Herbert A. Miller, Jr. *President*

P.O. Box 14241 2001 Mercer Road Lexington, KY 40512-4241 (859) 288.0275 Fax: (859) 288.0258 hamiller@nisource.com

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PUBLIC SERVICE COMMISSION

March 31, 2014

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

Dear Mr. Derouen,

Pursuant to the Commission's Order of February 26, 2001 in Case No. 2000-429, Columbia Gas of Kentucky, Inc. hereby files its annual report for the Statistical Meter Testing Plan. An original and three copies are enclosed.

If you have any questions, please contact me at (859) 288-0242 or jmcoop@nisource.com. Thank you.

Sincerely,

Judy M. Cooper

Director, Regulatory Policy

	2014 Meter Sample Annual Report
2	Exhibit A Identification of Control Groups
3	Exhibit B Domestic Meters Test Results
4	Exhibit C Large Volume Meters Test Results
5	Exhibit D Percentage of Domestic Meter Accuracy by Family
6	Exhibit E Percentage of Large Volume Meter Accuracy by Family
7	Exhibit F Cost Savings
8	Exhibit G Test Results of New Meters





COLUMBIA GAS OF KENTUCKY INC.

2013 METER SAMPLING ANNUAL REPORT

Columbia Gas of Kentucky completed the eighteenth year of their Meter Sampling program in December 2013.

A total of 4741 meters making up 32 homogenous groups were sampled in 2013. Details are listed in the Evaluation of Data and Corrective Actions below.

In 2013 Columbia Gas of Kentucky service personnel made 40,040 visits to our customers' premises working orders that involved inspecting house lines and / or appliances. Columbia inspected 53,475 meter set assemblies in conjunction with the Customer Service Line Survey program.

No regulator failure in 2013 resulted in overpressure being delivered to the customer's piping.

Columbia continues to promote safety through:

News Releases

4/16/13 -- Call Before You Dig release to all media in CKY service area

Bills & Bill Inserts

- Monthly -- The "Welcome to Columbia Gas of Kentucky" insert is sent to new customers and includes information about maintenance of customer-owned buried gas lines and Kentucky 811.
- 1/13 -- The "For Your Safety & Comfort" insert is sent to all residential and small commercial customers. Includes information about carbon monoxide poisoning prevention and heating equipment maintenance.
- 12/13 -- Scratch-n-sniff bill insert provides odor of gas awareness to all residential and small commercial customers. This insert also runs in initial customer bills.
- 1/13 -- "Your Service" customer newsletter included article about upgrades to pipeline infrastructure and keeping meters clear of snow and ice, as well as prevention of frozen pipes.

- 4/13 -- "Your Service" customer newsletter included article about how to detect a natural gas leak and what to do if one is suspected. Also included articles about National Safe Digging Month/811 and the dangers of energy theft.
- 12/13-1/14 -- "Your Responsibility for Maintenance of Buried Gas Lines" insert for all residential and small commercial customers.
- 7/13 -- "Your Service" customer newsletter included article about Call Before You Dig, keeping clear access to meters.
- 10/13 -- "Your Service" customer newsletter included article about how to prevent exposure to carbon monoxide.
- Left column of monthly bill for residential and small commercial customers includes bill messages regarding odor of gas, call before you dig and employee identification.
- Billing envelope (back flap) has Call 811 Before You Dig message.

Web Site

- Safety tips (English & Spanish)
- Kentucky 811 information and link
- Contact Us form where customers can email safety-related and other questions to CKY staff
- News releases/featured safety items on home page

Electronic Communications

• 4/22/13 -- Email sent to 40,764 customers regarding Call Before You Dig

Community Outreach

- April 2013 -- Editorial in Lexington Herald-Leader regarding Safe Digging Month
- Customer letters and door hangers associated with large pipeline replacement projects
- Job site media interviews discussing Call Before You Dig, how to detect a natural gas leak and what to do if a leak is suspected
- Pipeline safety brochure available in English/Spanish
- August 2013 -- Pipeline safety brochure (English version) mailed to 10,550 customers and non-customers living along transmission class pipelines
- Natural gas safety education materials provided to teachers upon request through the National Energy Foundation
- 811 booth at events including Thursday Night Live (Lexington), Beer Cheese Festival (Winchester), Walk to End Alzheimer's (Lexington), and Court Days (Mt. Sterling)
- Helped to coordinate 811 Run in Winchester
- Sponsored participant wearing 811 logo shirt in Lexington's Brave the Blue event.

Advertising

 Safety ad campaign focusing on Call Before You Dig was placed in radio, print, outdoor and online media in April-May 2013. Print and online ads were created

- in English and Spanish. Print ad ran in Taste of Home and LaVoz. Radio markets included Lexington, Floyd County, Maysville, and Boyd County. Four billboards appeared in Lexington.
- Safety ad campaign focusing on recognition of gas leak and how to respond was placed in radio, print and online media in November-December 2013.
 Publications same as above.
- Kentucky 811 billboard at Lexington Legends ballpark was co-sponsored by CKY and Kentucky 811 throughout 2013.

Excavator/Emergency Responder Training

- 10/13 -- Served as primary sponsor of Buffalo Trace Fire School in Maysville KY
- Sponsored natural gas safety training sessions for excavators and emergency responders April 9-June 18 in Mt. Sterling, Hazard, Grayson, Prestonsburg, Richmond, Maysville, Ashland, and Lexington.
- 9/13 -- Direct mail campaign regarding Call Before You Dig to excavators throughout service area.

Evaluation of Data

- A total of 4543 domestic meters making up 28 homogenous Control Groups were sampled in 2013.
- Of the 4543 meters sampled 220 tested outside the required accuracy of +/- 2% and were classified a failed meter.
- 4.9% of the domestic meters pulled for meter sampling failed.
- 27 of the 28 homogenous Control Groups passed the requirements of American National Standards Institute / American Society for Quality Control Z 1.4.
- A total of 198 Large Volume meters making up 4 homogenous Control Groups were sampled in 2012.
- Of the 199 Large Volume meters sampled, 9 tested outside the required accuracy of +/- 2% and were classified a failed meter.
- 4.7% of Columbia Gas of Kentucky's Large Volume meters failed.

• All 4 Large Volume homogenous Control Groups passed the requirements of American National Standards Institute / American Society for Quality Control Z 1.4.

Failed Family

• Columbia Gas was able to identify a shipment of 1200 meters in the American 608 family KYNAM09 that tested extremely poor causing the Failed Family. Columbia has created a sub-family KYNAM09FL consisting of the remaining 925 meters for 2014 and will remove these poor performing meter by the end of 2014.

Corrective Action

Columbia Gas of Kentucky will continue to in-test and retire, when
pulled from service, meters that have established a poor performance
record even though their group has not failed. In previous filings we have
listed individual meters that are retired due to poor performance. We are
now in-testing and retiring all meters that are not temperature
compensated. This eliminates poor performing meters from being reinstalled.

Regulator Failures

- Columbia Gas of Kentucky had 66 regulator failures in 2013. Due to full internal relief of the regulator, none resulted in an overpressure situation for the customer.
- 27 regulators had gas leakage from the vent.
- 32 regulators would not adjust or lock up correctly.
- 7 were leaking at the body of the regulator

Should you have any questions, contact Timothy McKune at (859) 288-0241.

Timothy McKune

Compliance Manager

Columbia Gas of Kentucky

<u>IDENTIFICATION OF EACH CONTROL GROUP</u> <u>OR METER FAMILIES</u>

A five-character number identifies each Control Group or Family. 1-2-3-4-5

1 Identifies if Control Group or Family is new or repaired meters

N = New

R = Repaired

2-3 Identifies Meter Manufacturer

AM = American

RO = Rockwell

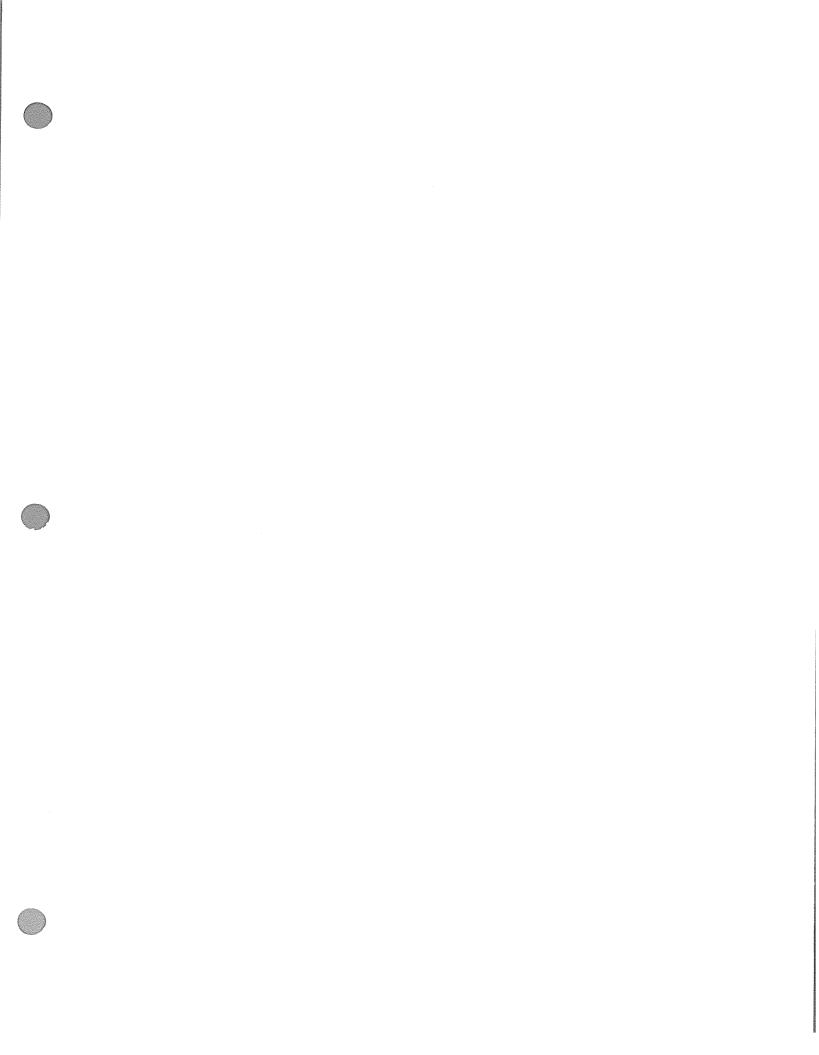
LA = Lancaster

SP = **Sprague**

4-5 Identifies the age of the Group or Family

Example – Identifier RAM01 indicates a Repaired American Meter. The 01 represents the oldest group of repaired American meters. A detail of the age of each group is found in Exhibit D & E.

Large Volume meters 500 - 1500 CFH follow the same format with a "B" in front of the identifier.



2013 COLUMBIA GAS OF KENTUCKY DOMESTIC METER SAMPLING TEST RESULTS

Page 1 & 2 of Exhibit B gives a summary of each Domestic (0-500 CFH) Family. Listed on page 1 & 2 of exhibit are:

- 1. Name of the Family Codes
- 2. Total number of meters in that family on the customer's premises
- 3. Total number of meters in that family required to be sampled
- 4. Total number of meters sampled
- 5. Total number of meters in-testing outside the required +/- 2%
- 6. Total number of meters allowed to fail
- 7. Passed/Failed Status of Meter Family
- 8. Percentage of meters failed per Family
- 9. Number of meters failed fast
- 10. Number of meters failed slow

Page 3 of Exhibit B identifies in graph form the percentages of meters within tolerance since Columbia Gas of Kentucky began sampling in 1996. This is a combined listing of all domestic meter groups.

2013 COLUMBIA GAS OF KENTUCKY METER SAMPLING RESULTS

Samples taken between 2013-01-01 and 2013-12-31

"A" Class Meters 0-500 CFH

FAMILY CODES	TOTAL MTRS. IN FAMILY (a)	TOTAL MTRS REQ'D IN PROGRAM (b)	TOTAL SAMPLED	TOTAL FAILED METERS (d)	TOTAL REJECTS ALLOWABLE (e)	2013 FAMILY STATUS (f)	RATIO FAILED (d/c=g)	NUMBER FAILED FAST (h)	NUMBER FAILED SLOW (I)
NAM01	1373	125	127	8	14	PASSED	6.3%	1	7
NAM02	3734	200	201	11	21	PASSED	5.5%	0	11
NAM03	2766	125	125	3	21	PASSED	2.4%	2	1
NAM04	2068	125	125	0	14	PASSED	0.0%	0	0
NAM05	401	50	50	0	10	PASSED	0.0%	0	0
NAM06	4946	200	200	1	21	PASSED	0.5%	1	0
NAM06A	5111	200	200	3	14	PASSED	1.5%	2	1
NAM07	5131	200	201	19	21	PASSED	9.5%	19	0
NAM08	7646	200	202	15	21	PASSED	7.4%	15	0
NAM09	6098	200	200	23	21	FAILED	11.5%	23	0
NAM10	5208	200	200	6	21	PASSED	3.0%	6	0
NAM11	8717	200	201	5	21	PASSED	2.5%	5	0
NLA01	830	80	80	6	10	PASSED	7.5%	0	6
NLA02	4511	200	200	3	21	PASSED	1.5%	0	3
NRO01	3765	200	200	5	21	PASSED	2.5%	1	4

NRO02	6892	200	200	12	21	PASSED	6.0%	12	0
NSP01	115	20	20	0	2	PASSED	0.0%	0	0

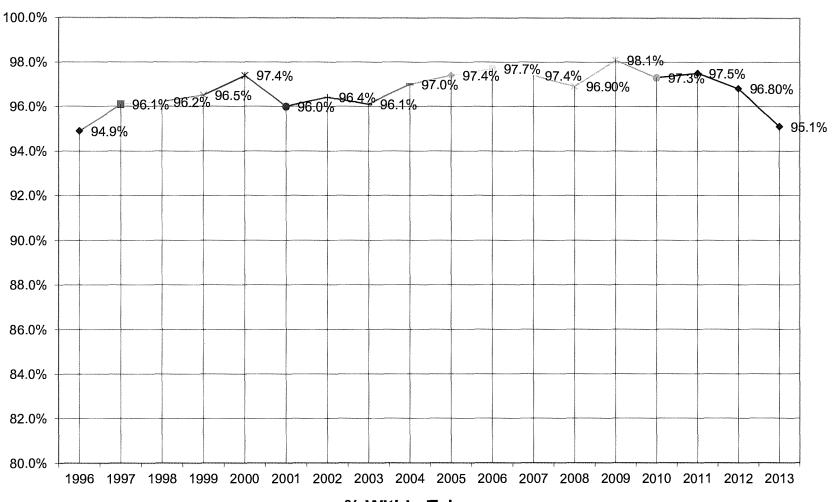
Samples taken between 2013-01-01 and 2013-12-31

[&]quot;A" Class Meters 0-500 CFH

FAMILY CODES	TOTAL MTRS. IN FAMILY (a)	TOTAL MTRS REQ'D IN PROGRAM (b)	TOTAL SAMPLED (c)	TOTAL FAILED METERS (d)	TOTAL REJECTS ALLOWABLE (e)	2013 FAMILY STATUS (f)	RATIO FAILED (d/c=g)	NUMBER FAILED FAST (h)	NUMBER FAILED SLOW (I)
RAM02	342	50	51	3	7	PASSED	5.9%	0	3
RAM03	990	80	80	0	14	PASSED	0.0%	0	0
RAM04	6073	200	202	18	21	PASSED	8.9%	0	18
RAM05	7094	200	200	7	21	PASSED	3.5%	0	7
RAM06	8290	200	200	4	21	PASSED	2.0%	0	4
RLA03	2868	125	125	4	21	PASSED	3.2%	0	4
RRO01	3233	200	200	11	21	PASSED	5.5%	0	11
RRO02	3403	200	205	15	21	PASSED	7.3%	0	15
RRO03	3046	200	125	7	21	PASSED	5.6%	0	7
RRO04	4992	200	201	11	21	PASSED	5.5%	3	8
RSP01	4397	200	200	20	21	PASSED	10.0%		20
TOTAL	114040	4580	4521	220			4.9%	90	130

Columbia Gas of Kentucky Inc. "A" Meter Program Overall Results





% Within Tolerance

EXHIBIT C

2013 COLUMBIA GAS OF KENTUCKY LARGE VOLUME METER SAMPLING TEST RESULTS

Page 1 of Exhibit C gives a summary of each Large Volume (500 - 1500 CFH) Family. Listed on page 1 of exhibit are:

- 1. Name of the Family Codes
- 2. Total number of meters in that family on the customer's premises
- 3. Total number of meters in that family required to be sampled
- 4. Total number of meters sampled
- 5. Total number of meters in-testing outside the required +/- 2%
- 6. Total number of meters allowed to fail
- 7. Passed/Failed Status of Meter Family
- 8. Percentage of meters failed per Family
- 9. Number of meters failed fast
- 10. Number of meters failed slow

Page 2 of Exhibit C identifies in graph form the percentages of meters within tolerance since Columbia Gas of Kentucky began sampling in 1996. This is a combined listing of all large volume groups.

2012 COLUMBIA GAS OF KENTUCKY METER SAMPLING RESULTS

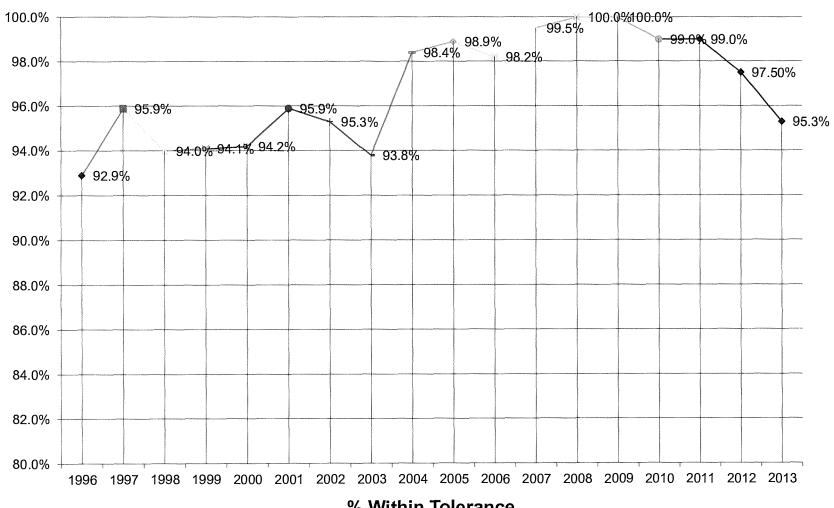
Samples taken between 2013-01-01 and 2013-12-31

"B" Class Meters 500 - 1500 CFH

FAMILY CODES	TOTAL MTRS. IN FAMILY (a)	TOTAL MTRS REQ'D IN PROGRAM (b)	TOTAL SAMPLED (c)	TOTAL FAILED METERS (d)	TOTAL REJECTS ALLOWABLE (e)	2013 FAMILY STATUS (f)	RATIO FAILED (d/c=g)	NUMBER FAILED FAST (h)	NUMBER FAILED SLOW (I)
BNAM01	573	80	81	8	10	PASSED	9.9%	8	0
BRAM01	1138	80	76	1	10	PASSED	1.3%	1	0
BRRO01	161	32	30	0	5	PASSED	0.0%	0	0
BRSP01	23	5	5	0	1	PASSED	0.0%	0	0
TOTAL	1895	197	192	9			4.7%	9	0

Columbia Gas of Kentucky Inc. **"B" Meter Program Overall Results**





% Within Tolerance

EXHIBIT D

PERCENTAGE OF DOMESTIC METER ACCURACY BY FAMILY

Exhibit D - represents the percentage of meters sampled in 2013 that were within the +/- 2% rate, identified by homogenous group. We also show previous results of meter families sampled in the past ten years.

NAM01 = New American meters purchased between 1981 & 1990

NAM02 = New American meters purchased between 1991 & 1993

NAM03 = New American meters purchased in 1994

NAM04 = New American meters purchased in 1995

NAM05 = New American meters purchased in 1996

NAM06 = New American meters purchased in 1997 & 2000

NAM06A= New American meters purchased in 2001 & 2002

NAM07 = New American meters purchased in 2003

NAM08 = New American meters purchased in 2004

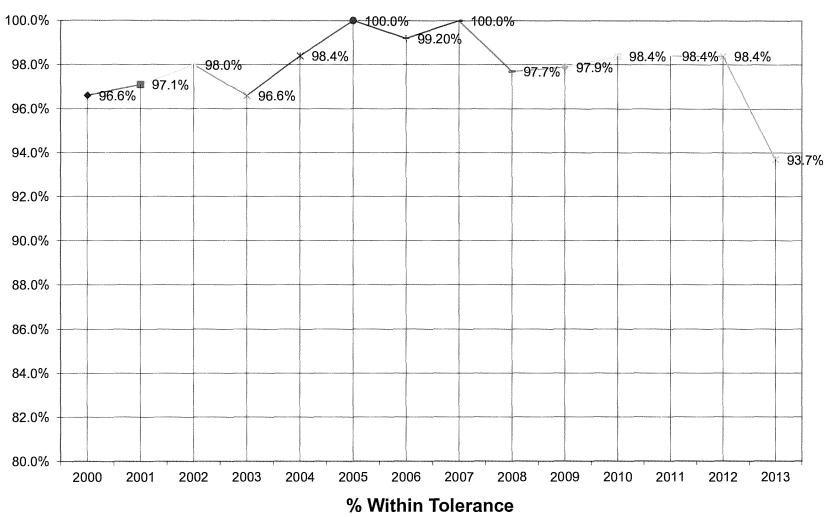
NAM09 = New American meters purchased in 2005

NAM10 = New American meters purchased in 2007

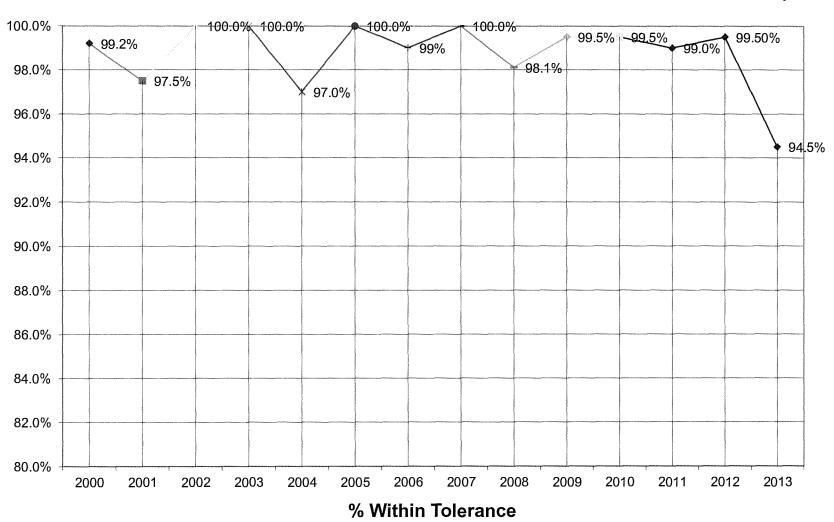
NAM11= New American meters purchased in 2009 & 2011

- NLA01 = New Lancaster meters purchased in 1987
- NLA02 = New Lancaster meters purchased between 1989, 1990, & 1992
- NRO01 = New Rockwell meters purchased between 1983 & 1996
- NRO02 = New Rockwell meters purchased between 1997 & 1999
- NSP01 = New Sprague meters purchased between 1982 & 1996
- RAM02 = Repaired American meters installed in 1987 & 1989
- RAM03 = Repaired American meters installed in 1990 & 1991
- RAM04 = Repaired American meters installed between 1992 & 1996
- RAM05 = Repaired American meters installed between 1997 & 2003
- RAM06 = Repaired American meters installed in 2004, 2005, 2007, 2009, & 2011
- RLA03 = Repaired Lancaster meters installed between 1987 & 2004
- RRO01 = Repaired Rockwell meters installed between 1981 & 1989
- RRO02 = Repaired Rockwell meters installed between 1990 & 1993
- RRO03 = Repaired Rockwell meters installed between 1994 & 1999
- RRO04 = Repaired Rockwell meters installed between 2000, & 2011
- RSP01 = Repaired Sprague meters installed between 1983 & 2007

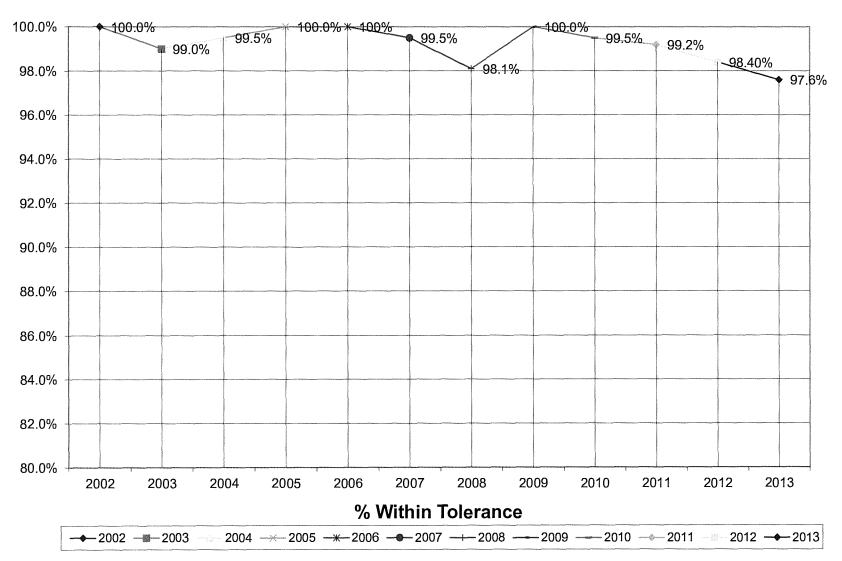




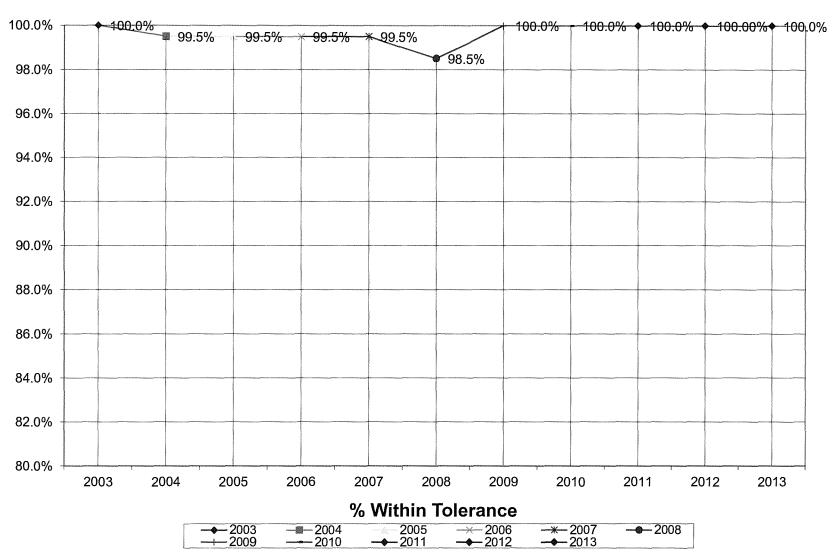
Columbia Gast of Kentucky



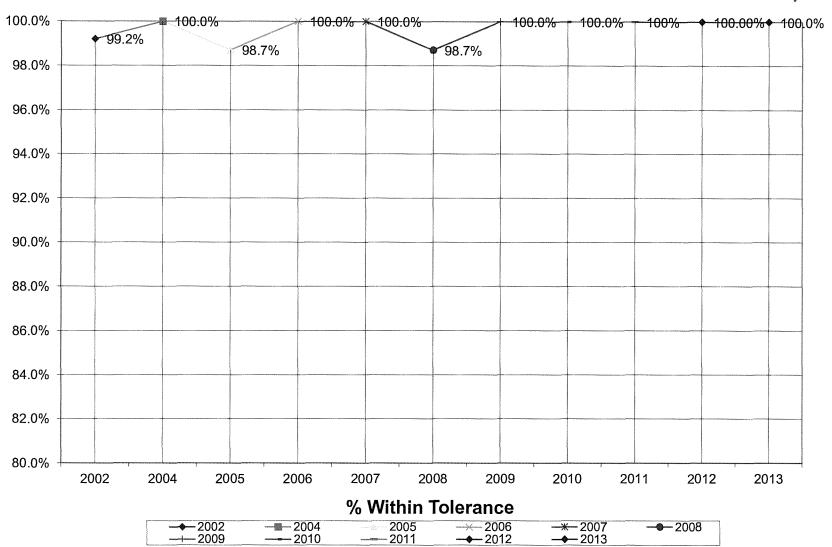




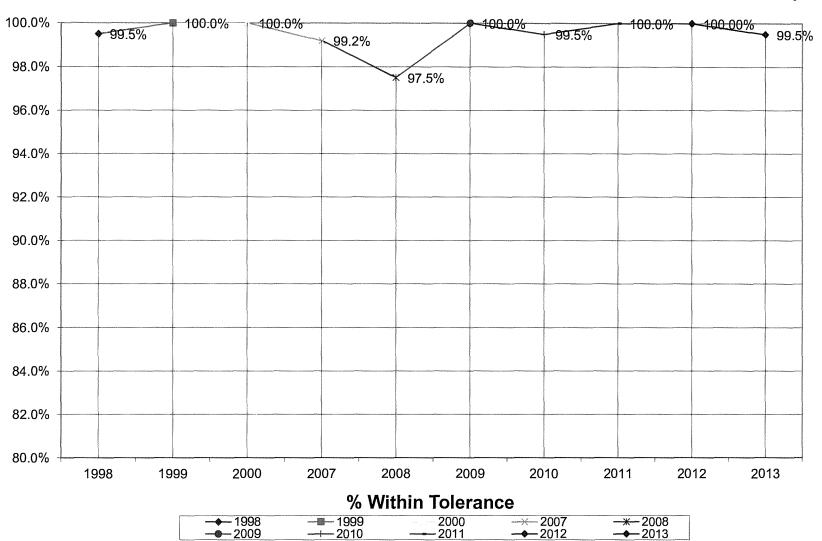






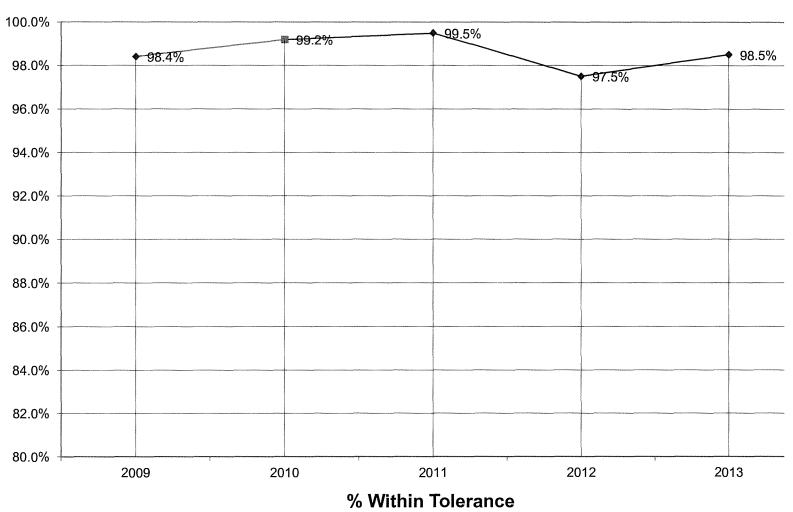






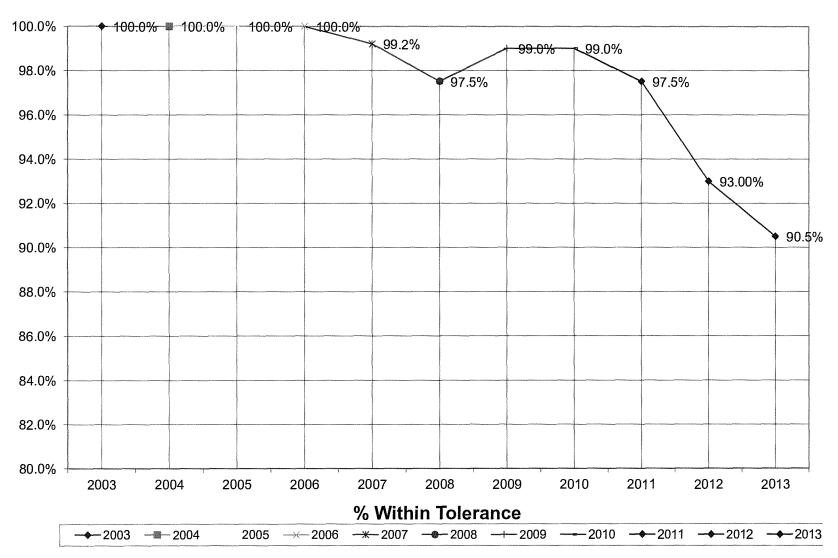
NAM06A



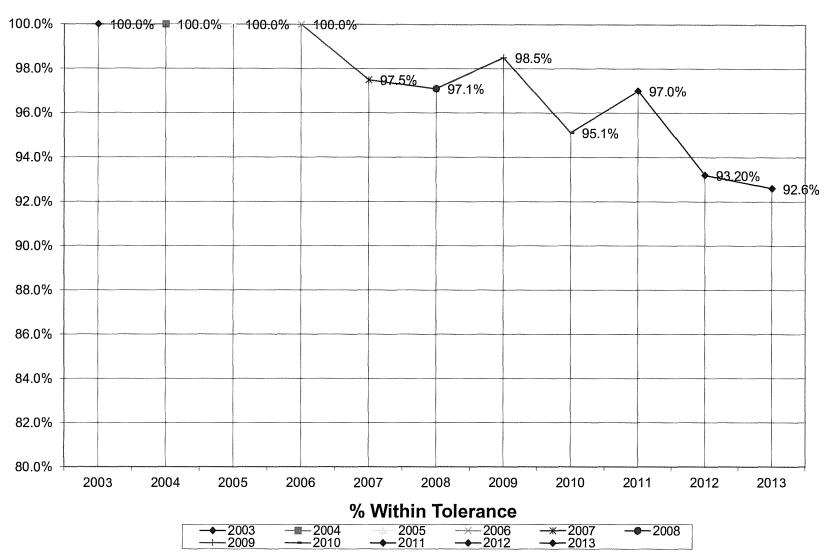


→ 2009 — 2010 → 2011 → 2012

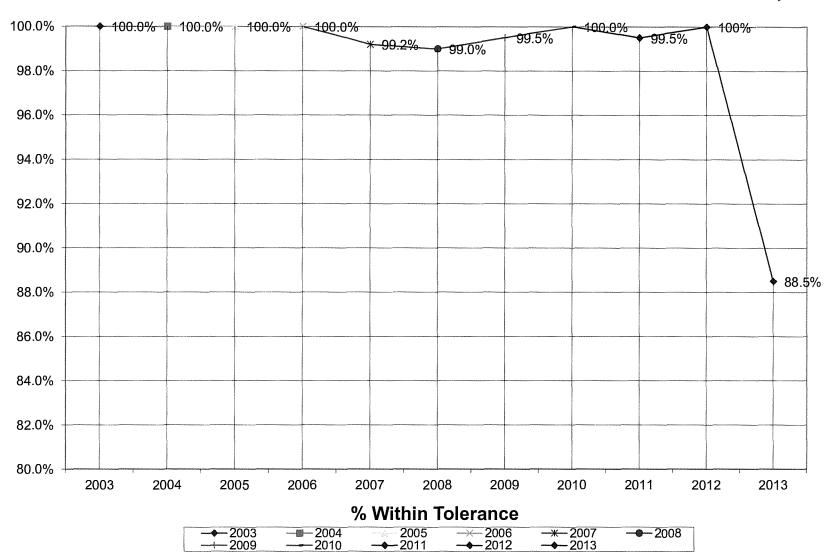




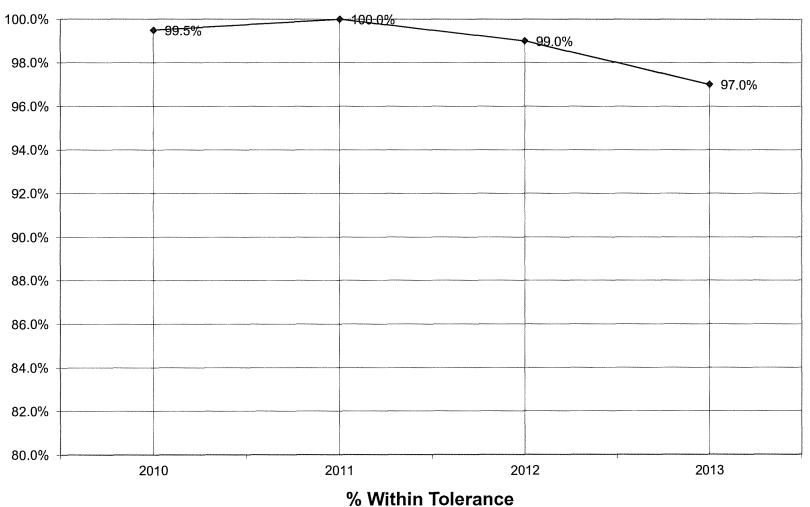






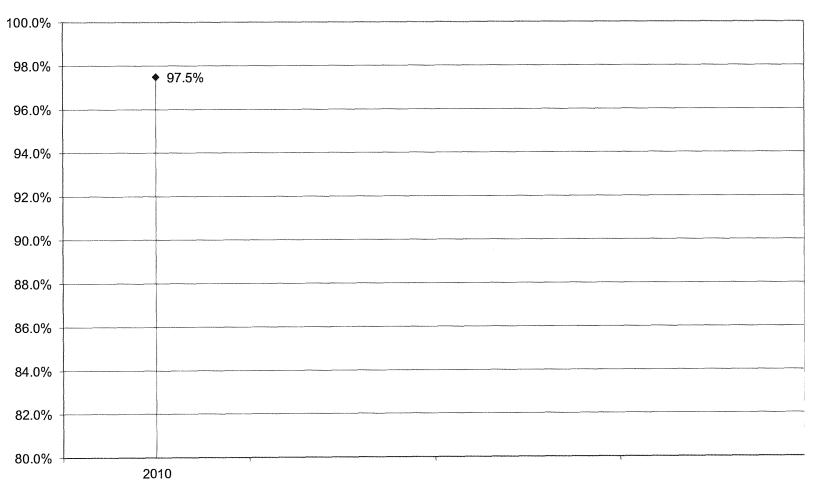










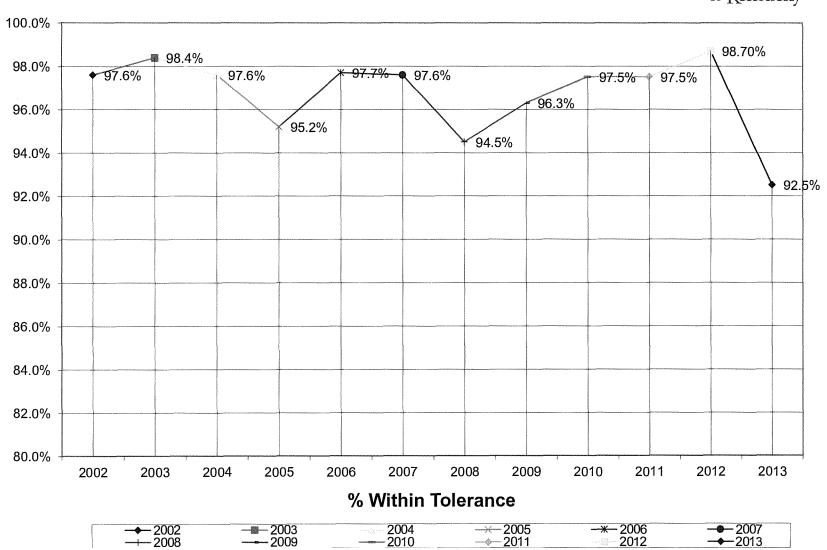


% Within Tolerance



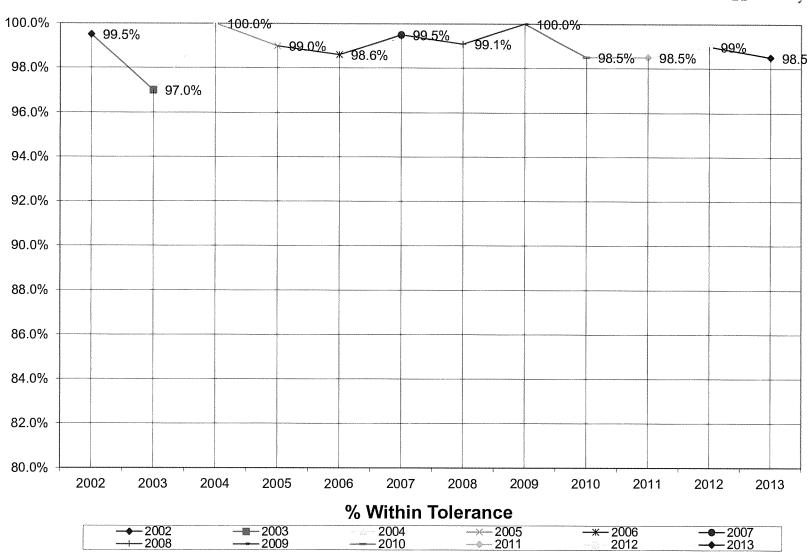






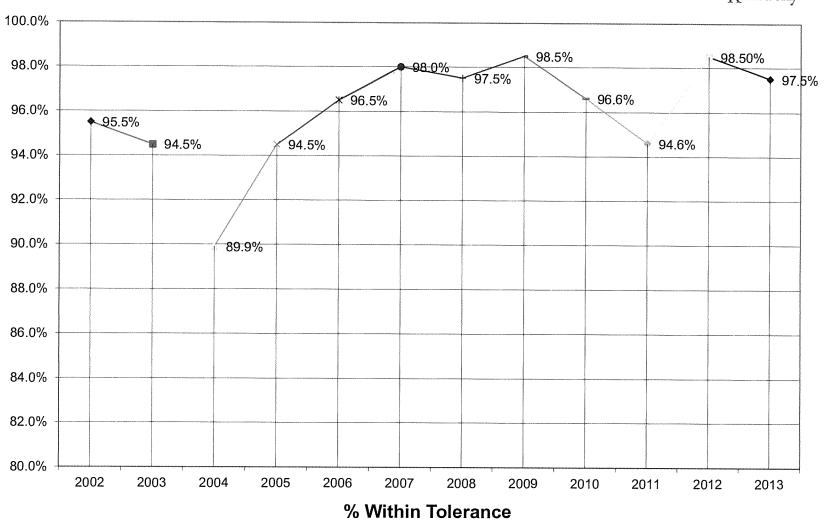
NLA02





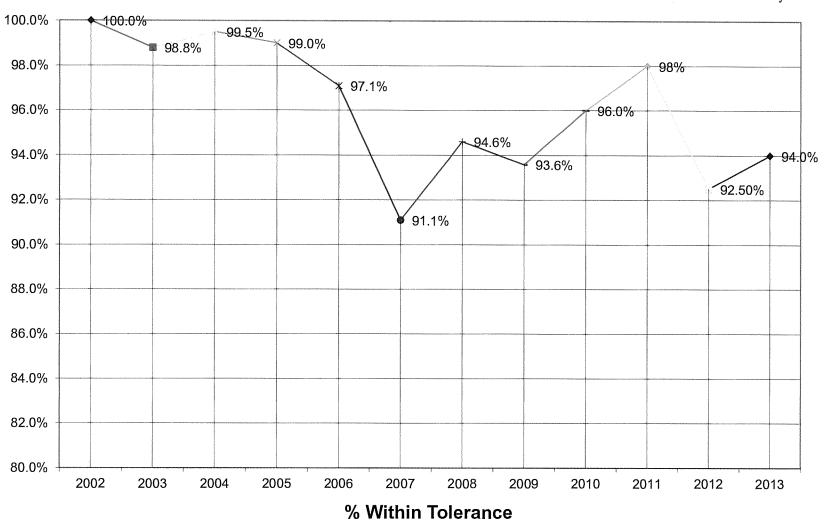






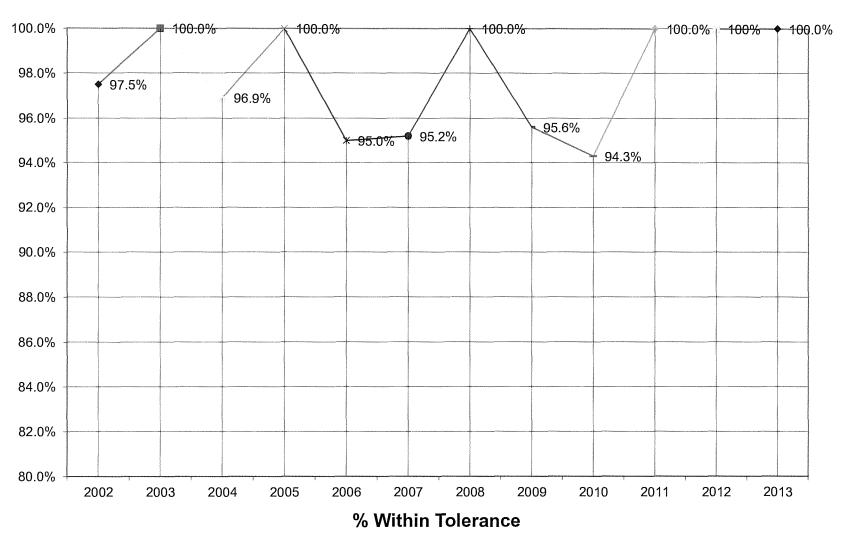


Columbia Gase of Kentucky



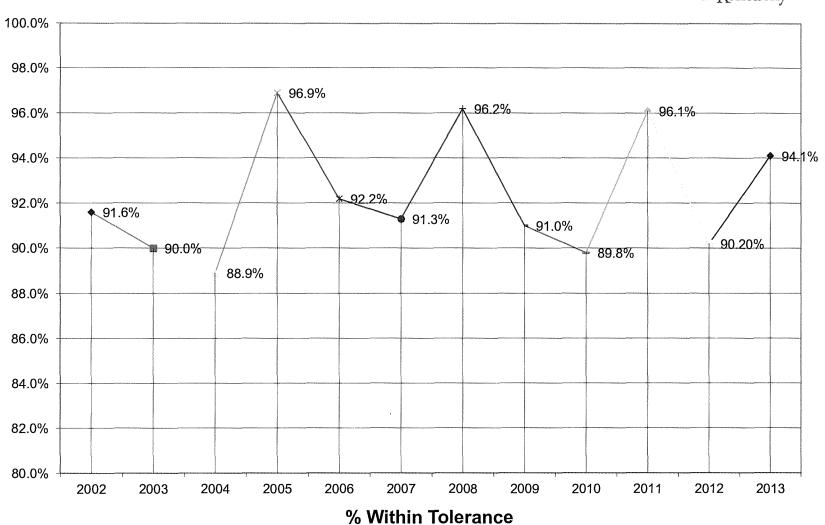


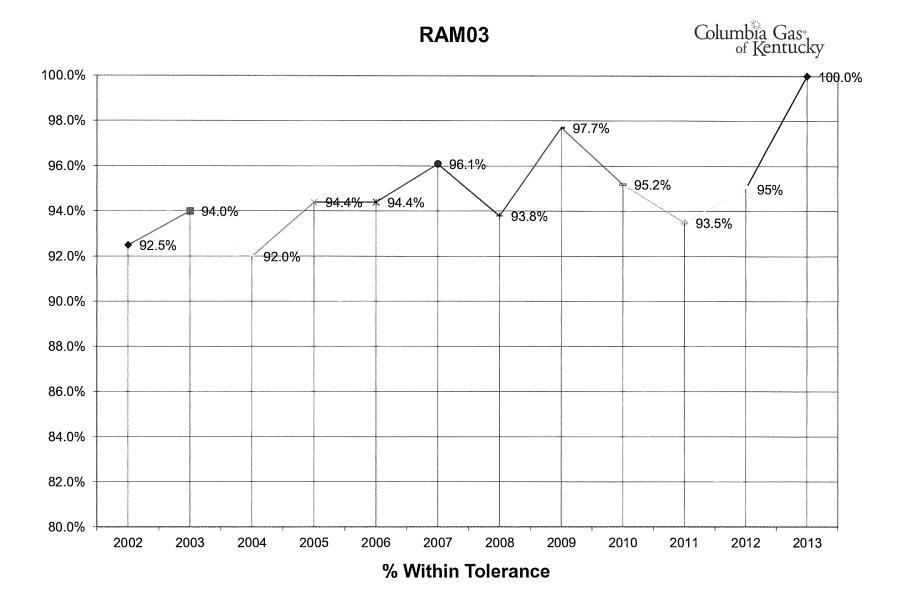






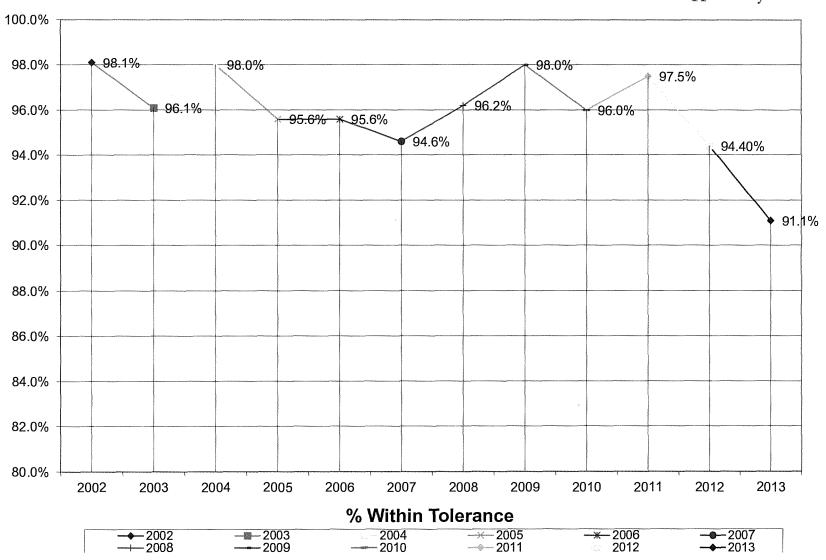






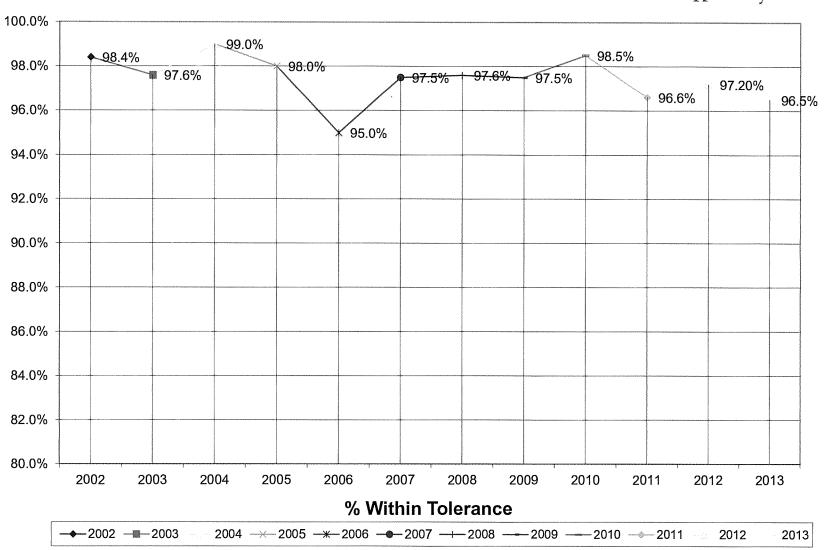






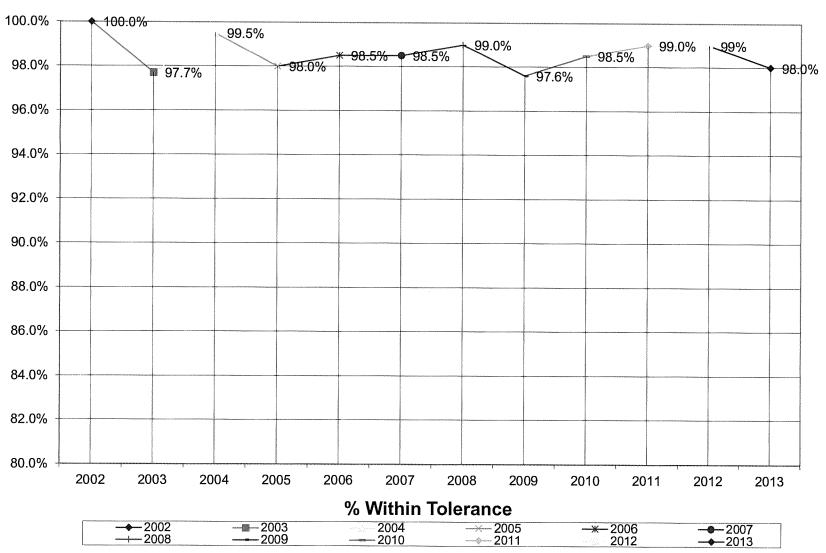






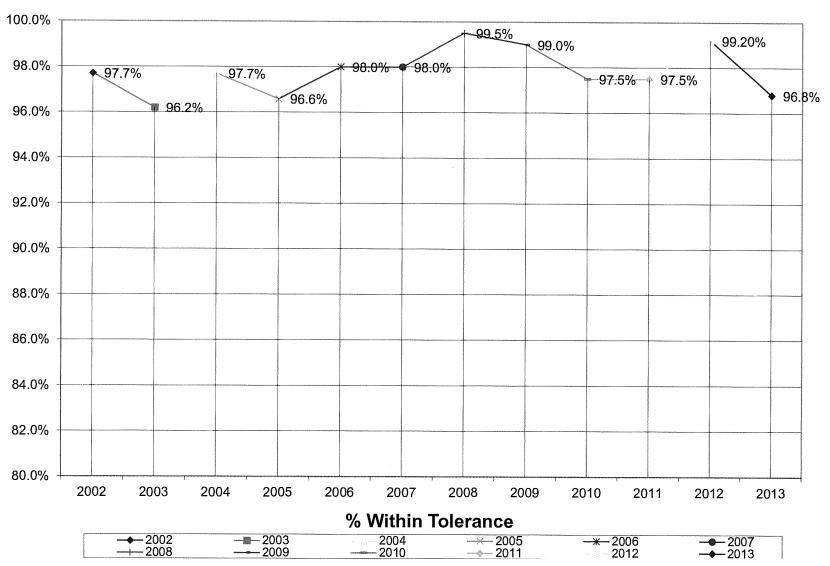
RAM06





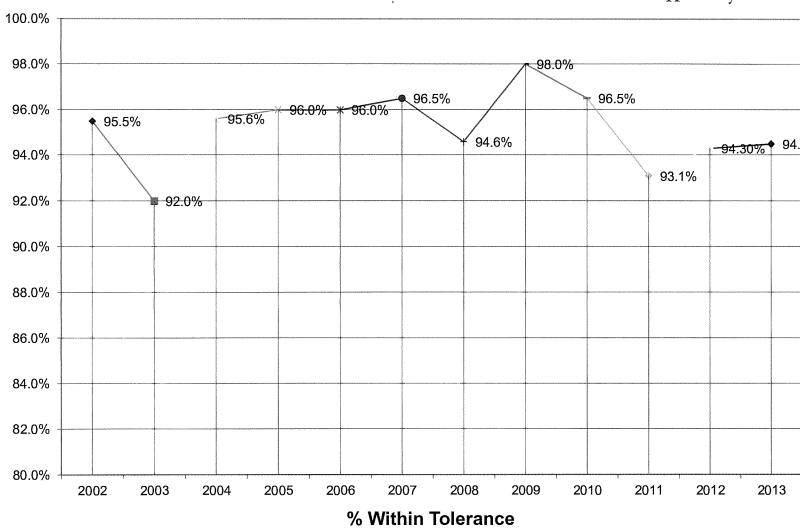
RLA03

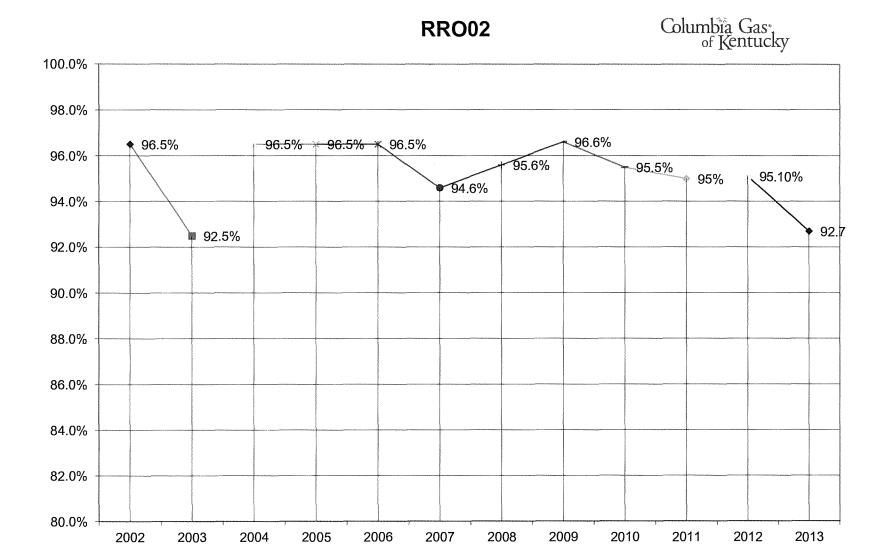








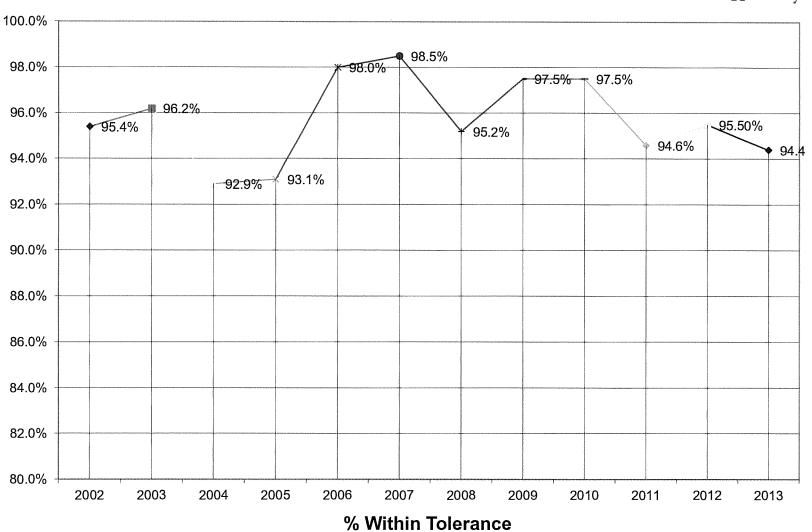


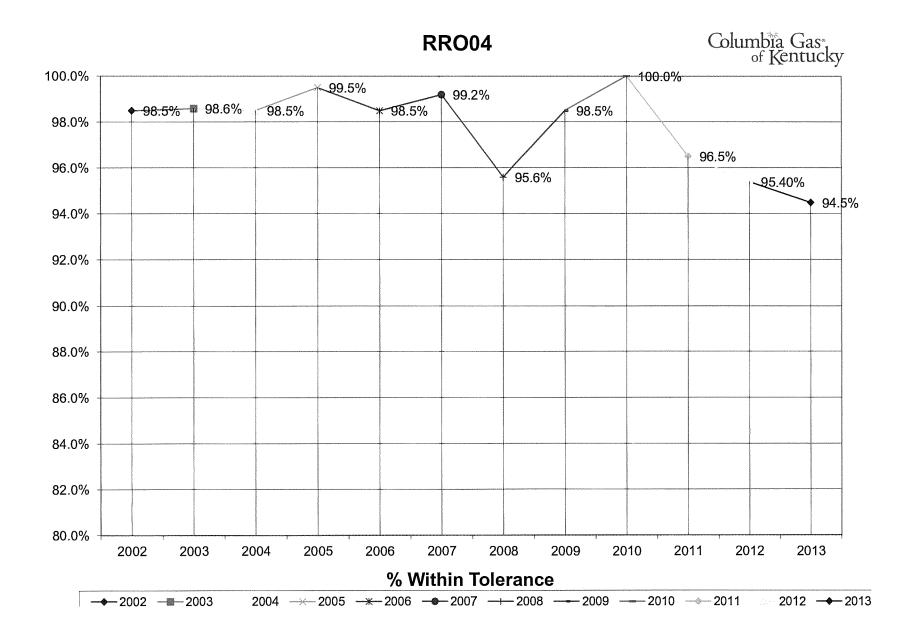


% Within Tolerance



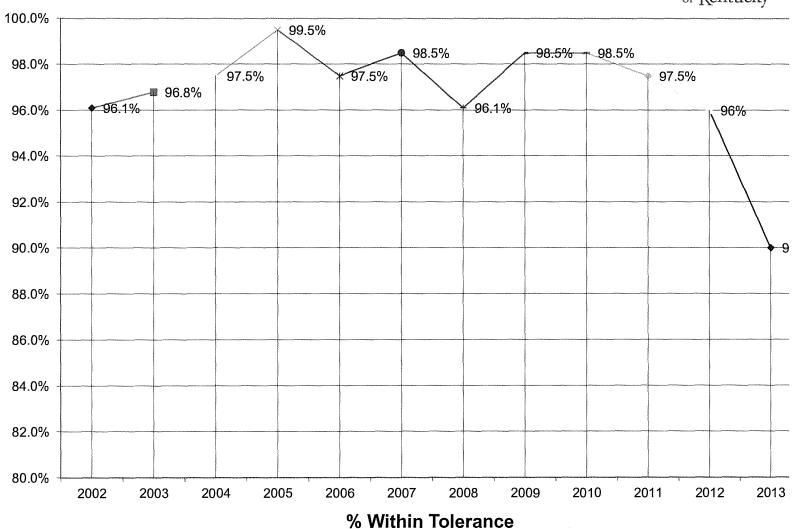












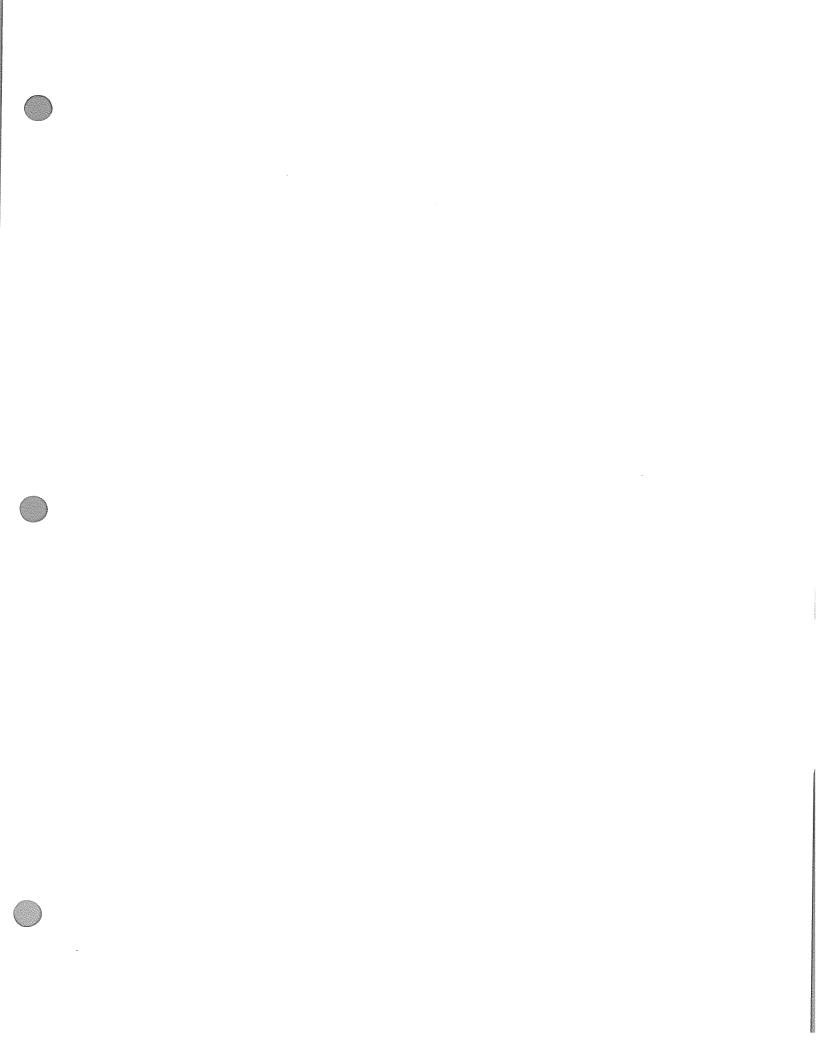


EXHIBIT E

PERCENTAGE OF LARGE VOLUME METER ACCURACY BY FAMILY

Exhibit E - represents the percentage of Large Volume meters sampled in 2013 that were within the +/- 2% rate, identified by homogenous group. We also show previous results of meter families sampled in prior years.

BRAM01 = Repaired American meters installed between 2003 & 2011

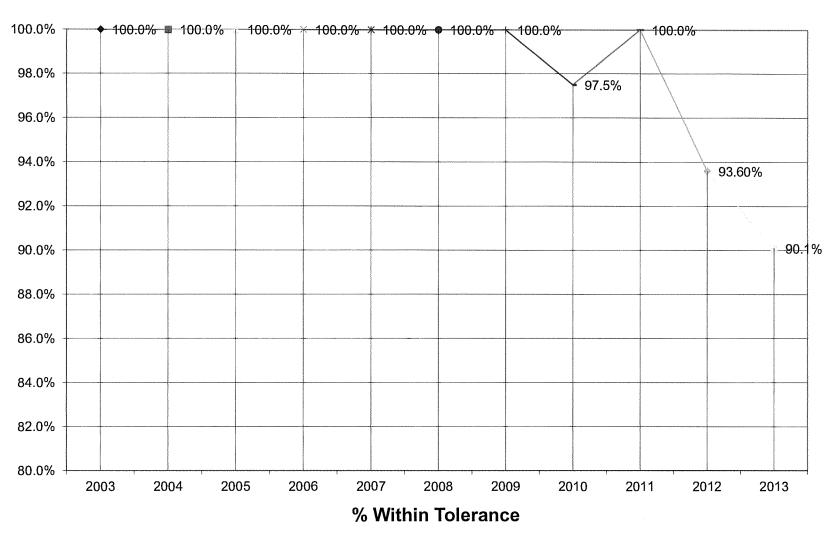
BRRO01 = Repaired Rockwell meters installed between 2003 & 2011

BRSP01 = Repaired Sprague meters installed between 2008 & 2011

BNAM01 = New American meters purchased between 2003 & 2011

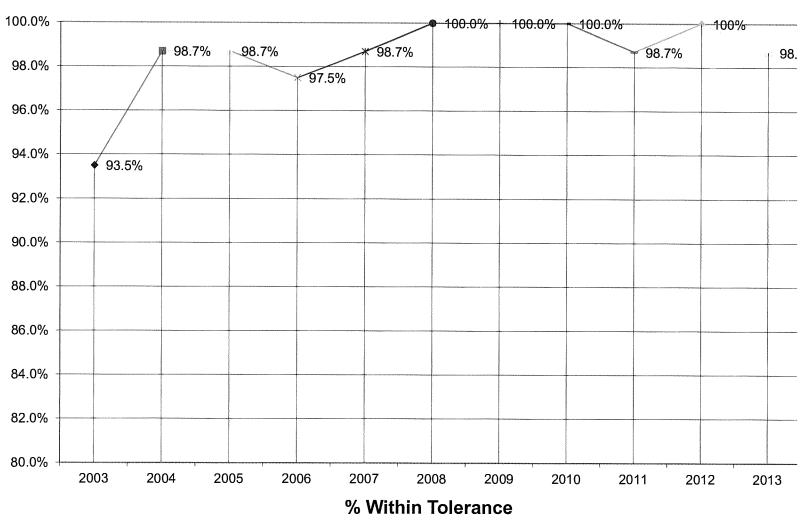
BNAM01





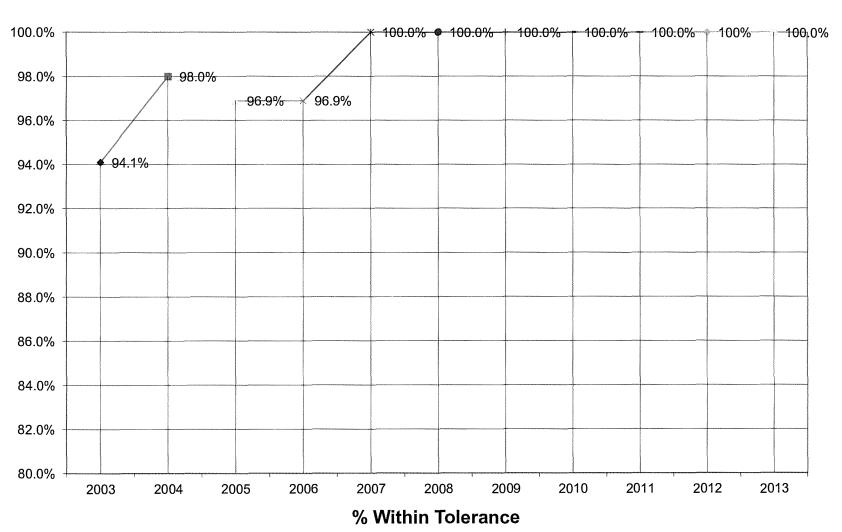
BRAM01





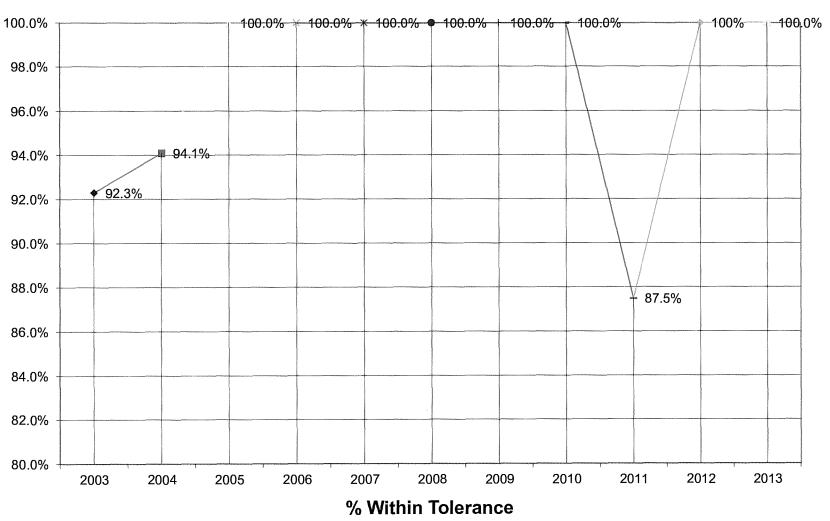












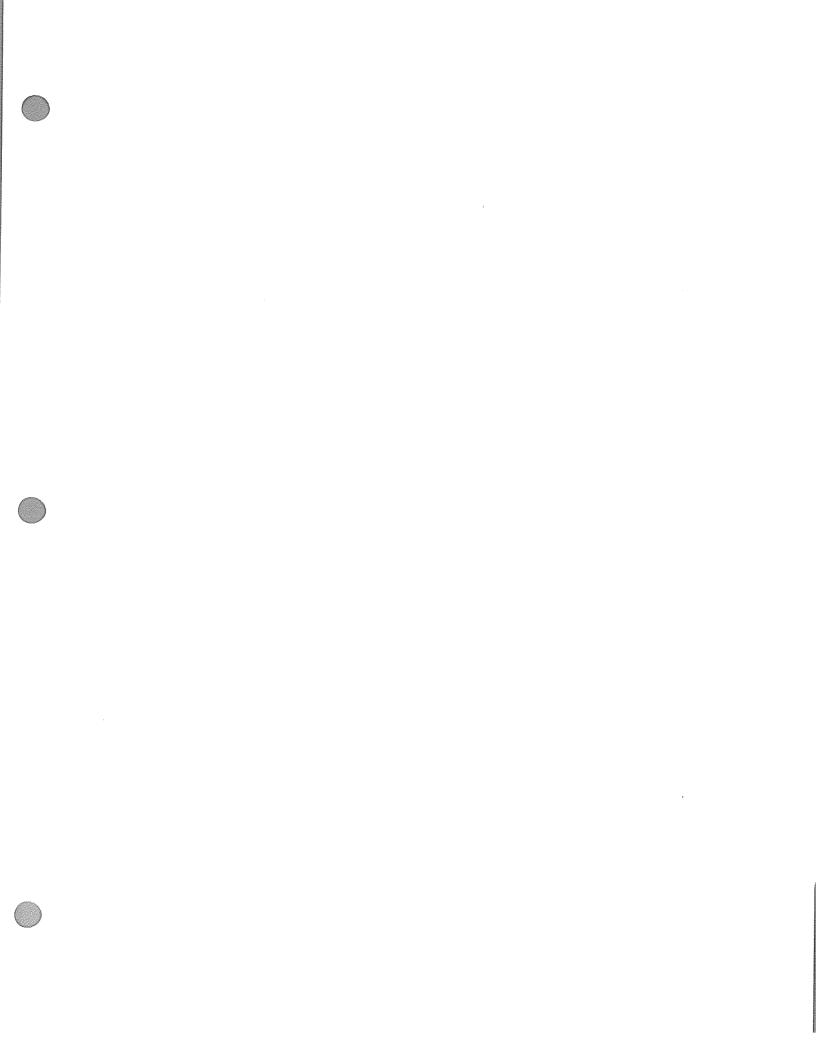


EXHIBIT F

COST SAVINGS

The 2013 sampling program resulted in changing 5209 fewer meters than would have been changed under the 14-year plan Columbia Gas of Kentucky was following prior to meter sampling and changing 9316 fewer meters than would have been required under a 10-year change-out program.

This represents yearly savings of \$1,266,976 compared to a 10-year plan

This represents yearly savings of \$708,424 compared to a 14-year plan

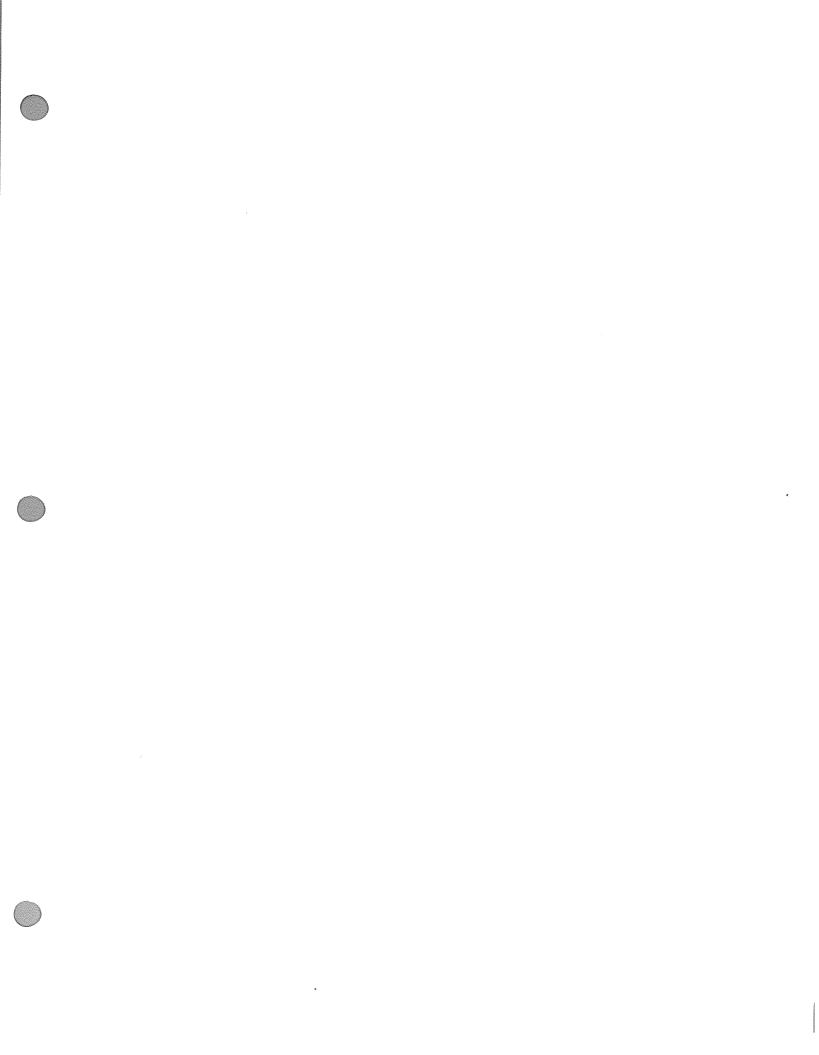


EXHIBIT G

TEST RESULTS OF NEW METERS

Columbia Gas of Kentucky purchased 3744 new meters in 2013. The factory test sheets for the new meters purchased in 2013 are on file in the Lexington office.

No problems were found in the new 2013 purchases.