Uncollectibles	0.0	0.4	0.5	0.5
Other *	0.3	3.0	3.9	3.4
Trackers	0.0	0.5	0.8	0.7
Total O&M	2.7	23.9	31.6	31.8
Total O&M w/o Trackers	2.7	23.3	30.9	31.1

	Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Labor	0.1	0.4	0.5	0.5
B)	Benefits	0.0	0.2	0.1	0.3
	Materials & Supplies	(0.0)	(0.0)	(0.0)	(0.0)
	Outside Services	(0.2)	(0.2)	(0.1)	(0.2)
C)	Management Fee	(0.1)	(0.4)	0.0	0.2
D)	Uncollectibles	(0.0)	(0.2)	(0.4)	(0.1)
	Other *	(0.1)	(0.1)	0.0	(0.1)
E)	Trackers	0.1	0.3	0.2	0.0
	Total Change	(0.1)	(0.1)	0.3	0.7
	Total Change w/o Trackers	· (0.2)	(0.4)	0.1	0.7

- A) YTD & 2012 Yr Var unfavorable shift in labor allocation (capitalization transfers), with slight offset for select vacancies.
- B) 2012 & 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- C) YTD Var Primarily Legal and NGD Operations. 2012 & 2013 Yr Var Primarily revised capitalization transfers.
- D) Annual variance due to revisions to the bad debt calculation.
- E) Offset in revenue.

2012 9&3	Mo Actual	YTD Actual	2012 9&3	2013 9&3
Other				
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.2	0.2	0.2
Corporate Insurance	0.1	0.6	8.0	0.8
Employee Expenses	0.0	0.2	0.3	0.4
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.3	0.4	0.4
Misc Revenues	(0.0)	(0.2)	(0.2)	(0.2)
Misc & Other Expenses	0.0	0.2	0.2	0.1
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	(0.0)	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	-
Advertising	0.0	0.0	0.0	0.1
Auto/Trucks Cleared	0.1	1.0	1.3	1.3
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M				
	0.3	2.8	4.0	3.3

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Other		<u>-</u>		
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.2	0.3	0.3
Corporate Insurance	0.1	0.6	0.9	0.9
Employee Expenses	0.0	0.2	0.3	0.4
Company Memberships	-	0.1	0.1	0.1
Utilities	0.0	0.2	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	(0.0)
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	_	-
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	1.0	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Below the Line O&M	-	-	-	-
	0.3	3.0	3.9	3.4

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Buildings and Land	(0.0)	(0.0)	(0.0)	(0.0)
Rents/Leases	(0.0)	(0.1)	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.1)	(0.0)	(0.0)
Employee Expenses	(0.0)	(0.0)	(0.0)	0.0
Company Memberships	0.0	(0.0)	0.0	0.0
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.2	0.3	0,1
Amortizations *	-	-	-	-
Deferred Credits	0.0	0.1	0.1	(0.0)
I&D Accrual	(0.0)	(0.1)	(0.0)	-
Well/Lease Rent/Royalty	-			
Advertising	(0.0)	(0.1)	(0.1)	-
Auto/Trucks Cleared	(0.0)	(0.1)	(0.1)	(0.1)
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M	<u> </u>			
	(0.1)	(0.1)	0.1	(0.1)

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2012 9&3	Mo Actual	YTD Actual	2012 9&3	2013 9&3
Distribution Ops	0.8	8.4	11.0	11.2
Meter To Cash	0.0	0.4	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.4	0.6	0.7
Presidents	0.1	1.1	1.6	1.6
Other Dept	-	-	-	=
Management Fee	1.0	8.5	12.0	12.4
Benefits	0.2	1.7	2.2	1.9
Uncollectibles	0.0	0.2	0.1	0.5
Other Corporate *	0.2	2.2	3.1	2.9
Trackers	0.1	0.8	1.0	0.7
Total O&M	2.6	23.7	32.0	32.5
Total O&M w/o Trackers	2.5	23.0	31.0	31.7

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Distribution Ops	1.0	8.3	10.9	11.2
Meter To Cash	0.0	0.5	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.3	0.4	0.4
Presidents	0.1	1.2	1.6	1.6
Other Dept	-	-	-	-
Management Fee	1.0	8.9	11.9	12.2
Benefits	0.2	1.6	2.0	1.6
Uncollectibles	0.0	0.4	0.5	0.5
Other Corporate *	0.2	2.2	2.9	3.0
Trackers	0.0	0.5	0.8	0.7
Total O&M	2.7	23.9	31.6	31.8
Total O&M w/o Trackers	2.7	23.3	30.9	31.1

Var	iance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Distribution Ops	(0.2)	0.1	0.1	(0.0)
	Meter To Cash	(0.0)	(0.0)	(0.0)	•
	Customer Call Center	(0.0)	(0.0)	(0.0)	_
	Integration Center	0.0	0.1	0.2	0.3
	Presidents	(0.0)	(0.1)	(0.0)	0.0
	Other Dept	· <u>·</u>	-	-	-
B)	Management Fee	(0.1)	(0.4)	0.0	0.2
C)	Benefits	0.0	0.2	0.1	0.3
D)	Uncollectibles	(0.0)	(0.2)	(0.4)	(0.1)
	Other Corporate *	(0.0)	0.0	0.1	(0.1)
D)	Trackers	0.1	0.3	0.2	0.0
	Total Change	(0.1)	(0.1)	0.3	0.7
	Total Change w/o Trackers	(0.2)	(0.4)	0.1	0.7

- A) 2012 Yr Var Primarily meter reading, maintenance of mains and fleet adj. partially offset by leak repairs.
- B) YTD Var Primarily Legal and NGD Operations primarily revised capitalization transfers.
- C) 2012 and 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- D) Annual variance due to revisions to the bad debt calculation.
- E) Offset in revenue.

^{*} See O&M Other Corp Tab

2 983	Mo Actual	YTB Actual	2012 983	2013 9&3
Other Corporate				
Net Labor	0.0	0.3	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.2	0.1
Consulting Fees	0.0	0.1	0.1	0.1
Legal Fees	-	-	-	-
Outside Services	0.0	0.1	0.2	0.2
Buildings and Land	-	-	=	-
Rents/Leases	0.0	0.1	0.2	0.2
Corporate Insurance	0.1	0.6	8.0	0.8
Employee Expenses		-	-	-
Company Memberships	0.0	Đ.1	0.1	0.1
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	-	-	-	-
Misc & Other Expenses	0.0	0.1	0.2	0.2
Amortizations *	0.0	0.4	0.6	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1
I&D Accrual	(0.0)	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	
Advertising	•	•	-	-
Auto/Truck Cleared	•	-	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Stores Clearing			-	
Below the line O&M	-	-	-	-
Total Other Corporate	0.2	2.2	3.1	2.9

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0812
Other Corporate		· <u></u> .	•	-
Net Labor	0.0	0.3	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.1	0.1
Consulting Fees	0.0	0.0	0.0	0.2
Legal Fees		•	-	
Outside Services	0.0	0.1	0.2	0.2
Buildings and Land	•	-	-	-
Rents/Leases	0.0	0.2	0.3	0.3
Corporate Insurance	0.1	0.6	0.9	0.9
Employee Expenses	-		•	•
Company Memberships	-	0.0	0.1	0.1
Utilities	0.0	0.0	0.0	0.0
Misc Revenues	-		•	
Misc & Other Expenses	0.0	0.1	0.2	0.2
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	•	
Advertising	-	-	-	-
Auto/Truck Cleared	-	-	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Stores Clearing	•	-	-	-
Below the line O&M	-	-	•	-
Total Other Corporate	0.2	2.2	2.9	3.0

riance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				•
Net Labor	0.0	0.0	0.0	(0.0)
Materials/Supplies	(0.0)	0.0	0.0	•
Audit Fees	0.0	0.0	0.0	0.0
Consulting Fees	0.0	0.0	0.1	(0.1
Legal Fees	-	-	-	-
Outside Services	(0.0)	(0.0)	(0.0)	(0.0)
Buildings and Land	-	•	-	
Rents/Leases	(0.0)	(0.1)	(0.1)	(0.1
Corporate Insurance	(0.0)	(0.1)	(0.0)	(0.0)
Employee Expenses	•	•	-	
Company Memberships	0.0	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	•	•	•	
Misc & Other Expenses	0.0	0.0	0.0	(0.0)
Amortizations *	•	-	-	-
Deferred Credits	(0.0)	(0.0)	(0.0)	(0.0)
I&D Accrusi	(0.0)	(0.1)	(0.0)	· <u>-</u>
Well/Lease Rent/Royalty	•	•	-	-
Advertising	-	-	-	-
Auto/Truck Cleared		-	-	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Stores Clearing	-	- '-	· '	-
Below the line O&M	<u>-</u> _	-	-	-
Total Other Corporate	(0.0)	8.0	0.1	(0.1

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

12 9&3	Mo Actual	YTD Actual	2012 9&3	2013 9&3
Depreciation	0.6	5.0	6.7	7.0
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	1.8	2.5	2.7
Payroll	0.0	0.4	0.5	0.5
Distribution	-	_	-	-
Other	0.0	0.0	0.0	-
Total Other Taxes	0.2	2.2	3.0	3.1
Total Other Taxes w/o Trackers	0.2	2.0	2.7	3.2

12 0812	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Depreciation	0.6	4.9	6.6	6.9
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	1.8	2.4	2.6
Payroll	0.0	0.4	0.5	0.5
Distribution	-	-	-	-
Other	-	-	-	-
Total Other Taxes	0.2	2.2	2.9	3.1
Total Other Taxes w/o Trackers	0.2	2.2	2.9	3.1

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.1	0.1	0.1
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.0	0.0	0.0	0.1
Payroll	0.0	0.0	0.0	_
Distribution	-	-	-	-
Other	0.0	0.0	0.0	•
Total Other Taxes Change	0.0	0.1	0.1	0.1
Total Change w/o Trackers	(0.0)	(0.2)	(0.2)	0.1

2012 9&3	Mo Actual	YTD Actual	2012 9&3	2013 9&3
Miscellaneous	•	•	•	-
AFUDC	0.0	0.1	0.1	0.2
Hedging Interest Income	0.0	0.0	0.0	0.0
Under-Collection Interest Income	-	-	•	-
Sale Receivables	-	-	-	-
Customer Tax Contribution	-	-	-	•
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.4	0.6	0.4
Total Other Income	0.0	0.5	0.6	0.5
Long-Term Interest Expense	0.4	3.5	4.7	5.0
Short-Term Interest Expense	•	-	-	0.0
Customer Deposits Interest Expense	-	0.1	0.1	0.1
Rate Refund Interest Expense	-	-	-	-
Over-Collection Interest Expense	-	-	-	-
Other Interest Expense	-	-	-	
Carrying Cost Interest Expense			-	-
Hedging Interst Expense		-	-	-
PISCC	-	-	•	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.1)
Interest Expense	0.4	3.5	4.8	5.1
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	

2012 0&12	Mo Budget	YTD Budget	2012 0812	2013 6&12
Miscellaneous	•			-
AFUDC	0.0	0.1	0.1	0.1
Hedging Interest Income	0.0	0.1	0.1	0.0
Under-Collection Interest Income	-	-		-
Sale Receivables	-	=	=	-
Customer Tax Contribution	•	-	*	-
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.5	0.6	0.5
Total Other Income	0.0	0.6	0.7	0.5
Long-Term Interest Expense	0.4	3.5	4.7	5.2
Short-Term Interest Expense	-	-	-	
Customer Deposits Interest Expense	0.0	0.1	0.2	0.2
Rate Refund Interest Expense	-	-	-	•
Over-Collection Interest Expense	-	-	-	-
Other Interest Expense	•	•	-	-
Carrying Cost Interest Expense	-	-	-	-
Hedging Interst Expense	•	-	-	-
PISCC	-	-	-	
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	0.4	3.5	4.8	5.3
NET INCOME FROM SUBSIDIARIES		-	-	

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous		-	-	
AFUDC	(0.0)	0.0	0.0	0.1
Hedging Interest Income	(0.0)	(0.0)	(0.0)	0.0
Under-Collection Interest Income	•	<u>.</u> .	•	-
Sale Receivables	-	-	-	-
Customer Tax Contribution	-	_	-	
Charitable Contributions	(0.0)	0.0	(0.0)	-
A) Temp Cash Investment Interest Income	(0.0)	(0.1)	(0.0)	(0.1)
Total Other Income	(0.0)	(0.1)	(0.0)	(0.0)
Long-Term Interest Expense	0.0	0.0	0.0	(0.2)
Short-Term Interest Expense	•	•	_	0.0
Customer Deposits Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)
Rate Refund Interest Expense	` <i>'</i>	<u>, </u>	-	-
Over-Collection Interest Expense	-	-	-	-
Other Interest Expense	.	_	-	-
Carrying Cost Interest Expense	•	-	-	-
Hedging Interst Expense	-	_	-	-
PISCC	-	_	-	-
Interest Expense on Plant Investment	0.0	(0.0)	(0.0)	(0.0)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.2)
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	-

A) Variance represents changes to the interest earned on operating cash sent to Corp. Money Pool.

9&3	Mo	2012	2013
Assets			
Net Property Plant and Equipment	212.9	212.7	22
Total Investments	0.4	0.4	
Cash and Cash Equivalents	0.4	_	
Restricted Cash	2.2	3.3	
Accounts Receivable	39.1	53.0	2
Gas Inventory	52.4	45.0	4
Unrecovered Purchase Costs	-	-	·
Material & Supplies	0.1	_	
Price Risk Management Assets	-	_	
Exchange Gas Receivables & Reserve	0.1	0.1	
Current Regulatory Assets	2.5	2.4	
Prepayments and Other Assets	1.3	3.0	
Total Current Assets	98.1	106.8	8
Total Current Assets	-	-	J
Price Risk Management Assets	-	-	
NC Regulatory Assets	- 16.7	16.4	1
Intangible Assets	10.7	-	'
Post Retirement Benefits NC Assets	<u>-</u>	•	
Other Receivables Affiliated	•	-	•
	3.0	3.0	•
Deferred Charges Total Other Assets		19.4	1
Total Other Assets	-	-	ı
Total Assets	331.1	339.4	33
Capitalization & Liabilities Total Common Stock Equity	90.2	92.0	9
• •			
Long Term Debt, excluding amounts due within one year	67.3	58.3	8
Total Capitalization	157.6	150.3	18
Obligations Due in One Year	14.7	28.7	
Accounts Payable	9.5	10.7	1
Customer Deposits and AR Credit Balance	14.2	17.7	1
Taxes Accrued	3.8	4.7	
Interest Accrued	0.1	0.1	
Overrecovered Gas and Fuel Costs	18.9	13.2	
Price Risk Management Liabilities (Current)	0.8	8.0	
Exchange Gas Payable	14.8	13.4	
Current Regulatory Liabilities	4.4	4.3	
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	
Environmental	-	-	
Other Accruals	<u>(1.3)</u>	(1.3)	
Total Current Liabilities	80.0	92.4	5
Price Risk Management Liabilities - NC	0.9	0.9	
Deferred Income Taxes	46.6	49.8	5
Deferred Investment Tax Credits	0.5	0.4	_
Deferred Credits		-	
Noncurrent Regulatory Liabilities	24.9	25.0	2
Accrued Liab for Post Retirement Benefits - NC	9.8	9.6	_
Other Non-Current Liabilities	11.0	11.0	1
Other NC Liab & Deferred Credits	93.5	96.7	9
Total Capitalization 9 Lightliting	331.1	339.4	33
Total Capitalization & Liabilities		339.4	33

0&12	Мо	2012	2013
Assets			
Net Property Plant and Equipment	208.6	211.6	219.7
Total Investments	0.4	0.4	0.4
Cash and Cash Equivalents	_	-	-
Restricted Cash	3.6	3.6	_
Accounts Receivable	25.8	39.2	31.4
Gas Inventory	51.9	45.1	44.0
Unrecovered Purchase Costs	_	-	0.5
Material & Supplies	0.0	0.0	0.9
Price Risk Management Assets	-	-	_
Exchange Gas Receivables & Reserve	0.1	0.1	0.1
Current Regulatory Assets	2.8	2.7	2.1
Prepayments and Other Assets	1.1	2.9	3.
Total Current Assets	85.2	93.6	82.
Price Risk Management Assets		•	_
NC Regulatory Assets	17.7	17.4	16.8
Intangible Assets	-	-	-
Post Retirement Benefits NC Assets	-	-	_
Other Receivables Affiliated	-	_	
Deferred Charges	1.7	1.7	1.
Total Other Assets	19.3	19.1	18.
Total Assets	313.5	324.7	321.
Capitalization & Liabilities Total Common Stock Equity	92.6	94.4	95.9
, <u> </u>			
Long Term Debt, excluding amounts due within one year	67.3	58.3	89.
Total Capitalization	159.9	152.7	185.
Obligations Due in One Year	14,7	28.7	-
Accounts Payable	12.4	11.1	11.
Customer Deposits and AR Credit Balance	15.2	17.7	17.
Taxes Accrued	1.9	5.0	5.
Interest Accrued	0.0	0.0	0.
Overrecovered Gas and Fuel Costs	7.2	7.9	-
Price Risk Management Liabilities (Current)	0.6	0.6	0.
Exchange Gas Payable	5.9	4.7	4.
Current Regulatory Liabilities	3.6	3.6	3.
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	0.
Environmental	-	-	-
Other Accruals	(8.0)	(0.8)	(0.
Total Current Liabilities	60.9	78.6	42.
Price Risk Management Liabilities - NC	1.1	1.1	1.
Deferred Income Taxes	46.1	46.8	47.
Deferred Investment Tax Credits	0.5	0.4	0.
Deferred Credits	-	-	_
Noncurrent Regulatory Liabilities	25.2	25.2	25.
Accrued Liab for Post Retirement Benefits - NC	10.1	10.0	8.
Other Non-Current Liabilities	9.8	9.8	10.0
Other NC Liab & Deferred Credits	92.6	93.4	93.
Total Capitalization & Liabilities	313.5	324.7	321.
Total vahitalitation a Flanilities	3 [3.3	344.1	321

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

Var	iance	Mo Var	2012 Var	2013 Var
	Assets			
A)	Net Property Plant and Equipment	4.3	1.1	7.8
,	Total Investments	0.0	0.0	0.0
B)	Cash and Cash Equivalents	0.4	-	-
C)	Restricted Cash	(1.4)	(0.3)	2.2
D)	Accounts Receivable	13.3	13.9	(5.7)
E)	Gas Inventory	0.557	(0.083)	0.295
F)	Unrecovered Purchase Costs	-	•	9.1
	Material & Supplies	0.1	(0.0)	(0.0)
	Price Risk Management Assets	-	-	-
	Exchange Gas Receivables & Reserve	(0.0)	(0.0)	(0.0)
	Current Regulatory Assets	(0.3)	(0.3)	(0.3)
	Prepayments and Other Assets	0.2	0.0	0.1
	Total Current Assets	12.9	13.2	5.8
	Price Risk Management Assets	-	-	-
K)	NC Regulatory Assets	(1.0)	(1.0)	(1.6)
•	Intangible Assets	·	- 1	-
	Post Retirement Benefits NC Assets	-	-	-
	Other Receivables Affiliated	-	-	-
K)	Deferred Charges	1.3	1.3	1.3
,	Total Other Assets	0.4	0.3	(0.3)
	Total Assets	17.6	14.6	13.3
	Capitalization & Liabilities			
G)		(2.4)	(2.4)	2.7
G)		(=: .)	(=)	(2.3)
σ,				
	Total Capitalization	(2.4)	(2.4)	0.4
G)	Current Portion of Long Term Debt	-	-	6.3
D)	Accounts Payable	(2.9)	(0.4)	(0.1)
D)		(1.0)	0.0	0.0
H)	Taxes Accrued	1.9	(0.2)	0.2
	Interest Accrued	0.0	0.0	0.0
F)	Overrecovered Gas and Fuel Costs	11.7	5.3	-
I)	Price Risk Management Liabilities (Current)	0.1	0.1	0.1
J)	Exchange Gas Payable	8.9	8.7	(2.7)
	Current Regulatory Liabilities	8.0	0.7	0.5
	Accrued Liability for Post Retirement Benefits - Cur	-	-	-
	Environmental	<u>-</u>	-	•
K)	Other Accruals	(0.5)	(0.5)	3.1
	Total Current Liabilities	19.1	13.8	7.4
	Price Risk Management Liabilities - NC	(0.2)	(0.2)	(0.2)
H)	Deferred Income Taxes	0.5	3.0	3.6
	Deferred Investment Tax Credits	0.0	(0.0)	(0.0)
	Deferred Credits	-	-	-
	Noncurrent Regulatory Liabilities	(0.3)	(0.3)	(0.3)
	Accrued Liab for Post Retirement Benefits - NC	(0.3)	(0.4)	1.2
	Other Non-Current Liabilities	1.2	1.2	1.2
	Other NC Liab & Deferred Credits	0.9	3.3	5.5
	Total Capitalization & Liabilities	17.6	14.6	13.3

- A) Variance due to timing around 2012 In-Service (\$2.1M) and Depreciation (\$600K)
- B) Increase in Money Pool funding
- C) Monthly and 2013 annual variances are due to changes to the required reserves related to the Hedging Program. The 2012 variance is due to MF Global bankruptcy (\$483K).
- D) September A/R variance is due to a (\$2.9M) decrease to Account Receivables (\$4.2M) for Choice and (\$1.4M) to Off-Systems Sales, partially offset by increased Tariff receivables of \$3.6M. Additional offsets include increased Money Pool deposits of \$16.2M. The 2012 A/R variance is due to decreased Tariff receivables (\$2.3M), Unbilled receivables (\$2.0M), and Off-Systems Sales (\$1.4M), outset by \$18.8M in Money Pool funding. 2013 A/R variance is driven by decreases to the Money Pool balance. A/P variance is due to decreased payables related to declining Gas Costs: (\$3.7M) for September, (\$400K) for 2012 The \$1.0M Customer Deposits variance is due to adjustments to budget payment plans.
- E) Monthly variance due to Rate Differential and Usage variances of \$931.4K and (\$376.1K) respectively. 2012 annual variance due to Rate Differential and Usage variances of (\$212.4K) and \$128.1K respectively. 2013 annual variance is due to Rate Differential and Usage variances of \$74K and \$220.3K respectively.
- F) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to increased federal tax accruals.
- Variance due to changes in the Hedging obligations.
- J) Variances are due to changes in the number of outstanding exchange obligations vs. the 0&12.
- K) 2013 variance due to account reclassifications of Miscellaneous Deferrals; primarily Customer Advances related to capital projects.

Columbia Gas of Kentucky
Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 9&3	Mo Actual	YTD Actual	2012 9&3	2013 9&3
New Business	1.2	2.6	2.7	4.0
Betterment	0.0	0.3	0.3	0.1
Replacement	1.1	11.0	12.0	15.8
Support Services	0.2	<u>1.1</u>	1.4	_2.0
Gross Capital	2.5	15.0	16.4	21.9
Contributions & Reimbursements	0.0	(0.3)	(0.7)	(0.6)
Total NGD	2.5	14.7	15.8	21.3
Infrastructure/AMR	1.1	9.6	9.6	12.2

2012 0&12	Mo Budget	YTD	2012 0812	2013 0&12
New Business	0.1	1.0	1.7	1.7
Betterment	0.2	0.9	1.0	0.2
Replacement	0.9	8.1	11.4	11.7
Support Services	0.1	0.5	1.2	1.6
Gross Capital	1.2	10.5	15.3	15.1
Contributions & Reimbursements	(0.2)	(0.5)	(0.7)	(0.7)
Total NGD	1.1	10.0	14.7	14.5
Infrastructure/AMR	0.6	6.8	9.1	8.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	1.1	1.5	1.0	2.3
Betterment	(0.2)	(0.6)	(0.7)	(0.1)
Replacement	0.3	2.9	0.6	4.1
Support Services	0.1	0.6	0.2	0.5
Gross Capital	1.3	4.5	1.1	6.8
Contributions & Reimbursements	0.2	0.2	-	0.1
Total NGD	1.4	4.7	1.1	6.9
Infrastructure/AMR	0.5	2.8	0.5	4.0

Variance Explanations:

Primarily mild weather and contractor availability.

Plan variances due to additional allocation to NGD: CKY portion.

2012 10&2	Mo Actual	YTD Actual	2012 10&2	2013 10&2
Net Revenues	4.2	45.1	59.6	60.7
O&M Expense	2.5	25.5	31.3	31.8
Depreciation	0.6	5.5	6.7	7.0
Other Taxes	0.2	2.3	2.7	3.2
Operating Earnings	0.9	11.8	19.0	18.8
Other Income	0.0	0.5	0.6	0,5
Interest Expense	0.4	3.9	4.8	5.1
Net Operating Income	0.5	8.4	14.8	14.2
Income Tax	(0.0)	3.8	6.3	5.5
Net Operating Income	0.5	4.6	8.6	8.7

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Net Revenues	4.0	47.6	60.9	60.8
O&M Expense	2.5	25.9	30.9	31.1
Depreciation	0.6	5.5	6.6	6.9
Other Taxes	0.2	2.4	2.9	3.1
Operating Earnings	0.7	13.9	20.5	19.8
Other Income	0.0	0.6	0.7	0.5
Interest Expense	0.4	3.9	4.8	5.3
Net Operating Income	0.3	10.5	16.4	15.0
Income Tax	0.1	4.0	6.3	6.0
Net Operating Income	0.2	6.5	10.0	9.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	0.2	(2.5)	(1.3)	(0.1)
O&M Expense	(0.0)	(0.4)	0.4	0.7
Depreciation	0.0	0.1	0.1	0.1
Other Taxes	0.0	(0.1)	(0.2)	0.1
Operating Earnings	0.2	(2.1)	(1.5)	(1.0)
Other Income	0.0	(0.1)	(0.1)	0.0
Interest Expense	(0.0)	(0.0)	(0.0)	(0.2)
Net Operating Income	0.2	(2.1)	(1.5)	(0.8)
Income Tax	(0.1)	(0.3)	(0.1)	(0.5)
Net Operating Income	0.3	(1.9)	(1.5)	(0.3)

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan

Revenue - Plan-vsPlan	
(\$ millions)	

2012 10&2	Mo Actual	YTD Actual	2012 10&2	2013 10&2
Base Margin (less LCR)	3.5	38.3	50.3	50.4
LCR	0.4	3.9	4.9	5.1
LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
ESS	0.2	1.3	2.4	2.8
Regulatory Outcome	-	-	-	0.6
Other OGDR	0.1	1.1	1.3	1.0
CKY Purchase Receivable	0.0	0.3	0.5	0.5
Uncollectibles - NonTracked	0.0	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.1	1.0	1.1	0.5
Total Revenue	4.4	46.2	61.0	61.4
Total Revenue w/o Trackers	4.2	45.1	59.6	60.7

12 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Base Margin (less LCR)	3.4	40.0	51.4	50.4
LCR	0.4	4.0	5.1	4.9
LCR (Prior Dec. True-Up)	-	-	-	-
ESS	0.2	2.0	2.4	2.8
Regulatory Outcome	-	-	-	0.6
Other OGDR	0.1	1.0	1.2	1.2
CKY Purchase Receivable	0.0	0.4	0.5	0.5
Uncollectibles - NonTracked	0.0	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.0	0.4	0.5	0.5
Total Revenue	4.1	48.2	61.6	61.6
Total Revenue w/o Trackers	4.0	47.6	60.9	60.8

Var	ance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Base Margin (less LCR)	0.2	(1.7)	(1.1)	0.1
	LCR	(0.0)	(0.1)	(0.1)	0.2
	LCR (Prior Dec. True-Up)	- -	(0.1)	(0.1)	-
B)	ESS	0.0	(0.7)	(0.0)	(0.0)
	Regulatory Outcome	-	-	-	0.0
	Other OGDR	(0.0)	0.1	0.1	(0.2)
	CKY Purchase Receivable	(0.0)	(0.1)	(0.1)	(0.1)
	Uncollectibles - NonTracked	0.0	0.0	(0.0)	(0.0)
	Uncollectibles - Tracked	-	(0.0)	(0.0)	-
	Trackers	0.1	0.6	0.6	(0.0)
	Total Variance	0.3	(1.9)	(0.7)	(0.2)
	Total Variance w/o Trackers	0.2	(2.5)	(1.3)	(0.1)

- A) 2012 variance due to approximately \$1.8M in non-operating Weather Letter adjustments, offset by \$700K of decreased operating revenues driven by volumetric declines.
- B) YTD variance represents fluctuations in Off-System sales assumptions stemming from price volatility.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2012 10&2	Mo Actual	YTD Actual	2012 10&2	2013 1082
Penalty Charges	0.0	0.4	0.4	0.4
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.5	0.6	0.4
Other Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.1	0.1	0.0
Company Use	0.0	0.1	0.1	0.1
Balancing Services	-	_	-	-
Other Misc Income	-	-	0.0	0.0
Misc Merchant Revenue	<u>-</u>	0.0	0.0	-
Total OGDR	0.1	1.1	1.3	1.0

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Penalty Charges	0.0	0.3	0.3	0.3
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.3	0.4	0.4
Other Revenue	0.0	0.2	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.1	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	-	0.0	0.0	0.0
Misc Merchant Revenue	-	-		-
Total OGDR	0.1	1.0	1.2	1.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	0.0	0.0	0.0	0.0
Return Check	(0.0)	0.0	0.0	0.0
Other Fees	0.0	0.2	0.2	(0.0)
Other Revenue	(0.0)	(0.1)	(0.2)	(0.2)
Pub Util-Flex	0.0	0.1	0.1	-
Company Use	(0.0)	(0.0)	(0.0)	(0.0)
Balancing Services	·	-	· ·	<u>-</u>
Other Misc Income	-	(0.0)	(0.0)	(0.0)
Misc Merchant Revenue	•	0.0	0.0	-
Total OGDR	(0.0)	0.1	0.1	(0.2)

Columbia Gas of Kentucky

2012 Customer & Usage Information - 10&2 vs. 0&12

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residential	0.012	0.004
Commercial	0.009	0.029
Total	0.020	0.034

Usage Change	Month	YTD
Residential	0.007	0.040
Commercial	(0.038)	0.161
Industrial (Non-LCR)	0.020	0.034
Total	(0.011)	0.234

Normalized UPC (Mmcf)

Actual	Month	YTD	
Residential	3.3	50.9	
Comm	30.7	408.3	
ind	7,028.2	71,227.5	

Budget	Month	YTD
Residential	3.2	50.8
Commercial	32.3	403.0
Industrial	7,071.8	70,933.7

Variance	Month	Mo. %	YTD	YTD %
Residential	0.0	0.8%	0.1	0.2%
Commercial	(1.6)	-5.1%	5.4	1.3%
Industrial	(43.6)	-0.6%	293.8	0.4%

Customer Count

Actual	Month	YTD Avg
Residential	118,363	119,458
Commercial	13,755	13,897
Industrial	177	177
Total	132,295	133,532

Month	YTD Avg
117,765	119,269
13,585	13,818
181	181
131,531	133,268
	117,765 13,585 181

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	598	0.5%	189	0.2%
Commercial	170	1.3%	79	0.6%
Industrial	(4)	-2.2%	(4)	-2.0%
Total	764	0.6%	264	0.2%

Columbia Gas of Kentucky

O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2012 10&2	Mo Actual	YTD Actual	2012 10&2	2013 10&2
Labor	0.7	6.1	7.3	7.3
Benefits	0.2	1.9	2.2	1.9
Materials & Supplies	0.1	1.2	1.4	1.5
Outside Services	0.3	3.5	4.2	4.8
Management Fee	0.9	9.5	12.1	12.4
Uncollectibles	(0.0)	0.2	0.1	0.5
Other *	0.3	3.1	3.9	3.3
Trackers	0.2	0.9	1.1	0.7
Total O&M	2.7	26.4	32.3	32.5
Total O&M w/o Trackers	2.5	25.5	31.3	31.8

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Labor	0.5	5.6	6.6	6.9
Benefits	0.2	1.7	2.0	1.6
Materials & Supplies	0.1	1.3	1.5	1.5
Outside Services	0.3	3.7	4.3	5.0
Management Fee	1.0	9.9	11.9	12.2
Uncollectibles	0.0	0.4	0.5	0.5
Other *	0.3	3.3	3.9	3.4
Trackers	0.0	0.6	0.8	0.7
Total O&M	2.6	26.4	31.6	31.8
Total O&M w/o Trackers	2.5	25.9	30.9	31.1

	Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Labor	0.1	0.5	0.6	0.5
B)	Benefits	(0.0)	0.2	0.1	0.3
	Materials & Supplies	(0.0)	(0.0)	(0.1)	(0.0)
	Outside Services	(0.0)	(0.2)	(0.1)	(0.2)
C)	Management Fee	(0.0)	(0.4)	0.2	0.2
D)	Uncollectibles	(0.0)	(0.2)	(0.4)	(0.1)
	Other *	0.0	(0.2)	(0.1)	(0.1)
E)	Trackers	0.1	0.4	0.3	0.0
	Total Change	0.1	(0.0)	0.7	0.7
	Total Change w/o Trackers	(0.0)	(0.4)	0.4	0.7

- A) YTD & 2012 Yr Var unfavorable shift in labor allocation / capitalization transfers for corrosion mitigaation & leak repair, with slight offset for select vacancies.
- B) 2012 & 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- C) YTD Var Primarily Legal and NGD Operations. 2012 & 2013 Yr Var Primarily revised capitalization transfers.
- D) Annual variance due to revisions to the bad debt calculation & accrual.
- E) Offset in revenue.

2012 10&2	Mo Actual	YTD Actual	2012 10&2	2013 10&2
Other				
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.2	0.2	0.2
Corporate Insurance	0.1	0.6	0.8	0.8
Employee Expenses	0.0	0.2	0.3	0.4
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.3	0.4	0.4
Misc Revenues	(0.0)	(0.2)	(0.2)	(0.2)
Misc & Other Expenses	0.0	0.2	0.2	0.1
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	•	-
Advertising	0.0	0.0	0.0	0.1
Auto/Trucks Cleared	0.1	1.0	1.3	1.3
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Below the Line O&M				
	0.3	3.1	3.9	3.3

012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Other		<u> </u>		
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.3	0.3	0.3
Corporate Insurance	0.1	0.7	0.9	0.9
Employee Expenses	0.0	0.2	0.3	0.4
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.2	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	(0.0)
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	_	-
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	1.1	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Below the Line O&M	-	•	_	-
	0.3	3.3	3.9	3.4

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Buildings and Land	(0.0)	(0.0)	(0.0)	(0.0)
Rents/Leases	(0.0)	(0.1)	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.1)	(0.0)	(0.0)
Employee Expenses	0.0	(0.0)	0.0	0.0
Company Memberships	0.0	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.2	0.2	0.1
Amortizations *	0.0	0.0	0.0	•
Deferred Credits	(0.0)	0.1	0.1	(0.0)
I&D Accrual	(0.0)	(0.1)	(0.0)	-
Well/Lease Rent/Royalty	•			
Advertising	0.0	(0.1)	(0.1)	-
Auto/Trucks Cleared	(0.0)	(0.1)	(0.1)	(0.1)
O&M Reclass - Regulatory to GAAP	•	(0.0)	(0.0)	(0.0)
Below the Line O&M	<u> </u>			
	0.0	(0.2)	(0.1)	(0.1)

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2012 10&2	Mo Actual	YTD Actual	2012 10&2	2013 10&2
Distribution Ops	0.9	9.3	11.0	11.2
Meter To Cash	0.1	0.5	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.1	0.4	0.6	0.7
Presidents	0.1	1.2	1.6	1.6
Other Dept	-	-	-	-
Management Fee	0.9	9.5	12.1	12.4
Benefits	0.2	1.9	2.2	1.9
Uncollectibles	(0.0)	0.2	0.1	0.5
Other Corporate *	0.3	2.5	3.0	2.9
Trackers	0.2	0.9	1.1	0.7
Total O&M	2.7	26.4	32.3	32.5
Total O&M w/o Trackers	2.5	25.5	31.3	31.8

012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Distribution Ops	0.9	9.2	10.9	11.2
Meter To Cash	0.0	0.5	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.3	0.4	0.4
Presidents	0.1	1.3	1.6	1.6
Other Dept	-	-	-	-
Management Fee	1.0	9.9	11.9	12.2
Benefits	0.2	1.7	2.0	1.6
Uncollectibles	0.0	0.4	0.5	0.5
Other Corporate *	0.2	2.4	2.9	3.0
Trackers	0.0	0.6	0.8	0.7
Total O&M	2.6	26.4	31.6	31.8
Total O&M w/o Trackers	2.5	25.9	30.9	31.1

Var	iance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Distribution Ops	0.0	0.1	0.1	(0.0)
	Meter To Cash	0.0	(0.0)	(0.0)	-
	Customer Call Center	0.0	(0.0)	(0.0)	-
	Integration Center	0.0	0.1	0.2	0.3
	Presidents	0.0	(0.1)	(0.0)	0.0
	Other Dept	-	-	-	-
B)	Management Fee	(0.0)	(0.4)	0.2	0.2
C)	Benefits	(0.0)	0.2	0.1	0.3
D)	Uncollectibles	(0.0)	(0.2)	(0.4)	(0.1)
	Other Corporate *	0.0	0.0	0.1	(0.1)
E)	Trackers	0.1	0.4	0.3	0.0
	Total Change	0.1	(0.0)	0.7	0.7
	Total Change w/o Trackers	(0.0)	(0.4)	0.4	0.7

- A) 2012 Yr Var Primarily meter reading, maintenance of mains and fleet adj. partially offset by leak repairs.
- B) YTD Var Primarily Legal and NGD Operations primarily revised capitalization transfers.
- C) 2012 and 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- D) Annual variance due to revisions to the bad debt calculation & accrual.
- E) Offset in revenue.

^{*} See O&M Other Corp Tab

2 10&2	Mo Actual	YTO Actual	2012 18&2	2013 108.2
Other Corporate				
Net Labor	0.0	0.4	0.5	0.4
Materials/Supplies	0.0	0.0	0.0	Q.
Audit Fees	0.0	0.1	0.2	O.
Consulting Fees	0.0	0.1	0.1	Ű.
Legal Fees	-	-	•	-
Outside Services	0.0	0.1	0.2	Q.
Buildings and Land		-	-	-
Rents/Leases	0.0	0.2	0.2	0.
Corporate Insurance	0.1	0.6	8.0	0.
Employee Expenses	-	-	-	-
Company Memberships	0.0	0.1	0.1	. D.
Utilities	0.0	0.1	0.1	0.
Misc Revenues	-	-	-	-
Misc & Other Expenses	0.0	0.2	0.2	٥.
Amortizations *	0.0	0.4	0.5	0.
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.
I&D Accrual	0.0	0.1	0.1	0.
Well/Lease Rent/Royalty	-	-	-	-
Advertising	-	-	-	-
Auto/Truck Cleared	•	•	•	
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0
Stores Clearing	-	-	-	-
Below the line O&M		-	-	
Total Other Corporate	0,3	2.5	3.0	2.

2 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Other Corporate				
Net Labor	0.0	0.4	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.1	0.1
Consulting Fees	0.0	0.0	0.0	0.2
Legal Fees	-	-		-
Outside Services	0.0	0.1	0.2	0.2
Buildings and Land		-	•	
Rents/Leases	0.0	0.2	0.3	0.0
Corporate Insurance	0.1	0.7	0.9	0.9
Employee Expenses	-	÷		-
Company Memberships	0.0	0.1	0.1	0.1
Utilities	0.0	0.0	0.0	0.0
Misc Revenues	-	-	•	-
Misc & Other Expenses	0.0	0.2	0.2	0.3
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	•	=	
Advertising	-	-	-	-
Auto/Truck Cleared		•		-
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Stores Clearing	-	-	-	-
Below the line O&M	•	•		-
Total Other Corporate	0.2	2.4	2.9	3.6

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other			_	
Net Labor	0.0	0.0	0.0	(0.0)
Materials/Supplies	0.0	0.0	0.0	-
Audit Fees	0.0	0.0	0.0	0.0
Consulting Fees	0.0	0.0	0.1	(0.1)
Legal Fees	-	-	-	-
Outside Services	0.0	(0.0)	(0.0)	(0.0)
Buildings and Land	-	•	•	· ·
Rents/Leases	(0.0)	(0,1)	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.1)	(0.0)	(0.0)
Employee Expenses	-	-	•	
Company Memberships	0.0	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	-			
Misc & Other Expenses	0.0	0.0	0.0	(0.0)
Amortizations *	0.0	0.0	0.0	-
Deferred Credits	0.0	(0.0)	(0.0)	(0.0)
I&D Accrual	(0.0)	(0.1)	(0.0)	-
Well/Lease Rent/Royalty			-	-
Advertising	-	-	•	•
Auto/Truck Cleared	-	-	=	-
O&M Reclass - Regulatory to GAAP		(0.0)	(0.0)	(0.0)
Stores Clearing	-	•	•	
Below the line O&M	-	-	-	-
Total Other Corporate	0.0	0.0	0.1	(0.1)

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

2012 10&2	Mo Actual	YTD Actual	2012 10&2	2013 10&2
Depreciation	0.6	5.5	6.7	7.0
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	2.1	2.4	2.6
Payroll	0.0	0.4	0.5	0.5
Distribution	-	-	-	-
Other	0.0	0.0	0.0	-
Total Other Taxes	0.2	2.5	3.0	3.1
Total Other Taxes w/o Trackers	0.2	2.3	2.7	3,2

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Depreciation	0.6	5.5	6.6	6.9
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	2.0	2.4	2.6
Payroll	0.0	0.4	0.5	0.5
Distribution	-	•	•	-
Other	-	-	=	-
Total Other Taxes	0.2	2.4	2.9	3.1
Total Other Taxes w/o Trackers	0.2	2.4	2.9	3.1

ariance	Mo Var	YTD Var	Yr Var	Yr V ar
Depreciation Change	0.0	0.1	0.1	0.1
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.0	0.0	0.0	0.0
Payroll	0.0	0.0	0.0	-
Distribution	-	-	-	-
Other	0.0	0.0	0.0	-
Total Other Taxes Change	0.0	0.1	0.1	0.0
Total Change w/o Trackers	0.0	(0.1)	(0.2)	0.4

2012 1082	Mo Actual	YTD Actual	2012 10&2	2013 1082
Miscellaneous	-	-	*	-
AFUDC	0.0	0.1	0.1	0.2
Hedging Interest Income	0.0	0.0	0.0	0.0
Under-Collection Interest Income	-	-	-	-
Sale Receivables	-	•	-	-
Customer Tax Contribution	-	-	-	
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.5	0.6	0.4
Total Other Income	0.0	0.5	0.6	0.5
Long-Term Interest Expense	0.4	3.9	4.7	5.0
Short-Term Interest Expense	•	-	-	0.0
Customer Deposits Interest Expense	-	0.1	0.1	0.1
Rate Refund Interest Expense	-		•	-
Over-Collection Interest Expense	-	-	-	-
Other Interest Expense	-	-	-	-
Carrying Cost Interest Expense	-		-	-
Hedging Interst Expense	-	-	-	-
PISCC	-	-	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.1)
Interest Expense	0.4	3.9	4.8	5.1
NET INCOME FROM SUBSIDIARIES	(0.0)	0.0	0.0	-

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Miscellaneous	•	-	-	-
AFUDC	0.0	0.1	0.1	0.1
Hedging Interest Income	0.0	0.1	0.1	0.0
Under-Collection Interest Income	•	=	-	-
Sale Receivables	-	-	=	-
Customer Tax Contribution	-	-	•	-
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.6	0.6	0.5
Total Other Income	0.0	0.6	0.7	0.5
Long-Term Interest Expense	0.4	3.9	4.7	5.2
Short-Term Interest Expense	-	-	-	-
Customer Deposits Interest Expense	0.0	0.1	0.2	0.2
Rate Refund Interest Expense	-	-	-	-
Over-Collection Interest Expense	-	-	-	-
Other Interest Expense	-	-	-	
Carrying Cost Interest Expense	•	-	-	-
Hedging Interst Expense	-	•	-	-
PISCC	-	-	-	•
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	0.4	3.9	4,8	5.3
NET INCOME FROM SUBSIDIARIES	-		-	-

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous	•	-	•	•
AFUDÇ	0.0	0.0	0.0	0.1
Hedging Interest Income	(0.0)	(0.0)	(0.1)	0.0
Under-Collection Interest Income	-	-	•	-
Sale Receivables	•	-	-	-
Customer Tax Contribution	-	•	-	-
Charitable Contributions	0.0	0.0	(0.0)	-
A) Temp Cash Investment Interest Income	0.0	(0.1)	(0.0)	(0.1)
Total Other Income	0.0	(0.1)	(0.1)	0.0
Long-Term Interest Expense	0.0	0.0	0.0	(0.2)
Short-Term Interest Expense	-	-	_	0.0
Customer Deposits Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)
Rate Refund Interest Expense	<u>-</u>		-	- '
Over-Collection Interest Expense	-	=	=	-
Other Interest Expense	-	=	=	-
Carrying Cost Interest Expense	-	-	•	•
Hedging Interst Expense	•	-	-	-
PISCC	-	-	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.2)
NET INCOME FROM SUBSIDIARIES	(0.0)	0.0	0.0	-

A) Variance represents changes to the interest earned on operating cash sent to Corp. Money Pool.

Total Investments 0.4 - Cash and Cash Equivalents 0.4 - Restricted Cash 1.8 3.4 Accounts Receivable 40.3 52.6 Gas Inventory 53.4 43.2 Unrecovered Purchase Costs - - Material & Supplies 0.1 - Price Risk Management Assets - - Exchange Gas Receivables & Reserve 0.1 0.1 0.1 Current Regulatory Assets 2.0 2.0 2.0 Price Risk Management Assets 1.2 3.0 1.0 Total Current Assets 1.2 3.0 1.0 Price Risk Management Assets 1. - - Price Risk Management Assets 1. - - NC Regulatory Assets 1.6.5 16.3 Intractional	10&2	Мо	2012	201
Net Property Plant and Equipment	Assets			
Total Investments 0.4 - Cash and Cash Equivalents 0.4 - Restricted Cash 1.8 3.4 Accounts Receivable 40.3 52.6 Gas Inventory 53.4 43.2 Unrecovered Purchase Costs - - Froe Rsk Management Assets - - Froe Rsk Management Assets 0.1 0.1 Exchange Gas Receivables & Reserve 0.1 0.1 Current Regulatory Assets 2.0 2.0 Propayments and Other Assets 1.2 3.0 Total Current Assets - - Price Risk Management Assets 1. - NC Regulatory Assets 1.6.5 16.3 Intangible Assets - - Pots Retirement Benefits NC Assets - - Other Receivables Affiliated - - Deferred Charges 3.0 3.0 Total Other Assets 19.6 19.4 Total Capitalization & Liabilitities 1. Total Capitaliza		215.0	213.7	:
Restricted Cash				
Restricted Cash	Cash and Cash Equivalents	0.4	-	
Accounts Receivable 40.3 52.6 Sas Inventory 53.4 43.2 Unrecovered Purchase Costs		1.8	3.4	
Gas Inventory 53.4 43.2 Unrecovered Purchase Costs		40.3	52.6	
Unrecovered Purchase Costs				
Material & Supplies			-	
Price Risk Management Assets Exchange Gas Receivables & Reserve		0.1	-	
Exchange Gas Receivables & Reserve		-	_	
Current Regulatory Assets 2.0 2.0 Prepayments and Other Assets 99.3 104.2 Price Risk Management Assets - - NC Regulatory Assets 16.5 16.3 Intangible Assets - - Post Retirement Benefits NC Assets - - Other Receivables Affiliated - - Deferred Charges 3.0 3.0 Total Other Assets 19.6 19.4 Total Other Assets 19.6 19.4 Total Common Stock Equity 90.7 92.7 Long Term Debt, excluding amounts due within one year 67.3 53.3 Total Capitalization 156.0 146.0 Obligations Due in One Year 14.7 28.7 Accounts Payable 9.7 10.4 Customer Deposits and AR Credit Balance 16.4 17.7 Taxes Accrued 10.1 0.1 Interest Accrued 0.1 0.1 Overrecovered Gas and Fuel Costs 16.4 13.0 Price Risk Management Liabilities (Curre		0.1	0.1	
Prepayments and Other Assets 1.2 3.0 Total Current Assets 99.3 104.2 Frice Risk Management Assets			*	
Total Current Assets 99.3 104.2				
Price Risk Management Assets NC Regulatory Assets Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges 3.0 3.0 3.0 Total Other Assets Total Assets 19.6 19.4 Total Assets 334.2 337.7 Capitalization & Liabilities Total Common Stock Equity 90.7 2.7 Long Term Debt , excluding amounts due within one year 67.3 53.3 Total Capitalization 158.0 146.0 Obligations Due in One Year Accounts Payable 9.7 10.4 Customer Deposits and AR Credit Balance 16.4 17.7 Taxes Accrued 10.1 Overrecovered Gas and Fuel Costs 16.4 17.7 Interest Accrued 10.1 Overrecovered Gas and Fuel Costs 16.4 17.3 15.6 Current Regulatory Liabilities Current Regulatory Liabilities Price Risk Management Liabilities Current Environmental Other Accrued Liability for Post Retirement Benefits - Cur Price Risk Management Liabilities - NC 0.8 Deferred Income Taxes 0.4 0.4 0.5 Deferred Income Taxes 0.6 Other Non-Current Liabilities 0.7 0.8 0.8 0.8 Deferred Income Taxes 0.7 0.7 0.6 Other Non-Current Liabilities 0.7 0.7 0.7 0.7 0.7 0.7 0.7 0.7 0.7 0.7				
NC Regulatory Assets 16.5 16.3		-		
NC Regulatory Assets 16.5 16.3	Price Risk Management Assets	•	-	
Intangible Assets		16.5	16.3	
Post Retirement Benefits NC Assets - - -		-	10.0	
Other Receivables Affiliated -	Post Retirement Renefits NC Assets	-	-	
Deferred Charges 3.0 3.0 3.0 Total Other Assets 19.6 19.4 19.6 19.4 19.6 19.4 19.6 19.4 19.6 19.4 19.6 19.4 19.6 19.6 19.4 19.6 19.6 19.4 19.6		- -	_	
Total Other Assets		3 N	3.0	
Capitalization & Liabilities 90.7 92.7 10.1 158.0 146.0 158.0 158.0 146.0 158.0				
Capitalization & Liabilities 90.7 92.7 10.1 158.0 146.0 158.0 158.0 146.0 158.0	Total Association	- 224.2	- 227.7	
Total Common Stock Equity 90.7 92.7 Long Term Debt , excluding amounts due within one year 67.3 53.3 Total Capitalization 158.0 146.0 Obligations Due in One Year 14.7 28.7 Accounts Payable 9.7 10.4 Customer Deposits and AR Credit Balance 16.4 17.7 Taxes Accrued 3.7 4.7 Interest Accrued 0.1 0.1 Overrecovered Gas and Fuel Costs 16.4 13.0 Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 17.3 15.6 Current Regulatory Liabilities 4.5 4.4 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental 0.7 0.6 Other Accruals 0.7) 0.6 Total Current Liabilities 82.8 94.7 Price Risk Management Liabilities - NC 0.8 0.8 Deferred Income Taxes 46.5 50.2 Deferred Investment Tax Credits 0.4 0.4	Total Assets	334.2		
Total Common Stock Equity 90.7 92.7 Long Term Debt , excluding amounts due within one year 67.3 53.3 Total Capitalization 158.0 146.0 Obligations Due in One Year 14.7 28.7 Accounts Payable 9.7 10.4 Customer Deposits and AR Credit Balance 16.4 17.7 Taxes Accrued 3.7 4.7 Interest Accrued 0.1 0.1 Overrecovered Gas and Fuel Costs 16.4 13.0 Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 17.3 15.6 Current Regulatory Liabilities 4.5 4.4 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental 0.7 0.6 Other Accruals 0.7) 0.6 Total Current Liabilities 82.8 94.7 Price Risk Management Liabilities - NC 0.8 0.8 Deferred Income Taxes 46.5 50.2 Deferred Investment Tax Credits 0.4 0.4	Capitalization & Liabilities			
Long Term Debt , excluding amounts due within one year 67.3 53.3 Total Capitalization 158.0 146.0 Obligations Due in One Year 14.7 28.7 Accounts Payable 9.7 10.4 Customer Deposits and AR Credit Balance 16.4 17.7 Taxes Accrued 3.7 4.7 Interest Accrued 0.1 0.1 Overrecovered Gas and Fuel Costs 16.4 13.0 Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 17.3 15.6 Current Regulatory Liabilities 4.5 4.4 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental -		90.7	92.7	
Total Capitalization		67.3		
Obligations Due in One Year 14.7 28.7 Accounts Payable 9.7 10.4 Customer Deposits and AR Credit Balance 16.4 17.7 Taxes Accrued 3.7 4.7 Interest Accrued 0.1 0.1 Overrecovered Gas and Fuel Costs 16.4 13.0 Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 17.3 15.6 Current Regulatory Liabilities 4.5 4.4 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals (0.7) (0.6) Total Current Liabilities 82.8 94.7 Price Risk Management Liabilities - NC 0.8 0.8 Deferred Income Taxes 46.5 50.2 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 24.9 25.0 Accrued Liab for Post Retirement Benefits - NC 9.7 9.6 Other NC Liab & Deferred Credits 11.0 11.1				- 1
Accounts Payable 9.7 10.4 Customer Deposits and AR Credit Balance 16.4 17.7 Taxes Accrued 3.7 4.7 Interest Accrued 0.1 0.1 0.1 Overrecovered Gas and Fuel Costs 16.4 13.0 Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 17.3 15.6 Current Regulatory Liabilities 4.5 4.4 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental	·			
Customer Deposits and AR Credit Balance 16.4 17.7 Taxes Accrued 3.7 4.7 Interest Accrued 0.1 0.1 Overrecovered Gas and Fuel Costs 16.4 13.0 Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 17.3 15.6 Current Regulatory Liabilities 4.5 4.4 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals (0.7) (0.6) Total Current Liabilities 82.8 94.7 Price Risk Management Liabilities - NC 0.8 0.8 Deferred Income Taxes 46.5 50.2 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 24.9 25.0 Accrued Liab for Post Retirement Benefits - NC 9.7 9.6 Other Non-Current Liabilities 11.0 11.1 Other NC Liab & Deferred Credits - -	Obligations Due in One Year	14.7	28.7	
Taxes Accrued 3.7 4.7 Interest Accrued 0.1 0.1 Overrecovered Gas and Fuel Costs 16.4 13.0 Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 17.3 15.6 Current Regulatory Liabilities 4.5 4.4 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals (0.7) (0.6) Total Current Liabilities 82.8 94.7 Price Risk Management Liabilities - NC 0.8 0.8 Deferred Income Taxes 46.5 50.2 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 24.9 25.0 Accrued Liab for Post Retirement Benefits - NC 9.7 9.6 Other NO-Current Liabilities 11.0 11.1 Other NC Liab & Deferred Credits 93.4 97.0	Accounts Payable	9.7	10.4	
Interest Accrued 0.1 0.1 Overrecovered Gas and Fuel Costs 16.4 13.0 Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 17.3 15.6 Current Regulatory Liabilities 4.5 4.4 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals (0.7) (0.6) Total Current Liabilities 82.8 94.7 Price Risk Management Liabilities - NC 0.8 0.8 Deferred Income Taxes 46.5 50.2 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 24.9 25.0 Accrued Liab for Post Retirement Benefits - NC 9.7 9.6 Other Non-Current Liabilities 11.0 11.1 Other NC Liab & Deferred Credits 93.4 97.0	Customer Deposits and AR Credit Balance	16.4		
Overrecovered Gas and Fuel Costs 16.4 13.0 Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 17.3 15.6 Current Regulatory Liabilities 4.5 4.4 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals (0.7) (0.6) Total Current Liabilities 82.8 94.7 Price Risk Management Liabilities - NC 0.8 0.8 Deferred Income Taxes 46.5 50.2 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 24.9 25.0 Accrued Liab for Post Retirement Benefits - NC 9.7 9.6 Other Non-Current Liabilities 11.0 11.1 Other NC Liab & Deferred Credits 93.4 97.0	Taxes Accrued	3.7	4.7	
Price Risk Management Liabilities (Current) 0.6 0.6 Exchange Gas Payable 17.3 15.6 Current Regulatory Liabilities 4.5 4.4 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals (0.7) (0.6) Total Current Liabilities 82.8 94.7 Price Risk Management Liabilities - NC 0.8 0.8 Deferred Income Taxes 46.5 50.2 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 24.9 25.0 Accrued Liab for Post Retirement Benefits - NC 9.7 9.6 Other Non-Current Liabilities 11.0 11.1 Other NC Liab & Deferred Credits 93.4 97.0	Interest Accrued	0.1	0.1	
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Current Regulatory Liabilities 4.5 4.4 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals (0.7) (0.6) Total Current Liabilities 82.8 94.7 Price Risk Management Liabilities - NC 0.8 0.8 Deferred Income Taxes 46.5 50.2 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 24.9 25.0 Accrued Liab for Post Retirement Benefits - NC 9.7 9.6 Other Non-Current Liabilities 11.0 11.1 Other NC Liab & Deferred Credits 93.4 97.0	Exchange Gas Payable	17.3	15.6	
Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals (0.7) (0.6) Total Current Liabilities 82.8 94.7 Price Risk Management Liabilities - NC 0.8 Deferred Income Taxes 46.5 Deferred Investment Tax Credits 0.4 0.4 0.4 Deferred Credits Noncurrent Regulatory Liabilities 24.9 Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities 11.0 11.1 Other NC Liab & Deferred Credits 93.4 97.0		4.5	4.4	
Environmental		0.1	0.1	
Other Accruals (0.7) (0.6) Total Current Liabilities 82.8 94.7 Price Risk Management Liabilities - NC 0.8 0.8 Deferred Income Taxes 46.5 50.2 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 24.9 25.0 Accrued Liab for Post Retirement Benefits - NC 9.7 9.6 Other Non-Current Liabilities 11.0 11.1 Other NC Liab & Deferred Credits 93.4 97.0		-	-	
Total Current Liabilities 82.8 94.7 Price Risk Management Liabilities - NC 0.8 0.8 Deferred Income Taxes 46.5 50.2 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 24.9 25.0 Accrued Liab for Post Retirement Benefits - NC 9.7 9.6 Other Non-Current Liabilities 11.0 11.1 Other NC Liab & Deferred Credits 93.4 97.0		(0.7)	(0.6)	
Deferred Income Taxes 46.5 50.2 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 24.9 25.0 Accrued Liab for Post Retirement Benefits - NC 9.7 9.6 Other Non-Current Liabilities 11.0 11.1 Other NC Liab & Deferred Credits 93.4 97.0				<u></u>
Deferred Income Taxes 46.5 50.2 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 24.9 25.0 Accrued Liab for Post Retirement Benefits - NC 9.7 9.6 Other Non-Current Liabilities 11.0 11.1 Other NC Liab & Deferred Credits 93.4 97.0	Price Rick Management Lightlities - NC	በ ል	ስ ል	
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Accrued Liab for Post Retirement Benefits - NC 9.7 9.6 Other Non-Current Liabilities 11.0 11.1 Other NC Liab & Deferred Credits 93.4 97.0		24.0	- 05.0	
Other Non-Current Liabilities 11.0 11.1 Other NC Liab & Deferred Credits 93.4 97.0				
Other NC Liab & Deferred Credits 93.4 97.0				
Total Capitalization & Liabilities 334.2 337.7	Other NC Liab & Deferred Credits	9 3.4 -	91.U -	
	Total Capitalization & Liabilities	334.2	337.7	3

2 0&12	Мо	2012	2013
Assets			
Net Property Plant and Equipment	209.2	211.6	219.7
Total Investments	0.4	0.4	0.4
Cash and Cash Equivalents	-	-	_
Restricted Cash	3.6	3.6	-
Accounts Receivable	24.4	39.2	31.4
Gas Inventory	53.3	45.1	44.6
Unrecovered Purchase Costs	· -	-	0.5
Material & Supplies	0.0	0.0	0.0
Price Risk Management Assets	-	-	_
Exchange Gas Receivables & Reserve	0.1	0.1	0.1
Current Regulatory Assets	2.7	2.7	2.7
Prepayments and Other Assets	0.9	2.9	3.1
Total Current Assets	85.0	93.6	82.6
Price Risk Management Assets	-	-	_
NC Regulatory Assets	17.6	17.4	16.8
Intangible Assets	-	-	-
Post Retirement Benefits NC Assets	-	-	_
Other Receivables Affiliated	-	-	_
Deferred Charges	1.7	1.7	1.7
Total Other Assets	19.3	19.1	18.4
Total Assets	313.9	324.7	321.1
Capitalization & Liabilities			
Total Common Stock Equity	92.8	94.4	95.9
Long Term Debt, excluding amounts due within one year	67.3	58.3	89.3
Total Capitalization	160.1	152.7	185.3
Obligations Due in One Year	14.7	28.7	_
Accounts Payable	11.6	11.1	11.4
Customer Deposits and AR Credit Balance	18.2	17.7	17.7
Taxes Accrued	1.9	5.0	5.3
Interest Accrued	0.0	0.0	0.0
Overrecovered Gas and Fuel Costs	6.1	7.9	Q. 0
Price Risk Management Liabilities (Current)	0.6	0.6	0.6
Exchange Gas Payable	4.7	4.7	4.7
Current Regulatory Liabilities	3.6	3.6	3.5
Accrued Liability for Post Retirement Benefits - Cur	0.1	3.6 0.1	3.5 0.1
Environmental	V.1	0.1	·
—·····			-
Other Accruals Total Current Liabilities	(0.8) 60.9	(0.8) 78.6	(0.7 42.6
Disa Bul Managara Calabra And	4.4		
Price Risk Management Liabilities - NC	1.1	1.1	1.1
Deferred Income Taxes	46.3	46.8	47.7
Deferred Investment Tax Credits	0.4	0.4	0.4
Deferred Credits	- 0E 0	• 05.0	-
Noncurrent Regulatory Liabilities	25.2	25.2	25.5
Accrued Liab for Post Retirement Benefits - NC	10.1	10.0	8.5
Other Non-Current Liabilities Other NC Liab & Deferred Credits	9.8 92.9	9.8 93.4	10.0 93.2
	-	-	
Total Capitalization & Liabilities	313.9	324.7	321.1

Var	iance	Mo Var	2012 Var	2013 Var
	Accete			
A)	Assets Net Property Plant and Equipment	5.8	2.1	8.9
' ''	Total Investments	0.0	0.0	0.0
B)	Cash and Cash Equivalents	0.4	-	-
Ĉ)	Restricted Cash	(1.8)	(0.2)	1.3
D)	Accounts Receivable	1̀5.9 [′]	13.4	(4.7)
E)	Gas Inventory	0.1	(1.9)	0.8
F)	Unrecovered Purchase Costs	-	•	9.0
•	Material & Supplies	0.1	(0.0)	(0.0)
	Price Risk Management Assets	-	-	-
	Exchange Gas Receivables & Reserve	(0.0)	(0.0)	(0.0)
	Current Regulatory Assets	(8.0)	(0.8)	(8.0)
	Prepayments and Other Assets	0.3	0.0	0.1
	Total Current Assets	14.2	10.6	5.7
	Price Risk Management Assets	-	-	-
K)	NC Regulatory Assets	(1.1)	(1.1)	(1.7)
	Intangible Assets	-	-	-
	Post Retirement Benefits NC Assets	-	-	-
	Other Receivables Affiliated	-	-	-
L)	Deferred Charges	1.4	1.4	1.4
	Total Other Assets	0.3	0.3	(0.3)
	Total Assets	20.3	13.0	14.3
			_	
	Capitalization & Liabilities			
G)	Total Common Stock Equity	(2.1)	(1.7)	3.4
G)	Long Term Debt, excluding amounts due within one year	-	(5.0)	(2.3)
,	Total Capitalization	(2.1)	(6.7)	1.1
G)	Current Portion of Long Term Debt	_	-	4.9
D)	Accounts Payable	(2.0)	(0.7)	(0.1)
D)	Customer Deposits and AR Credit Balance	(1.8)	0.0	0.0
H)	Taxes Accrued	1.8	(0.3)	0.0
,	Interest Accrued	0.0	0.0	0.0
F)	Overrecovered Gas and Fuel Costs	10.3	5.1	-
i)	Price Risk Management Liabilities (Current)	(0.1)	(0.1)	(0.1)
Ĵ)	Exchange Gas Payable	12.6	10.9	(1.4)
K)	Current Regulatory Liabilities	0.9	0.8	`0.6
•	Accrued Liability for Post Retirement Benefits - Cur	-	_	-
	Environmental	-	-	-
L)	Other Accruals	0.1	0.2	3.1
	Total Current Liabilities	21.9	16.1	7.2
	Price Risk Management Liabilities - NC	(0.3)	(0.3)	(0.3)
H)	Deferred Income Taxes	0.2	3.4	`4.0
• • • •	Deferred Investment Tax Credits	0.0	(0.0)	(0.0)
	Deferred Credits	-	-	-
	Noncurrent Regulatory Liabilities	(0.3)	(0.3)	(0.3)
K)	Accrued Liab for Post Retirement Benefits - NC	(0.4)	(0.5)	1.2
L)	Other Non-Current Liabilities	1.2	1.2	1.2
•	Other NC Liab & Deferred Credits	0.6	3.6	5.9
	Total Capitalization & Liabilities	20.3	13.0	14.3

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

- A) Variance due to timing around 2012 In-Service and subsequent Depreciation.
- B) Increase in Money Pool funding.
- C) Monthly and 2013 annual variances are due to changes to the required reserves related to the Hedging Program. The 2012 variance includes MF Global bankruptcy of (\$483K).
- D) <u>A/R:</u> Month and YTD variances are due primarily due to increased Money Pool funding of \$16.2M. This favorable funding was partially offset by a net decrease in Unaffiliated A/R of approximately (\$2.5M). Components of the A/R variance include unfavorable variances of (\$4.8M) related to Choice / GTS accounts, and (\$1.4M) for Off-Systems Sales, partially offset by increased Tariff receivables of \$3.6M.

 <u>A/P:</u> 2012 variance is due to decreased payables related to declining Gas Costs (\$2.2M), offset by decreased A/R and inventory.

 <u>Customer Deposits:</u> The \$1.8M variance is due to adjustments to budget payment plans related to declining gas cost and usage; offset by declining A/R.
- E) Monthly variance due to Rate Differential and Usage variances of (\$349K) and \$469K respectively. 2012 annual variance due to Rate Differential and Usage variances of \$323K and (\$2.190M) respectively. 2013 annual variance is due to Rate Differential and Usage variances of \$1.235M and (\$441.4K) respectively.
- F) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA fillings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base
- H) Variance due to changes to the Federal tax payment and accrual calculation(s).
- Variance due to changes in the Hedging obligations.
- J) Variances are due to changes in the number of outstanding "Park" exchange obligations vs. the 0&12.
- K) Non-current Regulatory Asset variance due to an \$800K change to the hedging program. Current Reg Liab variance due to unfavorable changes to DSM, Uncollectibles, & Other Misc Adjustments of (\$240K), (\$225K), and (\$94K) respectively. Variance to Non-current OPEB liability due to changes in actuarial assumption provided by Corporate at the 7&5.
- L) Other Accruals variance due to approximately \$560K of reductions to misc. other taxes, and reclasses to other accounts of roughly \$1.7M. Variance in Deferred Charges & Other Non-current liabilities is due to Customer Advances stemming from Capital projects.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2012 108.2	Mo Actual	YTD Actual	2012 10&2	2013 10&2
New Business	1.1	3.7	3.7	4.0
Betterment	0.0	0.3	0.3	0.1
Replacement	1.6	12.6	12.0	15.8
Support Services	0.2	1.3	1.4	2.0
Gross Capital	2.9	17.9	17.4	21.9
Contributions & Reimbursements	(0.1)	(0.4)	(0.7)	(0.6)
Total NGD	2.8	17.5	16.8	21.3
Infrastructure/AMR	1.2	10.8	9.6	12.2

2012 0&12	Mo Budget	YTD	2012 0&12	2013 0&12
New Business	0.2	1.2	1.7	1.7
Betterment	(0.0)	0.9	1.0	0.2
Replacement	0.9	9.0	11.4	11.7
Support Services	0.0	0.5	1.2	1.6
Gross Capital	1.1	11.7	15.3	15.1
Contributions & Reimbursements	(0.0)	(0.6)	(0.7)	(0.7)
Total NGD	1.1	11.1	14.7	14.5
Infrastructure/AMR	0.8	7.6	9.1	8.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	0.9	2.5	2.0	2.3
Betterment	0.0	(0.6)	(0.7)	(0.1)
Replacement	0.7	3.6	0.6	4.1
Support Services	0.2	0.8	0.2	0.5
Gross Capital	1.8	6.2	2.1	6.8
Contributions & Reimbursements	(0.0)	0.2	-	0.1
Total NGD	1.7	6.4	2.1	6.9
Infrastructure/AMR	0.4	3.2	0.5	4.0

Variance Explanations:

Primarily mild weather and contractor availability.

Plan variances due to additional allocation to NGD: CKY portion.

2012 11&1	Mo Actual	YTD Actual	2012 11&1	2013 11&1
Net Revenues	5.8	50.9	58.3	60.7
O&M Expense	3.2	28.6	30.9	31.8
Depreciation	0.6	6.1	6.7	7.0
Other Taxes	0.1	2.5	2.8	3.2
Operating Earnings	2.0	13.7	18.0	18.8
Other Income	0.0	0.5	0.6	0.5
Interest Expense	0.4	4.3	4.7	5.0
Net Operating Income	1.7	9.9	13.8	14.3
Income Tax	0.4	4.2	5.8	5.5
Net Operating Income	1.2	5.7	8.0	8.7

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Net Revenues	5.6	53.2	60.9	60.8
O&M Expense	2.4	28.3	30.9	31.1
Depreciation	0.6	6.0	6.6	6.9
Other Taxes	0.2	2.7	2.9	3.1
Operating Earnings	2.3	16.2	20.5	19.8
Other Income	0.0	0.6	0.7	0.5
Interest Expense	0.4	4.4	4.8	5.3
Net Operating Income	1.9	12.4	16.4	15.0
Income Tax	0.7	4.8	6.3	6.0
Net Operating Income	1.2	7.6	10.0	9.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	0.3	(2.3)	(2.6)	(0.1)
O&M Expense	0.7	0.3	(0.0)	0.7
Depreciation	0.0	0.1	0.1	0.1
Other Taxes	(0.2)	(0.1)	(0.1)	0.1
Operating Earnings	(0.3)	(2.5)	(2.5)	(1.1)
Other Income	(0.0)	(0.1)	(0.1)	0.0
Interest Expense	(0.0)	(0.1)	(0.1)	(0.3)
Net Operating Income	(0.3)	(2.6)	(2.5)	(0.7)
Income Tax	(0.3)	(0.6)	(0.5)	(0.5)
Net Operating Income	0.0	(2.0)	(2.0)	(0.2)

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

2012 11&1	Mo Actual	YTD Actual	2012 11&1	2013 11&1
Base Margin (less LCR)	5.0	43.3	49.8	50.4
LCR	0.5	4.4	4.9	5.1
LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
ESS	0.2	1.4	1.5	2.8
Regulatory Outcome	-	•	-	0.6
Other OGDR	0.1	1.2	1.3	1.0
CKY Purchase Receivable	0.0	0.4	0.5	0.5
Uncollectibles - NonTracked	0.0	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.2	1.1	1.2	0.5
Total Revenue	6.0	52.2	59.8	61.4
Total Revenue w/o Trackers	5.8	50.9	58.3	60.7

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Base Margin (less LCR)	4.7	44.7	51.4	50.4
LCR	0.5	4.5	5.1	4.9
LCR (Prior Dec. True-Up)	-	-	-	•
ESS	0.2	2.2	2.4	2.8
Regulatory Outcome	-	-	-	0.6
Other OGDR	0.1	1.1	1.2	1.2
CKY Purchase Receivable	0.1	0.5	0.5	0.5
Uncollectibles - NonTracked	0.0	0.2	0.3	0.4
Uncollectibles - Tracked	0.0	0.2	0.2	0.2
Trackers	0.1	0.4	0.5	0.5
Total Revenue	5.6	53.8	61.6	61.6
Total Revenue w/o Trackers	5.6	53.2	60.9	60.8

Var	iance	Mo Var	YTD Var	Yr Var	Yr Var
A)	Base Margin (less LCR)	0.3	(1.4)	(1.6)	0.1
A)	LCR	0.0	(0.1)	(0.1)	0.2
	LCR (Prior Dec. True-Up)	-	(0.1)	(0.1)	-
B)	ESS	(0.0)	(0.7)	(0.8)	(0.0)
•	Regulatory Outcome	-	_	-	0.0
	Other OGDR	(0.0)	0.1	0.1	(0.2)
	CKY Purchase Receivable	(0.0)	(0.1)	(0.1)	(0.1)
	Uncollectibles - NonTracked	0.0	0.0	(0.0)	(0.1)
	Uncollectibles - Tracked	-	(0.0)	(0.0)	-
	Trackers	0.1	0.7	0.7	(0.0)
	Total Variance	0.4	(1.5)	(1.9)	(0.2)
	Total Variance w/o Trackers	0.3	(2.3)	(2.6)	(0.1)

- A) 2012 variance due to approximately \$1.8M in non-operating Weather Letter adjustments, offset by \$1.5M of decreased operating revenues driven by volumetric declines.
- B) YTD variance represents fluctuations in Off-System sales assumptions stemming from price volatility.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2012 11&1	Mo Actual	YTD Actual	2012 11&1	2013 11&1
Penalty Charges	0.0	0.4	0.4	0.4
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.5	0.6	0.4
Other Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.1	0.1	0.0
Company Use	0.0	0.1	0.1	0.1
Balancing Services	_	-	-	_
Other Misc Income	_	<u></u>	0.0	0.0
Misc Merchant Revenue	-	0.0	0.0	•
Total OGDR	0.1	1.2	1.3	1.0

2012 0&12	Mo Budget	YTD Budget	2012 0812	2013 0&12
Penalty Charges	0.0	0.3	0.3	0.3
Return Check	0.0	0.1	0.1	0.1
Other Fees	0.0	0.3	0.4	0.4
Other Revenue	0.0	0.2	0.2	0.2
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.1	0.1	0.1
Balancing Services	-	-	-	_
Other Misc Income	-	0.0	0.0	0.0
Misc Merchant Revenue	-	-	-	-
Total OGDR	0.1	1.1	1.2	1.2

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	0.0	0.1	0.1	0.0
Return Check	0.0	0.0	0.0	0.0
Other Fees	0.0	0.2	0.2	(0.0)
Other Revenue	(0.0)	(0.2)	(0.2)	(0.2)
Pub Util-Flex	0.0	0.1	0.1	_
Company Use	(0.0)	(0.0)	(0.0)	(0.0)
Balancing Services	· -		- '	•
Other Misc Income	-	(0.0)	(0.0)	(0.0)
Misc Merchant Revenue	-	0.0	0.0	-
Total OGDR	(0.0)	0.1	0.1	(0.2)

Columbia Gas of Kentucky

2012 Customer & Usage Information - 11&1 vs. 0&12

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residential	0.065	0.108
Commercial	0.121	0.416
Total	0.187	0.523

Usage Change	Month	YTD
Residential	0.455	0.857
Commercial	0.349	1.955
Industrial (Non-LCR)	0.187	0.523
Total	0.990	3.335

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	7.6	58.4
Comm	55.3	463.6
Ind	7,437.5	78,665.0

Budget	Month	YTD
Residential	7.4	58.1
Commercial	54.2	457.2
Industrial	7,353.6	78,287.3

Variance	Month	Mo. %	YTD	YTD %
Residential	0.2	2.5%	0.3	0.5%
Commercial	1.0	1.9%	6.4	1.4%
Industrial	83.9	1.1%	377.7	0.5%

Customer Count

Actual	Month	YTD Avg
Residential	119,883	119,465
Commercial	13,909	13,898
Industrial	177	177
Total	133,969	133,541

Budget	Month	YTD Avg
Residential	119,165	119,259
Commercial	13,736	13,811
Industrial	181	181
Total	133,082	133,251

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	718	0.6%	206	0.2%
Commercial	173	1.3%	88	0.6%
Industrial	(4)	-2.2%	(4)	-2.0%
Total	887	0.7%	290	0.2%

2012 11&1	Mo Actual	YTD Actual	2012 11&1	2013 11&1
Labor	0.7	6.8	7.4	7.3
Benefits	0.4	2.3	2.4	1.9
Materials & Supplies	0.1	1.4	1.5	1.5
Outside Services	0.5	3.9	4.2	4.8
Management Fee	1.3	10.7	11.5	12.4
Uncollectibles	(0.0)	0.1	0.1	0.5
Other *	0.3	3.5	3.9	3.3
Trackers	0.0	1.1	1.3	0.8
Total O&M	3.2	29.8	32.1	32.5
Total O&M w/o Trackers	3.2	28.6	30.9	31.8

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Labor	0.5	6.1	6.6	6.9
Benefits	0.1	1.9	2.0	1.6
Materials & Supplies	0.1	1.4	1.5	1.5
Outside Services	0.3	4.0	4.3	5.0
Management Fee	1.0	10.9	11.9	12.2
Uncollectibles	0.1	0.5	0.5	0.5
Other *	0.3	3.6	3.9	3.4
Trackers	0.1	0.7	8.0	0.7
Total O&M	2.5	28.9	31.6	31.8
Total O&M w/o Trackers	2.437	28.3	30.884	31.1

	Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Labor	0.2	0.7	0.7	0.5
B)	Benefits	0.2	0.4	0.4	0.3
-	Materials & Supplies	0.0	(0.0)	(0.0)	(0.0)
	Outside Services	0.1	(0.1)	(0.1)	(0.2)
C)	Management Fee	0.2	(0.2)	(0.4)	0.2
D)	Uncollectibles	(0.1)	(0.3)	(0.5)	(0.1)
•	Other *	(0.0)	(0.1)	(0.1)	(0.1)
E)	Trackers	(0.1)	0.5	0.5	0.0
	Total Change	0.7	0.8	0.5	0.7
	Total Change w/o Trackers	0.7	0.3	(0.0)	0.7

- A) YTD & 2012 Yr Var unfavorable shift in labor allocation / capitalization transfers for corrosion mitigaation & leak repair, partially offset by open headcount.
- B) 2012 & 2013 Yr Var Primarily revised assumptions for active medical, and CIP.
- C) YTD Var Primarily Legal and NGD Operations. 2012 & 2013 Yr Var Primarily revised Corp. CIP calculation.
- D) Annual variance due to revisions to the bad debt calculation & accrual.
- E) Offset in revenue.

2012 11&1	Mo Actual	YTD Actual	2012 11&1	2013 11&1
Other				
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.2	0.2	0.2
Corporate Insurance	0.1	0.7	0.8	0.8
Employee Expenses	0.0	0.3	0.3	0.4
Company Memberships	•	0.1	0.1	0.1
Utilities	0.0	0.3	0.4	0.4
Misc Revenues	(0.0)	(0.2)	(0.2)	(0.2)
Misc & Other Expenses	0.0	0.2	0.2	0.1
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	•	-	-
Advertising	0.0	0.0	0.0	0.1
Auto/Trucks Cleared	0.1	1.1	1.2	1.3
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Below the Line O&M				
	0.3	3.5	3.9	3.3

012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Other				<u> </u>
Buildings and Land	0.0	0.1	0.1	0.1
Rents/Leases	0.0	0.3	0.3	0.3
Corporate Insurance	0.1	0.8	0.9	0.9
Employee Expenses	0.0	0.3	0.3	0.4
Company Memberships		0.1	0.1	0.1
Utilities	0.0	0.3	0.3	0.3
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	(0.0)
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.1)	(0.1)	(0.7)
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	-
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	1.3	1.4	1.4
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Below the Line O&M	-	-	_	•
	0.3	3.6	3.9	3.4

ariance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other		•		
Buildings and Land	0.0	(0.0)	(0.0)	(0.0)
Rents/Leases	(0.0)	(0.1)	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.1)	(0.1)	(0.0)
Employee Expenses	0.0	(0.0)	0.0	0.0
Company Memberships	-	0.0	0.0	0.0
Utilities	(0.0)	0.1	0.1	0.1
Misc Revenues	(0.0)	(0.1)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.2	0.3	0.1
Amortizations *	-	0.0	0.0	-
Deferred Credits	0.0	0.1	0.1	(0.0)
I&D Accrual	0.0	(0.0)	(0.0)	•
Well/Lease Rent/Royalty	-			
Advertising	(0.0)	(0.1)	(0.1)	-
Auto/Trucks Cleared	(0.0)	(0.1)	(0.1)	(0.1)
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M	•			
	(0.0)	(0.1)	(0.1)	(0.1)

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

2012 11&1	Mo Actual	YTD Actual	2012 11&1	2013 1181
Distribution Ops	1.0	10.3	11.0	11.2
Meter To Cash	0.0	0.5	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.1	0.5	0.6	0.7
Presidents	0.1	1.3	1.6	1.6
Other Dept	-	-	-	-
Management Fee	1.3	10.7	11.5	12.4
Benefits	0.4	2.3	2.4	1.9
Uncollectibles	(0.0)	0.1	0.1	0.5
Other Corporate *	0.4	2.8	3.1	2.9
Trackers	0.0	1.1	1.3	0.8
Total O&M	3.2	29.8	32.1	32.5
Total O&M w/o Trackers	3.2	28.6	30.9	31.8

012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Distribution Ops	0.8	10.0	10.9	11.2
Meter To Cash	0.0	0.6	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.3	0.4	0.4
Presidents	0.1	1.5	1.6	1.6
Other Dept	-	-	-	-
Management Fee	1.0	10.9	11.9	12.2
Benefits	0.1	1.9	2.0	1.6
Uncollectibles	0.1	0.5	0.5	0.5
Other Corporate *	0.2	2.7	2.9	3.0
Trackers	0.1	0.7	0.8	0.7
Total O&M	2.5	28.9	31.6	31.8
Total O&M w/o Trackers	2.4	28.3	30.9	31.1

Var	iance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
A)	Distribution Ops	0.2	0.3	0.1	(0.0)
	Meter To Cash	(0.0)	(0.0)	(0.0)	-
	Customer Call Center	(0.0)	(0.0)	(0.0)	-
	Integration Center	0.0	0.2	0.2	0.3
	Presidents	(0.0)	(0.1)	(0.1)	0.0
	Other Dept	•	•	-	-
B)	Management Fee	0.2	(0.2)	(0.4)	0.2
C)	Benefits	0.2	0.4	0.4	0.3
D)	Uncollectibles	(0.1)	(0.3)	(0.5)	(0.1)
	Other Corporate *	0.1	0.2	0.2	(0.1)
E)	Trackers	(0.1)	0.5	0.5	0.0
	Total Change	0.7	0.8	0.5	0.7
	Total Change w/o Trackers	0.7 *	0.3	° (0.0)	0.7

- A) 2012 Yr Var Primarily meter reading, maintenance of mains and fleet adj. partially offset by leak repairs.
- B) YTD Var Primarily Legal and NGD Operations primarily revised capitalization transfers. 2012 Yr Var Primarily revised Corp. CIP calculation
- C) 2012 and 2013 Yr Var Primarily revised assumptions for active medical, pension, OPEB and capital transfer percentages.
- D) Annual variance due to revisions to the bad debt calculation & accrual.
- E) Offset in revenue.

^{*} See O&M Other Corp Tab

11&1	Mo Actual	YTD Actual	2012 11&1	2013 11&1
Other Corporate				
Net Labor	0.2	0.6	0.6	0.
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.2	0.2	0.
Consulting Fees	0.0	0.1	0.1	0.
Legal Fees		-	-	-
Outside Services	0.0	0.1	0.1	0.
Bulldings and Land	-	-	-	-
Rents/Leases	0.0	0.2	0.2	0.
Corporate Insurance	0.1	0.7	0.8	0.
Employee Expenses		•	-	-
Company Memberships	-	0.1	0.1	0.
Utilities	0.0	0.1	0.1	0.
Misc Revenues		-	-	-
Misc & Other Expenses	0.0	0.2	0.2	0
Amortizations *	0.0	0.4	0.5	0
Deferred Credits	(0.0)	(0.1)	(0.1)	0)
I&D Accrual	0.0	0.1	0.1	٥
Well/Lease Rent/Royalty	-	-		-
Advertising		-	-	-
Auto/Truck Cleared	-	•	(0.0)	-
O&M Reclass - Regulatory to GAAP	0.0	0.2	0.2	0
Stores Clearing		-		-
Below the line O&M	-	•	-	-
Total Other Corporate	0.4	2.8	3.1	2

2012 0&12	Mo Budget	YTD Budget	2012 0812	2013 08.12
Other Corporate		•		
Net Labor	0.0	0.4	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.1	0.1
Consulting Fees	0.0	0.0	0.0	0.2
Legal Fees	-	=	-	•
Outside Services	0.0	0.1	0.2	0.2
Buildings and Land	-	•	-	
Rents/Leases	0.0	0.2	0.3	0.3
Corporate Insurance	0.1	8.0	0.9	0.9
Employee Expenses	-	•	_	•
Company Memberships	-	0.1	0.1	0.1
Utilities	0.0	0.0	0.0	0.0
Misc Revenues	-	-	_	-
Misc & Other Expenses	0.0	0.2	0.2	0.2
Amortizations *	0.0	0.4	0.5	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
I&D Accrual	0.0	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	•	=	-
Advertising	-	-	-	-
Auto/Truck Cleared	_	-	-	-
O&M Rectass - Regulatory to GAAP	0.0	0.2	0.2	0.2
Stores Clearing	-	-	-	•
Below the line O&M		•	-	-
Total Other Corporate	0.2	2.7	2.9	3.0

Variance	Mo Var	YTD Var	2012 Yr Var	2013 Yr Var
Other				
Net Labor	0.1	0.2	0.2	(0.0)
Materials/Supplies	(0.0)	0.0	0.0	•
Audit Fees	0.0	0.0	0.0	0.0
Consulting Fees	0.0	0,0	0.1	(0.1)
Legal Fees		-	•	•
Outside Services	(0.0)	(0.0)	(0.0)	(0.0)
Buildings and Land	-	-	-	-
Rents/Leases	(0.0)	(0.1)	(0.1)	(0.1)
Corporate Insurance	(0.0)	(0.1)	(0.1)	(0.0)
Employee Expenses	-		-	-
Company Memberships	-	0.0	0.0	0.0
Utilities	0.0	0.1	0.1	0.1
Misc Revenues	-	•	-	-
Misc & Other Expenses	0.0	0.0	0.0	(0.0)
Amortizations *	•	0.0	0.0	-
Deferred Credits	0.0	(0.0)	(0.0)	(0.0)
i&D Accrual	0.0	(0.0)	(0.0)	•
Well/Lease Rent/Royalty	•	-	-	-
Advertising	-	-	-	-
Auto/Truck Cleared	-	-	(0.0)	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Stores Clearing	-		-	-
Below the line O&M			•	•
Total Other Corporate	0.1	0.2	0.2	(0.1)

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

2012 11&1	Mo Actual	YTD Actual	2012 11&1	2013 11&1
Depreciation	0.6	6.1	6.7	7.0
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	2.2	2.4	2.6
Payroll	0.1	0.5	0.6	0.5
Distribution	-	-	-	-
Other	-	0.0	0.0	
Total Other Taxes	0.3	2.7	3.0	3.1
Total Other Taxes w/o Trackers	0.1	2.5	2.8	3.2

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Depreciation	0.6	6.0	6.6	6.9
Other Taxes				
Gross Receipts	-	•	-	•
Property Tax	0.2	2.2	2.4	2.6
Payroll	0.0	0.4	0.5	0.5
Distribution	-	-	-	•
Other	-	-	-	_
Total Other Taxes	0.2	2.6	2.9	3.1
Total Other Taxes w/o Trackers	0.2	2.7	2.9	3.1

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.1	0.1	0.1
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	(0.0)	0.0	(0.0)	0.0
Payroll	0.0	0.1	0.1	-
Distribution	-	-	-	-
Other	-	0.0	0.0	-
Total Other Taxes Change	0.0	0.1	0.1	0.0
Total Change w/o Trackers	(0.2)	(0.1)	(0.1)	0.1

2012 11&1	Mo Actual	YTD Actual	2012 11&1	2013 11&1
Miscellaneous	•		-	-
AFUDC	(0.0)	0.1	0.1	0.2
Hedging Interest Income	0.0	0.0	0.0	0.0
Under-Collection Interest Income	-	-	=	-
Sale Receivables	-	=	=	-
Customer Tax Contribution	-	•	-	•
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.5	0.6	0.4
Total Other Income	0.0	0.5	0.6	0.5
Long-Term Interest Expense	0.4	4.3	4.7	5.0
Short-Term Interest Expense	-	-	-	0.0
Customer Deposits Interest Expense	-	0.1	0.1	0.1
Rate Refund Interest Expense	•	-	_	-
Over-Collection Interest Expense	-	-	-	•
Other Interest Expense	-	-	_	_
Carrying Cost Interest Expense		-	-	-
Hedging Interst Expense	-	•	•	
PISCC	-	-	_	-
Interest Expense on Plant Investment	0.0	(0.0)	(0.0)	(0.1)
Interest Expense	0.4	4.3	4.7	5.0
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	-

2012 0&12	Mo Budget	YTD Budget	2012 0&12	2013 0&12
Miscellaneous	•	-	-	•
AFUDC	0.0	0.1	0.1	0.1
Hedging Interest Income	0.0	0.1	0.1	0.0
Under-Collection Interest income	-	•	•	•
Sale Receivables	-	-	=	-
Customer Tax Contribution	•	=	=	=
Charitable Contributions	(0.0)	(0.1)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.6	0.6	0.5
Total Other Income	0.0	0.6	0.7	0.5
Long-Term Interest Expense	0.4	4.3	4.7	5.2
Short-Term Interest Expense	-	-	•	_
Customer Deposits Interest Expense	0.0	0.1	0.2	0.2
Rate Refund Interest Expense	-	•	•	•
Over-Collection Interest Expense	-	-	-	-
Other Interest Expense	-	-	-	-
Carrying Cost Interest Expense	_	-	•	-
Hedging Interst Expense	_	-	-	-
PISCC	-	-	•	
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	0.4	4.4	4.8	5.3
NET INCOME FROM SUBSIDIARIES		_	•	

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous	•	•	-	
AFUDC	(0.0)	0.0	0.0	0.1
Hedging Interest Income	(0.0)	(0.0)	(0.1)	0.0
Under-Collection Interest Income		•	_	_
Sale Receivables	-	-	•	-
Customer Tax Contribution	•	_	-	-
Charitable Contributions	(0.0)	0.0	(0.0)	-
A) Temp Cash Investment Interest Income	0.0	(0.1)	(0.1)	(0.1)
Total Other Income	(0.0)	(0.1)	(0.1)	0.0
Long-Term Interest Expense	(0.0)	0.0	(0.0)	(0.2)
Short-Term Interest Expense		_	- 1	0.0
Customer Deposits Interest Expense	(0.0)	(0.1)	(0.1)	(0.1)
Rate Refund Interest Expense	•	<u>`</u> ,	<u>'</u>	`-
Over-Collection Interest Expense	-	-	-	
Other Interest Expense	-	-	-	_
Carrying Cost Interest Expense	-	_	-	-
Hedging Interst Expense	-	•	-	-
PISCC	-	-	-	_
Interest Expense on Plant Investment	0.0	(0.0)	0.0	(0.0)
Interest Expense	(0.0)	(0.1)	(0.1)	(0.3)
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	-

A) Variance represents changes to the interest earned on operating cash sent to Corp. Money Pool.

1181	Мо	2012	2013
Assets			
Net Property Plant and Equipment	215.5	213.6	228
Total Investments	0.4	0.4	0
Cash and Cash Equivalents	0.4	<u>-</u>	_
Restricted Cash	2.0	3.5	1
Accounts Receivable	48.0	52.9	26
Gas Inventory	50.6	43.7	45
Unrecovered Purchase Costs	-	-	10
Material & Supplies	0.1	_	-
Price Risk Management Assets	-	_	_
Exchange Gas Receivables & Reserve	0.1	0.1	0
Current Regulatory Assets	2.0	2.0	2
Prepayments and Other Assets	0.8	3.0	3
Total Current Assets	104.1	105.1	88
Total Current Assets		103.1	00
Price Rick Management Assets	-	•	-
Price Risk Management Assets NC Regulatory Assets	- 16.5	- 16.4	15
	6.01	10.4	10
Intangible Assets	-	-	-
Post Retirement Benefits NC Assets	=	-	-
Other Receivables Affiliated	-	-	-
Deferred Charges Total Other Assets	3.1	3.1	3
Total Other Assets	19.6	19.5 -	18
Total Assets	339.7	338.7	335
Capitalization & Liabilities			
Total Common Stock Equity	91.6	92.0	98
Long Term Debt, excluding amounts due within one year	67.3	67.3	101
Total Capitalization	159.0	159.4	199
Obligations Due in One Year	- 14.7	- 14.7	- (12
			(12
Accounts Payable	11.5	10.7 17.7	11
Customer Deposits and AR Credit Balance	16.8		17
Taxes Accrued	3.8	4.9	5
Interest Accrued	0.1	0.1	0
Overrecovered Gas and Fuel Costs	12.5	10.8	-
Price Risk Management Liabilities (Current)	0.8	0.8	0
Exchange Gas Payable	18.6	16.8	4
Current Regulatory Liabilities	4.5	4.4	4
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	0
Environmental	<u>.</u>	-	-
Other Accruals	(0.3)	(0.3)	3
Total Current Liabilities	83.0	80.7	35
Price Risk Management Liabilities - NC	0.9	0.9	0
Deferred Income Taxes	50.6	51.7	53
Deferred Investment Tax Credits	0.4	0.4	0
Deferred Credits	U. "1 -	U. T	U
Noncurrent Regulatory Liabilities	24.8	24.8	25
Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities	9.9	9.7	9
Other NC Liab & Deferred Credits	<u>11.1</u> 97.7	11.1 98.6	<u>11</u> 100
	<u> </u>	<u> </u>	
Total Capitalization & Liabilities	339.7	338.7	335

0&12	Mo	2012	2013
Assets			
Net Property Plant and Equipment	209.9	211.6	219
Total investments	0.4	0.4	0
Cash and Cash Equivalents	_	_	
Restricted Cash	3.6	3.6	_
Accounts Receivable	32.6	39.2	31
Gas Inventory	50.4	45.1	44
Unrecovered Purchase Costs	-	-	0
Material & Supplies	0.0	0.0	0
Price Risk Management Assets	•.0	-	-
Exchange Gas Receivables & Reserve	0.1	0.1	0
Current Regulatory Assets	2.7	2.7	2
Prepayments and Other Assets	0.7	2.9	3
Total Current Assets	90.1	93.6	82
Total Culterit Assets		53.0	-
Price Risk Management Assets	•	- -	-
NC Regulatory Assets	- 17.5	- 17.4	- 16
		17.4	10
Intangible Assets Post Retirement Benefits NC Assets	-	-	-
Other Receivables Affiliated	•	-	-
	- 4.7	4.7	-
Deferred Charges	1.7	1.7	1
Total Other Assets	19.2	19.1	18 -
Total Assets	319.6	324.7	321
Capitalization & Liabilities Total Common Stock Equity	94.0	94.4	95
· · ·	*	•	
Long Term Debt, excluding amounts due within one year	72.3	58.3	89
Total Capitalization	166.3	152.7	185
Obligations Due in One Year	14.7	28.7	-
Accounts Payable	10.5	11.1	11
Customer Deposits and AR Credit Balance	19.6	17.7	17
Taxes Accrued	2.3	5.0	5
Interest Accrued	0.0	0.0	0
Overrecovered Gas and Fuel Costs	4.8	7.9	=
Price Risk Management Liabilities (Current)	0.6	0.6	0
Exchange Gas Payable	4.7	4.7	4
Current Regulatory Liabilities	3.6	3.6	3
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	Ō
Environmental	-	<u>.</u>	_
Other Accruals	(0.8)	(8.0)	(0
Total Current Liabilities	60.2	78.6	42
B to Btd Marrow Wildeline NO	4.4	4.4	
Price Risk Management Liabilities - NC	1.1	1.1	1
Deferred Income Taxes	46.5	46.8	47
Deferred Investment Tax Credits	0.4	0.4	0
Deferred Credits	-	÷ .	
Noncurrent Regulatory Liabilities	25.2	25.2	25
Accrued Liab for Post Retirement Benefits - NC	10.1	10.0	8
Other Non-Current Liabilities	9.8	9.8	10
Other NC Liab & Deferred Credits	93.1	93.4	93
Other No Liab & Defense Oreans	-		•••

Var	iance	Mo Var	2012 Var	2013 V ar
	Assets			
A)	Net Property Plant and Equipment	5.5	2.0	8.7
	Total Investments	0.0	0.0	0.0
В)	Cash and Cash Equivalents	0.4	-	-
C)	Restricted Cash	(1.6)	(0.1)	1.4
D)	Accounts Receivable	15.5	13.7	(5.0)
E)	Gas Inventory	0.2	(1.4)	0.6
F)	Unrecovered Purchase Costs	-	-	9.5
	Material & Supplies	0.1	(0.0)	(0.0)
	Price Risk Management Assets	-	-	-
	Exchange Gas Receivables & Reserve	0.0	0.0	0.0
	Current Regulatory Assets	(0.7)	(0.7)	(0.7)
	Prepayments and Other Assets	0.1	0.0	0.1
	Total Current Assets	14.0	11.5	5.9
	Price Risk Management Assets	-	-	-
K)	NC Regulatory Assets	(1.0)	(1.0)	(1.6)
	Intangible Assets	-	-	-
	Post Retirement Benefits NC Assets	-	-	-
	Other Receivables Affiliated	-	-	-
L)	Deferred Charges	1.5	1.5	1.5
	Total Other Assets	0.4	0.4	(0.2)
	Total Assets	20.0	14.0	14.5
		-	-	-
	Capitalization & Liabilities	-	-	-
G)	Total Common Stock Equity	(2.3)	(2.4)	2.8
G)	Long Term Debt, excluding amounts due within one year	(5.0)	9.0	11.7
	Total Capitalization	(7.3)	6.6	14.6
G)	Current Portion of Long Term Debt	-	(14.0)	(12.0)
D)	Accounts Payable	1.0	(0.4)	(0.2)
D)	Customer Deposits and AR Credit Balance	(2.8)	0.0	0.0
H)	Taxes Accrued	`1.5 [°]	(0.1)	0.2
,	Interest Accrued	0.0	`0.0	0.0
F)	Overrecovered Gas and Fuel Costs	7.7	2.9	•
I)	Price Risk Management Liabilities (Current)	0.2	0.2	0.2
J)	Exchange Gas Payable	13.9	12.1	(0.1)
K)	Current Regulatory Liabilities	0.9	8.0	0.6
•	Accrued Liability for Post Retirement Benefits - Cur	0.0	0.0	0.0
	Environmental	-	-	-
L)	Other Accruals	0.4	0.5	3.7
	Total Current Liabilities	22.8	2.1	(7.5)
	Price Risk Management Liabilities - NC	(0.2)	(0.2)	(0.2)
H)	Deferred Income Taxes	4.1	4.9	5.5
	Deferred Investment Tax Credits Deferred Credits	0.0	- -	- -
	Noncurrent Regulatory Liabilities	(0.4)	(0.4)	(0.4)
K)	Accrued Liab for Post Retirement Benefits - NC	(0.2)	(0.3)	1.4
L)	Other Non-Current Liabilities	1.3	1.3	1.3
-,	Other NC Liab & Deferred Credits	4.6	5.2	7.5
	Total Capitalization & Liabilities	20.0	14.0	14.5

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

- A) Variance due to timing around 2012 In-Service and subsequent Depreciation.
- B) Increase in Money Pool funding.
- C) Monthly and 2013 annual variances are due to changes to the required reserves related to the Hedging Program. The 2012 variance includes MF Global bankruptcy of (\$483K).
- D) A/R: Month and YTD variances are primarily due to increased Money Pool funding of \$13.6M & \$18.6M respectively. This favorable funding was partially offset by a net decrease in Unaffiliated A/R of approximately (\$2.1M). Components of the A/R variance include unfavorable variances of (\$4.6M) related to Choice / GTS accounts, and (\$1.2M) for Off-Systems Sales, offset by increased Tariff receivables of \$4.8M. Additional month & YTD variance drivers include Tax Receivables of \$3.9M and \$2.4M respectively.

 A/P: 2012 variance is due to decreased payables related to declining Gas Costs (\$980K).

 Customer Deposits: The \$2.8M variance is due to adjustments to budget payment plans related to declining gas cost and usage; offset by declining A/R.
- E) Monthly variance due to Rate Differential and Usage variances of (\$193K) and \$430K respectively. 2012 annual variance due to Rate Differential and Usage variances of \$277K and (\$1.670M) respectively. 2013 annual variance is due to Rate Differential and Usage variances of \$905K and (\$305K) respectively.
- F) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to changes to the Federal tax payment and accrual calculation(s).
- 1) Variance due to changes in the Hedging obligations.
- J) Variances are due to changes in the number of outstanding "Park" exchange obligations vs. the 0&12.
- K) Non-current Regulatory Asset variance due to an \$1.0M Corporate adjustment to Pension Benefit expense.

 Current Reg Liab variance due to unfavorable changes to DSM, Uncollectibles, & Other Misc Adjustments of (\$190K), (\$328K), and (\$280) respectively.

 Non-current OPEB

 liability variance due to changes in actuarial assumption provided by Corporate at the 7&5.
- L) Other Accruals variance primarily due to approximately \$560K of reductions to misc. other taxes, and reclasses to other accounts of roughly \$1.7M.
 - **Deferred Charges** & **Other Non-current liabilities** variances are due to Customer Advances stemming from Capital projects.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan

(\$ millions)

2012 11&1	Mo Actual	YTD Actual	2012 11&1	2013 11&1
New Business	0.3	3.9	3.7	4.0
Betterment	0.0	0.3	0.3	0.1
Replacement	0.7	13.3	12.0	15.8
Support Services	(0.0)	1.3	1.4	2.0
Gross Capital	0.9	18.8	17.4	21.9
Contributions & Reimbursements	(0.1)	(0.4)	(0.7)	(0.6)
Total NGD	0.9	18.4	16.8	21.3
Infrastructure/AMR	0.5	11.3	9.6	12.2

2012 0&12	Mo Budget	YTD	2012 0&12	2013 0&12
New Business	0.2	1.4	1.7	1.7
Betterment	0.1	1.1	1.0	0.2
Replacement	0.9	9.9	11.4	11.7
Support Services	0.1	0.6	1.2	1.6
Gross Capital	1.3	13.0	15.3	15.1
Contributions & Reimbursements	(0.0)	(0.6)	(0.7)	(0.7)
Total NGD	1.3	12.4	14.7	14.5
Infrastructure/AMR	0.7	8.3	9.1	8.2

Variance	Мо Var	YTD Var	Yr Var	Yr Var
New Business	-0.0	- 2.5	2.0	2.3
Betterment	(0.1)	(0.7)	(0.7)	(0.1)
Replacement	(0.2)	3.3	0.6	4.1
Support Services	(0.1)	0.7	0.2	0.5
Gross Capital	(0.4)	5.8	2.1	6.8
Contributions & Reimbursements	(0.0)	0.2	-	0.1
Total NGD	(0.4)	6.0	2.1	6.9
Infrastructure/AMR	(0.2)	3.0	0.5	4.0

Variance Explanations:

Primarily mild weather and contractor availability.

Plan variances due to additional allocation to NGD: CKY portion.

Columbia Gas of Kentucky Plan vs. Plan - December 2012 (\$ millions)

2013 0&12	2012	2013	2014
Net Revenues	58.5	60.1	60.7
O&M Expense	31.4	31.4	32.2
Depreciation	6.7	7.1	7.6
Other Taxes	2.7	3.1	3.4
Operating Earnings	17.7	18.5	17.5
Other Income	0.5	0.5	0.4
Interest Expense	4.7	5.0	5.2
Net Operating Income	13.5	13.9	12.7
Income Tax	5.6	5.3	6.6
Net Income	8.0	8.7	6.1

2012 7&5	2012	2013	2014
Net Revenues	60.5	60.4	60.9
O&M Expense	31.2	31.8	32.4
Depreciation	6.7	7.0	7.5
Other Taxes	2.7	3.2	3.5
Operating Earnings	19.9	18.4	17.6
Other Income	0.7	0.4	0.3
Interest Expense	4.8	5.1	5.1
Net Operating Income	15.8	13.7	12.7
Income Tax	6.0	5.3	7.2
Net Income	9.7	8.4	5.5

Variance	2012	2013	2014
Net Revenues	(2.1)	(0.3)	(0.2)
O&M Expense	0.2	(0.4)	(0.2)
Depreciation	0.0	0.1	0.1
Other Taxes	(0.1)	(0.1)	(0.1)
Operating Earnings	(2.2)	0.0	(0.1)
Other Income	(0.2)	0.1	0.2
Interest Expense	_(0.1)	(0.1)	0.1
Net Operating Income	(2.2)	0.2	(0.0)
Income Tax	(0.4)	(0.1)	(0.6)
Net Income	(1.8)	0.3	0.6

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan

Revenue - Plan-vs.-Plar (\$ millions)

2013 0&12	2012	2013	2014
Base Margin (less LCR)	50.0	50.4	50.0
LCR	4.9	5.1	5.4
LCR (Prior Dec. True-Up)	(0.1)	-	-
Supply Optimization	1.6	2.1	2.1
Regulatory Outcome	-	0.7	1.4
Other OGDR	1.3	1.0	1.0
CKY Purchase Receivable	0.4	0.4	0.4
Uncollectibles - Non Tracked	0.3	0.3	0.4
Uncollectibles - Tracked	0.2	0.2	0.2
Trackers	1.6	0.5	0.5
Total Revenue	60.3	60.8	61.4
Total Revenue w/o Trackers	58.5	60.1	60.7

2012 7&5	2012	2013	2014
Base Margin (less LCR)	51.3	50.2	49.8
LCR	4.9	5.1	5.4
LCR (Prior Dec. True-Up)	(0.1)	-	•
ESS	2.4	2.8	2.8
Regulatory Outcome	-	0.6	1.1
Other OGDR	1.3	1.0	1.0
CKY Purchase Receivable	0.4	0.4	0.4
Uncollectibles - Non Tracked	0.3	0.4	0.4
Uncollectibles - Tracked	0.2	0.2	0.2
Trackers	0.8	0.5	0.4
Total Revenue	61.6	61.1	61.6
Total Revenue w/o Trackers	60.5	60.4	60.9

Var	iance	2012	2013	2014
A)	Base Margin (less LCR)	(1.3)	0.2	0.2
	LCR	(0.0)	•	•
	LCR (Prior Dec. True-Up)	-	-	-
B)	ESS	(0.8)	(0.7)	(0.7)
	Regulatory Outcome	-	0.2	0.3
	Other OGDR	0.0	(0.0)	(0.0)
	CKY Purchase Receivable	0.0	0.0	0.0
	Uncollectibles - Non Tracked	(0.0)	(0.0)	(0.0)
	Uncollectibles - Tracked	-	-	-
	Trackers	0.7	0.0	0.0
	Total Variance	(1.3)	(0.3)	(0.2)
	Total Variance w/o Trackers	(2.1)	(0.3)	(0.2)

A) Variances driven by a slight increase to usage forecasts.

Variance due to downward revisions to Off-System sales forecasts due to declining gas prices

B) and price volatility

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2013 0&12	2012	2013	2014
Labor	7.3	7.2	7.4
Benefits	2.5	1.9	1.9
Materials & Supplies	1.5	1.4	1.4
Outside Services	4.6	4.4	4.2
Management Fee	11.7	12.4	12.7
Uncollectibles	0.1	0.5	0.5
Other *	3.7	3.6	4.1
Trackers	1.6	0.7	0.7
Total O&M	33.0	32.1	32.9
Total O&M w/o Trackers	31.4	31.4	32.2

2012 7&5	2012	2013	2014
Labor	7.0	7.3	7.6
Benefits	2.1	1.9	1.9
Materials & Supplies	1.5	1.5	1.5
Outside Services	4.3	4.3	4.4
Management Fee	12.1	12.4	12.6
Uncollectibles	0.2	0.5	0.5
Other *	4.1	3.8	3.9
Trackers	8.0	0.7	0.7
Total O&M	32.1	32.5	33.1
Total O&M w/o Trackers	31.2	31.8	32.4

Var	iance	2012	2013	2014
<u>A)</u>	Labor	0.3	(0.2)	(0.2)
B)	Benefits	0.4	(0.0)	-
	Materials & Supplies	0.1	(0.1)	(0.1)
A)	Outside Services	0.2	0.2	(0.2)
C)	Management Fee	(0.4)	0.0	0.1
	Uncollectibles	(0.1)	-	-
D)	Other *	(0.4)	(0.3)	0.2
E)	Trackers	0.7	(0.1)	(0.1)
	Total Change	0.9	(0.4)	(0.2)
	Total Change w/o Trackers	0.2_	(0.4)	(0.2)

- A) Primarily due to open headcount (LOGI & EGCO), and refinements to Operations workplan.
- B) 2012 Primarily revised assumptions for pension, OPEB, active medical and capital transfer percentages.
- C) 2012 Primarily revised assumptions for Administrative Services (IT) and NGD EH&S Distribution partially offset by capital transfers.
- D) Variance due to revisions to Fleet forecast and Operations workplan.
- E) Offset in revenues.

Columbia Gas of Kentucky O&M - Other Cost Element View - Plan-vs.-Plan (\$ millions)

2013 0&12	2012	2013	2014
Other			
Buildings and Land	0.1	0.1	0.1
Rents/Leases	0.2	0.2	0.2
Corporate Insurance	0.8	8.0	8.0
Employee Expenses	0.3	0.4	0.3
Company Memberships	0.1	0.1	0.1
Utilities	0.4	0.4	0.4
Misc Revenues	(0.2)	(0.1)	(0.1)
Misc & Other Expenses	0.2	0.3	0.3
Amortizations *	0.5	0.4	0.4
Deferred Credits	(0.2)	(0.7)	(0.1)
I&D Accrual	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	-
Advertising	0.1	0.1	0.1
Auto/Trucks Cleared	1,2	1.2	1.2
O&M Reclass - Regulatory to GAAP	0.2	0.2	0.2
Below the Line O&M			
	3.7	3.6	4.1

2012 7&5	2012	2013	2014
Other			
Buildings and Land	0.1	0.1	0.1
Rents/Leases	0.2	0.2	0.2
Corporate Insurance	8.0	0.8	8.0
Employee Expenses	0.3	0.4	0.3
Company Memberships	0.1	0.1	0.1
Utilities	0.4	0.4	0.4
Misc Revenues	(0.2)	(0.2)	(0.2)
Misc & Other Expenses	0.2	0.1	0.1
Amortizations *	0.5	0.4	0.4
Deferred Credits	(0.1)	(0.2)	(0.1)
I&D Accrual	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	-
Advertising	0.1	0.1	0.1
Auto/Trucks Cleared	1.3	1.3	1.3
O&M Reclass - Regulatory to GAAP	0.2	0.2	0.2
Below the Line O&M			
	4.1	3.8	3.9

Variance	2012	2013	2014
Other			
Buildings and Land	(0.0)	0.0	0.0
Rents/Leases	0.0	0.0	0.0
Corporate Insurance	(0.1)	0.0	0.0
Employee Expenses	(0.0)	0.0	0.0
Company Memberships	(0.0)	(0.0)	(0.0)
Utilities	(0.0)	0.0	0.0
Misc Revenues	(0.1)	0.1	0.1
Misc & Other Expenses	0.0	0.2	0.2
Amortizations *	0.0	-	-
A) Deferred Credits	(0.1)	(0.5)	(0.0)
I&D Accrual	(0.0)	(0.0)	(0.0)
Well/Lease Rent/Royalty	•	-	-
Advertising	0.0	-	-
Auto/Trucks Cleared	(0.1)	(0.1)	(0.1)
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)
Below the Line O&M	•	_	-
	(0.4)	(0.3)	0.2

A) 2013 variance primarily due to revisions to Customer Program assumptions.

2013 0&12	2012	2013	2014
Distribution Ops	11.4	10.9	11.2
Meter To Cash	0. 6	0.6	0.6
Customer Call Center	0.0	0.0	0.0
Integration Center	0.5	0.5	0.5
Presidents	1.5	1.6	1.6
Other Departments	-	-	-
Management Fee	11.7	12.4	12.7
Benefits	2.5	1.9	1.9
Uncollectibles	0.1	0.5	0.5
Other Corporate*	3.2	2.9	3.1
Trackers	1.6	0.7	0.7
Total O&M	33.0	32.1	32.9
Total O&M w/o Trackers	31.4	31.4_	32.2

2012 7&5	2012	2013	2014
Distribution Ops	11.1	11.2	11.4
Meter To Cash	0.6	0.6	0.6
Customer Call Center	0.0	0.0	0.0
Integration Center	0.6	0.7	0.7
Presidents	1.6	1.6	1.6
Other Departments	-	-	-
Management Fee	12.1	12.4	12.6
Benefits	2.1	1.9	1.9
Uncollectibles	0.2	0.5	0.5
Other Corporate*	3.0	2.9	3.0
Trackers	0.8	0.7	0.7
Total O&M	32.1	32.5	33.1
Total O&M w/o Trackers	31.2	31.8	32.4

Vai	riance	2012	2013	2014
A)	Distribution Ops	0.3	(0.2)	(0.1)
	Meter To Cash	(0.0)	0.0	-
	Customer Call Center	(0.0)	(0.0)	(0.0)
B)	Integration Center	(0.0)	(0.1)	(0.2)
	Presidents	(0.1)	(0.0)	(0.0)
	Other Departments	-	-	-
C)	Management Fee	(0.4)	0.0	0.1
D)	Benefits	0.4	(0.0)	-
	Uncollectibles	(0.1)	-	-
	Other Corporate*	0.1	0.1	0.0
E)	Trackers	0.7	(0.1)	(0.1)
	Total Change	0.9	(0.4)	(0.2)
	Total Change w/o Trackers	0.2	(0.4)	(0.2)

- A) 2012 Primarily fleet adj.,right of way (ROW) clearing and tools and uniforms. 2014-2017 -Primarily fleet adj.
- B) 2013-2018 Primarily due to allocation percentage revisions.
- C) 2012 Primarily revised assumptions for Administrative Services (IT) and NGD EH&S Distribution partially offset by capital transfers. 2013 - 2018 driven in large part by revisions to Corporate assumptions including CIP and Audit / IBM charges.
- D) 2012 Primarily revised assumptions for pension, OPEB, active medical and capital transfer percentages.
- E) Offset in revenues.

2013 0812	2012	2013	2014
Other Corporate			
Net Labor (CIP)	0.6	0.4	0.4
Materials/Supplies	0.0	0.0	0.0
Audit Fees	0.2	0.2	0.2
Consulting Fees	0.1	0.1	0.2
Legal Fees	-	-	-
Outside Services	0.2	0.2	0.2
Buildings and Land	•	-	-
Rents/Leases	0.2	0.2	0.2
Corporate insurance	8.0	0.8	0.8
Employee Expenses	•	-	-
Company Memberships	0.1	0.1	0.1
Utilities	0.1	0.2	0.2
Misc Revenues	-	-	•
Misc & Other Expenses	0.2	0.2	0.2
Amortizations *	0.5	0.4	0.4
Deferred Credits	(0.1)	(0.1)	(0.1)
I&D Accrual	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	-
Advertising	•		-
Auto/Truck Cleared	(0.0)	-	•
O&M Reclass - Regulatory to GAAP	0.2	0.2	0.2
Stores Clearing			
Below the line O&M			
Total Other Corporate	3.2	2.9	3.1

12 7&5	2012	2013	2014
Other Corporate			
Net Labor (CIP)	0.4	0.4	0.4
Materials/Supplies	0.0	0.0	0.0
Audit Fees	0.2	0.1	0.1
Consulting Fees	0.1	0.1	0.2
Legal Fees	•	-	-
Outside Services	0.2	0.2	0.2
Buildings and Land	-	-	
Rents/Leases	0.2	0.2	0.2
Corporate Insurance	0.8	8.0	0.8
Employee Expenses	-	-	-
Company Memberships	0.1	0.1	0.1
Utilities	0.1	0.1	0.1
Misc Revenues	-	-	-
Misc & Other Expenses	0.2	0.2	0.2
Amortizations *	0.5	0.4	0.4
Deferred Credits	(0.1)	(0.1)	(0.1)
I&D Accrual	0.1	0.1	0.1
Well/Lease Rent/Royalty	-	-	-
Advertising	•	-	-
Auto/Truck Cleared	-	•	•
O&M Reclass - Regulatory to GAAP	0.2	0.2	0.2
Stores Clearing			
Below the line O&M			
Total Other Corporate	3.0	2.9	3.0

Variance	2012	2013	2014
Other			
Net Labor (CIP)	0.2	0.0	0.0
Materials/Supplies	0.0	-	-
Audit Fees	0.0	0.0	0.0
Consulting Fees	(0.0)	-	
Legal Fees	•	-	-
Outside Services	0.0	-	-
Buildings and Land	-	-	•
Rents/Leases	0.0	0.0	0.0
Corporate Insurance	(0.1)	0.0	0.0
Employee Expenses	-	-	-
Company Memberships	(0.0)	(0.0)	(0.0)
Utilities	(0.0)	0.0	0.0
Misc Revenues	-	-	•
Misc & Other Expenses	0.0	0.0	0.0
Amortizations *	0.0		-
Deferred Credits	(0.0)	-	-
I&D Accrual	(0.0)	(0.0)	(0.0)
Well/Lease Rent/Royalty	-	•	-
Advertising	-	-	~
Auto/Truck Cleared	(0.0)	-	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)
Stores Clearing	-	-	-
Below the line O&M	-	-	-
Total Other Corporate	0.1	0.1	0.0

Columbia Gas of Kentucky Depreciation & Other Taxes - Plan

Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2013 0&12	2012	2013	2014
Depreciation	6.7	7.1	7.6
Other Taxes			
Gross Receipts	-	-	_
Property Tax	2.3	2.7	2.9
Payroll	0.6	0.5	0.5
Distribution	-	_	_
Other	0.0	-	_
Total Other Taxes	2.9	3.1	3.4
Total Other Taxes w/o Trackers	2.7	3.1	3.4

2012 7&5	2012	2013	2014
Depreciation	6.7	7.0	7.5
Other Taxes			
Gross Receipts	-	-	_
Property Tax	2.5	2.7	2.9
Payroll	0.5	0.5	0.5
Distribution	-	-	-
Other	0.0	-	-
Total Other Taxes	3.0	3.1	3.4
Total Other Taxes w/o Trackers	2.7	3.2	3.5

Variance	2012	2013	2014
A) Depreciation Change	0.0	0.1	0.1
Other Taxes			
Gross Receipts	-	-	-
Property Tax	(0.1)	-	0.0
Payroll	0.1	_	_
Distribution	-	-	-
Other	0.0	-	-
Total Other Taxes Change	(0.1)	-	0.0
Total Change w/o Trackers	(0.1)	(0.1)	(0.1)

A) Variance due to increased Capital spend

2013 0&12	2012	2013	2014
Miscellaneous	•	•	-
AFUDC	0.1	0.2	0.2
Hedging Interest Income	0.0	0.1	0.0
UnderCollection Income	•	-	-
Sales Receivable	-	-	-
Customer Tax Contribution	-	-	-
Charitable Contributions	(0.1)	(0.1)	(0.1)
Temp Cash Inv Int Inc	0.5	0.4	0.3
Total Other Income	0.5	0.5	0.4
Long-Term Interest Expense	4.7	5.0	5.2
Short-Term Interest Expense	-	0.0	0.0
Customer Deposits	0.1	0.1	0.1
Rate Refund Expense	-	-	
OverCollection Interest Expense	0.0	-	-
Loss / Gain on Sales of Asset	•	-	-
Loss on Impairment of Asset	(0.0)	-	
Other Interest Expense	- '	-	-
Carrying Cost Interest Expense		-	-
Hedging Interest Expense	-	-	~
PISCC	-	-	-
AFUDC	(0.0)	(0.1)	(0.1)
Interest Expense	4.7	5.0	5.2
Income from Subsidiary	0.0	•	-

2040 705	2042	0043	2014
2012 78.5	2012	2013	2014
Miscellaneous	•	• -	• • • • • • • • • • • • • • • • • • • •
AFUDC	0.1	0.2	0.2
Hedging Interest Income	0.0	0.0	-
UnderCollection Income	-	-	-
Sales Receivable	-	-	-
Customer Tax Contribution	•	•	-
Charitable Contributions	(0.1)	(0.1)	(0.1)
Temp Cash Inv Int Inc	0.6	0.3	0.2
Total Other Income	0.7	0.4	0.3
Long-Term Interest Expense	4.7	5.0	5.0
Short-Term Interest Expense	-	0.0	0.0
Customer Deposits	0.1	0.1	0.1
Rate Refund Expense	-	-	
OverCollection Interest Expense	-	-	-
Loss / Gain on Sales of Asset	•	-	-
Loss on Impairment of Asset	-	-	-
Other Interest Expense		-	-
Carrying Cost Interest Expense			-
Hedging Interest Expense	-	-	-
PISCC		•	-
AFUDC	(0.1)	(0.1)	(0.1)
Interest Expense	4.8	5.1	5.1
Income from Subsidiary	0.0	•	•

Vai	riance	2012	2013	2014
	Miscellaneous	•	-	
	AFUDC	(0.0)	(0.0)	(0.0)
	Hedging Interest Income	(0.0)	0.0	0.0
	UnderCollection Income	•	-	-
	Sales Receivable		•	-
	Customer Tax Contribution	-	-	-
	Charitable Contributions	(0.0)	-	-
A)	Temp Cash Inv Int Inc	(0.1)	0.1	0.2
	Total Other Income	(0.2)	0.1	0.2
A)	Long-Term Interest Expense	(0.0)	0.0	0.2
A)	Short-Term Interest Expense	-	(0.0)	(0.0)
	Customer Deposits	(0.1)	(0.1)	(0.1)
	Rate Refund Expense	•	-	-
	OverCollection Interest Expense	0.0	-	-
	Loss / Gain on Sales of Asset	-	-	-
	Loss on Impairment of Asset	(0.0)	-	-
	Other Interest Expense	•	•	-
	Carrying Cost Interest Expense	-	-	
	Hedging Interest Expense	-	-	•
	PISCC	-	-	•
	AFUDC	0.0	0.0	0.0
	Interest Expense	(0.1)	(0.1)	0.1
	Income from Subsidiary	0.0	-	-

A) Variance due to changes in Capital structure to maintain appropriate debt / equity percentages

3 0&12	2012	2013	2014
Assets			
Net Property Plant and Equipment	215.6	231.1	251
Total Investments	0.4	0.4	0
	• • •	•	•
Cash and Cash Equivalents	1.8	-	-
Restricted Cash	1.9	2.6	C
Accounts Receivable	49.4	27.7	27
Gas Inventory	44.1	44.0	43
Unrecovered Purchase Costs	-	8.5	€
Material & Supplies	0.1	0.1	C
Price Risk Management Assets	-	-	-
Exchange Gas Receivables & Reserve	0.1	0.1	C
Current Regulatory Assets	2.0	2.0	2
Prepayments and Other Assets	3.0	3.2	3
Total Current Assets	102.4	88.3	84
Price Risk Management Assets			
NC Regulatory Assets	19.7	18.5	17
Intangible Assets	-	-	_
Post Retirement Benefits NC Assets	_	-	-
Other Receivables Affiliated	_	_	_
Deferred Charges	3.1	3.1	3
Total Other Assets	22.8	21.6	20
	341.3	341.4	356
Total Assets	341.5	341.4	330
Capitalization & Liabilities			
Total Common Stock Equity	91.9	98.5	103
Long Term Debt , excluding amounts due within c	53.3	86.3	97
Total Capitalization	145.2	184.9	200
Current Portion of Long Term Debt	28.7	3.3	_
Accounts Payable	12.0	11.4	10
Customer Deposits and AR Credit Balance	15.6	17.7	17
Taxes Accrued	8.0	5.0	5
Interest Accrued	0.1	0.1	(
Overrecovered Gas and Fuel Costs	9.6	-	-
Price Risk Management Liabilities (Current)	0.9	0.9	(
Exchange Gas Payable	17.1	4.7	4
Current Regulatory Liabilities	4.3	3.9	3
Accrued Liability for Post Retirement Benefits - C	0.1	0.1	Ċ
Environmental	-	-	
Other Accruals	(0.4)	2.9	2
Total Current Liabilities	96.0	50.1	45
B. B. L.	0.0	0.0	_
Price Risk Management Liabilities - NC	0.8	0.8	
Deferred Income Taxes	50.0	55.2	59
Deferred Investment Tax Credits	0.4	0.4	C
Deferred Credits	-	-	-
Noncurrent Regulatory Liabilities	24.7	24.9	25
Accrued Liab for Post Retirement Benefits - NC	13.2	13.3	12
Other Non-Current Liabilities	11.0	12.0	12
Other NC Liab & Deferred Credits	100.0	106.4	110

2 7&5	2012	2013	2014
Assets			
Net Property Plant and Equipment	212.7	227.5	247.5
Total Investments	0.4	0.4	0.4
Cash and Cash Equivalents	-	-	-
Restricted Cash	3.2		-
Accounts Receivable	48.6	26.2	25.8
Gas Inventory	45.1	45.7	44.4
Unrecovered Purchase Costs	-	8.9	7.8
Material & Supplies	-	-	-
Price Risk Management Assets	-	-	-
Exchange Gas Receivables & Reserve	0.1	0.1	0.1
Current Regulatory Assets	2.5	2.5	2.5
Prepayments and Other Assets	3.0	3.2	3.6
Total Current Assets	102.4	86.6	84.2
Price Risk Management Assets			
NC Regulatory Assets	16.5	15.3	14.2
Intangible Assets	-	-	-
Post Retirement Benefits NC Assets	-	-	-
Other Receivables Affiliated	-	-	_
Deferred Charges	3.3	3.3	3.3
Total Other Assets	19.9	18.6	17.6
Total Assets	335.4	333.1	349.7
-			
Capitalization & Liabilities			
Total Common Stock Equity	91.9	98.3	102.6
Long Term Debt , excluding amounts due within c_	58.3	87.1	103.1
Total Capitalization	150.2	185.3	205.7
Current Portion of Long Term Debt	28.7	5.3	-
Accounts Payable	10.6	11.4	9.9
Customer Deposits and AR Credit Balance	17.7	17.7	17.7
Taxes Accrued	4.6	5.5	6.1
Interest Accrued	0.1	0.1	0.1
Overrecovered Gas and Fuel Costs	9.7	-	-
Price Risk Management Liabilities (Current)	0.8	0.8	0.8
Exchange Gas Payable	13.2	2.4	2.4
Current Regulatory Liabilities	4.1	3.8	3.8
Accrued Liability for Post Retirement Benefits - C	0.1	0.1	0.1
Environmental	-	-	-
Other Accruals	(1.4)	1.9	1.8
Total Current Liabilities	88.2	49.0	42.6
D. C. D. I. M. C. C. C. C. L. C.	4.0	4.0	4.0
Price Risk Management Liabilities - NC	1.0	1.0	1.0
Deferred Income Taxes	49.8	51.4	54.3
Deferred Investment Tax Credits Deferred Credits	0.4 -	0.4	0.3
Noncurrent Regulatory Liabilities	25.1	25.4	25.7
Accrued Liab for Post Retirement Benefits - NC	9.6	9.7	8.9
Other Non-Current Liabilities	11.0	11.1	11.3
Other NC Liab & Deferred Credits	96.9	98.9	101.4
Total Capitalization & Liabilities	335.4	333.1	349.7
TOTAL CARNADIZATION & TRANSPOR	JJJ.4	333. I	349.7

Var	iance	2012	2013	2014
	·			
	Assets			
	Net Property Plant and Equipment Total Investments	3.0 0.0	3.6 0.0	3.5 0.0
	lotal investments	0.0	Ų.U	0.0
A)	Cash and Cash Equivalents	1.8	_	-
B)	Restricted Cash	(1.3)	2.6	8.0
C)	Accounts Receivable	0.9	1.6	1.7
D)	Gas Inventory	(1.0)	(1.7)	(0.7)
E)	Unrecovered Purchase Costs	-	(0.4)	(1.0)
	Material & Supplies	0.1	0.1	0.1
	Price Risk Management Assets	-	-	-
	Exchange Gas Receivables & Reserve	0.0	0.0	0.0
F)	Current Regulatory Assets	(0.5)	(0.5)	(0.5)
	Prepayments and Other Assets	(0.0)	(0.0)	(0.0)
	Total Current Assets	(0.0)	1.7	0.3
	Price Risk Management Assets	(0.8)		
F)	NC Regulatory Assets	3.2	3.2	3.2
	Intangible Assets	-	-	-
	Post Retirement Benefits NC Assets	•	-	-
	Other Receivables Affiliated	-	-	-
	Deferred Charges	(0.2)	(0.2)	(0.2)
	Total Other Assets	2.9	2.9	2.9
	Total Assets	5.9	8.3	6.8
	O-14-P-41 O I I-billian			
٥١	Capitalization & Liabilities	0.0	0.3	0.4
	Total Common Stock Equity Long Term Debt , excluding amounts due within c	(5.0)	(0.7)	(5.7)
G)	Total Capitalization	(5.0)	(0.5)	(5.7)
	Total Capitalization	(0.0)	(0.0)	(0.0)
G)	Current Portion of Long Term Debt	-	(1.9)	-
C)	Accounts Payable	1.4	0.0	0.5
H)	Customer Deposits and AR Credit Balance	(2.1)	-	-
I)	Taxes Accrued	3.4	(0.4)	(0.5)
	Interest Accrued	(0.0)	(0.0)	(0.0)
E)	Overrecovered Gas and Fuel Costs	(0.1)	-	-
	Price Risk Management Liabilities (Current)	0.1	0.1	0.1
J)	Exchange Gas Payable	3.8	2.3	2.3
	Current Regulatory Liabilities	0.2	0.1	0.1
	Accrued Liability for Post Retirement Benefits - C	0.0	0.0	0.0
	Environmental	-	- 4.0	- 0.4
K)	Other Accruals	1.1 7.8	1.0 1.2	0.4 3.0
	Total Current Liabilities	7.0	1.2	3.0
	Price Risk Management Liabilities - NC	(0.2)	(0.2)	(0.2)
i)	Deferred Income Taxes	0.1	3.8	5.4
	Deferred Investment Tax Credits	0.0	0.0	0.0
	Deferred Credits	-	-	-
L)	Noncurrent Regulatory Liabilities	(0.4)	(0.5)	(0.6)
M)	Accrued Liab for Post Retirement Benefits - NC	3.6	3.6	3.6
N)	Other Non-Current Liabilities	(0.0)	0.9	0.9
	Other NC Liab & Deferred Credits	3.1	7.6	9.0
	Total Capitalization & Liabilities	5.9	8.3	6.8

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

Variance Explanations:

- A) 2012 variance due to increased cash flow from the 7&5 forecast.
- B) Variance due to changes to the required reserves related to the Hedging Program, and MF Global bankruptcy (\$1.8M).

C) Annual A/R variance primarily due to chances to Money Pool assumptions:

2012	2013	2014	2015	2016
(1.60)		0.63	(0.84)	(0.91)

2012 variance due to increased Gas, Marketer, and Other Miscellaneous expenses of (\$525K),

D)	Year	Volume Variance (\$\$\$)	Rate Variance (\$\$\$)	Total Variance (\$\$\$)
	2012	(0.2)	(0.7)	(0.9)
	2013	(0.4)	(1.3)	(1.7)
	2014	0.4	(1.1)	(0.7)
	2015	0.0	(1.3)	(1.3)
	2016	(0.4)	(1.2)	(1.6)
	2017	(0.5)	(1.2)	(1.7)
	2018	(0.1)	(1.1)	(1.2)

- E) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- F) Variances are due to changes to pension funding obligations.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to increases to Customer advances; specifically ColorPoint Greenhouse in Paris, KY.
- Variances primarily driven by Federal and State tax liabilities, and Net Operating Loss (NOL) impacts.
- J) Variance due to changes in the number of exchange obligations vs. the 0&12.
- K) Variances primarily driven by changes to CIP (\$499K), Deferred Taxes (\$245K), and Misc. / Other (\$499K).
- Variance primarily due to changes the adoption of SFAS 96 regarding the treatment of Deferred Taxes.
- M) Variance due to changes to Accrued Pension costs.
- N) Variance due to changes to adjustments to Customer Advances and OPEB Retirement obligations

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2013 0&12	2012	2013	2014
New Business	4.0	4.0	2.6
Betterment	0.4	0.1	0.1
Replacement	13.4	15.8	16.5
Support Services	1.6	2.0	8.5
Gross Capital	19.3	21.9	27.7
Contributions & Reimbursements	(0.4)	(0.6)	(0.6)
Total CKY *	18.9	21.3	27.1
Infrastructure/AMR	11.4	12.2	12.2

2012 7&5	2012	2013	2014
New Business	2.7	4.0	2.6
Betterment	0.3	0.1	0.1
Replacement	12.0	15.8	16.5
Support Services	1.4	2.0	8.5
Gross Capital	16.4	21.9	27.7
Contributions & Reimbursements	(0.7)	(0.6)	(0.6)
Total CKY	15.8	21.3	27.1
Infrastructure/AMR	9.6	12.2	12.2

Variance	2012	2013	2014
New Business	1.3	-	-
Betterment	0.1	-	-
Replacement	1.4	-	-
Support Services	0.2	-	-
Gross Capital	2.9	-	
Contributions & Reimbursements	0.2	-	-
Total CKY	3.1	- *	-
Infrastructure/AMR	1.7	-	-

NGD alloted additional capital after the 7&5R

Increase in growth activity, favorable weather, and contractor availability for both and replacement.

^{*} Note: Total does not include \$(0.1)M in unallocated overheads in 2012.

2013 1&11	Mo Actual	YTD Actual	2013 1&11	2014 1&11
Net Revenues	8.4	8.4	60.0	65.1
O&M Expense	2.5	2.5	31.3	32.2
Depreciation	0.6	0.6	7.1	7.6
Other Taxes	0.3	0.3	3.1	3.4
Operating Earnings	5.1	5.1	18.6	21.9
Other Income	0.0	0.0	0.4	0.2
Interest Expense	0.4	0.4	4.1	3.9
Net Operating Income	4.7	4.7	14.9	18.1
Income Tax	2.0	2.0	5.8	5.5
Net Operating Income	2.8	2.8	9.0	12.6

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Net Revenues	8.5	8.5	60.1	60.7
O&M Expense	2.6	2.6	31.4	32.2
Depreciation	0.6	0.6	7.1	7.6
Other Taxes	0.3	0.3	3.1	3.4
Operating Earnings	5.1	5.1	18.5	17.5
Other Income	0.1	0.1	0.5	0.4
Interest Expense	0.4	0.4	5.0	5.2
Net Operating Income	4.7	4.7	13.9	12.7
Income Tax	1.8	1.8	5.3	6.0
Net Operating Income	2.9	2.9	8.7	6.7

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	(0.1)	(0.1)	(0.0)	4.4
O&M Expense	(0.1)	(0.1)	(0.1)	(0.0)
Depreciation	0.0	0.0	0.0	-
Other Taxes	0.0	0.0	(0.0)	-
Operating Earnings	0.0	0.0	0.1	4.4
Other Income	(0.0)	(0.0)	(0.1)	(0.3)
Interest Expense	(0.0)	(0.0)	(0.9)	(1.2)
Net Operating Income	0.1	0.1	0.9	5.4
Income Tax	0.2	0.2	0.6	(0.5)
Net Operating Income	(0.1)	(0.1)	0.4	5.9

^{*} net of trackers

Columbia Gas of Kentucky Revenue - Plan-vs.-Plan (\$ millions)

2013 1&11	Mo Actual	YTD Actual	2013 1&11	2014 1&11
Base Margin (less LCR)	7.4	7.4	50.2	49.9
LCR	0.6	0.6	5.2	5.5
LCR (Prior Dec. True-Up)	(0.0)	(0.0)	(0.0)	=
ESS	0.2	0.2	2.1	2.1
Regulatory Outcome	-	-	0.7	1.4
Other OGDR	0.1	0.1	1.0	1.0
CKY Purchase Receivable	0.1	0.1	0.4	0.4
Uncollectibles - NonTracked	0.1	0.1	0.4	0.4
Uncollectibles - Tracked	0.0	0.0	0.2	0.2
Trackers	0.1	0.1	0.5	0.5
Total Revenue	8.5	8.5	60.8	65.8
Total Revenue w/o Trackers	8.4	8.4	60.0	65.1

13 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Base Margin (less LCR)	7.4	7.4	50.4	49.9
LCR	0.6	0.6	5.1	5.5
LCR (Prior Dec. True-Up)	-	-	•	-
ESS	0.1	0.1	2.1	2.1
Regulatory Outcome	•	-	0.7	1.4
Other OGDR	0.1	0.1	1.0	1.0
CKY Purchase Receivable	0.1	0.1	0.4	0.4
Uncollectibles - NonTracked	0.1	0.1	0.4	0.4
Uncollectibles - Tracked	0.0	0.0	0.2	0.2
Trackers	0.1	0.1	0.5	0.5
Total Revenue	8.6	8.6	60.8	61.4
Total Revenue w/o Trackers	8.5	8.5	60.1	60.7

Variance	Mo Var	YTD Var	Yr Var	Yr Var
A) Base Margin (less LCR)	(0.1)	(0.1)	(0.2)	0.0
LCR	(0.0)	(0.0)	0.1	-
LCR (Prior Dec. True-Up)	(0.0)	(0.0)	(0.0)	-
ESS	0.0	0.0	0.0	-
Regulatory Outcome	-	-	-	-
Other OGDR	0.0	0.0	0.0	(0.0)
CKY Purchase Receivable	(0.0)	(0.0)	(0.0)	(0.0)
Uncollectibles - NonTracked	(0.0)	(0.0)	0.0	(0.0)
Uncollectibles - Tracked	•	<u>-</u>	-	-
Trackers	0.0	0.0	0.1	-
Total Variance	(0.1)	(0.1)	0.0	4.4
Total Variance w/o Trackers	(0.1)	(0.1)	(0.0)	4.4

Variance Explanations:

A) Variance due to weather adjustments of \$0.3M

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2013 1&11	Mo Actual	YTD Actual	2013 1&11	2014 1&11
Penalty Charges	0.0	0.0	0.4	0.4
Return Check	0.0	0.0	0.1	0.1
Other Fees	0.1	0.1	0.4	0.4
Other Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	
Other Misc Income	-	-	-	-
Misc Merchant Revenue	0.0	0.0	0.0	_
Total OGDR	0.1	0,1	1.0	1.0

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Penalty Charges	0.0	0.0	0.4	0.4
Return Check	0.0	0.0	0.1	0.1
Other Fees	0.1	0.1	0.4	0.4
Other Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	-
Other Misc Income	-	-	-	-
Misc Merchant Revenue	0.0	0.0	0.0	.
Total OGDR	0.1	0.1	1.0	1.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	0.0	0.0	0.0	0.0
Return Check	0.0	0.0	0.0	0.0
Other Fees	0.0	0.0	0.0	0.0
Other Revenue	-	-	-	_
Pub Util-Flex	0.0	0.0	0.0	-
Company Use	0.0	0.0	(0.0)	(0.0)
Balancing Services	-	-	· ·	<u>-</u>
Other Misc Income	<u></u>	_	-	-
Misc Merchant Revenue	0.0	0.0	0.0	_
Total OGDR	0.0	0.0	0.0	(0.0)

Columbia Gas of Kentucky

2013 Customer & Usage Information - 1&11 vs. 0&12

Customer & Usage Change (\$ million)

Customer Change	Month	YTD
Residential	0.010	0.010
Commercial	0.010	0.010
Total	0.010	0.010

Usage Change	Month	YTD
Residential	0.056	0.056
Commercial	0.037	0.037
Industrial (Non-LCR)	0.017	0.017
Total	0.110	0.110

Normalized UPC (Mmcf)

Actual	Month	YTD
Residential	15.3	15.3
Comm	99.8	99.8
Ind	9,226.5	9,226.5

Budget	Month	YTD	
Residential	15.0	15.0	
Commercial	95.4	95.4	
Industrial	9,314.6	9,314.6	

Variance	Month	Mo. %	YTD	YTD %
Residential	0.2	1.6%	0.2	1.6%
Commercial	4.3	4.5%	4.3	4.5%
Industrial	(88.1)	-0.9%	(88.1)	-0.9%

Customer Count

Actual	Month	YTD Avg
Residential	120,896	120,896
Commercial	14,073	14,073
Industrial	181	181
Total	135,150	135,150

Budget	Month	YTD Avg
Residential	120,613	120,613
Commercial	13,990	13,990
Industrial	178	178
Total	134,781	134,781

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	283	0.2%	283	0.2%
Commercial	83	0.6%	83	0.6%
Industrial	_3_	1.7%	3	1.7%
Total	369	0.3%	369	0.3%

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2013 1&11	Mo Actual	YTD Actual	2013 1&11	2014 1&11
Labor	0.7	0.7	7.2	7.4
Benefits	0.1	0.1	1.7	1.9
Materials & Supplies	0.1	0.1	1.5	1.4
Outside Services	0.3	0.3	4.4	4.2
Management Fee	0.9	0.9	12.5	12.7
Uncollectibles	0.0	0.0	0.5	0.5
Other *	0.3	0.3	3.6	4.1
Trackers	0.1	0.1	0.7	0.7
Total O&M	2.6	2.6	32.0	32.9
	0.0	0.0	0.0	(0.0)
Total O&M w/o Trackers	2.5	2.5	31.3	32.2

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Labor	0.6	0.6	7.2	7.4
Benefits	0.2	0.2	1.9	1.9
Materials & Supplies	0.1	0.1	1.4	1.4
Outside Services	0.4	0.4	4.4	4.2
Management Fee	1.0	1.0	12.4	12.7
Uncollectibles	0.1	0.1	0.5	0.5
Other *	0.3	0.3	3.6	4.1
Trackers	0.1	0.1	0.7	0.7
Total O&M	2.7	2.7	32.1	32.9
	-	-	0.0	0.0
Total O&M w/o Trackers	2.6	2.6	31.4	32.2

	Variance	Mo Var	YTD Var	2013 Yr Var	2014 Yr Var
	Labor	0.0	0.0	0.0	0.0
A)	Benefits	(0.0)	(0.0)	(0.2)	-
	Materials & Supplies	0.1	0.1	0.1	-
	Outside Services	(0.1)	(0.1)	(0.0)	(0.0)
B)	Management Fee	(0.1)	(0.1)	0.0	0.0
	Uncollectibles	(0.0)	(0.0)	-	-
	Other *	0.0	0.0	0.0	(0.0)
	Trackers	0.0	0.0	0.0	-
	Total Change	(0.1)	(0.1)	(0.1)	(0.0)
	Total Change w/o Trackers	(0.1)	(0.1)	(0.1)	(0.0)

Variance Explanations:

- B) 2013 Yr Var Primarily revised assumptions for Pension & OPEB.
 C) Mo & YTD Var Primarily Administrative Services and NGD Operations.

2013 1&11	Mo Actual	YTD Actual	2013 1&11	2014 1&11
Other				
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.0	0.2	0.2
Corporate Insurance	0.1	0.1	0.8	0.8
Employee Expenses	0.0	0.0	0.4	0.3
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.1	0.1	0.5	0.4
Misc Revenues	0.0	0.0	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.0	0.3	0.3
Amortizations *	0.0	0.0	0.4	0.4
Deferred Credits	(0.0)	(0.0)	(0.7)	(0.1)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	_	-	-
Advertising	0.0	0.0	0.1	0.1
Auto/Trucks Cleared	0.1	0.1	1.2	1.2
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.2	0.2
Below the Line O&M				
	0.3	0.3	3.6	4,1

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Other				
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.0	0.2	0.2
Corporate Insurance	0.1	0.1	0.8	0.8
Employee Expenses	0.0	0.0	0.4	0.3
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.0	0.4	0.4
Misc Revenues	(0.0)	(0.0)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.0	0.3	0.3
Amortizations *	0.0	0.0	0.4	0.4
Deferred Credits	(0.1)	(0.1)	(0.7)	(0.1)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	-
Advertising	0.0	0.0	0.1	0.1
Auto/Trucks Cleared	0.1	0.1	1,2	1.2
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.2	0.2
Below the Line O&M	-	-	•	•
	0.3	0.3	3.6	4.1

riance	Mo Var	YTD Var	2012 Yr Var	2014 Yr Var
Other			<u> </u>	
Buildings and Land	(0.0)	(0.0)	(0.0)	_
Rents/Leases	0.0	0.0	0.0	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	-
Employee Expenses	(0.0)	(0.0)	(0.0)	-
Company Memberships	0.0	0.0	0.0	_
Utilities	0.0	0.0	0.0	-
Misc Revenues	0.0	0.0	0.0	-
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	•
Amortizations *	•	•	-	-
Deferred Credits	0.0	0.0	0.0	_
I&D Accrual	0.0	0.0	0.0	•
Well/Lease Rent/Royalty	•			
Advertising	0.0	0.0	0.0	-
Auto/Trucks Cleared	(0.0)	(0.0)	(0.0)	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M	•		` '	,
	0.0	0.0	0.0	(0.0)

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2013 1811	Mo Actual	YTD Actual	2013 1&11	2014 1&11
Distribution Ops	0.9	0.9	11.1	11.2
Meter To Cash	0.1	0.1	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.0	0.5	0.5
Presidents	0.1	0.1	1.6	1.6
Other Dept	-	-	-	•
Management Fee	0.9	0.9	12.5	12.7
Benefits	0.1	0.1	1.7	1.9
Uncollectibles	0.0	0.0	0.5	0.5
Other Corporate *	0.2	0.2	2.9	3.1
Trackers	0.1	0.1	0.7	0.7
Total O&M	2.6	2.6	32.0	32.9
Total O&M w/o Trackers	2.5	2.5	31.3	32.2

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Distribution Ops	0.9	0.9	10.9	11.2
Meter To Cash	0.1	0.1	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.0	0.5	0.5
Presidents	0.1	0.1	1.6	1.6
Other Dept	-	-	-	-
Management Fee	1.0	1.0	12.4	12.7
Benefits	0.2	0.2	1.9	1.9
Uncollectibles	0.1	0.1	0.5	0.5
Other Corporate *	0.2	0.2	2.9	3.1
Trackers	0.1	0.1	0.7	0.7
Total O&M	2.7	2.7	32.1	32.9
Total O&M w/o Trackers	2.6	2.6	31.4	32.2

Var	iance	Mo Var	YTD Var	2012 Yr Var	2014 Yr Var
	Distribution Ops	0.0	0.0	0.1	=
	Meter To Cash	0.0	0.0	0.0	-
	Customer Call Center	(0.0)	(0.0)	(0.0)	•
	Integration Center	(0.0)	(0.0)	(0.0)	-
	Presidents	0.0	0.0	0.0	-
	Other Dept	-	-	-	_
A)	Management Fee	(0.1)	(0.1)	0.0	0.0
B)	Benefits	(0.0)	(0.0)	(0.2)	-
	Uncollectibles	(0.0)	(0.0)	**	-
	Other Corporate *	(0.0)	(0.0)	(0.0)	(0.0)
	Trackers	0.0	0.0	0.0	-
	Total Change	(0.1)	(0.1)	(0.1)	(0.0)
	Total Change w/o Trackers	(0.1)	(0.1)	(0.1)	(0.0)

Variance Explanations:

- Mo & YTD Var Primarily Administrative Services and NGD Operations.
 2013 Yr Var Primarily revised assumptions for Pension & OPEB.

^{*} See O&M Other Corp Tab

2013 1811	Mo Actual	YTD Actual	2013 1&11	2014 18.11
Other Corporate				
Net Labor	0.0	0.0	0.5	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.0	0.2	0.2
Consulting Fees	0.0	0.0	0.1	0.2
Legal Fees		•	•	-
Outside Services	(0.0)	(0.0)	0.1	0.2
Buildings and Land	-	-	-	-
Rents/Leases	0.0	0.0	0.2	0.2
Corporate Insurance	0.1	0.1	0.8	0.8
Employee Expenses	-	-	-	-
Company Memberships	-	-	0.1	0.1
Utilities	0.0	0.0	0.2	0.2
Misc Revenues	-	-	-	
Misc & Other Expenses	0.0	0.0	0.2	0.2
Amortizations *	0.0	0.0	0.4	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty		-	-	
Advertising	-	-	-	-
Auto/Truck Cleared	-	-	=	-
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.2	0.2
Stores Clearing	-	-	-	-
Below the line O&M	· .			
Total Other Corporate	0.2	0.2	2.9	3.1

13 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0812
Other Corporate			•	
Net Labor	0.0	0.0	0.4	0.
Materials/Supplies	0.0	0.0	0.0	0.
Audit Fees	0.0	0.0	0.2	0.
Consulting Fees	0.0	0.0	0.1	0.
Legal Fees	•	•	•	-
Outside Services	0.0	0.0	0.2	0.
Buildings and Land	-	-	-	
Rents/Leases	0.0	0.0	0.2	0
Corporate Insurance	0.1	0.1	8.0	0
Employee Expenses	-	-	-	
Company Memberships	-	-	0.1	0
Utilities	0.0	0.0	0.2	0
Misc Revenues	-	•	-	
Misc & Other Expenses	0.0	0.0	0.2	0
Amortizations *	0.0	0.0	0.4	0
Deferred Credits	(0.0)	(0.0)	(0.1)	(0
I&D Accruat	0.0	0.0	0.1	C
Well/Lease Rent/Royalty	-	-	-	-
Advertising	•	-	•	-
Auto/Truck Cleared	-	-	-	-
O&M Reclass - Regulatory to GAAP	0.0	0.0	0.2	0
Stores Clearing	-	-	•	-
Below the line O&M		<u> </u>	-	
Total Other Corporate	0.2	0.2	2.9	3

/ariance	Mo Var	YTD Var	2012 Yr Var	2014 Yr Var
Other				
Net Labor	0.0	0.0	0.0	•
Materials/Supplies	0.0	0.0	0.0	_
Audit Fees	0.0	0.0	0.0	_
Consulting Fees	0.0	0.0	0.0	•
Legal Fees	-	-	-	-
Outside Services	(0.0)	(0.0)	(0.0)	-
Buildings and Land	-	-	<u>-</u>	
Rents/Leases	0.0	0.0	0.0	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	-
Employee Expenses		•	-	-
Company Memberships	-	=	•	-
Utilities	0.0	0.0	0.0	-
Misc Revenues	-		-	
Misc & Other Expenses	(0.0)	(0.0)	(0.0)	-
Amortizations *	-	-	=	
Deferred Credits	(0.0)	(0.0)	(0.0)	•
I&D Accrual	0.0	0.0	0.0	-
Well/Lease Rent/Royalty	-	-	-	-
Advertising	=	•	-	•
Auto/Truck Cleared	-	-		-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Stores Clearing	•	•	-	
Below the line O&M		-	•	-
Total Other Corporate	(0.0)	(0.0)	(0.0)	(0.0)

(*) Amortizations: IBM and Call Center Costs, Severance Costs, Rate Case Expenses

2013 1&11	Mo Actual	YTD Actual	2013 1&11	2014 1&11
Depreciation	0.6	0.6	7.1	7.6
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	0.2	2.7	2.9
Payroll	0.0	0.0	0.5	0.5
Distribution	-	-	-	-
Other	-	-	-	-
Total Other Taxes	0.3	0.3	3.2	3.4
Total Other Taxes w/o Trackers	0.3	0.3	3.1	3.4

013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Depreciation	0.6	0.6	7.1	7.6
Other Taxes				
Gross Receipts	-	•	-	•
Property Tax	0.2	0.2	2.7	2.9
Payroll	0.0	0.0	0.5	0.5
Distribution	-	-	-	-
Other	-	-	-	-
Total Other Taxes	0.3	0.3	3.1	3.4
Total Other Taxes w/o Trackers	0.3	0.3	3.1	3.4

riance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.0	0.0	-
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	-	-	-	-
Payroll	0.0	0.0	0.0	-
Distribution	-	-	-	-
Other	-	-	-	-
Total Other Taxes Change	0.0	0.0	0.0	=
Total Change w/o Trackers	0.0	0.0	(0.0)	

2013 1&11	Mo Actual	YTD Actual	2013 1&11	2014 18.11
Miscellaneous	-	•	*	-
AFUDC	0.0	0.0	0.2	0.2
Hedging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income	•	-	-	-
Sale Receivables	-	•	-	-
Customer Tax Contribution	-	=	-	-
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.0	0.3	0.1
Total Other Income	0.0	0.0	0.4	0.2
Long-Term Interest Expense	0.4	0.4	4.0	3.8
Short-Term interest Expense	•	-	0.1	0.1
Customer Deposits Interest Expense	•	-	0.1	0.1
Rate Refund Interest Expense	-	=	=	-
Over-Collection Interest Expense	-	-	•	-
Other Interest Expense	-	-	-	-
Carrying Cost Interest Expense	-	-	-	-
Hedging Interst Expense	-	-	-	-
PISCC	-	-	-	-
interest Expense on Plant Investment	(0.0)	(0.0)	(0.1)	(0.1)
Interest Expense	0.4	0.4	4.1	3.9
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	

3 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Miscellaneous	•	-	•	-
AFUDC	0.0	0.0	0.2	0.2
Hedging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income	-	-	•	•
Sale Receivables	-	-	-	-
Customer Tax Contribution	=	-	-	-
Charitable Contributions	(0.0)	(D.O)	(0.1)	(0.1
Temp Cash Investment Interest Income	0.1	0.1	0.4	_0.3
Total Other Income	0.1	0.1	0.5	0.4
Long-Term Interest Expense	0.4	0.4	5.0	5.2
Short-Term Interest Expense		-	0.0	0.0
Customer Deposits Interest Expense	0.0	0.0	0.1	0.1
Rate Refund Interest Expense	-	-	•	-
Over-Collection Interest Expense	-	-	-	-
Other Interest Expense	-	•	-	-
Carrying Cost Interest Expense		=	÷	
Hedging Interst Expense	-	-	-	-
PISCC	-		•	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.1)	(0.1
Interest Expense	0.4	0.4	5.0	5.2
NET INCOME FROM SUBSIDIARIES	-	0.0	-	

Variance	Мо Var	YTD Var	Yr Var	Yr Var
Miscellaneous	-	•	•	-
AFUDC	(0.0)	(0.0)	(0.0)	
Hedging Interest Income	(0.0)	(0.0)	(0.0)	-
Under-Collection Interest Income	-	•	-	-
Sale Receivables	•	-	-	-
Customer Tax Contribution	-	-	-	-
Charitable Contributions	0.0	0.0	(0.0)	-
A) Temp Cash investment Interest Income	(0.0)	(0.0)	(0.1)	(0.3)
Total Other Income	(0.0)	(0.0)	(0.1)	(0.3)
B) Long-Term Interest Expense	(0.0)	(0.0)	(1.0)	(1.4)
Short-Term Interest Expense	-	-	0.1	0.1
Customer Deposits Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)
Rate Refund Interest Expense	-	-	-	-
Over-Collection Interest Expense	-	•	-	-
Other Interest Expense		-	-	-
Carrying Cost Interest Expense	=	•	-	-
Hedging Interst Expense	•	-	-	•
PISCC	•	-	-	*
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.0)	
Interest Expense	(0.0)	(0.0)	(0.9)	(1.2)
NET INCOME FROM SUBSIDIARIES	0.0		0.0	-

- A) Variance represents changes to the interest earned on operating cash sent to Corp. Money Pool.
 B) Variance due to financing assumptions used to balance rate base

Cash and Cash Equivalents	1&11	Мо	2013	2014
Net Property Plant and Equipment	Accate			
Total Investments		215.7	231.1	251.
Restricted Cash	Total Investments			0.
Restricted Cash				
Accounts Receivable			-	- 0
Gas Inventory		* * * *		
Unrecovered Purchase Costs				
Material & Supplies 0.1 11.9 1		20.2		
Price Risk Management Assets Exchange Gas Receivables & Reserve 0.1 0.1 Current Regulatory Assets 1.8 4.2 Prepayments and Other Assets 103.5 Price Risk Management Assets 103.5 Price Risk Management Assets 103.5 Price Risk Management Assets 19.4 18.2 1 Intengible Assets 19.5 18.2 1 Intengible Assets 19.6 18.2 1 Intengible Assets 19.7 18.2 1 Intengible Assets 19.8 18.2 1 Intengible Assets 19.8 18.2 1 Intengible Assets 19.9 18.2 1 Intendible Assets 19		-		4
Exchange Gas Receivables & Reserve		0.1	11.9	11
Current Regulatory Assets		-		-
Prepayments and Other Assets				0
Total Current Assets				4
Price Risk Management Assets NC Regulatory Assets 19.4 18.2 1 Intangible Assets				15
NC Regulatory Assets 19.4 18.2 1 Intangible Assets Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges 3.8 3.8 Total Other Assets 23.1 22.0 2 Total Assets 342.8 352.9 36 Capitalization & Liabilities Total Common Stock Equity 94.8 99.0 10 Long Term Debt., excluding amounts due within one year 73.3 86.3 9 Total Capitalization 168.1 185.4 20 Obligations Due in One Year 14.0 17.2 1.1 Accounts Payable 13.2 10.9 Customer Deposits and AR Credit Balance 12.7 17.7 1.1 Taxes Accrued 8.3 5.1 Interest Accrued 0.1 0.1 Overrecovered Gas and Fuel Costs 5.9 - Price Risk Management Liabilities (Current) 0.9 0.9 Exchange Gas Payable 13.9 3.6 Current Regulatory Liabilities 4.0 3.7 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Total Current Regulatory Liabilities NC 0.5 0.5 Deferred Income Taxes 51.2 55.1 5 Deferred Credits 0.4 0.4 0.4 Deferred Credits 0.4 0.4 0.4 Deferred Credits 13.1 13.2 2.1 Other Non-Current Liabilities 10.1 11.1 11.9 1.1 Other Non-Current Liabilities 10.1 10.1 Other Non-Current Liabilities 10.1 Other Non-Current	lotal Current Assets	103.5	99.4	90
Intangible Assets	Price Risk Management Assets	-		-
Post Retirement Benefits NC Assets Other Receivables Affiliated Deferred Charges 3.8 3.8 Total Other Assets 23.1 22.0 2 Total Assets 342.8 352.9 36 Capitalization & Liabilities Total Common Stock Equity 94.8 99.0 10 Long Term Debt , excluding amounts due within one year 73.3 86.3 9 Total Capitalization 168.1 185.4 20 Obligations Due in One Year 14.0 17.2 1. Accounts Payable 13.2 10.9 Customer Deposits and AR Credit Balance 12.7 17.7 1 Taxes Accrued 1.0 Interest Acc	NC Regulatory Assets	19.4	18.2	17
Other Receivables Affiliated Deferred Charges 3.8 3.8 Total Other Assets 23.1 22.0 2 Total Assets 342.8 352.9 36 Capitalization & Liabilities State of Market State St	Intangible Assets	=	-	=
Deferred Charges 3.8	Post Retirement Benefits NC Assets	-	-	-
Total Other Assets 23.1 22.0 2 2 7 7 7 7 7 7 7 7	Other Receivables Affiliated	-	-	-
Total Assets 342.8 352.9 36	Deferred Charges	3.8	3.8	
Description Section	Total Other Assets	23.1	22.0	20
Description Section	Total Assets	342.8	352.9	367
State Stat		<u> </u>		
Total Capitalization	Capitalization & Liabilities			
Total Capitalization	Total Common Stock Equity	94.8	99.0	104
Obligations Due in One Year 14.0 17.2 1 Accounts Payable 13.2 10.9 Customer Deposits and AR Credit Balance 12.7 17.7 1 Taxes Accrued 8.3 5.1 Interest Accrued 0.1 0.1 Overrecovered Gas and Fuel Costs 5.9 - Price Risk Management Liabilities (Current) 0.9 0.9 Exchange Gas Payable 13.9 3.6 Current Regulatory Liabilities 4.0 3.7 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals 0.5 2.1 Total Current Liabilities 73.7 61.4 5 Price Risk Management Liabilities - NC 0.5 0.5 0.5 Deferred Income Taxes 51.2 55.1 5 Deferred Investment Tax Credits 0.4 0.4 0.4 Deferred Credits - - - Noncurrent Regulatory Liabilities 24.7 24.9 2 Accrued Liab for Post Retirement Benefits - NC 13.1 <	Long Term Debt, excluding amounts due within one year	73.3	86.3	97
Accounts Payable 13.2 10.9 Customer Deposits and AR Credit Balance 12.7 17.7 17.7 1 Taxes Accrued 8.3 5.1 Interest Accrued 0.1 0.1 0.1 Overrecovered Gas and Fuel Costs 5.9 - Price Risk Management Liabilities (Current) 0.9 0.9 Exchange Gas Payable 13.9 3.6 Current Regulatory Liabilities 4.0 3.7 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental Other Accruals 0.5 2.1 Total Current Liabilities - NC 0.5 0.5 Deferred Income Taxes 51.2 55.1 5 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits Noncurrent Regulatory Liabilities - NC 0.4 0.4 Deferred Credits 0.4 0.4 Deferred Credits 13.1 13.2 14 Other Non-Current Liabilities 11.1 11.9 15 Other Non-Current Liabilities 11.1 11.9 Other NC Liab & Deferred Credits 10.1 16.1	Total Capitalization	168.1	185.4	201
Accounts Payable 13.2 10.9 Customer Deposits and AR Credit Balance 12.7 17.7 17.7 1 Taxes Accrued 8.3 5.1 Interest Accrued 0.1 0.1 0.1 Overrecovered Gas and Fuel Costs 5.9 - Price Risk Management Liabilities (Current) 0.9 0.9 Exchange Gas Payable 13.9 3.6 Current Regulatory Liabilities 4.0 3.7 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental Other Accruals 0.5 2.1 Total Current Liabilities - NC 0.5 0.5 Deferred Income Taxes 51.2 55.1 5 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits Noncurrent Regulatory Liabilities - NC 0.4 0.4 Deferred Credits 0.4 0.4 Deferred Credits 13.1 13.2 14 Other Non-Current Liabilities 11.1 11.9 15 Other Non-Current Liabilities 11.1 11.9 Other NC Liab & Deferred Credits 10.1 16.1	Obligations Due in One Year	14.0	17.2	12
Customer Deposits and AR Credit Balance 12.7 17.7 1 Taxes Accrued 8.3 5.1 Interest Accrued 0.1 0.1 Overrecovered Gas and Fuel Costs 5.9 - Price Risk Management Liabilities (Current) 0.9 0.9 Exchange Gas Payable 13.9 3.6 Current Regulatory Liabilities 4.0 3.7 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals 0.5 2.1 Total Current Liabilities 73.7 61.4 5 Price Risk Management Liabilities - NC 0.5 0.5 0.5 Deferred Income Taxes 51.2 55.1 5 Deferred Investment Tax Credits 0.4 0.4 0.4 Deferred Credits - - - Noncurrent Regulatory Liabilities 24.7 24.9 2 Accrued Liab for Post Retirement Benefits - NC 13.1 13.2 1 Other Non-Current Liabilities 11.1 11.9 1 Other NC Liab & Deferred Credi				9
Taxes Accrued 8.3 5.1 Interest Accrued 0.1 0.1 Overrecovered Gas and Fuel Costs 5.9 - Price Risk Management Liabilities (Current) 0.9 0.9 Exchange Gas Payable 13.9 3.6 Current Regulatory Liabilities 4.0 3.7 Accrued Liability for Post Retirement Benefits - Cur 0.1 Environmental - - Other Accruals 0.5 2.1 Total Current Liabilities - NC 0.5 0.5 Deferred Income Taxes 51.2 55.1 5 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits - - Accrued Liab for Post Retirement Benefits - NC 13.1 13.2 1 Other NC Liab & Deferred Credits 101.0 106.1 14 Other NC Liab & Deferred Credits 101.0 106.1 14 Other NC Liab & Deferred Credits 10.1 10.0 Contact				17
Interest Accrued				5
Overrecovered Gas and Fuel Costs 5.9 -				Č
Price Risk Management Liabilities (Current) 0.9 0.9 Exchange Gas Payable 13.9 3.6 Current Regulatory Liabilities 4.0 3.7 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals 0.5 2.1 Total Current Liabilities 73.7 61.4 5 Price Risk Management Liabilities - NC 0.5 0.5 0.5 Deferred Income Taxes 51.2 55.1 5 Deferred Investment Tax Credits 0.4 0.4 0.4 Deferred Credits - - - Noncurrent Regulatory Liabilities 24.7 24.9 2 Accrued Liab for Post Retirement Benefits - NC 13.1 13.2 1 Other Non-Current Liabilities 11.1 11.9 1 Other NC Liab & Deferred Credits 101.0 106.1 11		=		-
Exchange Gas Payable 13.9 3.6 Current Regulatory Liabilities 4.0 3.7 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals 0.5 2.1 Total Current Liabilities 73.7 61.4 5 Price Risk Management Liabilities - NC 0.5 0.5 0.5 Deferred Income Taxes 51.2 55.1 5 Deferred Investment Tax Credits 0.4 0.4 0.4 Deferred Credits - - - Noncurrent Regulatory Liabilities 24.7 24.9 2 Accrued Liab for Post Retirement Benefits - NC 13.1 13.2 1 Other Non-Current Liabilities 11.1 11.9 1 Other NC Liab & Deferred Credits 101.0 106.1 11				C
Current Regulatory Liabilities 4.0 3.7 Accrued Liability for Post Retirement Benefits - Cur 0.1 0.1 Environmental - - Other Accruals 0.5 2.1 Total Current Liabilities 73.7 61.4 5 Price Risk Management Liabilities - NC 0.5 0.5 Deferred Income Taxes 51.2 55.1 5 Deferred Investment Tax Credits 0.4 0.4 0.4 Deferred Credits - - - Noncurrent Regulatory Liabilities 24.7 24.9 2 Accrued Liab for Post Retirement Benefits - NC 13.1 13.2 1 Other Non-Current Liabilities 11.1 11.9 1 Other NC Liab & Deferred Credits 101.0 106.1 11				3
Accrued Liability for Post Retirement Benefits - Cur Environmental Other Accruals Other Accruals Total Current Liabilities 73.7 61.4 5 Price Risk Management Liabilities - NC Deferred Income Taxes Deferred Investment Tax Credits Deferred Credits Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC Other Non-Current Liabilities 11.1 Other NC Liab & Deferred Credits 101.0 10.1 10				3
Environmental				Č
Other Accruals 0.5 2.1 Total Current Liabilities 73.7 61.4 5 Price Risk Management Liabilities - NC 0.5 0.5 0.5 Deferred Income Taxes 51.2 55.1 5 Deferred Investment Tax Credits 0.4 0.4 0.4 Deferred Credits - - - Noncurrent Regulatory Liabilities 24.7 24.9 2 Accrued Liab for Post Retirement Benefits - NC 13.1 13.2 1 Other Non-Current Liabilities 11.1 11.9 1 Other NC Liab & Deferred Credits 101.0 106.1 11		-		_
Total Current Liabilities 73.7 61.4 5 Price Risk Management Liabilities - NC 0.5 0.5 Deferred Income Taxes 51.2 55.1 5 Deferred Investment Tax Credits 0.4 0.4 0.4 Deferred Credits -		0.5		2
Price Risk Management Liabilities - NC 0.5 0.5 Deferred Income Taxes 51.2 55.1 5 Deferred Investment Tax Credits 0.4 0.4 Deferred Credits - - - Noncurrent Regulatory Liabilities 24.7 24.9 2 Accrued Liab for Post Retirement Benefits - NC 13.1 13.2 1 Other Non-Current Liabilities 11.1 11.9 1 Other NC Liab & Deferred Credits 101.0 106.1 11				
Deferred Income Taxes				
Deferred Investment Tax Credits 0.4 0.4 Deferred Credits - - Noncurrent Regulatory Liabilities 24.7 24.9 2 Accrued Liab for Post Retirement Benefits - NC 13.1 13.2 1 Other Non-Current Liabilities 11.1 11.9 1 Other NC Liab & Deferred Credits 101.0 106.1 11.0				Q
Deferred Credits	- +·+··•+ ···++···- · -··			59
Noncurrent Regulatory Liabilities 24.7 24.9 2 Accrued Liab for Post Retirement Benefits - NC 13.1 13.2 1 Other Non-Current Liabilities 11.1 11.9 1 Other NC Liab & Deferred Credits 101.0 106.1 11	Deferred Investment Tax Credits	0.4	0.4	C
Accrued Liab for Post Retirement Benefits - NC 13.1 13.2 1 Other Non-Current Liabilities 11.1 11.9 1 Other NC Liab & Deferred Credits 101.0 106.1 11	Deferred Credits	-	-	-
Other Non-Current Liabilities 11.1 11.9 1. Other NC Liab & Deferred Credits 101.0 106.1 11	Noncurrent Regulatory Liabilities			25
Other NC Liab & Deferred Credits 101.0 106.1 11	Accrued Liab for Post Retirement Benefits - NC			12
	Other Non-Current Liabilities			12
Total Capitalization & Liabilities 342.8 352.9 36	Other NC Liab & Deferred Credits	101.0	106.1	110
	Total Capitalization & Liabilities	342.8	352 9	367

3 0&12	Мо	2013	2014
Acceste			
Assets Not Property Plant and Equipment	217.3	231.1	251
Net Property Plant and Equipment Total Investments	0.4	0.4	231
Total investments	0.4	U. 4	,
Cash and Cash Equivalents	-	-	-
Restricted Cash	4.0	2.6	(
Accounts Receivable	61.6	27.7	27
Gas Inventory	33.7	44.0	43
Unrecovered Purchase Costs	•	8.5	•
Material & Supplies	0.1	0.1	(
Price Risk Management Assets	-	-	-
Exchange Gas Receivables & Reserve	0.1	0.1	(
Current Regulatory Assets	2.0	2.0	2
Prepayments and Other Assets	2.8	3.2	3
Total Current Assets	104.3	88.3	84
Price Risk Management Assets	_	_	_
NC Regulatory Assets	19.6	18.5	17
Intangible Assets		-	•
Post Retirement Benefits NC Assets	-		_
Other Receivables Affiliated	-	<u>.</u>	_
Deferred Charges	3,1	3,1	;
Total Other Assets	22.7	21.6	20
Total Assets	344.7	- 341.4	350
, otal Assots	<u> </u>	 	
Capitalization & Liabilities			
Total Common Stock Equity	94.7	98.5	103
Long Term Debt, excluding amounts due within one year	73.3	86.3	97
Total Capitalization	168.0	184.9	200
Obligations Business Cons. Vens	440	2.2	
Obligations Due in One Year	14.0	3.3	-
Accounts Payable	12.4	11.4	10
Customer Deposits and AR Credit Balance	13.6	17.7	17
Taxes Accrued	9.0	5.0	
Interest Accrued	0.1	0.1	(
Overrecovered Gas and Fuel Costs	6.3	•	-
Price Risk Management Liabilities (Current)	0.9	0.9	(
Exchange Gas Payable	14.9	4.7	4
Current Regulatory Liabilities	4.2	3.9	3
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	(
Environmental	-	=	-
Other Accruals	(0.1)	2.9	
Total Current Liabilities	75.4	50.1	4:
Price Risk Management Liabilities - NC	0.8	0.8	(
Deferred Income Taxes	50.4	55.2	59
Deferred Investment Tax Credits	0.4	0.4	(
Deferred Credits	-	-	_
Noncurrent Regulatory Liabilities	24.7	24.9	25
Accrued Liab for Post Retirement Benefits - NC	13.2	13.3	12
Other Non-Current Liabilities	11.8	12.0	12
Other NC Liab & Deferred Credits	101.3	106.4	110
		-	
Total Capitalization & Liabilities	344.7	341.4	356

B) C) D) E) F)	Assets Net Property Plant and Equipment Total Investments Cash and Cash Equivalents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs	(1.6) 0.0 3.6 (2.1) (0.2) (13.6)	0.0 0.0 - 0.0	0.0 0.0
B) C) D) E) F)	Total Investments Cash and Cash Equivalents Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs	3.6 (2.1) (0.2)	0.0	
C) D) E) F)	Restricted Cash Accounts Receivable Gas Inventory Unrecovered Purchase Costs	(2.1) (0.2)	-	
D) E) F)	Accounts Receivable Gas Inventory Unrecovered Purchase Costs	(0.2)	0.0	-
E) F)	Gas Inventory Unrecovered Purchase Costs		0.0	0.0
F)	Unrecovered Purchase Costs	(13.6)	1.3	(0.9)
		(,	(12.4)	(12.4)
E)		-	(3.7)	(1.9)
	Material & Supplies	0.0	11.8	11.8
	Price Risk Management Assets	(0.0)	- (0.0)	- (0.0)
	Exchange Gas Receivables & Reserve	(0.0)	(0.0)	(0.0)
-\	Current Regulatory Assets	(0.2)	2.2	2.2
E)	Prepayments and Other Assets Total Current Assets	11.8 (0.8)	11.9 11.1	11.9 10.7
	Total Culterit Assets	(0.0)	11.1	10.1
	Price Risk Management Assets	-		- (0.0)
	NC Regulatory Assets	(0.2)	(0.2)	(0.2)
	Intangible Assets Post Retirement Benefits NC Assets	-	-	-
	Other Receivables Affiliated	-	-	-
K)	Deferred Charges	0.7	0.7	0.7
'\)	Total Other Assets	0.4	0.4	0.4
	Total Assets	(2.0)	11.5	11.1
	Total Assets	(2.0)	-	
	Capitalization & Liabilities	-	•	_
G)	Total Common Stock Equity	0.0	0.5	1.1
G)	Long Term Debt , excluding amounts due within one year	-	-	_
٥,	Total Capitalization	0.0	0.5	1.1
	·			
G)	Current Portion of Long Term Debt	-	13.8	12.2
D)	Accounts Payable	0.8	(0.5)	(0.6)
D)	Customer Deposits and AR Credit Balance	(0.8)	- 0.0	0.0
H)	Taxes Accrued Interest Accrued	(0.7)	0.0	0.0 -
F)	Overrecovered Gas and Fuel Costs	(0.4)	-	-
1)	Price Risk Management Liabilities (Current)	0.0	0.0	0.0
J)	Exchange Gas Payable	(1.0)	(1.0)	(1.0)
٠,	Current Regulatory Liabilities	(0.2)	(0.2)	(0.2)
	Accrued Liability for Post Retirement Benefits - Cur	-	-	-
	Environmental	-	-	-
K)	Other Accruals	0.6	(0.8)	(0.1)
	Total Current Liabilities	(1.7)	11.3	10.3
	Price Risk Management Liabilities - NC	(0.2)	(0.2)	(0.2)
H)	Deferred Income Taxes	0.8	(0.0)	(0.0)
,	Deferred Investment Tax Credits	(0.0)	0.0	0.0
	Deferred Credits	-	-	-
	Noncurrent Regulatory Liabilities	(0.0)	0.0	0.0
	Accrued Liab for Post Retirement Benefits - NC	(0.1)	(0.0)	(0.0)
K)	Other Non-Current Liabilities	(0.7)	(0.0)	(0.0)
	Other NC Liab & Deferred Credits	(0.3)	(0.3)	(0.3)
	Total Capitalization & Liabilities	(2.0)	11.5	11.1

- A) Variance due to timing around 2013 In-Service and subsequent Depreciation.
- B) Increase in Money Pool funding.
- C) Monthly and 2013 annual variances are due to changes to the required reserves related to the Hedging Program.
- D) <u>A/R:</u> 2013 variance is primarily due to increase in off-system sales.
 - A/P: 2014 variance is due to decreased payables related to declining Gas Costs (\$520K).
- E) Monthly variance due to Usage variances of (\$1.8M) respectively. 2013 variance due to Rate differential of (\$507K) along with include reclassification entries between the Inventory and Material & Supply accounts and the prepayment accounts to accurately state the LIFO inventory balance; which was \$11.8M as of January 30th
- F) 2013 & 2014 Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to changes to the Federal tax payment and accrual calculation(s).
- I) Variance due to changes in the Hedging obligations.
- J) Variances are due to changes in the number of outstanding exchange obligations vs. the 0&12.
- K) <u>Deferred Charges</u> & <u>Other Non-current liabilities</u> variances are due to Customer Advances stemming from Capital projects.

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2013 1&11	Mo Actual	YTD Actual	2013 1&11	2014 1&11
New Business	0.2	0.2	4.0	2.6
Betterment	0.1	0.1	0.1	0.1
Replacement	0.6	0.6	15.8	16.5
Support Services	0.1	0.1	2.0	8.5
Gross Capital	1.0	1.0	21.9	27.7
Contributions & Reimbursements	(0.6)	(0.6)	(0.6)	(0.6)
Total NGD	0.4	0.4	21.3	27.1
Infrastructure/AMR	0.5	0.5	12.2	12.2

2013 0&12	Mo Budget	YTD	2013 0&12	2014 0&12
New Business	0.4	0.4	4.0	2.6
Betterment	0.0	0.0	0.1	0.1
Replacement	1.0	1.0	15.8	16.5
Support Services	0.1	0.1	2.0	8.5
Gross Capital	1.5	1.5	21.9	27.7
Contributions & Reimbursements	(0.0)	(0.0)	(0.6)	(0.6)
Total NGD	1.5	1.5	21.3	27.1
Infrastructure/AMR	0.7	0.7	12.2	12.2

riance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	(0.2)	(0.2)	-	-
Betterment	0.1	0.1	-	-
Replacement	(0.3)	(0.3)	-	-
Support Services	(0.0)	(0.0)	-	
Gross Capital	(0.5)	(0.5)	•	
Contributions & Reimbursements	(0.6)	(0.6)	-	
Total NGD	(1.1)	(1.1)	-	
Infrastructure/AMR	(0.2)	(0.2)	*	

Variance Explanations:

Primarily unfavorable weather.

Note: 2014 AMR program of \$7M shown in support services.

Columbia Gas of Kentucky Plan vs. Plan - February 2013 (\$ millions)

2013 2&10	2013	2014
Net Revenues	60.8	61.0
O&M Expense	32.3	32.8
Depreciation	7.1	7.7
Other Taxes	3.1	3.4
Operating Earnings	18.2	17.0
Other Income	0.5	0.3
Interest Expense	5.2	5.3
Net Operating Income	13.5	12.0
Income Tax	5.4	6.7
Net Income	8.1	5.4

2013 0&12	2013	2014
Net Revenues	60.1	60.7
O&M Expense	31.4	32.2
Depreciation	7.1	7.6
Other Taxes	3.1	3.4
Operating Earnings	18.5	17.5
Other Income	0.5	0.4
Interest Expense	5.0	5.2
Net Operating Income	13.9	12.7
Income Tax	5.3	6.6
Net Income	8.7	6.1

Variance	2013	2014
Net Revenues	0.8	0.3
O&M Expense	1.0	0.6
Depreciation	0.0	0.1
Other Taxes	0.0	0.0
Operating Earnings	(0.2)	(0.4)
Other Income	(0.0)	(0.1)
Interest Expense	0.1	0.2
Net Operating Income	(0.4)	(0.7)
Income Tax	0.2	0.1
Net Income	(0.6)	(8.0)

^{*} net of trackers

Columbia Gas of Kentucky

Revenue - Plan-vs.-Plan (\$ millions)

2013 2&10	2013	2014
Base Margin (less LCR)	50.9	50.2
LCR	5.2	5.5
LCR (Prior Dec. True-Up)	(0.0)	-
Supply Optimization	2.1	2.1
Regulatory Outcome	0.9	1.4
Other OGDR	1.0	1.0
CKY Purchase Receivable	0.4	0.4
Uncollectibles - Non Tracked	0.3	0.4
Uncollectibles - Tracked	0.2	0.2
Trackers		0.5
Total Revenue	61.7	61.7
Total Revenue w/o Trackers	60.8	61.0

2013 0&12	2013	2014
Base Margin (less LCR)	50.4	50.0
LCR	5.1	5.4
LCR (Prior Dec. True-Up)	-	-
ESS	2.1	2.1
Regulatory Outcome	0.7	1.4
Other OGDR	1.0	1.0
CKY Purchase Receivable	0.4	0.4
Uncollectibles - Non Tracked	0.3	0.4
Uncollectibles - Tracked	0.2	0.2
Trackers	0.5	0.5
Total Revenue	60.8	61.4
Total Revenue w/o Trackers	60.1	60.7

Variance	2013	2014
A) Base Margin (less LCR)	0.5	0.2
LCR	0.1	0.1
LCR (Prior Dec. True-Up)	(0.0)	-
ESS	0.0	-
Regulatory Outcome	0.1	-
Other OGDR	0.0	(0.0)
CKY Purchase Receivable	(0.0)	(0.0)
Uncollectibles - Non Tracked	(0.0)	(0.0)
Uncollectibles - Tracked	(0.0)	-
Trackers	0.2	
Total Variance	0.9	0.3
Total Variance w/o Trackers	0.8	0.3

A) 2013 Variance driven by a slight increase to usage forecasts and change in plan assumptions o 2014 Variance driven by a slight increase to usage forecasts and change in plan assumptions o

Columbia Gas of Kentucky O&M - Cost Element View - Plan-vs.-Plan (\$ millions)

2013 2&10	2013	2014
Labor	7.2	7.6
Benefits	2.7	2.1
Materials & Supplies	1.4	1.4
Outside Services	4.4	4.3
Management Fee	12.4	12.7
Uncollectibles	0.4	0.5
Other *	3.7	4.2
Trackers	0.8	0.7
Total O&M	33.2	33.5
Total O&M w/o Trackers	32.3	32.8

2013 0&12	2013	2014
Labor	7.2	7.4
Benefits	1.9	1.9
Materials & Supplies	1.4	1.4
Outside Services	4.4	4.2
Management Fee	12.4	12.7
Uncollectibles	0.5	0.5
Other *	3.6	4.1
Trackers	0.7	0.7
Total O&M	32.1	32.9
Total O&M w/o Trackers	31.4	32.2

Var	iance	2013	2014
A)	Labor	0.1	0.2
B)	Benefits	0.8	0.2
	Materials & Supplies	(0.0)	-
	Outside Services	(0.1)	0.1
	Management Fee	0.0	0.0
	Uncollectibles	(0.0)	-
C)	Other *	0.2	0.2
D)	Trackers	0.1	-
	Total Change	1.1	0.6
	Total Change w/o Trackers	1.0	0.6

- A) 2013 & 2014 Primarily due to additional headcount due to incremental DIMP spend.
- B) 2013 & 2014 Primarily revised assumptions for pension, OPEB, and capital transfer percentages.
- C) 2013 & 2014 Primarily \$0.2M increase in public awareness advertising.
- D) Offset in revenues.

2013 2&10	2013	2014
Other		
Buildings and Land	0.1	0.1
Rents/Leases	0.2	0.2
Corporate Insurance	0.8	8.0
Employee Expenses	0.4	0.3
Company Memberships	0.1	0.1
Utilities	0.5	0.4
Misc Revenues	(0.1)	(0.1)
Misc & Other Expenses	0.3	0.3
Amortizations *	0.4	0.4
Deferred Credits	(0.6)	(0.1)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	-	-
Advertising	0.3	0.3
Auto/Trucks Cleared	1.2	1.3
O&M Reclass - Regulatory to GAAP	0.2	0.2
Below the Line O&M		
	3.7	4.2

2013 0&12	2013	2014
Other		
Buildings and Land	0.1	0.1
Rents/Leases	0.2	0.2
Corporate Insurance	0.8	0.8
Employee Expenses	0.4	0.3
Company Memberships	0.1	0.1
Utilities	0.4	0.4
Misc Revenues	(0.1)	(0.1)
Misc & Other Expenses	0.3	0.3
Amortizations *	0.4	0.4
Deferred Credits	(0.7)	(0.1)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	-	-
Advertising	0.1	0.1
Auto/Trucks Cleared	1.2	1.2
O&M Reclass - Regulatory to GAAP	0.2	0.2
Below the Line O&M		
	3.6	4.1

Var	iance	2013	2014
	Other		
	Buildings and Land	(0.0)	-
	Rents/Leases	0.0	-
	Corporate Insurance	(0.0)	-
	Employee Expenses	(0.0)	0.0
	Company Memberships	0.0	-
	Utilities	0.0	-
	Misc Revenues	(0.0)	-
	Misc & Other Expenses	(0.0)	-
	Amortizations *	-	-
A)	Deferred Credits	0.1	0.0
	I&D Accrual	0.0	_
	Well/Lease Rent/Royalty	-	-
	Advertising	0.1	0.2
	Auto/Trucks Cleared	0.0	0.0
	O&M Reclass - Regulatory to GAAP	•	-
	Below the Line O&M	-	-
		0.2	0.2

A) 2013 variance primarily due to revisions to Customer Program assumptions.

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2013 2&10	2013	2014
Distribution Ops	11.2	11.7
Meter To Cash	0.6	0.6
Customer Call Center	0.0	0.0
Integration Center	0.5	0.5
Presidents	1.6	1.6
Other Departments	-	-
Management Fee	12.4	12.7
Benefits	2.7	2.1
Uncollectibles	0.4	0.5
Other Corporate*	2.9	3.1
Trackers	8.0	0.7
Total O&M	33.2	33.5
Total O&M w/o Trackers	32.3	32.8

2013 0&12	2013	2014
Distribution Ops	10.9	11.2
Meter To Cash	0.6	0.6
Customer Call Center	0.0	0.0
Integration Center	0.5	0.5
Presidents	1.6	1.6
Other Departments	-	-
Management Fee	12.4	12.7
Benefits	1.9	1.9
Uncollectibles	0.5	0.5
Other Corporate*	2.9	3.1
Trackers	0.7	0.7
Total O&M	32.1	32.9
Total O&M w/o Trackers	31.4	32.2

Var	iance	2013	2014
A)	Distribution Ops	0.2	0.4
	Meter To Cash	(0.0)	-
	Customer Call Center	(0.0)	-
	Integration Center	(0.0)	-
	Presidents	0.0	(0.0)
	Other Departments	-	-
	Management Fee	0.0	0.0
В	Benefits	8.0	0.2
	Uncollectibles	(0.0)	-
	Other Corporate*	(0.0)	0.0
C)	Trackers	0.1	-
	Total Change	1.1	0.6
	Total Change w/o Trackers	1.0	0.6

- A) 2013 & 2014 Primarily incremental DIMP spend for right of way (ROW) and Regulator Station clearing
- B) 2013 & 2014 Primarily revised assumptions for pension, OPEB, and capital transfer percentages.
- C) Offset in revenues.

2013 2819	2013	2014
Other Corporate		
Net Labor (CIP)	0.5	0.4
Materials/Supplies	0.0	0.0
Audit Fees	0.2	0.2
Consulting Fees	0.1	0.2
Legal Fees	-	-
Outside Services	0.1	0.2
Buildings and Land	-	-
Rents/Leases	0.2	0.2
Corporate Insurance	0.8	0.8
Employee Expenses	*	
Company Memberships	0.0	0.1
Utilities	0.2	0.2
Misc Revenues	•	•
Misc & Other Expenses	0.2	0.2
Amortizations *	0.4	0.4
Deferred Credits	(0.1)	(0.1)
I&D Accrual	0.1	0.1
Well/Lease Rent/Royalty	•	-
Advertising	-	-
Auto/Truck Cleared	-	-
O&M Reclass - Regulatory to GAAP	0.2	0.2
Stores Clearing		
Below the line O&M		
Total Other Corporate	2.9	3.1

2013 0&12	2013	2014
Other Corporate		
Net Labor (CiP)	0.4	0.4
Materials/Supplies	0.0	0.0
Audit Fees	0.2	0.2
Consulting Fees	0.1	0.2
Legal Fees	-	•
Outside Services	0.2	0.2
Buildings and Land	_	-
Rents/Leases	0.2	0.2
Corporate Insurance	0.8	0.8
Employee Expenses	-	-
Company Memberships	0.1	0.1
Utilities	0.2	0.2
Misc Revenues	•	•
Misc & Other Expenses	0.2	0.2
Amortizations *	0.4	0.4
Deferred Credits	(0.1)	(0.1)
I&D Accruat	0.1	0.1
Welt/Lease Rent/Royalty	•	-
Advertising	-	-
Auto/Truck Cleared	-	-
O&M Reclass - Regulatory to GAAP	0.2	0.2
Stores Clearing		
Below the line O&M		
Total Other Corporate	2.9	3.1

Variance	2013	2014
Other		
Net Labor (CIP)	0.0	0.0
Materials/Supplies	0.0	-
Audit Fees	0.0	-
Consulting Fees	0.0	-
Legal Fees	•	•
Outside Services	(0.0)	-
Buildings and Land	-	-
Rents/Leases	0.0	•
Corporate Insurance	(0.0)	-
Employee Expenses		•
Company Memberships	(0.0)	-
Utilities	0.0	-
Misc Revenues	-	
Misc & Other Expenses	(0.0)	-
Amortizations *	-	-
Deferred Credits	(0.0)	•
I&D Accrual	0.0	-
Well/Lease Rent/Royalty	-	-
Advertising	-	-
Auto/Truck Cleared		
O&M Reclass - Regulatory to GAAP	-	-
Stores Clearing	-	-
Below the line O&M	-	-
Total Other Corporate	(0.0)	0.0

Columbia Gas of Kentucky

Depreciation & Other Taxes - Plan-vs.-Plan (\$ millions)

2013 2&10	2013	2014
Depreciation	7.1	7.7
Other Taxes		
Gross Receipts	-	-
Property Tax	2.7	3.0
Payroll	0.5	0.5
Distribution	-	-
Other	-	-
Total Other Taxes	3.2	3.5
Total Other Taxes w/o Trackers	3.1	3.4

2013 0&12	2013	2014
Depreciation	7.1	7.6
Other Taxes		
Gross Receipts	-	-
Property Tax	2.7	2.9
Payroll	0.5	0.5
Distribution	-	-
Other	-	_
Total Other Taxes	3.1	3.4
Total Other Taxes w/o Trackers	3.1	3.4

/ariance		2013	2014
A) Depreciation Ch	ange	0.0	0.1
Other Taxes			
Gross Receipts		-	-
Property Tax		-	0.0
Payroll		0.0	-
Distribution		-	_
Other		-	-
Total Other Taxe	s Change	0.0	0.0
Total Change w/	o Trackers	0.0	0.0

A) Variance due to increased Capital spend

Columbia Gas of Kentucky Other Income and Interest - Plan-vs.-Plan (\$ millions)

2013 2&10	2013	2014
Miscellaneous	-	-
AFUDC	0.2	0.2
Hedging Interest Income	0.1	0.0
UnderCollection Income	•	•
Sales Receivable	-	-
Customer Tax Contribution	-	-
Charitable Contributions	(0.1)	(0.1)
Temp Cash Inv Int Inc	0.3	0.2
Total Other Income	0.452	0.340
Long-Term Interest Expense	5.2	5.4
Short-Term Interest Expense	0.0	0.0
Customer Deposits	0.1	0.1
Rate Refund Expense	-	
OverCollection Interest Expense	-	-
Loss / Gain on Sales of Asset	-	-
Loss on Impairment of Asset	-	
Other Interest Expense	-	-
Carrying Cost Interest Expense	-	•
Hedging Interest Expense	-	•
PISCC	-	-
AFUDC	(0.1)	(0.1)
Interest Expense	5.2	5.3
Income from Subsidiary	-	•

2013 0&12	2013	2014
Miscellaneous	•	-
AFUDC	0.2	0.2
Hedging Interest Income	0.1	0.0
UnderCollection Income	-	-
Sales Receivable	-	-
Customer Tax Contribution	•	-
Charitable Contributions	(0.1)	(0.1)
Temp Cash Inv Int Inc	0.4	0.3
Total Other Income	0.5	0.4
Long-Term Interest Expense	5.0	5.2
Short-Term Interest Expense	0.0	0.0
Customer Deposits	0.1	0.1
Rate Refund Expense	-	-
OverCollection Interest Expense	-	-
Loss / Gain on Sales of Asset	•	-
Loss on Impairment of Asset	-	-
Other Interest Expense	-	-
Carrying Cost Interest Expense	•	-
Hedging Interest Expense	-	-
PISCC	-	-
AFUDC	(0,1)	(0.1)
Interest Expense	5.0	5.2
Income from Subsidiary		_

Vai	riance	2013	2014
	Miscellaneous	-	
	AFUDC	0.0	(0.0)
	Hedging Interest Income	(0.0)	-
	UnderCollection Income	_	-
	Sales Receivable		•
	Customer Tax Contribution	-	-
	Charitable Contributions	(0.0)	-
A)	Temp Cash Inv Int Inc	(0.1)	(0.1)
	Total Other Income	(0.0)	(0.1)
A)	Long-Term Interest Expense	0.1	0.2
A)	Short-Term Interest Expense	0.0	0.0
	Customer Deposits	(0.0)	(0.0)
	Rate Refund Expense	•	- '-
	OverCollection Interest Expense		•
	Loss / Gain on Sales of Asset	-	-
	Loss on Impairment of Asset	-	-
	Other Interest Expense	•	•
	Carrying Cost Interest Expense	-	-
	Hedging Interest Expense	-	-
	PISCC	-	-
	AFUDC _	(0.0)	0.0
	Interest Expense	0.1	0.2
	Income from Subsidiary	-	-

A) Variance due to changes in Capital structure to maintain appropriate debt / equity percentages

<u>Assets</u> Net Property Plant and Equipment Total Investments	233.5	
Net Property Plant and Equipment	233.5	
	200.0	253.3
	0.4	0.4
Cook and Cook Favirelants		
Cash and Cash Equivalents	2.6	
Restricted Cash	28.1	0.8
Accounts Receivable		25.7
Gas Inventory	26.6	26.3
Unrecovered Purchase Costs	3.5	3.6
Material & Supplies	-	-
Price Risk Management Assets	•	-
Exchange Gas Receivables & Reserve	-	-
Current Regulatory Assets	3.7	3.7
Prepayments and Other Assets	21.1	21.4
Total Current Assets	85.647	81.542
Price Risk Management Assets		
NC Regulatory Assets	16.9	15.7
Intangible Assets	-	-
Post Retirement Benefits NC Assets	-	-
Other Receivables Affiliated	_	_
Deferred Charges	3.8	3.8
Total Other Assets	20.661	19.422
Total Assets	340.266	354.673
Capitalization & Liabilities		
Total Common Stock Equity	98.2	105.8
Long Term Debt , excluding amounts due within one ye:	93.3	93.3
Total Capitalization	191.5	199.2
Current Portion of Long Term Debt	3.1	5.5
Accounts Payable	11.0	9.9
Customer Deposits and AR Credit Balance	17.7	17.7
Taxes Accrued	5.1	5.7
Interest Accrued	0.1	0.1
Overrecovered Gas and Fuel Costs	-	-
Price Risk Management Liabilities (Current)	0.9	0.9
Exchange Gas Payable	1.8	1.8
Current Regulatory Liabilities	3.2	3.2
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1
	0.1	0.1
Environmental Other Accruals	1.2	12
		1.3
Total Current Liabilities	44.132	46.094
Price Risk Management Liabilities - NC	0.3	0.3
Deferred Income Taxes	54.7	59.4
Deferred Investment Tax Credits	0.4	0.3
Deferred Credits	_	-
	24.5	24.3
Noncurrent Regulatory Liabilities		13.1
Noncurrent Regulatory Liabilities Accrued Liab for Post Retirement Benefits - NC	13.3	10.1
	13.3 11.5	12.0
Accrued Liab for Post Retirement Benefits - NC		

0&12	2013	2014
Assets		
Net Property Plant and Equipment	231.1	251.0
Total Investments	0.4	0.4
Cash and Cash Equivalents	-	_
Restricted Cash	2.6	3.0
Accounts Receivable	27.7	27.4
Gas Inventory	44.0	43.7
Unrecovered Purchase Costs	8.5	6.8
Material & Supplies	0.1	0.1
Price Risk Management Assets	-	_
Exchange Gas Receivables & Reserve	0.1	0.1
Current Regulatory Assets	2.0	2.0
Prepayments and Other Assets	3.2	3.6
Total Current Assets	88.3	84.
Price Risk Management Assets		
NC Regulatory Assets	18.5	17.4
Intangible Assets	-	
Post Retirement Benefits NC Assets	_	_
Other Receivables Affiliated	_	_
Deferred Charges	3.1	3. ⁻
Total Other Assets	21.6	20.
Total Assets	341.4	356.
Total Assets	 	330.
Capitalization & Liabilities		
Total Common Stock Equity	98.5	103.1
Long Term Debt , excluding amounts due within one ye:	86.3	97.3
Total Capitalization	184.9	200.4
Current Portion of Long Term Debt	3.3	-
Accounts Payable	11.4	10.4
Customer Deposits and AR Credit Balance	17.7	17.3
Taxes Accrued	5.0	5.6
Interest Accrued	0.1	0.1
Overrecovered Gas and Fuel Costs	-	-
Price Risk Management Liabilities (Current)	0.9	0.9
Exchange Gas Payable	4.7	4.3
Current Regulatory Liabilities	3.9	3.9
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1
Environmental	-	-
Other Accruals	2.9	2.2
Total Current Liabilities	50.1	45.0
Price Risk Management Liabilities - NC	0.8	0.8
Deferred Income Taxes	55.2	59.6
Deferred Investment Tax Credits	0.4	0.0
Deferred Credits	-	-
Noncurrent Regulatory Liabilities	24.9	25.1
Accrued Liab for Post Retirement Benefits - NC	13.3	12.5
Other Non-Current Liabilities	12.0	12.1
Other NC Liab & Deferred Credits	106.4	110.4

Var	іапсе	2013	2014
	Accests		
A)	Assets Net Property Plant and Equipment	2.4	2,2
^)	Total Investments	0.0	0.0
	Cash and Cash Equivalents	_	-
	Restricted Cash	0.0	0.0
B)	Accounts Receivable	0.4	(1.7)
C)	Gas Inventory	(17.4)	(17.4)
D)	Unrecovered Purchase Costs	(5.1)	(3.2)
C)	Material & Supplies	(0.1)	(0.1)
	Price Risk Management Assets	-	-
	Exchange Gas Receivables & Reserve	(0.1)	(0.1)
E)	Current Regulatory Assets	1.8	1.8
C)	· ·	17.8	17.8
	Total Current Assets	(2.6)	(2.9)
	Price Risk Management Assets	44.00	(4.5)
E)	NC Regulatory Assets	(1.6)	(1.8)
	Intangible Assets	-	-
	Post Retirement Benefits NC Assets	-	-
	Other Receivables Affiliated	- 0.7	- 0.7
	Deferred Charges Total Other Assets	(0.9)	(1.1)
	Total Assets	(1.1)	(1.8)
	Total Assets	(1.1)	(1.0)
E/	Capitalization & Liabilities Tatal Common Stock Faulty	(0.4)	2.8
F) F)	Total Common Stock Equity Long Term Debt , excluding amounts due within one year	7.0	(4.0)
۲)	Total Capitalization	6.6	(1.2)
F)	Current Portion of Long Torm Dobt	(0.2)	5.5
F)	Current Portion of Long Term Debt Accounts Payable	(0.4)	(0.5)
B)	Customer Deposits and AR Credit Balance	(0.4)	(0.0)
G)	Taxes Accrued	0.0	0.1
O,		0.0	0.1
D)	Interest Accrued Overrecovered Gas and Fuel Costs	- -	-
ינט	Price Risk Management Liabilities (Current)	(0.0)	(0.0)
H)	Exchange Gas Payable	(2.9)	(2.9)
• • • •	Current Regulatory Liabilities	(0.8)	(0.8)
	Accrued Liability for Post Retirement Benefits - Cur	-	-
	Environmental	-	-
1)	Other Accruals	(1.7)	(1.0) 0.5
·	Total Current Liabilities	(6.0)	0.5
	Price Risk Management Liabilities - NC	(0.4)	(0.4)
J)	Deferred Income Taxes	(0.5)	(0.2)
-	Deferred Investment Tax Credits Deferred Credits	0.0	0.0
13	Noncurrent Regulatory Liabilities	(0.4)	(0.8)
L) K)	Accrued Liab for Post Retirement Benefits - NC	0.4)	0.6
17)	Other Non-Current Liabilities	(0.5)	(0.2)
	Other NC Liab & Deferred Credits	(1.8)	(1.0)
	Total Capitalization & Liabilities	(1.1)	(1.8)
		1,/	, 7

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- A) Variance due to increase in capital spend.
- B) A/R: 2013-2014 variance is primarily due to increase in off-system sales.
 A/P: 2014 variance is due to decreased payables related to declining Gas Costs (\$520K).
- C) 2013-2014 variance due to Rate differential of (\$350K) along with include reclassification entries between the Inventory and Material & Supply accounts and the prepayment accounts to accurately state the LIFO inventory balance; which was \$17.2M as of February 28th.
- D) Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- E) Variances are due to changes to pension funding obligations.
- F) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- G) Variances primarily driven by Federal and State tax liabilities, and Net Operating Loss (NOL) impacts.
- H) Variance due to changes in the number of exchange obligations vs. the 0&12.
- I <u>Deferred Charges</u> & <u>Other Non-current liabilities</u> variances are due to Customer Advances stemming from Capital projects.
- J Variance primarily due to changes the adoption of SFAS 96 regarding the treatment of Deferred Taxes.
- K Variance due to changes to Accrued Pension and OPEB costs.

Capital Expenditures - Plan-vs.-Plan (\$ millions)

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2013 2&10	2013	2014
New Business	5.3	2.6
Betterment	0.1	0.1
Replacement	17.8	16.5
Support Services	2.0	_ 8.5
Gross Capital	25.2	27.7
Contributions & Reimbursements	(0.6)	(0.6)
Total CKY *	24.6	27.1
Infrastructure/AMR	14.2	12.2

2013 0&12	2013	2014
New Business	4.0	2.6
Betterment	0.1	0.1
Replacement	15.8	16.5
Support Services	2.0	8.5
Gross Capital	21.9	27.7
Contributions & Reimbursements	(0.6)	(0.6)
Total CKY	21.3	27.1
Infrastructure/AMR	12.2	12.2

Variance	2013	2014
New Business	1.3	-
Betterment	-	-
Replacement	2.0	-
Support Services	(0.0)	-
Gross Capital	3.3	-
Contributions & Reimbursements	-	-
Total CKY	3.3	•
Infrastructure/AMR	2.0	•

NGD alloted additional capital after the 7&5R

Increase in growth activity, favorable weather, and contractor availability for both and replacement.

2013 2&10 - Additional \$100M NGD incremental - CKY portion is \$1.3M Growth and \$2.0M IRP

^{*} Note: Total does not include \$(0.1)M in unallocated overheads in 2012.

2013 3&9	Mo Actual	YTD Actual	2013 3&9	2014 3&9
Net Revenues	6.2	22.5	61.309	61.0
O&M Expense	4.1	9.1	32.321	32.8
Depreciation	0.6	1.7	7.126	7.7
Other Taxes	0.3	0.8	3.101	3.4
Operating Earnings	1.3	10.8	18.761	17.1
Other Income	0.0	0.1	0.4	0.3
Interest Expense	0.4	1.2	5.2	5.4
Net Operating Income	0.9	9.7	14.0	12.0
Income Tax	0.4	3.7	5.3	6.7
Net Operating Income	0.6	6.0	8.7	5.4

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Net Revenues	6.1	21.9	60.1	60.7
O&M Expense	2.6	7.8	31.4	32.2
Depreciation	0.6	1.7	7.1	7.6
Other Taxes	0.3	0.8	3.1	3.4
Operating Earnings	2.6	11.6	18.5	17.5
Other Income	0.1	0.2	0.5	0.4
Interest Expense	0.4	1.3	5.0	5.2
Net Operating Income	2.2	10.5	13.9	12.7
Income Tax	0.9	4.0	5.3	6.6
Net Operating Income	1.4	6.4	8.7	6.1

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Net Revenues	0.2	0.6	1.2	0.3
O&M Expense	1.4	1.4	0.9	0.6
Depreciation	0.0	0.0	0.0	0.1
Other Taxes	0.0	0.0	(0.0)	0.0
Operating Earnings	(1.3)	(0.8)	0.3	(0.3)
Other Income	(0.0)	(0.1)	(0.1)	(0.1)
Interest Expense	(0.0)	(0.0)	0.1	0.2
Net Operating Income	(1.3)	(0.8)	0.1	(0.7)
Income Tax	(0.5)	(0.3)	0.0	0.1
Net Operating Income	(0.8)	(0.5)	0.0	(0.8)

^{*} net of trackers

2013 3&9	Mo Actual	YTD Actual	2013 3&9	2014 3&9
Base Margin (less LCR)	5.4	19.6	51.2	50,1
LCR	0.5	1.5	5.3	5.5
LCR (Prior Dec. True-Up)	-	(0.0)	(0.0)	-
ESS	0.1	0.4	2.1	2.1
Regulatory Outcome	-	-	0.9	1.4
Other OGDR	0.1	0.5	1.1	1.0
CKY Purchase Receivable	0.1	0.3	0.5	0.5
Uncollectibles - NonTracked	0.1	0.2	0.4	0.4
Uncollectibles - Tracked	0.0	0.1	0.2	0.2
Trackers	0.2	0.6	0.8	0.5
Total Revenue	6.452	23.092	62.326	61.7
Total Revenue w/o Trackers	6.2	22.5	61.309	61.0

13 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Base Margin (less LCR)	5.2	19.0	50.4	49.9
LCR	0.5	1.6	5.1	5.5
LCR (Prior Dec. True-Up)	-	-	-	-
ESS	0.1	0.4	2.1	2.1
Regulatory Outcome	-	-	0.7	1.4
Other OGDR	0.1	0.4	1.0	1.0
CKY Purchase Receivable	0.1	0.3	0.4	0.4
Uncollectibles - NonTracked	0.0	0.2	0.4	0.4
Uncollectibles - Tracked	0.0	0.1	0.2	0.2
Trackers	0.1	0.2	0.5	0.5
Total Revenue	6.1	22.2	60.8	61.4
Total Revenue w/o Trackers	6.1	21.9	60.1	60.7

Variance	Mo Var	YTD Var	Yr Var	Yr Var
A) Base Margin (less LCR)	0.1	0.6	0.9	0.3
LCR	(0.0)	(0.0)	0.2	-
LCR (Prior Dec. True-Up)	-	(0.0)	(0.0)	-
ESS	(0.0)	(0.0)	0.0	-
Regulatory Outcome	-	-	0.1	-
Other OGDR	0.0	0.1	0.1	0.0
CKY Purchase Receivable	0.0	0.0	0.0	0.0
Uncollectibles - NonTracked	0.0	0.0	0.0	0.0
Uncollectibles - Tracked	-	-	-	-
Trackers	0.2	0.3	0.3	-
Total Variance	0.3	0.9	1.6	0.3
Total Variance w/o Trackers	0.2	0.6	1.2	0.3

A) 2013 YTD & Yr Var driven by slight increase to usage forecasts and change in plan assumptions of \$291K. 2014 Variance driven by a slight increase to usage forecasts and change in plan assumptions of \$471K.

Columbia Gas of Kentucky Other Gas Department Revenues - Plan-vs.-Plan (\$ millions)

2013 3&9	Mo Actual	YTD Actual	2013 3&9	2014 3&9
Penalty Charges	0.0	0.2	0.4	0.4
Return Check	0.0	0.0	0.1	0.1
Other Fees	0.0	0.2	0.4	0.4
Other Revenue	0.0	0.0	0.1	0.1
Pub Util-Flex	0.0	0.0	0.1	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	_
Other Misc Income	-	-	-	-
Misc Merchant Revenue	-	0.0	0.0	-
Total OGDR	0.1	0.5	1.1	1.0

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Penalty Charges	0.1	0.2	0.4	0.4
Return Check	0.0	0.0	0.1	0.1
Other Fees	0.0	0.2	0.4	0.4
Other Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.0	0.0	0.0
Company Use	0.0	0.0	0.1	0.1
Balancing Services	-	-	-	_
Other Misc Income		-	-	_
Misc Merchant Revenue	-	0.0	0.0	-
Total OGDR	0.131	0.4	1.0	1.0

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Penalty Charges	(0.0)	0.0	0.0	0.0
Return Check	0.0	0.0	0.0	0.0
Other Fees	(0.0)	(0.0)	(0.0)	(0.0)
Other Revenue	0.0	0.0	0.0	0.0
Pub Util-Flex	0.0	0.0	0.0	-
Company Use	-	0.0	(0.0)	-
Balancing Services	-	-	-	-
Other Misc Income	-	-	-	-
Misc Merchant Revenue	-	0.0	0.0	-
Total OGDR	0.0	0.1	0.1	0.0

Columbia Gas of Kentucky

2013 Customer & Usage Information - 3&9 vs. 0&12

Customer & Usage Change (\$ million)

Customer Change	Month	YTD	
Residential	0.016	0.034	
Commercial	0.003	0.019	
Total	0.019	0.053	

Usage Change	Month	YTD
Residential	0.130	0.326
Commercial	0.083	0.284
Industrial (Non-LCR)	0.013	0.033
Total	0.225	0.643

Normalized UPC (Mmcf)

Actual	Month	YTD	
Residential	9.3	37.1	
Comm	62.5	249.5	
Ind	8,039.2	25,395.6	

Budget	Month	YTD
Residential	8.7	35.7
Commercial	59.4	232.0
Industrial	8,038.9	25,796.7

Variance	Month	Mo. %	YTD	YTD %
Residential	0.6	6.5%	1.4	3.9%
Commercial	3.1	5.2%	17.5	7.5%
Industrial	0.3	0.0%	(401.1)	-1.6%

Customer Count

Actual	Month	YTD Avg
Residential	121,084	121,019
Commercial	14,070	14,080
Industrial	181	180
Total	135,335	135,279

Budget	Month	YTD Avg
Residential	120,554	120,656
Commercial	14,005	14,005
Industrial	180	178
Total	134,739	134,839

Variance	Month	Mo. %	YTD Avg	YTD %
Residential	530	0.4%	363	0.3%
Commercial	65	0.5%	75	0.5%
Industrial	1	0.6%	2	1.1%
Total	596	0.4%	440	0.3%

2013 3&9	Mo Actual	YTD Actual	2013 3&9	2014 3&9
Labor	0.6	1.9	7.2	7.6
Benefits	1.3	1.6	2.7	2.1
Materials & Supplies	0.2	0.4	1.4	1.4
Outside Services	0.4	1.1	4.4	4.3
Management Fee	1.2	3.1	12.4	12.7
Uncollectibles	0.0	0.1	0.4	0.5
Other *	0.3	0.9	3.7	4.2
Trackers	0.2	0.6	1.0	0.7
Total O&M	4.291	9.766	33.278	33.483
	-	-	-	
Total O&M w/o Trackers	4.1	9.1	32.3	32.8

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Labor	0.6	1.8	7.2	7.4
Benefits	0.2	0.5	1.9	1.9
Materials & Supplies	0.1	0.3	1.4	1.4
Outside Services	0.4	1.0	4.4	4.2
Management Fee	1.0	3.1	12.4	12.7
Uncollectibles	0.0	0.2	0.5	0.5
Other *	0.3	0.9	3.6	4.1
Trackers	0.1	0.3	0.7	0.7
Total O&M	2.7	8.1	32.1	32.9
	-	-	0.0	0.0
Total O&M w/o Trackers	2.6	7.8	31.4	32.2

	Variance	Mo Var	YTD Var	2013 Yr Var	2014 Yr Var
	Labor	0.1	0.1	(0.0)	0.2
A)	Benefits	1.1	1.1	0.8	0.2
	Materials & Supplies	0.0	0.1	0.0	-
	Outside Services	0.1	0.0	(0.0)	0.1
	Management Fee	0.1	0.0	0.0	0.0
	Uncollectibles	(0.0)	(0.1)	(0.0)	•
	Other *	0.0	0.0	0.2	0.2
B)	Trackers	0.2	0.3	0.3	-
	Total Change	1.6	1.6	1.2	0.6
	Total Change w/o Trackers	1.4	1.4	0.9	0.6

- A) 2013 Mo & YTD Var Primarily \$1.1M pension settlement entry in March business 2013 Yr Var Change in Pension and OPEB assumptions.
- B) Offset in Revenue

2013 3&9	Mo Actual	YTD Actual	2013 3&9	2014 3&9
Other		-	<u> </u>	
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.1	0.2	0.2
Corporate Insurance	0.1	0.2	0.8	8.0
Employee Expenses	0.1	0.1	0.4	0.3
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.1	0.5	0.4
Misc Revenues	0.0	(0.0)	(0.1)	(0.1)
Misc & Other Expenses	(0.0)	0.0	0.2	0.3
Amortizations *	0.0	0.1	0.4	0.4
Deferred Credits	(0.0)	(0.1)	(0.6)	(0.1)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	-
Advertising	0.0	0.0	0.2	0.3
Auto/Trucks Cleared	0.1	0.3	1.2	1.3
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M				
	0.3	0.9	3.7	4.2

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Other	-			
Buildings and Land	0.0	0.0	0.1	0.1
Rents/Leases	0.0	0.1	0.2	0.2
Corporate Insurance	0.1	0.2	0.8	0.8
Employee Expenses	0.0	0.1	0.4	0.3
Company Memberships	0.0	0.0	0.1	0.1
Utilities	0.0	0.1	0.4	0.4
Misc Revenues	(0.0)	(0.0)	(0.1)	(0.1)
Misc & Other Expenses	0.0	0.1	0.3	0.3
Amortizations *	0.0	0.1	0.4	0.4
Deferred Credits	(0.1)	(0.2)	(0.7)	(0.1)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty		-	-	-
Advertising	0.0	0.1	0.1	0.1
Auto/Trucks Cleared	0.1	0.3	1,2	1.2
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Below the Line O&M	÷	<u></u>		<u>-</u>
	0.3	0.9	3.6	4.1

Variance	Mo Var	YTD Var	2013 Yr Var	2014 Yr Vaг
Other				
Buildings and Land	(0.0)	(0.0)	(0.0)	•
Rents/Leases	(0.0)	0.0	(0.0)	=
Corporate Insurance	(0.0)	(0.0)	(0.0)	=
Employee Expenses	0.0	0.0	0.0	0.0
Company Memberships	0,0	0.0	0.0	-
Utilities	0.0	0.0	0.0	-
Misc Revenues	0.0	(0.0)	(0.0)	-
Misc & Other Expenses	(0.0)	(0.0)	(0.1)	-
Amortizations *	-	-	-	=
Deferred Credits	0.1	0.1	0.1	0.0
I&D Accrual	0.0	0.0	0.0	-
Well/Lease Rent/Royalty	-			
Advertising	(0.0)	(0.0)	0.1	0.2
Auto/Trucks Cleared	(0.0)	(0.0)	0.0	0.0
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Below the Line O&M	<u>-</u>		• •	
	0.0	0.0	0.2	0.2

(*) Amortizations: iBM and Call Center Costs, Severance Costs, Rate Case Expenses

Columbia Gas of Kentucky O&M - Sponsor View - Plan-vs.-Plan (\$ millions)

2013 3&9	Mo Actual	YTD Actual	2013 3&9	2014 3&9
Distribution Ops	1.2	3.0	11.1	11.7
Meter To Cash	0.1	0.2	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.1	0.5	0.5
Presidents	0.1	0.4	1.6	1.6
Other Dept	-	-	-	=
Management Fee	1.2	3.1	12.4	12.7
Benefits	1.3	1.6	2.7	2.1
Uncollectibles	0.0	0.1	0.4	0.5
Other Corporate *	0.3	0.750	2.9	3.1
Trackers	0.2	0.6	1.0	0.7
Total O&M	4.291	9.766	33.278	33.483
Total Q&M w/o Trackers	4.1	9.1	32.3	32.8

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Distribution Ops	0.9	2.7	10.9	11.2
Meter To Cash	0.1	0.2	0.6	0.6
Customer Call Center	0.0	0.0	0.0	0.0
Integration Center	0.0	0.1	0.5	0.5
Presidents	0.1	0.4	1.6	1.6
Other Dept	.	-	-	-
Management Fee	1.0	3.1	12,4	12.7
Benefits	0.2	0.5	1.9	1.9
Uncollectibles	0.0	0.2	0.5	0.5
Other Corporate *	0.2	0.7	2.9	3.1
Trackers	0.1	0.3	0.7	0.7
Total O&M	2.7	8.1	32.1	32.9
Total O&M w/o Trackers	2.6	7.8	31,4	32.2

Var	iance	Mo Var	YTD Var	2013 Yr Var	2014 Yr Var
A)	Distribution Ops	0.2	0.3	0.2	0.4
	Meter To Cash	(0.0)	(0.0)	(0.0)	-
	Customer Call Center	0.0	(0.0)	(0.0)	=
	Integration Center	(0.0)	(0.0)	(0.0)	-
	Presidents	(0.0)	(0.0)	(0.0)	(0.0)
	Other Dept	-	•	•	-
	Management Fee	0.1	0.0	0.0	0.0
B)	Benefits	1.1	1.1	0.8	0.2
•	Uncollectibles	(0.0)	(0.1)	(0.0)	-
	Other Corporate *	0.0	0.0	0.0	0.0
C)	Trackers	0.2	0.3	0.3	-
	Total Change	1.6	1.6	1.2	0.6
	Total Change w/o Trackers	1.4	_1.4	0.9	0.6

- A) 2013 Mo & YTD Var Primarily new employee training and increased meter service.
 2013 Yr Var Primarily incremental DIMP expense along with right of way (ROW) and regulator station clearing.
 2014 Incremental DIMP expense.
- 2014 Incremental DIMP expense.

 B) 2013 Mo & YTD Var Primarily \$1.1M pension settlement entry in March business 2013 Yr Var Change in Pension and OPEB assumptions.
- C) Offset in Revenue

^{*} See O&M Other Corp Tab

2013 3&9	Mo Actual	YTD Actual	2013 3&9	2014 389
Other Corporate	<u> </u>			
Net Labor	0.0	0.1	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.1	0.2	0.2
Consulting Fees	0.0	0.1	0.1	0.2
Legal Fees	-	-	-	-
Outside Services	0.0	0.0	0.1	0.2
Buildings and Land	•	•		•
Rents/Leases	0.0	0.1	0.2	0.2
Corporate Insurance	0.1	0.2	0.8	0.8
Employee Expenses	•	-	-	-
Company Memberships	0.0	0.0	0.0	0.1
Utilities	0.0	0.1	0.2	0.2
Misc Revenues	•	-	-	-
Misc & Other Expenses	0.0	0.0	0.2	0.2
Amortizations *	0.0	0.1	0.4	0.4
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.1)
I&D Accrual	0.0	0.0	0.1	0.1
Well/Lease Rent/Royalty	-	-	-	
Advertising			-	_
Auto/Truck Cleared	•	-	*	-
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.2
Stores Clearing	•	-	-	
Below the line O&M	•	-		•
Total Other Corporate	0.3	0.7	2.9	3.1

3 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Other Corporate				
Net Labor	0.0	0.1	0.4	0.4
Materials/Supplies	0.0	0.0	0.0	0.0
Audit Fees	0.0	0.0	0.2	0.2
Consulting Fees	0.0	0.0	0.1	0.2
Legal Fees	-	-	-	-
Outside Services	0.0	0.0	0.2	0.2
Buildings and Land	-	-	•	-
Rents/Leases	0.0	0.0	0.2	0
Corporate Insurance	0.1	0.2	8.0	0.:
Employee Expenses	-	-	-	-
Company Memberships	•	0.0	0.1	0.
Utilities	0.0	0.0	0.2	0.3
Misc Revenues	-	-	•	-
Misc & Other Expenses	0.0	0.1	0.2	0.3
Amortizations *	0.0	0.1	0.4	0.
Deferred Credits	(0.0)	(0.0)	(0.1)	(0.
I&D Accrual	0.0	0.0	0.1	0.:
Well/Lease Rent/Royalty	-	-	•	-
Advertising	•	-	-	-
Auto/Truck Cleared	•	•	-	•
O&M Reclass - Regulatory to GAAP	0.0	0.1	0.2	0.3
Stores Clearing	•	-	-	-
Below the line O&M		-	•	-
Total Other Corporate	0.2	0.7	2.9	3.1

ariance	Mo Var	YTD Var	2013 Yr Var	2014 Yr Var
Other				
Net Labor	(0.0)	0.0	0.0	0.0
Materials/Supplies	0.0	0.0	0.0	-
Audit Fees	0.0	0.0	0.0	
Consulting Fees	0.0	0.0	0.0	-
Legal Fees	•	-	-	-
Outside Services	0.0	(0.0)	(0.0)	•
Buildings and Land	-	-	-	-
Rents/Leases	0.0	0.0	0.0	-
Corporate Insurance	(0.0)	(0.0)	(0.0)	
Employee Expenses	-		•	-
Company Memberships	0.0	(0.0)	(0.0)	-
Utilities	0.0	0.0	0. 0	
Misc Revenues	-		•	
Misc & Other Expenses	0.0	(0.0)	(0.0)	-
Amortizations *	•	•	-	•
Deferred Credits	(0.0)	(0.0)	(0.0)	-
I&D Accrual	0.0	0.0	0.0	-
Well/Lease Rent/Royalty	•	•	-	•
Advertising	-	-	-	-
Auto/Truck Cleared	-	-	-	-
O&M Reclass - Regulatory to GAAP	(0.0)	(0.0)	(0.0)	(0.0)
Stores Clearing	-	-	•	-
Below the line O&M			-	
Total Other Corporate	0.0	0.0	0.0	0.0

(*) Amortizations: IBM and Cali Center Costs, Severance Costs, Rate Case Expenses

2013 3&9	Mo Actual	YTD Actual	2013 3&9	2014 3&9
Depreciation	0.6	1.7	7.1	7.7
Other Taxes				
Gross Receipts	-	-	-	-
Property Tax	0.2	0.7	2.6	3.0
Payroll	0.0	0.1	0.5	0.5
Distribution	_	_	-	<u></u>
Other	-	-	-	-
Total Other Taxes	0.263	0.802	3.161	3.464
Total Other Taxes w/o Trackers	0.265	0.813	3.101	3.428

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0&12
Depreciation	0.6	1.7	7.1	7.6
Other Taxes				
Gross Receipts	-	-	-	_
Property Tax	0.2	0.7	2.7	2.9
Payroll	0.0	0.1	0.5	0.5
Distribution	-	-	-	-
Other	-	-	-	-
Total Other Taxes	0.3	0.8	3.1	3.4
Total Other Taxes w/o Trackers	0.3	0.8	3.1	3.4

riance	Mo Var	YTD Var	Yr Var	Yr Var
Depreciation Change	0.0	0.0	0.0	0.1
Other Taxes				
Gross Receipts	-	-	-	_
Property Tax	•	-	(0.0)	0.0
Payroll	0.0	0.0	0.0	-
Distribution	-	-	-	-
Other	-	-	-	-
Total Other Taxes Change	0.0	0.0	0.0	0.0
Total Change w/o Trackers	0.0	0.0	(0.0)	0.0

2013 3&9	Mo Actual	YTD Actual	2013 3&9	2014 3&9
Miscellaneous	-		-	-
AFUDC	0.0	0.0	0.2	0.2
Hedging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income	-	-	-	-
Sale Receivables	-	-	=	-
Customer Tax Contribution	-	=	-	-
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.0	0.1	0.3	0.2
Total Other Income	0.044	0.1	0.4	0.3
Long-Term Interest Expense	0.4	1.2	5.2	5.4
Short-Term Interest Expense	-	•	0.1	0.1
Customer Deposits Interest Expense	-	-	0.0	0.0
Rate Refund Interest Expense	-	-	-	-
Over-Collection Interest Expense	•	-	-	•
Other Interest Expense	-	-	-	-
Carrying Cost Interest Expense	•	-	-	-
Hedging Interst Expense		-	-	-
PISCC	-	-	-	-
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.1)	(0.1)
Interest Expense	0.4	1.2	5.2	5.4
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	

2013 0&12	Mo Budget	YTD Budget	2013 0&12	2014 0812
Miscelfaneous	•	•	•	•
AFUDC	0.0	0.0	0.2	0.2
Hedging Interest Income	0.0	0.0	0.1	0.0
Under-Collection Interest Income	•	•	•	-
Sale Receivables	-	-	-	-
Customer Tax Contribution	•	-	-	•
Charitable Contributions	(0.0)	(0.0)	(0.1)	(0.1)
Temp Cash Investment Interest Income	0.1	_0.2	0,4	0.3
Total Other Income	0.1	0.2	0.5	0.4
Long-Term Interest Expense	0.4	1.2	5.0	5.2
Short-Term Interest Expense	-	-	0.0	0.0
Customer Deposits Interest Expense	0.0	0.0	0.1	0.1
Rate Refund Interest Expense		-	-	-
Over-Collection Interest Expense	-	-	-	-
Other Interest Expense	-	=	-	•
Carrying Cost Interest Expense	-	·	-	-
Hedging Interst Expense	•	-	-	-
PISCC	•	-	-	
Interest Expense on Plant Investment	(0.0)	(0.0)	(0.1)	(0.1)
Interest Expense	0.4	1.3	5.0	5.2
NET INCOME FROM SUBSIDIARIES	-	0.0	-	-

Variance	Mo Var	YTD Var	Yr Var	Yr Var
Miscellaneous	•			-
AFUDC	(0.0)	(0.0)	0.0	(0.0)
Hedging Interest Income	(0.0)	(0.0)	(0.0)	-
Under-Collection Interest Income	-	-	-	•
Sale Receivables	-	-	-	-
Customer Tax Contribution	-	-	-	-
Charitable Contributions	0.0	0.0	(0.0)	•
A) Temp Cash Investment Interest Income	(0.0)	(0.1)	(0.1)	(0.1)
Total Other Income	(0.0)	(0.1)	(0.1)	(0.1)
B) Long-Term Interest Expense	0.0	(0.0)	0.1	0.2
Short-Term Interest Expense	-	<u>-</u> ´	0.0	0.0
Customer Deposits Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)
Rate Refund Interest Expense	- 1	<u>-</u> •	<u>`</u>	- '
Over-Collection Interest Expense	•	-	•	-
Other Interest Expense	-	-	-	-
Carrying Cost Interest Expense	_	-	-	_
Hedging Interst Expense	-	-	-	-
PISCC	_	•	-	=
Interest Expense on Plant Investment	0.0	0.0	(0.0)	0.0
Interest Expense	(0.0)	(0.0)	0.1	0.2
NET INCOME FROM SUBSIDIARIES	0.0	0.0	0.0	-

- Variance represents changes to the interest earned on operating cash sent to Corp. Money Pool. Variance due to financing assumptions used to balance rate base

3 3&9	Мо	2013	2014
Assets			
Net Property Plant and Equipment	218.9	233.5	25
Total Investments	0.5	0.5	
Cook and Cook Equivalents	2.8	_	
Cash and Cash Equivalents			
Restricted Cash	0.9	2.7	
Accounts Receivable	67.1	27.0	2
Gas Inventory	1.4	32.0	3
Unrecovered Purchase Costs	-	5.0	
Material & Supplies	0.1	-	
Price Risk Management Assets	-	-	
Exchange Gas Receivables & Reserve	1.0	0.8	
Current Regulatory Assets	1.2	2.8	
Prepayments and Other Assets	16.8	17.8	1
Total Current Assets	91.3	88.2	8
Price Risk Management Assets	0.0	0.0	
NC Regulatory Assets	17.1	15.8	1
Intangible Assets	-	_	
Post Retirement Benefits NC Assets	-	-	
Other Receivables Affiliated	-	-	
Deferred Charges	3.8	3.8	
Total Other Assets	20.9	19.6	1
	<u>-</u>	15	
Total Assets	331.6	341.7	35
Capitalization & Liabilities			
Total Common Stock Equity	96.6	98.2	10
Long Term Debt , excluding amounts due within one year	73.3	93.3	9
Total Capitalization	169.9	191.5	19
Obligations Due in One Year	14.0	7.1	
Accounts Payable	14.2	10.7	
Customer Deposits and AR Credit Balance	8.7	17.7	1
Taxes Accrued	7.6	5.0	•
Interest Accrued	(0.0)	(0.0)	(
Overrecovered Gas and Fuel Costs	3.6	(0.0)	,
	0.7	0.7	
Price Risk Management Liabilities (Current)		=	
Exchange Gas Payable	7.7	1.0	
Current Regulatory Liabilities	3.0	2.6	
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	
Environmental	-		
Other Accruals	(0.3)	1.3	
Total Current Liabilities	59.3	46.3	4
Price Risk Management Liabilities - NC	0.0	0.0	
Deferred Income Taxes	52.5	55.0	5
Deferred Investment Tax Credits	0.4	0.4	
Deferred Credits	-	-	
Noncurrent Regulatory Liabilities	25.5	24.5	2
Accrued Liab for Post Retirement Benefits - NC	12.6	12.4	1
Other Non-Current Liabilities	11.2	11.6	1
Other NC Liab & Deferred Credits	102.4	103.9	10
	-	-	
Total Capitalization & Liabilities	331.6	341.7	35

0&12	Мо	2013	201
Assets			
Net Property Plant and Equipment	219.4	231.1	
Total investments	0.4	0.4	•
Cook and Cook Equivalents			
Cash and Cash Equivalents	2.6	2.0	
Restricted Cash	3.6	2.6	
Accounts Receivable	65.0	27.7	
Gas Inventory	18.2	44.0	
Unrecovered Purchase Costs	1.4	8.5	
Material & Supplies	0.1	0.1	
Price Risk Management Assets	-	-	
Exchange Gas Receivables & Reserve	0.1	0.1	
Current Regulatory Assets	2.0	2.0	
Prepayments and Other Assets	2.3	3.2	
Total Current Assets	92.6	88.3	
Price Risk Management Assets	-		
NC Regulatory Assets	19.4	18.5	
Intangible Assets	-	-	
Post Retirement Benefits NC Assets	_	_	
Other Receivables Affiliated	_	-	
Deferred Charges	3.1	3.1	
Total Other Assets	22.5	21.6	
	-	-	
Total Assets	334.9	341.4	;
0-2-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-			
Capitalization & Liabilities Total Common Stock Equity	97.8	98.5	
- ·	73.3	86.3	
Long Term Debt , excluding amounts due within one year			
Total Capitalization	171.1	184.9	;
Obligations Due in One Year	14.0	3.3	
Accounts Payable	10.3	11.4	
Customer Deposits and AR Credit Balance	10.6	17.7	
Taxes Accrued	9.7	5.0	
Interest Accrued	0.1	0.1	
Overrecovered Gas and Fuel Costs	-	_	
Price Risk Management Liabilities (Current)	0.9	0.9	
Exchange Gas Payable	11.4	4.7	
Current Regulatory Liabilities	4.0	3.9	
Accrued Liability for Post Retirement Benefits - Cur	0.1	0.1	
Environmental	-	0.1	
Other Accruals	0.5	2.9	
Total Current Liabilities	61.6	50.1	
Price Risk Management Liabilities - NC	8.0	0.8	
Deferred Income Taxes	51.3	55.2	
Deferred Investment Tax Credits	0.4	0.4	
Deferred Credits	=	=	
Noncurrent Regulatory Liabilities	24.7	24.9	
Accrued Liab for Post Retirement Benefits - NC	13.2	13.3	
Other Non-Current Liabilities	11.8	12.0	
Other NC Liab & Deferred Credits	102.2	106.4	
Other NC Liab & Deferred Credits Total Capitalization & Liabilities	102.2 334.9	341.4	

Var	iance	Mo Var	2013 Var	2014 Var
	Assets			
A)	Net Property Plant and Equipment	(0.5)	2.4	2.2
,	Total Investments	0.0	0.0	0.0
B)	Cash and Cash Equivalents	2.8	-	_
C)	Restricted Cash	(2.6)	0.1	0.0
D)	Accounts Receivable	2.1	(0.8)	(2.7)
E)	Gas Inventory	(16.7)	(12.0)	(11.6)
F)	Unrecovered Purchase Costs	(1.4)	(3.6)	(2.8)
-	Material & Supplies	0.0	(0.1)	(0.1)
E)		0.0		(0.1)
	Price Risk Management Assets	-	0.7	-
	Exchange Gas Receivables & Reserve	0.8	0.7	0.7
	Current Regulatory Assets	(0.8)	0.9	0.9
E)	Prepayments and Other Assets	14.4	14.6	14.6
	Total Current Assets	(1.3)	(0.1)	(1.0)
	Price Risk Management Assets	0.0	0.0	0.0
	NC Regulatory Assets	(2.3)	(2.7)	(2.9)
	Intangible Assets	-	-	-
	Post Retirement Benefits NC Assets	-	-	-
	Other Receivables Affiliated	-	-	-
K)	Deferred Charges	0.7	0.7	0.7
•	Total Other Assets	(1.6)	(2.0)	(2.2)
	Total Assets	(3.3)	0.4	(0.9)
		-	-	
	Capitalization & Liabilities	_	_	-
G)		(1.2)	(0.3)	2.8
		(1.2)		
G)	Long Term Debt , excluding amounts due within one year	<u> </u>	7.0	(4.0)
	Total Capitalization	(1.2)	6.7	(1.2)
G)	Current Portion of Long Term Debt	-	3.8	9.1
D)	Accounts Payable	3.9	(0.7)	(0.5)
D)	Customer Deposits and AR Credit Balance	(1.9)	-	-
H)	Taxes Accrued	(2.1)	(0.0)	(0.0)
•	Interest Accrued	(0.1)	(0.1)	(0.1)
F)	Overrecovered Gas and Fuel Costs	`3.6	-	- '
i)	Price Risk Management Liabilities (Current)	(0.2)	(0.2)	(0.2)
J)	Exchange Gas Payable	(3.7)	(3.7)	(3.7)
٠,	Current Regulatory Liabilities	(1.1)	(1.4)	(1.4)
	Accrued Liability for Post Retirement Benefits - Cur	(1.1)	(1.4)	(11)
	Environmental		_	
K)		(0.7)	(1.6)	/1 2\
N)	Other Accruals Total Current Liabilities	(2.3)	(3.8)	(1.3) 2.0
	Potes Piels Management Lieb (Italian NO	(0.7)	(0.7)	(0.7)
	Price Risk Management Liabilities - NC	(0.7)	(0.7)	(0.7)
H)	Deferred Income Taxes	1.3	(0.1)	0.2
	Deferred Investment Tax Credits Deferred Credits	(0.0)	0.0	0.0
	Noncurrent Regulatory Liabilities	0.8	(0.4)	(0.8)
	Accrued Liab for Post Retirement Benefits - NC	(0.6)	(0.9)	(0.3)
K)	Other Non-Current Liabilities	(0.6)	(0.4)	(0.1)
•••	Other NC Liab & Deferred Credits	0.2	(2.5)	(1.7)
	Total Capitalization & Liabilities	(3.3)	0.4	(0.9)
	i vivi vapitaiizativii vi Liabiiities	(0.0)		10.9/

Columbia Gas of Kentucky Balance Sheet - Plan-to-Plan (\$ millions)

- A) Variance due to timing around 2013 In-Service and subsequent Depreciation.
- B) Increase in Money Pool funding.
- C) Monthly and 2013 annual variances are due to changes to the required reserves related to the Hedging Program.
- D) A/R: March variance is primarily due to increase in money pool funding of \$2.4M offset by decrease in off system sales.

 A/P: March variance is due to increased payables related to increased Gas Costs (\$2M).
- E) Monthly variance due to Usage variances of (\$2.0M) respectively. 2013 variance due to Rate differential of \$700K along with include reclassification entries between the Inventory and Material & Supply accounts and the prepayment accounts to accurately state the LIFO inventory balance; which was \$14.5M as of March 31st.
- F) 2013 Mo & Yr Variance due to timing differences between gas purchases vs. gas recoveries. Asset position indicates a temporary under-recovery of costs, while a liability position indicates an over-recovery of costs. These variances are primarily due to downward modification to Gas Cost and Balance Adjustment rates. These positions will be factored into future PGA filings and either collected or passed back to the customers.
- G) Variance due to changes necessary to maintain target debt to equity ratio of 48% / 52%, and to balance total capitalization with rate base.
- H) Variance due to changes to the Federal tax payment and accrual calculation(s).
- I) Variance due to changes in the Hedging obligations.
- J) Variances are due to changes in the number of outstanding exchange obligations vs. the 0&12.
- K) <u>Deferred Charges</u> & Other Non-current liabilities variances are due to Customer Advances stemming from Capital projects...

Columbia Gas of Kentucky Capital Expenditures - Plan-vs.-Plan (\$ millions)

2013 3&9	Mo Actual	YTD Actual	2013 3&9	2014 3&9
New Business	0.3	0.8	5.3	2.6
Betterment	0.0	0.1	0.1	0.1
Replacement	1.4	2.7	17.8	16.5
Support Services	0.3	0.5	2.0	8.5
Gross Capital	2.0	4.2	25.2	27.7
Contributions & Reimbursements	(0.0)	(0.6)	(0.6)	(0.6)
Total NGD	2.0	3.5	24.6	27.1
Infrastructure/AMR	1.1	2.2	14.2	12.2

2013 0&12	Mo Budget	YTD	2013 0&12	2014 0&12
New Business	0.3	1.0	4.0	2.6
Betterment	0.0	0.0	0.1	0.1
Replacement	1.3	3.4	15.8	16.5
Support Services	0.1	0.3	2.0	8.5
Gross Capital	1.8	4.9	21.9	27.7
Contributions & Reimbursements	(0.1)	(0.2)	(0.6)	(0.6)
Total NGD	1.6	4.6	21.3	27.1
Infrastructure/AMR	0.7	2.0	12.2	12.2

/ariance	Mo Var	YTD Var	Yr Var	Yr Var
New Business	(0.0)	(0.3)	1.3	-
Betterment	(0.0)	0.1	-	-
Replacement	0.1	(0.7)	2.0	-
Support Services	0.2	0.2	-	_
Gross Capital	0.3	(0.7)	3.3	-
Contributions & Reimbursements	0.1	(0.4)	-	-
Total NGD	0.4	(1.1)	3.3	-
Infrastructure/AMR	0.4	0.2	2.0	

Variance Explanations:

Actuals variance primarily unfavorable weather.

Plan variance due to incremental capital for increased growth forecast and IRP request. Note: 2014 AMR program of \$7M shown in support services.