

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|----------------------------------|---|------------|
| APPLICATION OF COLUMBIA GAS OF |) | |
| KENTUCKY, INC. FOR AN ADJUSTMENT |) | CASE NO. |
| OF RATES |) | 2007-00008 |

FIRST DATA REQUEST OF COMMISSION STAFF
TO COLUMBIA GAS OF KENTUCKY, INC.

Columbia Gas of Kentucky, Inc. ("Columbia"), pursuant to 807 KAR 5:001, is requested to file with the Commission the original and 7 copies of the following information, with a copy to all parties of record. The information requested herein is due on or before either 14 days after the initial submission of the rate application or 28 days after the date of this Data Request, whichever is later. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information requested herein has been provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request. When applicable, the information requested herein should be provided for total company operations and jurisdictional operations, separately.

1. Provide a copy of the current bylaws. Indicate any changes made to the bylaws since the year utilized as the test year in Columbia's last rate case.
2. Provide the current organization chart, showing the relationship between Columbia and its parent company NiSource, Inc. ("NiSource"). Include the intermediate entities between NiSource and Columbia, as well as the relative positions of all NiSource entities and affiliates with which Columbia routinely has business transactions.
3. Provide the capital structure at the end of each of the periods shown in Format 3.
4. Provide the following:
 - a. A list of all outstanding issues of long-term debt as of the end of the latest calendar year and the end of the test year together with the related information as shown in Format 4a. Provide a separate schedule for each time period. Report in Column (k) of Format 4a, Schedule 2, the actual dollar amount of debt cost for the test year. Compute the actual and annualized composite debt cost rates and report them in Column (j) of Format 4a, Schedule 2.
 - b. An analysis of end-of-period, short-term debt and a calculation of the average and end-of-period cost rate as shown in Format 4b.
5. Provide a list of all outstanding issues of preferred stock as of the end of the latest calendar year and the end of the test year as shown in Format 5. Provide a separate schedule for each time period. Report in Column (h) for Format 5, Schedule 2, the actual dollar amount of preferred stock cost accrued or paid during the test year. Compute the actual and annualized preferred stock rate and report the results in Column (g) of Format 5, Schedule 1.

6. Provide the following:
 - a. List all issues of common stock in the primary market during the most recent 10-year period as shown in Format 6a.
 - b. The common stock information on a quarterly and yearly basis for the most recent 5 calendar years available, and through the latest available quarter as shown in Format 6b.
 - c. The market prices for common stock for each month during the most recent 5-year period and for the months through the date the application is filed. List all stock splits and stock dividends by date and type.
7. Provide a computation of fixed charge coverage ratios for the 10 most recent calendar years and for the test year as shown in Format 7.
8. Provide the following:
 - a. A schedule of revenues for each active rate schedule reflecting test-year revenues per book rates, revenues at present rates annualized, and revenues at proposed rates annualized.
 - b. A schedule showing the amount and percent of any proposed increase or decrease in revenue distributed to each rate schedule. This schedule is to be accompanied by a statement that explains, in detail, the methodology or basis used to allocate the requested increase or decrease in revenue to each of the respective customer classes.
 - c. A schedule showing how the increase or decrease in (b) above was further distributed to each rate charge (i.e., customer or facility charge, Mcf charge,

etc.). This schedule is to be accompanied by a statement that explains, in detail, the methodology or basis used to allocate the increase or decrease.

d. A reconciliation of the Gas Cost Adjustment revenue and expenses for the test year.

9. Provide the following information, in comparative form, for the test year and the 12-month period immediately preceding the test year:

a. A Kentucky jurisdictional operations income statement, a statement of changes in financial position, a statement of cash flows, a statement of changes in owner's equity, and a balance sheet.

b. A total company income statement, a statement of changes in financial position, a statement of cash flows, a statement of changes in owner's equity, and a balance sheet.

10. Provide the following:

a. A trial balance as of the last day of the test year (all income statement accounts should show activity for 12 months) showing account number, account title, and amount. Provide this information on a Kentucky jurisdictional operations basis. Only one copy needs to be supplied to the Commission. Other parties of record may examine the copy filed with the Commission.

b. A trial balance as of the last day of the test year (all income statement accounts should show activity for 12 months) showing account number, account title, and amount. Provide this information on a total company basis. Only one copy needs to be supplied to the Commission. Other parties of record may examine the copy filed with the Commission.

11. Provide the balance in each current asset and each current liability account and subaccount included in Columbia's chart of accounts by months for the test year. In addition, show total current assets, total current liabilities, and the net current position by months, annually, and the 13-month average for the test year. Provide a reconciliation of current assets, current liabilities, and net current position provided in response to the above with the current assets and current liabilities as shown on the balance sheet for each month of the test year. If any amounts were allocated, provide a calculation of the factor used to allocate each amount.

12. List each common general office account (asset, reserve, and expense accounts) covering the 12 months of the test year applicable to more than one jurisdiction or utility operation. If any amounts were allocated, show a calculation of the factor used to allocate each account.

13. Provide the following monthly account balances and a calculation of the average (13-month) account balances for the test year for the total company and Kentucky jurisdictional operations:

- a. Plant in service (Account No. 101).
- b. Plant purchased or sold (Account No. 102).
- c. Property held for future use (Account No. 105).
- d. Construction work in progress (Account No. 107).
- e. Completed construction not classified (Account No. 106).
- f. Depreciation reserve (Account No. 108).
- g. Plant acquisition adjustment (Account No. 114).

- h. Amortization of utility plant acquisition adjustment (Account No. 115).
- i. Materials and supplies (include all accounts and subaccounts).
- j. Balance in accounts payable applicable to each account in (i) above. (If actual is indeterminable, give reasonable estimate.)
- k. Unamortized investment credit – Pre-Revenue Act of 1971.
- l. Unamortized investment credit – Revenue Act of 1971.
- m. Accumulated deferred income taxes.
- n. A summary of customer deposits as shown in Format 13(n) to this request.
- o. Computation and development of minimum cash requirements.
- p. Balance in accounts payable applicable to amounts included in utility plant in service. (If actual is indeterminable, give reasonable estimate.)
- q. Balance in accounts payable applicable to prepayments by major category or subaccount.
- r. Balance in accounts payable applicable to amounts included in plant under construction. (If actual is undeterminable, give reasonable estimate.)

14. Provide the cash account balances at the beginning of the test year and at the end of each month during the test year for total company and Kentucky jurisdictional operations.

15. Provide the following information for each item of gas property or plant held for future use at the end of the test year:

- a. Description of property.

- b. Location.
- c. Date purchased.
- d. Cost.
- e. Estimated date to be placed in service.
- f. Brief description of intended use.
- g. Current status of each project.

16. Provide schedules, in comparative form, showing by months for the test year, and the year preceding the test year, the total company balance in each gas plant and reserve account or subaccount included in Columbia's chart of accounts as shown in Format 16.

17. Provide the journal entries relating to the purchase of gas utility plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise since Columbia's inception. Also, provide a schedule showing the calculation of the acquisition adjustment at the date of purchase of each item of utility plant, the amortization period, and the unamortized balance at the end of the test year.

18. Provide separate schedules showing a comparison of the balance in the total company and Kentucky jurisdictional revenue accounts for each month of the test year to the same month of the preceding year for each revenue account or subaccount included in Columbia's chart of accounts. Include appropriate footnotes to show the month each rate increase was granted and the month the full increase was recorded in the accounts. See Format 16.

19. Describe how the test-year capitalization rate was determined. If differing rates were used for specific expenses (i.e., payroll, clearing accounts, depreciation,

etc.), indicate the rate and how it was determined. Indicate all proposed changes to the test-year capitalization rate and how the changes were determined.

20. Provide the following:

a. A schedule showing a comparison of the balance in the total company and Kentucky jurisdictional operating expense accounts for each month of the test year to the same month of the preceding year for each account or subaccount included in Columbia's chart of accounts. See Format 16.

b. A schedule, in comparative form, showing the total company and Kentucky jurisdictional operating expense account balance for the test year and each of the 5 calendar years preceding the test year for each account or subaccount included in Columbia's annual report. (FERC Form No. 2, pages 317-325.) Show the percentage of increase or decrease of each year over the prior year.

c. A schedule of the total company and Kentucky jurisdictional operations salaries and wages for the test year and each of the 3 calendar years preceding the test year as shown in Format 20c. Show for each time period the amount of overtime pay.

d. A schedule showing the percentage of increase in salaries and wages for both union and non-union employees for the test year and the 3 preceding calendar years.

21. Provide the following payroll information for each employee classification or category:

a. The actual regular hours worked during the test year.

b. The actual overtime hours worked during the test year.

c. The test-year-end wage rate for each employee classification or category and the date of the last increase.

d. A calculation of the percent of increase granted during the test year.

22. Provide the amount of excess deferred federal income taxes resulting from the reduction in the corporate tax rate in 1979 and 1986, as of the end of the test year. Show the amounts associated with the 1979 reduction separately from the amounts associated with the 1986 reduction.

23. Provide the following tax data for the test year for total company:

a. Income taxes:

(1) Federal operating income taxes deferred – accelerated tax depreciation.

(2) Federal operating income taxes deferred – other (explain).

(3) Federal income taxes – operating.

(4) Income credits resulting from prior deferrals of federal income taxes.

(5) Investment tax credit net.

(i) Investment credit realized.

(ii) Investment credit amortized – Pre-Revenue Act of 1971.

(iii) Investment credit amortized – Revenue Act of 1971.

(6) The information in Item 23(a)(1-4) for state income taxes.

(7) A reconciliation of book to taxable income as shown in Format 23(a)(7) and a calculation of the book federal and state income tax expense for the test year using book taxable income as the starting point.

(8) A copy of federal and state income tax returns for the taxable year ended during the test year, including supporting schedules.

(9) A schedule of franchise fees paid to cities, towns, or municipalities during the test year, including the basis of these fees.

b. An analysis of Kentucky other operating taxes as shown in Format 23b.

24. Provide a schedule of total company operations net income, per Mcf sold, per company books for the test year and the 3 calendar years preceding the test year. This data should be provided as shown in Format 24.

25. Provide the comparative operating statistics for total company operations as shown in Format 25.

26. Provide a statement of the gas plant in service, per company books, for the test year. This data should be presented as shown in Format 26.

27. Provide the following information for the total company operations. If any amounts were allocated, show a calculation of the factor used to allocate each amount.

a. A detailed analysis of all charges booked during the test year for advertising expenditures. Include a complete breakdown of Account No. 913 – Advertising Expenses, as shown in Format 27a showing any other advertising expenditures included in any other expense accounts. The analysis should specify the purpose of the expenditure and the expected benefit to be derived.

b. An analysis of Account No. 930 – Miscellaneous General expenses for the test year. Include a complete breakdown of this account as shown in Format 27b and provide detailed workpapers supporting this analysis. At a minimum, the workpapers should show the date, vendor, reference (i.e., voucher no., etc.), dollar amount, and brief description of each expenditure of \$500 or more, provided that lesser items are grouped by classes as shown in Format 27b.

c. An analysis of Account No. 426 – Other Income Deductions for the test year. Include a complete breakdown of this account as show in Format 27c, and provide detailed workpapers supporting this analysis. At a minimum, the workpapers should show the date, vendor, reference (i.e., voucher no., etc.), dollar amount, and brief description of each expenditure of \$500 or more, provided that lesser items are grouped by classes as shown in Format 27c.

28. Provide a detailed analysis of expenses incurred during the test year for professional services, as shown in Format 28, and all workpapers supporting the analysis. At a minimum, the workpapers should show the payee, dollar amount, reference (i.e., voucher no., etc.), account charged, hourly rates and time charged to the company according to each invoice, and a description of the services provided.

29. Provide a detailed analysis of contributions for charitable and political purposes (in cash or services), if any, recorded in accounts other than Account No. 426. Show the amount of the expenditure, the recipient of the contribution, and the specific account charged. If amounts are allocated, show a calculation of the factor used to allocate each amount. Detailed analysis is not required for amounts of less that \$100, provided the items are grouped by classes.

30. Describe Columbia's lobbying activities and provide a schedule showing the name, salary, affiliation, all company-paid or reimbursed expenses or allowances, and the account charged for each individual whose principal function is lobbying on the local, state, or national level. If any amounts are allocated, show a calculation of the factor used to allocate each amount.

31. Provide a schedule showing for the test year and the year preceding the test year, with each year shown separately, the following information regarding Columbia's investments in subsidiaries and joint ventures:

a. Name of subsidiary or joint venture.

b. Date of initial investment.

c. Amount and type of investment made for each of the 2 years included in this response.

d. Balance sheet and income statement. Where only internal statements are prepared, furnish copies of these.

e. A separate schedule of all dividends or income of any type received by Columbia from its subsidiaries or joint ventures showing how this income is reflected in the reports filed with the Commission and stockholder reports.

f. Name of each officer of each of the subsidiaries or joint ventures, each officer's annual compensation, the portion of that compensation that is charged to the subsidiary or joint venture, the position each officer holds with Columbia, and the compensation received from Columbia.

32. Provide the following information with regard to uncollectible accounts for the test year and 3 preceding calendar years (taxable year acceptable) for the gas operations:

- a. Reserve account balance at the beginning of the year.
- b. Charges to reserve account (accounts charged off).
- c. Credits to reserve account.
- d. Current year provision.
- e. Reserve account balance at the end of the year.
- f. Percent of provision to total revenue.

33. Provide a detailed analysis of the retained earnings account for the test year and the 12-month period immediately preceding the test year.

34. Provide a listing of all non-utility property, related property taxes, and accounts where amounts are recorded. Include a description of the property, the date purchased, and the cost.

35. Provide the rates of return in Format 35.

36. Provide employee data in Format 36.

37. Provide the studies for the test year, including all applicable workpapers, which are the basis of jurisdictional plant allocations and expense account allocations.

38. Provide a calculation of the rate or rates used to capitalize interest during construction for the test year and the 3 preceding calendar years. Explain each component entering into the calculation of this rate.

39. Provide the following information concerning Columbia and its affiliated Service Corporation:

a. A schedule detailing the Columbia costs directly charged and allocated to the Service Corporation. Indicate the Columbia accounts where these costs were originally recorded and whether the costs were associated with Kentucky jurisdictional gas operations only, other jurisdictional gas operations only, or total company gas operations. For costs that are allocated, include a description of the allocation factors utilized.

b. A schedule detailing the Service Corporation costs directly charged and allocated to Columbia. Indicate the Columbia accounts where these costs were recorded and whether the costs were associated with Kentucky jurisdictional gas operations only, other jurisdictional gas operations only, or total company gas operations. For costs that are allocated, include a description of the allocation factors utilized.

40. Provide detailed monthly income statements for each month after the test year, including the month in which the hearing ends, as they become available.

41. List all present or proposed research efforts dealing with the pricing of gas and the current status of such efforts.

42. Provide a schedule reflecting the salaries and other compensation of each executive officer for the test year and 2 preceding calendar years. Include the percentage annual increase and the effective date of each increase, the job title, duty and responsibility of each officer, the number of employees who report to each executive officer, and to whom each executive officer reports. Also, for employees elected to executive officer status during the test year, provide the salaries, for the test year, for those persons whom they replaced.

43. Provide an analysis of Columbia's expenses for research and development activities for the test year and the 3 preceding calendar years. For the test year include the following:

a. Basis of fees paid to research organizations and Columbia's portion of the total revenue of each organization. Where the contribution is monthly, provide the current rate and the effective date.

b. Details of the research activities conducted by each organization.

c. Details of services and other benefits provided to the company by each organization during the test year and the preceding calendar year.

d. Total expenditures of each organization including the basic nature of costs incurred by the organization.

e. Details of the expected benefits to the company.

44. Provide the average number of customers for each customer class (i.e., residential, commercial, and industrial) for the 3 calendar years preceding the test year, the test year, and for each month of the test year.

45. Provide all current labor contracts and the most recent contracts previously in effect.

46. Provide a detailed analysis of all benefits provided to the employees of Columbia. For each benefit include:

a. The number of employees covered at test-year end.

b. The test-year actual cost.

c. The amount of test-year actual costs capitalized and expensed.

d. The average annual cost per employee.

47. Provide complete details of the financial reporting and rate-making treatment of Columbia's pension costs.

48. Provide complete details of Columbia's financial reporting and rate-making treatment of Statement of Financial Accounting Standard ("SFAS") No. 106, including:

- a. The date that Columbia adopted SFAS No. 106.
- b. All accounting entries made at the date of adoption.
- c. All actuarial studies and other documents used to determine the level of SFAS No. 106 cost recorded by Columbia.

49. Provide complete details of Columbia's financial reporting and rate-making treatment of SFAS No. 112, including:

- a. The date that Columbia adopted SFAS No. 112.
- b. All accounting entries made at the date of adoption.
- c. All actuarial studies and other documents used to determine the level of SFAS No. 112 cost recorded by Columbia.

50. Provide complete details of Columbia's financial reporting and rate-making treatment of SFAS No. 143, including:

- a. The date that Columbia adopted SFAS No. 143.
- b. All accounting entries made at the date of adoption.
- c. All studies and other documents used to determine the level of SFAS No. 143 cost recorded by Columbia.
- d. A schedule comparing the depreciation rates utilized by Columbia prior to and after the adoption of SFAS No. 143. The schedule should identify the assets corresponding to the affected depreciation rates.

51. Provide the following information concerning the costs for the preparation of this case:

a. A detailed schedule of expenses incurred to date for the following categories:

- (1) Accounting;
- (2) Engineering;
- (3) Legal;
- (4) Consultants; and
- (5) Other Expenses (Identify separately).

For each category, the schedule should include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of any invoices, contracts, or other documentation that support charges incurred in the preparation of this rate case. Indicate any costs incurred for this case that occurred during the test year.

b. An itemized estimate of the total cost to be incurred for this case. Expenses should be broken down into the same categories as identified in (a) above, with an estimate of the hours to be worked and the rates per hour. Include a detailed explanation of how the estimate was determined, along with all supporting workpapers and calculations.

c. During the course of this proceeding, provide monthly updates of the actual costs incurred, in the manner requested in (a) above. Updates will be due the last business day of each month, through the month of the public hearing.

52. Provide a copy of Columbia's most recent depreciation study. If no such study exists, provide a copy of Columbia's most recent depreciation schedule. The schedule should include a list of all pipeline and related facilities by account number, service life and accrual rate for each, the methodology that supports the schedule, and the date the schedule was last updated.

53. Describe the status of any outstanding recommendations relating to gas operations contained in Columbia's management audits. Identify any savings or costs related to management audit recommendations, the impact of which is not already reflected in the test year of this case.

54. Does Columbia have any gas demand side management ("DSM") programs? If yes, provide the following information:

a. Describe the status of the gas DSM programs during and as of test-year end.

b. Identify the revenues and expenses associated with Columbia's gas DSM programs during the test year. Include the account number used to record revenue and expense transactions for the gas DSM programs.



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

DATED January 25, 2007

cc: All Parties

Columbia Gas of Kentucky, Inc.
Case No. 2007-00008

Comparative Capital Structures (Excluding JDIC)
For the Periods as Shown
"000 Omitted"

| Line No. | Type of Capital | 10 th Year | | 9 th Year | | 8 th Year | | 7 th Year | | 6 th Year | |
|----------|------------------------------|-----------------------|-------|----------------------|-------|----------------------|-------|----------------------|-------|----------------------|-------|
| | | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | Ratio |
| 1. | Long-Term Debt | | | | | | | | | | |
| 2. | Short-Term Debt | | | | | | | | | | |
| 3. | Preferred & Preference Stock | | | | | | | | | | |
| 4. | Common Equity | | | | | | | | | | |
| 5. | Other (Itemize by type) | | | | | | | | | | |
| 6. | Total Capitalization | | | | | | | | | | |

| Line No. | Type of Capital | 4 th Year | | 3 rd Year | | 2 nd Year | | 1 st Year | | Test Year | | Latest Av. Quarter |
|----------|------------------------------|----------------------|-------|----------------------|-------|----------------------|-------|----------------------|-------|-----------|-------|--------------------|
| | | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount |
| 1. | Long-Term Debt | | | | | | | | | | | |
| 2. | Short-Term Debt | | | | | | | | | | | |
| 3. | Preferred & Preference Stock | | | | | | | | | | | |
| 4. | Common Equity | | | | | | | | | | | |
| 5. | Other (Itemize by type) | | | | | | | | | | | |
| 6. | Total Capitalization | | | | | | | | | | | |

Instructions: 1. Provide a calculation of the average test year data as shown in Format 3, Schedule 2.
2. If the applicant is a member of an affiliated group, the above data is to be provided for the parent company and the system consolidated.

Columbia Gas of Kentucky, Inc.

Case No. 2007-00008

Calculation of Average Test Year Capital Structure
 12 Months Ended _____

"000 Omitted"

| Line No. | Item (a) | Total Capital (b) | Long-Term Debt (c) | Short-Term Debt (d) | Preferred Stock (e) | Common Stock (f) |
|----------|-------------------------------------|----------------------|--------------------------|---------------------------|---------------------------|------------------------|
| 1. | Balance Beginning of Test Year | | | | | |
| 2. | 1 st Month | | | | | |
| 3. | 2 nd Month | | | | | |
| 4. | 3 rd Month | | | | | |
| 5. | 4 th Month | | | | | |
| 6. | 5 th Month | | | | | |
| 7. | 6 th Month | | | | | |
| 8. | 7 th Month | | | | | |
| 9. | 8 th Month | | | | | |
| 10. | 9 th Month | | | | | |
| 11. | 10 th Month | | | | | |
| 12. | 11 th Month | | | | | |
| 13. | 12 th Month | | | | | |
| 14. | Total (L1 through L13) | | | | | |
| 15. | Average Balance (L14 / 13) | | | | | |
| 16. | Average Capitalization Ratios | | | | | |
| 17. | End-of-period Capitalization Ratios | | | | | |

Instructions: 1. If applicable, provide an additional schedule in the above format excluding common equity in subsidiaries from the total company capital structure.

Show the amount of common equity excluded.

2. Include premium class of stock.

Columbia Gas of Kentucky, Inc.

Case No. 2007-00008

Schedule of Outstanding Long-Term Debt
For the Year Ended December 31, _____

| Line No. | Type of Debt Issue (a) | Date of Issue (b) | Date of Maturity (c) | Amount Outstanding (d) | Coupon Interest Rate ⁽¹⁾ (e) | Cost Rate at Issue ⁽²⁾ (f) | Cost Rate at Maturity ⁽³⁾ (g) | Bond Rating at Time of Issue ⁽⁴⁾ (h) |
|---|---------------------------|----------------------|-------------------------|---------------------------|--|--|---|--|
| Total Long-Term Debt and Annualized Cost | | | | | | | | |
| Annualized Cost Rate [Total Col. (j) / Total Col. (d)] | | | | | | | | |

⁽¹⁾ Nominal Rate

⁽²⁾ Nominal Rate plus Discount or Premium Amortization

⁽³⁾ Nominal Rate plus Discount or Premium Amortization and Issuance Cost

⁽⁴⁾ Standard and Poor's, Moody, etc.

Columbia Gas of Kentucky, Inc.

Case No. 2007-00008

Schedule of Outstanding Long-Term Debt
For the Test Year Ended _____

| Line No. | Type of Debt Issue (a) | Date of Issue (b) | Date of Maturity (c) | Amount Outstanding (d) | Coupon Interest Rate ⁽¹⁾ (e) | Cost Rate at Issue ⁽²⁾ (f) | Cost Rate at Maturity ⁽³⁾ (g) | Bond Rating at Time of Issue ⁽⁴⁾ (h) | Type of Obligation (i) |
|--|------------------------|-------------------|----------------------|------------------------|---|---------------------------------------|--|---|------------------------|
| Total Long-Term Debt and Annualized Cost | | | | | | | | | |
| Annualized Cost Rate [Total Col. (j) / Total Col. (d)] | | | | | | | | | |
| Actual Test Year Cost Rate [Total Col. (k) / Total Reported in col. (c), Line 15 of Format 3, Schedule 2] | | | | | | | | | |

⁽¹⁾ Nominal Rate

⁽²⁾ Nominal Rate plus Discount or Premium Amortization

⁽³⁾ Nominal Rate plus Discount or Premium Amortization and Issuance Cost

⁽⁴⁾ Standard and Poor's, Moody, etc.

⁽⁵⁾ Sum of Accrued Interest Amortization of Discount or Premium and Issuance Cost

Columbia Gas of Kentucky, Inc.

Case No. 2007-00008

Schedule of Short-Term Debt
For the Test Year Ended _____

| Line No. | Type of Debt Instrument (a) | Date of Issue (b) | Date of Maturity (c) | Amount Outstanding (d) | Nominal Interest Rate (e) | Effective Interest Rate (f) |
|--|--------------------------------|----------------------|-------------------------|---------------------------|------------------------------|--------------------------------|
| Total Short-Term Debt | | | | | | |
| Annualized Cost Rate [Total Col. (g) / Total Col. (d)] | | | | | | |
| Actual Interest Paid or Accrued on Short-Term Debt | | | | | | |
| During the Test Year [Report in Col. (g) of this Schedule] | | | | | | |
| Average Short-Term Debt – Format 3, Schedule 2, | | | | | | |
| Line 15 Col. (d) [Report in Col. (g) of this Schedule] | | | | | | |
| Test-Year Interest Cost Rate | | | | | | |
| [Actual Interest / Average Short-Term Debt] | | | | | | |
| [Report in Col. (f) of this Schedule] | | | | | | |

Note: In all instances where the Effective Interest Cost Rate is different from the Nominal Interest Rate, provide a calculation of the effective Interest Cost Rate in sufficient detail to show the items of costs that cause the difference.

Columbia Gas of Kentucky, Inc.

Case No. 2007-00008

Schedule of Outstanding Shares of Preferred Stock
For the Year Ended December 31, _____

| Line No. | Description of Issue (a) | Date of Issue (b) | Amount Sold (c) | Amount Outstanding (d) | Dividend Rate (e) | Cost Rate at Issue (f) | Annualized Cost Col. (g) |
|---|-----------------------------|----------------------|--------------------|---------------------------|----------------------|---------------------------|--------------------------|
| <p>Total</p> <p>Annualized Cost Rate [Total Col. (g) / Total Cost Col. (d)]</p> | | | | | | | |

Note: If the applicant has issued no preferred stock, this schedule may be omitted.

Columbia Gas of Kentucky, Inc.

Case No. 2007-00008

Schedule of Outstanding Shares of Preferred Stock
For the Test Year Ended _____

| Line No. | Description of Issue (a) | Date of Issue (b) | Amount Sold (c) | Amount Outstanding (d) | Dividend Rate (e) | Cost Rate at Issue (f) | Annualized Cost Col. (f) x Col. (d) (g) | Ac Y |
|--|-----------------------------|----------------------|--------------------|---------------------------|----------------------|---------------------------|--|---------|
| <p>Total</p> <p>Annualized Cost Rate [Total Col. (g) / Total Cost Col. (d)]</p> <p>Actual Test Year Cost Rate [Total Col. (h) / Total Reported in Col. (e), Line 15 of Format 3, Schedule 2]</p> | | | | | | | | |

Note: If the applicant has issued no preferred stock, this schedule may be omitted.

Columbia Gas of Kentucky, Inc.

Case No. 2007-00008

Schedule of Common Stock Issue
For the 10-Year Period Ended _____

| Date of | | | Number of Shares Issued | Price Per Share to Public | Price Per Share (Net to Company) | Book Value Per Share at Date of Issue | Selling Expense Percentage of Gross Amount |
|---------|--------------|--------------|----------------------------|------------------------------|--|---|--|
| Issue | Announcement | Registration | | | | | |
| | | | | | | | |

Note: If the applicant is a member of an affiliate group, provide in a separate schedule the above for the parent company.

Columbia Gas of Kentucky, Inc.
 Case No. 2007-00008
 Quarterly and Annual Common Stock Information
 For the Periods as Shown

| Period Equity | Average No. of Shares Outstanding (000) | Book Value (\$) | Earnings per Share (\$) | Dividend Rate per Share (\$) | Return on Average Common (%) |
|-----------------------------------|--|--------------------|-------------------------------|------------------------------------|------------------------------------|
| 5 th Calendar Year: | | | | | |
| 1 st Quarter | | | | | |
| 2 nd Quarter | | | | | |
| 3 rd Quarter | | | | | |
| 4 th Quarter | | | | | |
| Annual | | | | | |
| 4 th Calendar Year: | | | | | |
| 1 st Quarter | | | | | |
| 2 nd Quarter | | | | | |
| 3 rd Quarter | | | | | |
| 4 th Quarter | | | | | |
| Annual | | | | | |
| 3 rd Calendar Year: | | | | | |
| 1 st Quarter | | | | | |
| 2 nd Quarter | | | | | |
| 3 rd Quarter | | | | | |
| 4 th Quarter | | | | | |
| Annual | | | | | |
| 2 nd Calendar Year: | | | | | |
| 1 st Quarter | | | | | |
| 2 nd Quarter | | | | | |
| 3 rd Quarter | | | | | |
| 4 th Quarter | | | | | |
| Annual | | | | | |
| 1 st Calendar Year: | | | | | |
| 1 st Quarter | | | | | |
| 2 nd Quarter | | | | | |
| 3 rd Quarter | | | | | |
| 4 th Quarter | | | | | |
| Annual | | | | | |
| Latest | | | | | |

Columbia Gas of Kentucky, Inc.

Case No. 2007-00008

Computation of Fixed Charge Coverage Ratios
For the Periods as Shown

| Line No. | Item | 10 th Calendar Year | | 9 th Calendar Year | | 8 th Calendar Year | | 7 th Calendar Year | | 6 th Calendar Year | |
|----------|--|--------------------------------|--|-------------------------------|--|-------------------------------|--|-------------------------------|--|-------------------------------|--|
| | | SEC Method | Bond or Mortgage Indenture Requirement | SEC Method | Bond or Mortgage Indenture Requirement | SEC Method | Bond or Mortgage Indenture Requirement | SEC Method | Bond or Mortgage Indenture Requirement | SEC Method | Bond or Mortgage Indenture Requirement |
| 1. | Net Income | | | | | | | | | | |
| 2. | Additions (Itemize): | | | | | | | | | | |
| 3. | Total Additions | | | | | | | | | | |
| 4. | Deductions (Itemize): | | | | | | | | | | |
| 5. | Total Deductions | | | | | | | | | | |
| 6. | Income Available for Fixed Charge Coverage | | | | | | | | | | |
| 7. | Fixed Charges | | | | | | | | | | |
| 8. | Fixed Charge Coverage Ratio | | | | | | | | | | |

| Line No. | Item | 4 th Calendar Year | | 3 rd Calendar Year | | 2 nd Calendar Year | | 1 st Calendar Year | |
|----------|--|-------------------------------|--|-------------------------------|--|-------------------------------|--|-------------------------------|--|
| | | SEC Method | Bond or Mortgage Indenture Requirement | SEC Method | Bond or Mortgage Indenture Requirement | SEC Method | Bond or Mortgage Indenture Requirement | SEC Method | Bond or Mortgage Indenture Requirement |
| 1. | Net Income | | | | | | | | |
| 2. | Additions (Itemize): | | | | | | | | |
| 3. | Total Additions | | | | | | | | |
| 4. | Deductions (Itemize): | | | | | | | | |
| 5. | Total Deductions | | | | | | | | |
| 6. | Income Available for Fixed Charge Coverage | | | | | | | | |
| 7. | Fixed Charges | | | | | | | | |
| 8. | Fixed Charge Coverage Ratio | | | | | | | | |

Columbia Gas of Kentucky, Inc.

Case No. 2007-00008

Summary of Customer Deposits – Test Year

| Line No. | Month (a) | Receipts (b) | Refunds (c) | Balance (d) |
|----------|---|-----------------|----------------|----------------|
| 1. | Balance Beginning of Test Year | | | |
| 2. | 1 st Month | | | |
| 3. | 2 nd Month | | | |
| 4. | 3 rd Month | | | |
| 5. | 4 th Month | | | |
| 6. | 5 th Month | | | |
| 7. | 6 th Month | | | |
| 8. | 7 th Month | | | |
| 9. | 8 th Month | | | |
| 10. | 9 th Month | | | |
| 11. | 10 th Month | | | |
| 12. | 11 th Month | | | |
| 13. | 12 th Month | | | |
| 14. | Total (L1 through L13) | | | |
| 15. | Average Balance (L14 / 13) | | | |
| 16. | Amount of deposits received during test year | | | |
| 17. | Amount of deposits refunded during test year | | | |
| 18. | Number of deposits on hand end of test year | | | |
| 19. | Average amount of deposit (L15, Col. (d) / L18) | | | |
| 20. | Interest paid during test year | | | |

Columbia Gas of Kentucky, Inc.
Case No. 2007-00008
Analysis of Salaries and Wages
For the Calendar Years _____ through _____ and the Test Year
"000 Omitted"

| Line No. | Item (a) | Calendar Years Prior to Test Year | | | | | | | | | | | |
|----------|---|-----------------------------------|-------|-----------------|-------|-----------------|-------|-----------------|-------|-----------------|-------|--|--|
| | | 5 th | | 4 th | | 3 rd | | 2 nd | | 1 st | | | |
| | | Amount (b) | % (c) | Amount (d) | % (e) | Amount (f) | % (g) | Amount (h) | % (i) | Amount (j) | % (k) | | |
| 1. | Wages charged to expense | | | | | | | | | | | | |
| 2. | Production, Natural Gas Storage, Terminaling & Processing Expense | | | | | | | | | | | | |
| 3. | Transmission Expense | | | | | | | | | | | | |
| 4. | Distribution Expense | | | | | | | | | | | | |
| 5. | Customer Accounts Expense | | | | | | | | | | | | |
| 6. | Sales Expense | | | | | | | | | | | | |
| 7. | Administrative and General Expenses: | | | | | | | | | | | | |
| | (a) Administrative and General Salaries | | | | | | | | | | | | |
| | (b) Office Supplies and Expense | | | | | | | | | | | | |
| | (c) Administrative Expense transferred – credit | | | | | | | | | | | | |
| | (d) Outside services employed | | | | | | | | | | | | |
| | (e) Property insurance | | | | | | | | | | | | |
| | (f) Injuries and damages | | | | | | | | | | | | |

Note: Show percent increase of each year over the prior year in Columns (c), (e), (g), (i), (k), and (m).

Columbia Gas of Kentucky, Inc.
Case No. 2007-00008
Analysis of Salaries and Wages
For the Calendar Years _____ through _____ and the Test Year
"000 Omitted"

| Line No. | Item (a) | Calendar Years Prior to Test Year | | | | | | | | | |
|----------|---|-----------------------------------|-------|-----------------|-------|-----------------|-------|-----------------|-------|-----------------|-------|
| | | 5 th | | 4 th | | 3 rd | | 2 nd | | 1 st | |
| | | Amount (b) | % (c) | Amount (d) | % (e) | Amount (f) | % (g) | Amount (h) | % (i) | Amount (j) | % (k) |
| 7. | Administrative and General Expenses (continued): | | | | | | | | | | |
| | (g) Employee pensions and benefits | | | | | | | | | | |
| | (h) Franchise requirements | | | | | | | | | | |
| | (i) Regulatory commission expense | | | | | | | | | | |
| | (j) Duplicate charges – credit | | | | | | | | | | |
| | (k) Miscellaneous general expense | | | | | | | | | | |
| | (l) Maintenance of general plant | | | | | | | | | | |
| 8. | Total Administrative and General Expenses – L7(a) through L7(l) | | | | | | | | | | |
| 9. | Total Salaries and Wages charged expense (L2 through L6 + L8) | | | | | | | | | | |
| 10. | Wages Capitalized | | | | | | | | | | |
| 11. | Total Salaries and Wages | | | | | | | | | | |
| 12. | Ratio of salaries and wages charged expense to total wages (L9 / L11) | | | | | | | | | | |
| 13. | Ratio of salaries and wages capitalized to total wages (L10 / L11) | | | | | | | | | | |

Note: Show percent increase of each year over the prior year in Columns (c), (e), (g), (i), (k), and (m).

| Columbia Gas of Kentucky, Inc. Case No. 2007-00008 Reconciliation of Book Net Income and Federal Taxable Income 12 Months Ended _____ | | | | | |
|--|--|-------------------|---------------------------------|---------------------|--------------------------|
| Line No. | Item (a) | Total Company (b) | Total Company Non-Operating (c) | Operating | |
| | | | | Kentucky Retail (d) | Other Jurisdictional (e) |
| 1. | Net income per books | | | | |
| 2. | Add income taxes: | | | | |
| 3. | Federal income tax – current | | | | |
| 4. | Federal income tax – deferred depreciation | | | | |
| 5. | Federal income tax – deferred other | | | | |
| 6. | Investment tax credit adjustment | | | | |
| 7. | Federal income taxes charged to other income and deductions | | | | |
| 8. | State income taxes | | | | |
| 9. | State income taxes charged to other income and deductions | | | | |
| 10. | Total | | | | |
| 11. | Flow through items: | | | | |
| 12. | Add (itemize) | | | | |
| 13. | Deduct (itemize) | | | | |
| 14. | Book taxable income | | | | |
| 15. | Differences between book taxable income and taxable income per tax return: | | | | |
| 16. | Add (itemize) | | | | |
| 17. | Deduct (itemize) | | | | |
| 18. | Taxable income per return | | | | |

Note: (1) Provide a calculation of the amount shown on Lines 3 through 7 above.
 (2) Provide workpapers supporting each calculation including the depreciation for straight-line tax and accelerated tax depreciation.
 (3) Provide a schedule setting forth the basis of allocation of each item of revenue or cost allocated above.

| Columbia Gas of Kentucky, Inc. Case No. 2007-00008 Reconciliation of Book Net Income and State Taxable Income 12 Months Ended _____ | | | | | |
|--|--|-------------------|---------------------------------|---------------------|--------------------------|
| Line No. | Item (a) | Total Company (b) | Total Company Non-Operating (c) | Operating | |
| | | | | Kentucky Retail (d) | Other Jurisdictional (e) |
| 1. | Net income per books | | | | |
| 2. | Add income taxes: | | | | |
| 3. | Federal income tax – current | | | | |
| 4. | Federal income tax – deferred depreciation | | | | |
| 5. | Federal income tax – deferred other | | | | |
| 6. | Investment tax credit adjustment | | | | |
| 7. | Federal income taxes charged to other income and deductions | | | | |
| 8. | State income taxes | | | | |
| 9. | State income taxes charged to other income and deductions | | | | |
| 10. | Total | | | | |
| 11. | Flow through items: | | | | |
| 12. | Add (itemize) | | | | |
| 13. | Deduct (itemize) | | | | |
| 14. | Book taxable income | | | | |
| 15. | Differences between book taxable income and taxable income per tax return: | | | | |
| 16. | Add (itemize) | | | | |
| 17. | Deduct (itemize) | | | | |
| 18. | Taxable income per return | | | | |

Note: (1) Provide a calculation of the amount shown on Lines 3 through 7 above.
 (2) Provide workpapers supporting each calculation including the depreciation for straight-line tax and accelerated tax depreciation.
 (3) Provide a schedule setting forth the basis of allocation of each item of revenue or cost allocated above.

Columbia Gas of Kentucky, Inc.
 Case No. 2007-00008
 Analysis of Other Operating Taxes
 12 Months Ended _____
 "000 Omitted"

| Line No. | Item (a) | Charged Expense (b) | Charged to Construction (c) | Charged to Other Accounts ⁽¹⁾ (d) | Amounts Accrued (e) | Amount Paid (f) |
|----------|------------------------------------|---------------------|-----------------------------|--|---------------------|-----------------|
| 1. | Kentucky Retail | | | | | |
| | (a) State income | | | | | |
| | (b) Franchise fees | | | | | |
| | (c) Ad valorem | | | | | |
| | (d) Payroll (employers portion) | | | | | |
| | (e) Other taxes | | | | | |
| 2. | Total Retail [L1(a) through L1(e)] | | | | | |
| 3. | Other jurisdictions | | | | | |
| | Total per books (L2 and L3) | | | | | |

⁽¹⁾ Explain items in this Column.

Columbia Gas of Kentucky, Inc.
Case No. 2007-00008
Net Income per MCF Sold
For the Calendar Years _____ through _____
And for the Test Year
"000 Omitted"

| Line No. | Item (a) | 12 Months Ended | | | |
|----------|--|-----------------------------------|---------------------|---------------------|---------------|
| | | Calendar Years Prior to Test Year | | | Test Year (e) |
| | | 3 rd (b) | 2 nd (c) | 1 st (d) | |
| 1. | <u>Operating Income</u> | | | | |
| 2. | Operating Revenues | | | | |
| 3. | <u>Operating Income Deductions</u> | | | | |
| 4. | Operating and Maintenance Expenses: | | | | |
| 5. | Purchased Gas | | | | |
| 6. | Other Gas Supply Expenses | | | | |
| 7. | Underground Storage | | | | |
| 8. | Transmission Expenses | | | | |
| 9. | Distribution Expenses | | | | |
| 10. | Customer Accounts Expense | | | | |
| 11. | Sales Expense | | | | |
| 12. | Administrative and General Expense | | | | |
| 13. | Total (L5 through L12) | | | | |
| 14. | Depreciation Expenses | | | | |
| 15. | Amortization of Utility Plant Acquisition Adjustment | | | | |
| 16. | Taxes Other Than Income Taxes | | | | |
| 17. | Income Taxes – Federal | | | | |
| 18. | Income Taxes – Other | | | | |
| 19. | Provision for Deferred Income Taxes | | | | |
| 20. | Investment Tax Credit Adjustment – Net | | | | |
| 21. | Total Utility Operating Expenses | | | | |
| 22. | Net Utility Operating Income | | | | |

Columbia Gas of Kentucky, Inc.
Case No. 2007-00008
Net Income per MCF Sold
For the Calendar Years _____ through _____
And for the Test Year
"000 Omitted"

| Line No. | Item (a) | 12 Months Ended | | | |
|----------|--|-----------------------------------|---------------------|---------------------|---------------|
| | | Calendar Years Prior to Test Year | | | Test Year (e) |
| | | 3 rd (b) | 2 nd (c) | 1 st (d) | |
| 23. | <u>Other Income and Deductions</u> | | | | |
| 24. | Other Income: | | | | |
| 25. | Equity in Earnings of Subsidiary Company | | | | |
| 26. | Interest and Dividend Income | | | | |
| 27. | Allowance for Funds Used During Construction | | | | |
| 28. | Miscellaneous Nonoperating Income | | | | |
| 29. | Gain on Disposition of Property | | | | |
| 30. | Total Other Income | | | | |
| 31. | Other Income Deductions: | | | | |
| 32. | Loss on Disposition of Property | | | | |
| 33. | Miscellaneous Income Deductions | | | | |
| 34. | Taxes Applicable to Other Income and Deductions: | | | | |
| 35. | Income Taxes and Investment Tax Credits | | | | |
| 36. | Taxes Other Than Income Taxes | | | | |
| 37. | Total Taxes on Other Income and Deductions | | | | |
| 38. | Net Other Income and Deductions | | | | |
| 39. | <u>Interest Charges</u> | | | | |
| 40. | Interest on Long-Term Debt | | | | |
| 41. | Interest on Short-Term Debt | | | | |
| 42. | Amortization of Premium on Debt – Credit | | | | |
| 43. | Other Interest Expense | | | | |
| 44. | Total Interest Charges | | | | |
| 45. | Net Income | | | | |
| 46. | MCF Sold | | | | |

Columbia Gas of Kentucky, Inc.
Case No. 2007-00008
Comparative Operating Statistics – Gas Operations
For the Calendar Years _____ through _____
And the Test Year
(Total Company)

| Line No. | Item (a) | Calendar Years Prior to Test Year | | | | | |
|----------|---|-----------------------------------|---------------|----------------------|---------------|----------------------|---------------|
| | | 3 rd Year | | 2 nd Year | | 1 st Year | |
| | | Cost (b) | % Inc. (c) | Cost (d) | % Inc. (e) | Cost (f) | % Inc. (g) |
| 1. | Cost per MCF of Purchased Gas | | | | | | |
| 2. | Cost of Propane Gas per MCF Equivalent for Peak Shaving | | | | | | |
| 3. | Cost per MCF of Gas Sold | | | | | | |
| 4. | Maintenance Cost per Transmission Mile | | | | | | |
| 5. | Maintenance Cost per Distribution Mile | | | | | | |
| 6. | Sales Promotion Expense per Customer | | | | | | |
| 7. | Administration and General Expense per Customer | | | | | | |
| 8. | Wages and Salaries – Charged Expense – per Average Employee | | | | | | |
| 9. | Depreciation Expense: | | | | | | |
| 10. | Per \$100 of Average Gross Depreciable Plant in Service | | | | | | |
| 11. | Rents: | | | | | | |
| 12. | Per \$100 of Average Gross Plant in Service | | | | | | |

Columbia Gas of Kentucky, Inc.
Case No. 2007-00008
Comparative Operating Statistics – Gas Operations
For the Calendar Years _____ through _____
And the Test Year
(Total Company)

| Line No. | Item (a) | Calendar Years Prior to Test Year | | | | | |
|----------|---|-----------------------------------|---------------|----------------------|---------------|----------------------|---------------|
| | | 3 rd Year | | 2 nd Year | | 1 st Year | |
| | | Cost (b) | % Inc. (c) | Cost (d) | % Inc. (e) | Cost (f) | % Inc. (g) |
| 13. | Property Taxes: | | | | | | |
| 14. | Per \$100 of Average Net Plant in Service | | | | | | |
| 15. | Payroll Taxes: | | | | | | |
| 16. | Per Average Employee whose Salary is Charged to Expense | | | | | | |
| 17. | Interest Expense: | | | | | | |
| 18. | Per \$100 of Average Debt Outstanding | | | | | | |
| 19. | Per \$100 of Average Plant Investment | | | | | | |
| 20. | Per MCF Sold | | | | | | |
| 21. | Meter Reading Expense per Meter | | | | | | |

| Columbia Gas of Kentucky, Inc. Case No. 2007-00008 Statement of Gas Plant in Service For the Test Year (Total Company) | | | | | | |
|--|---|-------------------|-----------|--------------|-----------|----------------|
| Account Number | Title of Accounts | Beginning Balance | Additions | Retire-ments | Transfers | Ending Balance |
| | <u>Intangible Plant</u> | | | | | |
| 301.0 | Organization | | | | | |
| 302.0 | Franchises and Consents | | | | | |
| 303.0 | Miscellaneous Intangible Plant | | | | | |
| 106.0 | Completed Construction Not Classified | | | | | |
| | Total Intangible Plant | | | | | |
| | <u>Production Plant:</u> | | | | | |
| | <u>Natural Gas Production and Gathering Plant</u> | | | | | |
| 325.1 | Producing Lands | | | | | |
| 325.2 | Producing Leaseholds | | | | | |
| 325.3 | Gas Rights | | | | | |
| 325.4 | Rights-of-way | | | | | |
| 325.5 | Other Land and Land Rights | | | | | |
| 326.0 | Gas Well Structures | | | | | |
| 327.0 | Field Compressor Station Structures | | | | | |
| 328.0 | Field Measuring and Regulating Station Structures | | | | | |
| 329.0 | Other Structures | | | | | |
| 330.0 | Producing Gas Wells – Well Construction | | | | | |
| 331.0 | Producing Gas Wells – Well Equipment | | | | | |
| 332.0 | Field Lines | | | | | |
| 333.0 | Field Compressor Station Equipment | | | | | |
| 334.0 | Field Measuring and Regulating Station Equipment | | | | | |
| 335.0 | Drilling and Cleaning Equipment | | | | | |
| 336.0 | Purification Equipment | | | | | |

| Columbia Gas of Kentucky, Inc. Case No. 2007-00008 Statement of Gas Plant in Service For the Test Year (Total Company) | | | | | | |
|--|---|-------------------|-----------|--------------|-----------|----------------|
| Account Number | Title of Accounts | Beginning Balance | Additions | Retire-ments | Transfers | Ending Balance |
| 337.0 | Other Equipment | | | | | |
| 338.0 | Unsuccessful Exploration and Development Costs | | | | | |
| 106.0 | Completed Construction Not Classified | | | | | |
| | Total Natural Gas Production and Gathering Plant | | | | | |
| | <u>Products Extraction Plant</u> | | | | | |
| 340.0 | Land and Land Rights | | | | | |
| 341.0 | Structures and Improvements | | | | | |
| 342.0 | Extracting and Refining Equipment | | | | | |
| 343.0 | Pipe Lines | | | | | |
| 344.0 | Extracted Products Storage Equipment | | | | | |
| 345.0 | Compressor Equipment | | | | | |
| 346.0 | Gas Measuring and Regulating Equipment | | | | | |
| 347.0 | Other Equipment | | | | | |
| 106.0 | Completed Construction Not Classified | | | | | |
| | Total Products Extraction Plant | | | | | |
| | Total Natural Gas Production Plant | | | | | |
| | <u>Manufactured Gas Production Plant</u> (submit supplement statement) | | | | | |
| | Total Production Plant | | | | | |
| | <u>Natural Gas Storage and Processing Plant:</u> | | | | | |
| | <u>Underground Storage Plant</u> | | | | | |
| 350.1 | Land | | | | | |
| 350.2 | Rights-of-way | | | | | |
| 351.0 | Structures and Improvements | | | | | |
| 352.0 | Wells | | | | | |

| Columbia Gas of Kentucky, Inc. Case No. 2007-00008 Statement of Gas Plant in Service For the Test Year (Total Company) | | | | | | |
|--|---|-------------------|-----------|--------------|-----------|----------------|
| Account Number | Title of Accounts | Beginning Balance | Additions | Retire-ments | Transfers | Ending Balance |
| 352.1 | Storage Leaseholds and Rights | | | | | |
| 352.2 | Reservoirs | | | | | |
| 352.3 | Non-recoverable Natural Gas | | | | | |
| 353.0 | Lines | | | | | |
| 354.0 | Compressor Station Equipment | | | | | |
| 355.0 | Measuring and Regulating Equipment | | | | | |
| 356.0 | Purification Equipment | | | | | |
| 357.0 | Other Equipment | | | | | |
| 106.0 | Completed Construction Not Classified | | | | | |
| | Total Underground Storage Plant | | | | | |
| | <u>Other Storage Plant</u> | | | | | |
| 360.0 | Land and Land Rights | | | | | |
| 361.0 | Structures and Improvements | | | | | |
| 362.0 | Gas Holders | | | | | |
| 363.0 | Purification Equipment | | | | | |
| 363.1 | Liquefaction Equipment | | | | | |
| 363.2 | Vaporizing Equipment | | | | | |
| 363.3 | Compressor Equipment | | | | | |
| 363.4 | Measuring and Regulating Equipment | | | | | |
| 363.5 | Other Equipment | | | | | |
| 106.0 | Completed Construction Not Classified | | | | | |
| | Total Other Storage Plant | | | | | |
| | <u>Base Load Liquefied Natural Gas Terminating and Processing Plant</u> | | | | | |
| 364.1 | Land and Land Rights | | | | | |

| Columbia Gas of Kentucky, Inc. Case No. 2007-00008 Statement of Gas Plant in Service For the Test Year (Total Company) | | | | | | |
|--|--|-------------------|-----------|--------------|-----------|----------------|
| Account Number | Title of Accounts | Beginning Balance | Additions | Retire-ments | Transfers | Ending Balance |
| 364.2 | Structures and Improvements | | | | | |
| 364.3 | LNG Processing Terminal Equipment | | | | | |
| 364.4 | LNG Transportation Equipment | | | | | |
| 364.5 | Measuring and Regulating Equipment | | | | | |
| 364.6 | Compressor Station Equipment | | | | | |
| 364.7 | Communications Equipment | | | | | |
| 364.8 | Other Equipment | | | | | |
| 106.0 | Completed Construction Not Classified | | | | | |
| | Total Base Load Liquefied Natural Gas Terminating & Processing Plant | | | | | |
| | Total Natural Gas Storage and Production Plant | | | | | |
| | <u>Transmission Plant</u> | | | | | |
| 365.1 | Land and Land Rights | | | | | |
| 365.2 | Rights-of-way | | | | | |
| 366.0 | Structures and Improvements | | | | | |
| 367.0 | Mains | | | | | |
| 368.0 | Compressor Station Equipment | | | | | |
| 369.0 | Measuring and Regulating Equipment | | | | | |
| 370.0 | Communications Equipment | | | | | |
| 371.0 | Other Equipment | | | | | |
| 106.0 | Completed Construction Not Classified | | | | | |
| | Total Transmission Plant | | | | | |
| | <u>Distribution Plant</u> | | | | | |
| 374.0 | Land and Land Rights | | | | | |
| 375.0 | Structures and Improvements | | | | | |

| Columbia Gas of Kentucky, Inc. Case No. 2007-00008 Statement of Gas Plant in Service For the Test Year (Total Company) | | | | | | |
|--|---|-------------------|-----------|--------------|-----------|----------------|
| Account Number | Title of Accounts | Beginning Balance | Additions | Retire-ments | Transfers | Ending Balance |
| 376.0 | Mains | | | | | |
| 377.0 | Compressor Station Equipment | | | | | |
| 378.0 | Measuring and Regulating Equipment – General | | | | | |
| 379.0 | Measuring and Regulating Equipment – City Gate | | | | | |
| 380.0 | Services | | | | | |
| 381.0 | Meters | | | | | |
| 382.0 | Meter installations | | | | | |
| 383.0 | House Regulators | | | | | |
| 384.0 | House Regulatory Installations | | | | | |
| 385.0 | Industrial Measuring and Regulating Station Equipment | | | | | |
| 386.0 | Other Property on Customers' Premises | | | | | |
| 387.0 | Other Equipment | | | | | |
| 106.0 | Completed Construction Not Classified | | | | | |
| | Total Distribution Plant | | | | | |
| | <u>General Plant</u> | | | | | |
| 389.0 | Land and Land Rights | | | | | |
| 390.0 | Structures and Improvements | | | | | |
| 391.0 | Office Furniture and Equipment | | | | | |
| 392.0 | Transportation Equipment | | | | | |
| 393.0 | Stores Equipment | | | | | |
| 394.0 | Tools, Shop, and Garage Equipment | | | | | |
| 395.0 | Laboratory Equipment | | | | | |
| 396.0 | Power Operated Equipment | | | | | |
| 397.0 | Communication Equipment | | | | | |

| Columbia Gas of Kentucky, Inc. Case No. 2007-00008 Statement of Gas Plant in Service For the Test Year (Total Company) | | | | | | |
|--|---------------------------------------|-------------------|-----------|--------------|-----------|----------------|
| Account Number | Title of Accounts | Beginning Balance | Additions | Retire-ments | Transfers | Ending Balance |
| 398.0 | Miscellaneous Equipment | | | | | |
| | Subtotal | | | | | |
| 399.0 | Other Tangible Property | | | | | |
| 106.0 | Completed Construction Not Classified | | | | | |
| | Total General Plant | | | | | |
| | Total – Account No. 101 | | | | | |
| 102.0 | Gas Plant Purchased | | | | | |
| 102.0 | Gas Plant Sold | | | | | |
| 103.0 | Experimental Gas Plant Unclassified | | | | | |
| | Total Gas Plant in Service | | | | | |

| Columbia Gas of Kentucky, Inc. | | | | | | | |
|--|--|--------------------------------------|-------------------------------|------------------------------|---------------|-----------|-----------|
| Case No. 2007-00008 | | | | | | | |
| Analysis of Advertising Expenses (Including Account No. 913) For the Test Year | | | | | | | |
| Line No. | Item (a) | Sales or Promotional Advertising (b) | Institutional Advertising (c) | Conservation Advertising (d) | Rate Case (e) | Other (f) | Total (g) |
| 1. | Newspaper | | | | | | |
| 2. | Magazines and Other | | | | | | |
| 3. | Television | | | | | | |
| 4. | Radio | | | | | | |
| 5. | Direct Mail | | | | | | |
| 6. | Sales Aids | | | | | | |
| 7. | Total | | | | | | |
| 8. | Amount Assigned to Kentucky Jurisdictional | | | | | | |

Note: Specify the purpose of the expenditures and the expected benefit to be derived.

| Columbia Gas of Kentucky, Inc. | | |
|---|--|------------|
| Case No. 2007-00008 | | |
| Analysis of Account No. 930 – Miscellaneous General Expenses For the Test Year | | |
| Line No. | Item (a) | Amount (b) |
| 1. | Industry Association Dues | |
| 2. | Stockholder and Debt Service Expenses | |
| 3. | Institutional Advertising | |
| 4. | Conservation Advertising | |
| 5. | Rate Department Load Studies | |
| 6. | Director's Fees and Expenses | |
| 7. | Dues and Subscriptions | |
| 8. | Miscellaneous | |
| 9. | Total | |
| 10. | Amount Assigned to Kentucky Jurisdictional | |

Note: Include detailed workpapers supporting this analysis. Expenditures under \$500 are to be grouped by the classes shown on this Format.

| Columbia Gas of Kentucky, Inc. | | |
|--|----------------------|---------------|
| Case No. 2007-00008 | | |
| Analysis of Account No. 426 – Other Income Deductions For the Test Year | | |
| Line No. | Item (a) | Amount (b) |
| 1. | Donations | |
| 2. | Civic Activities | |
| 3. | Political Activities | |
| 4. | Other | |
| 5. | Total | |

Note: Include detailed workpapers supporting this analysis. Expenditures under \$500 are to be grouped by the classes shown on this Format.

| Columbia Gas of Kentucky, Inc. | | | | | |
|---|-------------|---------------|------------------|-----------|-----------|
| Case No. 2007-00008 | | | | | |
| Analysis of Professional Services Expenses For the Test Year | | | | | |
| Line No. | Item (a) | Rate Case (b) | Annual Audit (c) | Other (d) | Total (e) |
| 1. | Legal | | | | |
| 2. | Engineering | | | | |
| 3. | Accounting | | | | |
| 4. | Other | | | | |
| 5. | Total | | | | |

Note: Include detailed workpapers supporting this analysis.

Columbia Gas of Kentucky, Inc.

Case No. 2007-00008

Average Rates of Return
 For the Calendar Years _____ through _____
 And the Test Year

| Line No. | Item (a) | Electric Operations (b) | Gas Operations (c) | Total Company (d) | Kentucky Jurisdiction (e) | Other Jurisdiction (f) |
|----------|-------------------------------|-------------------------|--------------------|-------------------|---------------------------|------------------------|
| 1. | Original Cost Net Investment: | | | | | |
| 2. | 5 th Year | | | | | |
| 3. | 4 th Year | | | | | |
| 4. | 3 rd Year | | | | | |
| 5. | 2 nd Year | | | | | |
| 6. | 1 st Year | | | | | |
| 7. | Test Year | | | | | |
| 8. | Original Cost Common Equity: | | | | | |
| 9. | 5 th Year | | | | | |
| 10. | 4 th Year | | | | | |
| 11. | 3 rd Year | | | | | |
| 12. | 2 nd Year | | | | | |
| 13. | 1 st Year | | | | | |
| 14. | Test Year | | | | | |

Note: Include detailed workpapers supporting these calculations.

Columbia Gas of Kentucky, Inc.
Case No. 2007-00008

Gas Operations
Schedule of Number of Employees, Hours per Employee, and Average Wages per Employee

| Calendar Years Prior to Test Year and Test Year (a) | Production | | | Natural Gas Storage, Terminaling & Processing | | | Transmission | | | Distribution | | |
|---|------------|--------------|--------------|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | No. (b) | Hours (c) | Wages (d) | No. (e) | Hours (f) | Wages (g) | No. (h) | Hours (i) | Wages (j) | No. (k) | Hours (l) | Wages (m) |
| 5 th Year | | | | | | | | | | | | |
| % Change | | | | | | | | | | | | |
| 4 th Year | | | | | | | | | | | | |
| % Change | | | | | | | | | | | | |
| 3 rd Year | | | | | | | | | | | | |
| % Change | | | | | | | | | | | | |
| 2 nd Year | | | | | | | | | | | | |
| % Change | | | | | | | | | | | | |
| 1 st Year | | | | | | | | | | | | |
| % Change | | | | | | | | | | | | |
| Test Year | | | | | | | | | | | | |
| % Change | | | | | | | | | | | | |

- Notes: (1) Where an employee's wages are charged to more than one function include employee in function receiving largest portion of total wages.
(2) Show percentage increase (decrease) of each year over the prior year on lines designated as "% Change."
(3) Employees, weekly hours per employee, and weekly wages per employee for the week including December 31, of each year and the last day of the test year.

Columbia Gas of Kentucky, Inc.
Case No. 2007-00008

Gas Operations
Schedule of Number of Employees, Hours per Employee, and Average Wages per Employee

| Calendar Years Prior to Test Year and Test Year (a) | Customer Service and Information | | | Sales | | | Administrative and General | | | Construction | | |
|---|-------------------------------------|--------------|--------------|------------|--------------|--------------|-------------------------------|--------------|--------------|--------------|---------------|---------------|
| | No. (q) | Hours (r) | Wages (s) | No. (t) | Hours (u) | Wages (v) | No. (w) | Hours (x) | Wages (y) | No. (z) | Hours (aa) | Wages (bb) |
| 5 th Year | | | | | | | | | | | | |
| % Change | | | | | | | | | | | | |
| 4 th Year | | | | | | | | | | | | |
| % Change | | | | | | | | | | | | |
| 3 rd Year | | | | | | | | | | | | |
| % Change | | | | | | | | | | | | |
| 2 nd Year | | | | | | | | | | | | |
| % Change | | | | | | | | | | | | |
| 1 st Year | | | | | | | | | | | | |
| % Change | | | | | | | | | | | | |
| Test Year | | | | | | | | | | | | |
| % Change | | | | | | | | | | | | |

- Notes: (1) Where an employee's wages are charged to more than one function include employee in function receiving largest portion of total wages.
(2) Show percentage increase (decrease) of each year over the prior year on lines designated as "% Change."
(3) Employees, weekly hours per employee, and weekly wages per employee for the week including December 31, of each year and the last day of the test year.