

**Columbia Gas of Kentucky, Inc.
CASE NO. 2016-00162
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(8)(a)**

Description of Filing Requirement:

A jurisdictional financial summary for both the base period and the forecasted period that details how the utility derived the amount of the requested revenue increase;

Response:

Please refer to the attached Schedule A.

Responsible Witness:

Jana T. Croom

SCHEDULE A

JURISDICTIONAL OVERALL FINANCIAL SUMMARY FOR THE BASE AND FORECASTED PERIOD

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

BASE PERIOD : FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016

FORECASTED PERIOD: FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

SCHEDULE

DESCRIPTION

A OVERALL FINANCIAL SUMMARY

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
OVERALL FINANCIAL SUMMARY
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED TEST PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE A
PAGE 1 OF 1
WITNESS: J. T. Croom

LINE NO.	DESCRIPTION	SUPPORTING SCHEDULE REFERENCE	BASE PERIOD JURISDICTIONAL REVENUE REQUIREMENT	FORECASTED PERIOD JURISDICTIONAL REVENUE REQUIREMENT
1	RATE BASE	B-1	246,391,211	253,360,781
2	ADJUSTED OPERATING INCOME	C-1	13,553,843	5,955,976
3	EARNED RATE OF RETURN (2 / 1)		5.50%	2.35%
4	REQUIRED RATE OF RETURN	J	8.65%	8.41%
5	REQUIRED OPERATING INCOME (1 x 4)	C-1	21,312,840	21,307,642
6	OPERATING INCOME DEFICIENCY (5 - 2)	C-1	7,758,997	15,351,666
7	GROSS REVENUE CONVERSION FACTOR	H	1.65509	1.65509
8	REVENUE DEFICIENCY (6 x 7)		12,841,831	25,408,373
9	REVENUE INCREASE REQUESTED	C-1		25,408,373
10	ADJUSTED OPERATING REVENUES	C-1		92,682,167
11	REVENUE REQUIREMENTS (9 + 10)			<u>118,090,540</u>

Columbia Gas of Kentucky, Inc.
CASE NO. 2016-00162
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(8)(b)

Description of Filing Requirement:

A jurisdictional rate base summary for both the base period and the forecasted period with supporting schedules, which include detailed analyses of each component of the rate base;

Response:

Please refer to the attached Schedule B.

Responsible Witness:

S. Mark Katko and Panpilas W. Fischer

SCHEDULE B

JURISDICTIONAL RATE BASE SUMMARY FOR THE BASE AND FORECASTED PERIOD

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

BASE PERIOD: FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016

FORECASTED TEST PERIOD: FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

SCHEDULE

DESCRIPTION

B-1	RATE BASE SUMMARY
B-2	PLANT IN SERVICE BY MAJOR GROUPING
B-2.1	PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
B-2.2	PROPOSED ADJUSTMENTS TO PLANT IN SERVICE
B-2.3	GROSS ADDITIONS, RETIREMENTS AND TRANSFERS
B-2.4	PROPERTY MERGED OR ACQUIRED
B-2.5	LEASED PROPERTY
B-2.6	PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
B-2.7	PROPERTY EXCLUDED FROM RATE BASE
B-3	ACCUMULATED DEPRECIATION AND AMORTIZATION
B-3.1	ADJUSTMENTS TO ACCUMULATED DEPRECIATION AND AMORTIZATION
B-4	CONSTRUCTION WORK IN PROGRESS
B-5	ALLOWANCE FOR WORKING CAPITAL
B-5.1	WORKING CAPITAL COMPONENTS
B-5.2	CASH WORKING CAPITAL
B-6	DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
B-7	JURISDICTIONAL PERCENTAGE

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
JURISDICTIONAL RATE BASE SUMMARY
AS OF AUGUST 31, 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE B-1
SHEET 1 OF 2
WITNESS: S. M. KATKO

LINE NO.	RATE BASE COMPONENT	SUPPORTING SCHEDULE REFERENCE	BASE PERIOD \$
1	PLANT IN SERVICE	B-2	415,931,273
2	PROPERTY HELD FOR FUTURE USE	B-2.6	0
3	PLANT AQUISITION ADJUSTMENTS	B-2.4	0
4	ACCUMULATED DEPRECIATION AND AMORTIZATION	B-3	<u>(144,500,009)</u>
5	NET PLANT IN SERVICE (1 THRU 4)		271,431,264
6	CASH WORKING CAPITAL ALLOWANCE	B-5.2	4,688,721
7	OTHER WORKING CAPITAL ALLOWANCES	B-5.1	44,089,603
8	DEFERRED INC. TAXES AND INVESTMENT TAX CREDITS	B-6	(73,818,377)
9	OTHER ITEMS		<u>0</u>
10	RATE BASE (5 THROUGH 9)		<u>246,391,211</u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
PLANT IN SERVICE BY MAJOR PROPERTY GROUPING
AS OF AUGUST 31, 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE B-2
SHEET 1 OF 2
WITNESS: S. M. KATKO

LINE NO.	MAJOR PROPERTY GROUPIN	BASE PERIOD	JURISDICTIONAL	BASE PERIOD	ADJUSTMENTS	END OF PERIOD
		TOTAL COMPANY	PERCENT	TOTAL		ADJUSTED JURISDICTION
		\$		\$	\$	\$
1	INTANGIBLES	5,543,766	100.00%	5,543,766	0	5,543,766
2	PRODUCTION	0	100.00%	0	0	0
3	STORAGE AND PROCESSING	0	100.00%	0	0	0
4	TRANSMISSION	0	100.00%	0	0	0
5	DISTRIBUTION	405,889,581	100.00%	405,889,581	0	405,889,581
6	GENERAL	5,275,019	100.00%	5,275,019	0	5,275,019
7	COMMON	0	100.00%	0	0	0
8	OTHER	<u>(777,092)</u>	100.00%	<u>(777,092)</u>	0	<u>(777,092)</u>
9	TOTAL	<u>415,931,273</u>		<u>415,931,273</u>	<u>0</u>	<u>415,931,273</u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
PLANT IN SERVICE BY ACCOUNTS AND SUBACCOUNTS
AS OF AUGUST 31, 2016

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORKPAPER REFERENCE NO(S): WPB-2.1

SCHEDULE B-2.1
SHEET 1 OF 2
WITNESS: S. M. KATKO

LN.	ACCT.	ACCOUNT /	BASE PERIOD	JURIS.	JURISDICTIONAL	ADJUSTED	
NO.	NO.	SUBACCOUNT TITLES	TOTAL COMPANY	PERCENT	TOTAL	ADJUSTMENTS	JURISDICTION
			\$		\$	\$	\$
1		<u>INTANGIBLE PLANT</u>					
2	301.00	ORGANIZATION	521	<u>100%</u>	521	0	521
3	303.00	MISCELLANEOUS INTANGIBLE PLANT	74,348		74,348	0	74,348
4	303.10	MISC INTANGIBLE PLANT-DIS SOFTWARE	0		0	0	0
5	303.20	MISC INTANGIBLE PLANT-FARA SOFTWARE	0		0	0	0
6	303.30	MISC INTANGIBLE PLANT-OTHER SOFTWARE	5,468,897		5,468,897	0	5,468,897
7		TOTAL INTANGIBLE PLANT	5,543,766		5,543,766	0	5,543,766
8		<u>PRODUCTION PLANT - LPG</u>					
9	304.10	LAND	0		0	0	0
10		TOTAL PRODUCTION PLANT - LPG	0		0	0	0
11		<u>DISTRIBUTION PLANT</u>					
12	374.10	LAND-CITY GATE & MAIN LINE IND. M & R	206		206	0	206
13	374.20	LAND-OTHER DISTRIBUTION SYSTEMS	877,741		877,741	0	877,741
14	374.40	LAND RIGHTS-OTHER DISTR SYSTEMS	661,306		661,306	0	661,306
15	374.50	RIGHTS OF WAY	2,666,576		2,666,576	0	2,666,576
16	375.20	STRUC & IMPROV-CITY GATE M & R	2,125		2,125	0	2,125
17	375.30	STRUC & IMPROV-GENERAL M & R	0		0	0	0
18	375.40	STRUC & IMPROV-REGULATING	1,949,879		1,949,879	0	1,949,879
19	375.60	STRUC & IMPROV-DISTR. IND. M & R	0		0	0	0
20	375.70	STRUC & IMPROV-OTHER DISTR. SYSTEMS	8,139,249		8,139,249	0	8,139,249
21	375.71	STRUC & IMPROV-OTHER DISTR SYS-ILP	286,166		286,166	0	286,166
22	375.80	STRUC & IMPROV-COMMUNICATIONS	0		0	0	0
23	376.00	MAINS	213,320,608		213,320,608	0	213,320,608
24	378.10	M & R STATION EQUIP-GENERAL	518,504		518,504	0	518,504
25	378.20	M & R STA EQUIP-GENERAL-REGULATING	9,765,130		9,765,130	0	9,765,130
26	378.30	M & R STA EQUIP-GEN-LOCAL GAS PURCH	45,443		45,443	0	45,443
27	379.10	M & R STA EQUIP-CITY GATE CHECK STA	254,901		254,901	0	254,901
28	380.00	SERVICES	120,561,677		120,561,677	0	120,561,677
29	381.00	METERS	13,516,254		13,516,254	0	13,516,254
30	381.10	METERS - AMI	8,704,964		8,704,964	0	8,704,964
31	382.00	METER INSTALLATIONS	9,060,745		9,060,745	0	9,060,745
32	383.00	HOUSE REGULATORS	5,596,680		5,596,680	0	5,596,680
33	384.00	HOUSE REGULATOR INSTALLATIONS	2,257,522		2,257,522	0	2,257,522
34	385.00	INDUSTRIAL M & R STATION EQUIPMENT	3,265,989		3,265,989	0	3,265,989
35	387.20	OTHER EQUIP-ODORIZATION	0		0	0	0
36	387.41	OTHER EQUIP-TELEPHONE	735,771		735,771	0	735,771
37	387.42	OTHER EQUIPMENT-RADIO	795,187		795,187	0	795,187
38	387.44	OTHER EQUIP-OTHER COMMUNICATION	133,590		133,590	0	133,590
39	387.45	OTHER EQUIP-TELEMETERING	2,659,723		2,659,723	0	2,659,723
40	387.46	OTHER EQUIP-CUST INFO SERVICE	113,644		113,644	0	113,644
41		TOTAL DISTRIBUTION PLANT	405,889,581		405,889,581	0	405,889,581
42		<u>GENERAL PLANT</u>					
43	391.10	OFFICE FURN & EQUIP-UNSPECIFIED	641,583		641,583	0	641,583
44	391.11	OFFICE FURN & EQUIP-DATA HANDLING	9,182		9,182	0	9,182
45	391.12	OFFICE FURN & EQUIP-INFO SYSTEMS	871,354		871,354	0	871,354
46	392.20	TRANS EQUIP-TRAILERS OVER \$1,000	95,778		95,778	0	95,778
47	392.21	TRANS EQUIP-TRAILERS \$1,000 or LESS	24,462		24,462	0	24,462
48	393.00	STORES EQUIPMENT	0		0	0	0
49	394.10	TOOLS,SHOP, & GAR EQ-GARAGE & SERV	24,241		24,241	0	24,241
50	394.11	TOOLS,SHOP, & GAR EQ-CNG STATIONARY	0		0	0	0
51	394.13	TOOLS,SHOP, & GAR EQ-CNG PORTABLE	0		0	0	0
52	394.20	TOOLS,SHOP, & GAR EQ-UND TANK CLEANUP	0		0	0	0
53	394.30	TOOLS,SHOP, & GAR EQ-SHOP EQUIP	3,254,553		3,254,553	0	3,254,553
54	395.00	TOOLS,SHOP, & GAR EQ-TOOLS & OTHER	9,258		9,258	0	9,258
55	396.00	LABORATORY	253,135		253,135	0	253,135
56	398.00	POWER OPERATED EQUIP-GENERAL TOOLS	91,472		91,472	0	91,472
57		TOTAL GENERAL PLANT	5,275,019		5,275,019	0	5,275,019
58		<u>OTHER PLANT</u>					
59	378.21	M & R STA EQUIP REG FMV	(777,092)		(777,092)	0	(777,092)
60		TOTAL PLANT IN SERVICE	<u>415,931,273</u>		<u>415,931,273</u>	<u>0</u>	<u>415,931,273</u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
PLANT IN SERVICE BY GAS PLANT ACCOUNT
BASE PERIOD 09/30/2015 TO 08/31/2016

WPB-2.1
SHEET 1 OF 4
WITNESS: S. M. KATKO

DATA: X BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL X UPDATED ___ REVISED

LINE NO.	ACCT. NO.	09/30/2015	10/31/2015	11/30/2015	12/31/2015	01/31/2016	02/29/2016	03/31/2016	04/30/2016	05/31/2016	06/30/2016	07/31/2016	08/31/2016
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1	301.00	521	521	521	521	521	521	521	521	521	521	521	521
2	303.00	74,348	74,348	74,348	74,348	74,348	74,348	74,348	74,348	74,348	74,348	74,348	74,348
3	303.10	0	0	0	0	0	0	0	0	0	0	0	0
4	303.20	0	0	0	0	0	0	0	0	0	0	0	0
5	303.30	5,174,690	5,181,924	5,188,933	5,266,272	5,268,409	5,301,761	5,372,695	5,414,563	5,421,832	5,420,576	5,466,796	5,468,897
6	INTANGIBLE	5,249,559	5,256,792	5,263,802	5,341,141	5,343,278	5,376,630	5,447,564	5,489,431	5,496,701	5,495,445	5,541,664	5,543,766
7	304.10	0	0	0	0	0	0	0	0	0	0	0	0
8	PRODUCTION	0	0	0	0	0	0	0	0	0	0	0	0
9	374.10	206	206	206	206	206	206	206	206	206	206	206	206
10	374.20	877,756	877,756	877,756	877,756	877,756	877,756	877,756	877,756	877,756	877,756	877,756	877,741
11	374.40	661,306	661,306	661,306	661,306	661,306	661,306	661,306	661,306	661,306	661,306	661,306	661,306
12	374.50	2,666,575	2,666,575	2,666,575	2,666,576	2,666,576	2,666,576	2,666,576	2,666,576	2,666,576	2,666,576	2,666,576	2,666,576
13	375.20	2,125	2,125	2,125	2,125	2,125	2,125	2,125	2,125	2,125	2,125	2,125	2,125
14	375.30	0	0	0	0	0	0	0	0	0	0	0	0
15	375.40	1,845,331	1,849,829	1,849,830	1,866,689	1,866,689	1,871,441	1,871,441	1,871,441	1,946,464	1,949,949	1,949,949	1,949,879
16	375.60	0	0	0	0	0	0	0	0	0	0	0	0
17	375.70	7,416,801	7,416,801	7,416,802	7,969,800	7,980,989	7,980,989	7,983,864	7,983,864	7,983,864	7,983,864	7,997,861	8,139,249
18	375.71	256,845	256,845	256,845	259,809	259,809	259,809	259,809	259,809	259,809	259,809	259,809	286,166
19	375.80	0	0	0	0	0	0	0	0	0	0	0	0
20	376.00	193,637,671	194,304,028	196,359,597	198,409,232	199,917,669	200,467,453	202,301,335	203,316,463	204,256,149	207,221,903	208,223,438	213,320,608
21	378.10	513,596	518,504	518,504	518,504	518,504	518,504	518,504	518,504	518,504	518,504	518,504	518,504
22	378.20	8,312,662	8,358,118	9,303,591	9,428,604	9,527,217	9,495,354	9,501,729	9,502,605	9,653,328	9,672,022	9,672,323	9,765,130
23	378.30	45,443	45,443	45,443	45,443	45,443	45,443	45,443	45,443	45,443	45,443	45,443	45,443
24	379.10	254,901	254,901	254,901	254,901	254,901	254,901	254,901	254,901	254,901	254,901	254,901	254,901
25	380.00	113,118,049	113,873,940	114,613,930	115,258,005	115,734,653	116,344,344	117,095,898	117,698,557	118,513,789	119,372,258	120,169,007	120,561,677

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
PLANT IN SERVICE BY GAS PLANT ACCOUNT
BASE PERIOD 09/30/2015 TO 08/31/2016

WPB-2.1
SHEET 2 OF 4
WITNESS: S. M. KATKO

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED

LINE NO.	ACCT. NO.	09/30/2015	10/31/2015	11/30/2015	12/31/2015	01/31/2016	02/29/2016	03/31/2016	04/30/2016	05/31/2016	06/30/2016	07/31/2016	08/31/2016
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1	381.00	13,204,305	13,245,723	13,177,602	13,270,915	13,317,385	13,358,441	13,408,921	13,405,333	13,467,474	13,524,856	13,492,399	13,516,254
2	381.10	8,607,905	8,607,905	8,607,871	8,705,079	8,705,079	8,705,079	8,705,143	8,705,143	8,705,143	8,705,143	8,705,143	8,704,964
3	382.00	8,649,024	8,666,787	8,681,694	8,991,831	8,996,004	9,009,271	9,018,248	9,034,696	9,044,505	9,054,271	9,057,088	9,060,745
4	383.00	5,435,534	5,468,863	5,477,371	5,504,717	5,509,636	5,526,145	5,539,922	5,550,234	5,562,313	5,570,602	5,575,555	5,596,680
5	384.00	2,255,592	2,255,592	2,255,592	2,257,522	2,257,522	2,257,522	2,257,522	2,257,522	2,257,522	2,257,522	2,257,522	2,257,522
6	385.00	3,058,989	3,057,596	3,057,594	3,047,363	3,046,795	3,049,398	3,050,279	3,068,068	3,193,663	3,207,474	3,209,358	3,265,989
7	387.20	0	0	0	0	0	0	0	0	0	0	0	0
8	387.41	735,336	735,771	735,771	735,771	735,771	735,771	735,771	735,771	735,771	735,771	735,771	735,771
9	387.42	796,185	796,603	796,603	795,187	795,187	795,187	795,187	795,187	795,187	795,187	795,187	795,187
10	387.44	135,927	135,927	135,927	133,590	133,590	133,590	133,590	133,590	133,590	133,590	133,590	133,590
11	387.45	2,493,380	2,481,880	2,482,491	2,682,977	2,744,867	2,744,231	2,757,498	2,759,459	2,863,783	2,806,216	2,858,062	2,659,723
12	387.46	113,644	113,644	113,644	113,644	113,644	113,644	113,644	113,644	113,644	113,644	113,644	113,644
13	DISTRIBUTION	375,095,087	376,652,669	380,349,570	384,457,553	386,669,321	387,874,484	390,556,616	392,218,202	394,512,815	398,390,897	400,232,522	405,889,581
14	391.10	223,185	223,185	223,185	713,481	713,481	713,481	713,176	640,518	640,518	640,518	640,518	641,583
15	391.11	18,816	18,816	18,816	18,816	18,816	18,816	9,182	9,182	9,182	9,182	9,182	9,182
16	391.12	612,195	612,195	612,195	668,138	853,483	853,483	853,483	853,483	871,354	871,354	871,354	871,354
17	392.20	95,778	95,778	95,778	95,778	95,778	95,778	95,778	95,778	95,778	95,778	95,778	95,778
18	392.21	24,462	24,462	24,462	24,462	24,462	24,462	24,462	24,462	24,462	24,462	24,462	24,462
19	393.00	0	0	0	0	0	0	0	0	0	0	0	0
20	394.10	24,241	24,241	24,241	24,241	24,241	24,241	24,241	24,241	24,241	24,241	24,241	24,241
21	394.11	0	0	0	0	0	0	0	0	0	0	0	0
22	394.13	0	0	0	0	0	0	0	0	0	0	0	0
23	394.20	0	0	0	0	0	0	0	0	0	0	0	0
24	394.30	2,932,960	2,933,915	2,918,228	2,921,176	2,921,176	2,910,614	2,929,990	2,995,678	3,013,209	3,009,050	3,100,497	3,254,553
25	395.00	9,258	9,258	9,258	9,258	9,258	9,258	9,258	9,258	9,258	9,258	9,258	9,258
26	396.00	258,255	258,255	258,255	258,255	258,255	253,135	253,135	253,135	253,135	253,135	253,135	253,135
27	398.00	104,079	104,079	91,077	91,077	91,077	91,077	91,077	91,077	91,077	87,126	87,126	91,472
28	GENERAL	4,303,227	4,304,183	4,275,493	4,824,681	5,010,026	4,994,344	5,003,781	4,996,812	5,032,214	5,024,104	5,115,551	5,275,019
29	TOTAL	384,647,874	386,213,644	389,888,865	394,623,374	397,022,625	398,245,458	401,007,962	402,704,445	405,041,730	408,910,446	410,889,737	416,708,365
30	378.21	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)
31	OTHER	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)	(777,092)
32	TOTAL	383,870,782	385,436,552	389,111,773	393,846,282	396,245,533	397,468,366	400,230,870	401,927,353	404,264,638	408,133,354	410,112,645	415,931,273

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
PROPOSED ADJUSTMENTS TO PLANT IN SERVICE
AS OF AUGUST 31, 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S): _____

SCHEDULE B-2.2
SHEET 1 OF 2
WITNESS: S. M. KATKO

LINE NO.	ACCT. NO.	ACCOUNT TITLE	TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENTS	WORKPAPER REFERENCE NO.	DESCRIPTION AND PURPOSE OF ADJUSTMENT
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ADJUSTMENTS ARE INCORPORATED INTO SCHEDULE B-2.1.
PLEASE SEE THE TESTIMONY OF S. M. KATKO.

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
SEPTEMBER 2015 TO AUGUST 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S): WPB-2.1, 2.2

SCHEDULE B-2.3
SHEET 1 OF 4
WITNESS: S. M. KATKO

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD				BASE PERIOD
			BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	ENDING BALANCE
			\$	\$	\$	\$	\$
1		<u>ACCOUNT 101/106 GAS PLANT IN SERVICE - GENERAL</u>					
2		<u>INTANGIBLE PLANT</u>					
3	301.00	Organization	521	0	0	0	521
4	303.00	Miscellaneous Intangible Plant	74,348	0	0	0	74,348
5	303.10	Misc Intangible Plant-Dis Software	0	0	0	0	0
6	303.20	Misc Intangible Plant-Fara Software	0	0	0	0	0
7	303.30	Misc Intangible Plant-Other Software	5,149,229	331,869	(12,201)	0	5,468,897
8		Total Intangible Plant	5,224,098	331,869	(12,201)	0	5,543,765
9		<u>PRODUCTION PLANT - LPG</u>					
10	304.10	Land	0	0	0	0	0
11		Total Production Plant - Lpg	0	0	0	0	0
12		<u>Distribution Plant</u>					
13	374.10	Land-City Gate & Main Line Ind. M & R	206	0	0	0	206
14	374.20	Land-Other Distribution Systems	877,756	0	(15)	0	877,741
15	374.40	Land Rights-Other Distr Systems	661,306	0	0	0	661,306
16	374.50	Rights Of Way	2,666,575	0	0	0	2,666,575
17	375.20	Struc & Improv-City Gate M & R	2,125	0	0	0	2,125
18	375.30	Struc & Improv-General M & R	0	0	0	0	0
19	375.40	Struc & Improv-Regulating	1,762,372	192,841	(5,335)	0	1,949,879
20	375.60	Struc & Improv-Distr. Ind. M & R	0	0	0	0	0
21	375.70	Struc & Improv-Other Distr. Systems	7,416,801	722,448	0	0	8,139,250
22	375.71	Struc & Improv-Other Distr Sys-Ilp	256,845	29,321	0	0	286,166
23	375.80	Struc & Improv-Communications	0	0	0	0	0
24	376.00	Mains	192,769,030	21,473,853	(922,275)	0	213,320,608
25	378.10	M & R Station Equip-General	513,596	4,908	0	0	518,504
26	378.20	M & R Sta Equip-General-Regulating	8,295,455	1,575,080	(105,405)	0	9,765,130
27	378.30	M & R Sta Equip-Gen-Local Gas Purch	45,443	0	0	0	45,443
28	379.10	M & R Sta Equip-City Gate Check Sta	254,901	0	0	0	254,901
29	380.00	Services	112,120,039	9,796,411	(1,354,772)	0	120,561,678

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
GROSS ADDITIONS, RETIREMENTS, AND TRANSFERS
SEPTEMBER 2015 TO AUGUST 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S): WPB-2.1, 2.2

SCHEDULE B-2.3
SHEET 2 OF 4
WITNESS: S. M. KATKO

LINE NO.	ACCT. NO.	ACCOUNT TITLE	BASE PERIOD				BASE PERIOD
			BEGINNING BALANCE	ADDITIONS	RETIREMENTS	TRANSFERS	ENDING BALANCE
			\$	\$	\$	\$	\$
1	381.00	Meters	13,219,369	636,188	(339,303)	0	13,516,254
2	381.10	Meters - AMI	8,607,905	97,059	0	0	8,704,964
3	382.00	Meter Installations	8,631,041	454,236	(24,532)	0	9,060,745
4	383.00	House Regulators	5,422,700	176,326	(2,345)	0	5,596,681
5	384.00	House Regulator Installations	2,255,592	1,930	0	0	2,257,522
6	385.00	Industrial M & R Station Equipment	3,061,300	241,439	(36,750)	0	3,265,990
7	387.20	Other Equip-Odorization	0	0	0	0	0
8	387.41	Other Equip-Telephone	735,336	434	0	0	735,771
9	387.42	Other Equipment-Radio	796,185	418	(1,416)	0	795,187
10	387.44	Other Equip-Other Communication	165,500	0	(31,910)	0	133,590
11	387.45	Other Equip-Telemetry	2,296,542	480,367	(117,185)	0	2,659,724
12	387.46	Other Equip-Cust Info Service	113,644	0	0	0	113,644
13		Total Distribution Plant	372,947,566	35,883,260	(2,941,245)	0	405,889,581
14		<u>GENERAL PLANT</u>					
15	391.10	Office Furn & Equip-Unspecified	224,371	526,167	(108,955)	0	641,583
16	391.11	Office Furn & Equip-Data Handling	18,816	0	(9,633)	0	9,183
17	391.12	Office Furn & Equip-Info Systems	612,195	259,160	0	0	871,354
18	392.20	Trans Equip-Trailers Over \$1,000	95,778	0	0	0	95,778
19	392.21	Trans Equip-Trailers \$1,000 Or Less	24,462	0	0	0	24,462
20	393.00	Stores Equipment	0	0	0	0	0
21	394.10	Tools,Shop, & Gar Eq-Garage & Serv	24,241	0	0	0	24,241
22	394.11	Tools,Shop, & Gar Eq-Cng Stationary	0	0	0	0	0
23	394.13	Tools,Shop, & Gar Eq-Und Tank Cleanup	0	0	0	0	0
24	394.20	Tools,Shop, & Gar Eq-Shop Equip	0	0	0	0	0
25	394.30	Tools,Shop, & Gar Eq-Tools & Other	2,932,960	374,112	(52,519)	0	3,254,553
26	395.00	Laboratory	9,258	0	0	0	9,258
27	396.00	Power Operated Equip-General Tools	258,255	0	(5,120)	0	253,135
28	398.00	Miscellaneous Equipment	104,079	4,346	(16,953)	0	91,472
29		Total General Plant	4,304,414	1,163,784	(193,179)	0	5,275,019
30		<u>OTHER PLANT</u>					
31	378.21	M & R Sta Equip Reg FMV	(777,092)	0	0	0	(777,092)
32		TOTAL GAS PLANT IN SERVICE	<u>381,698,986</u>	<u>37,378,913</u>	<u>(3,146,625)</u>	<u>0</u>	<u>415,931,274</u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
PROPERTY MERGED OR ACQUIRED
AS OF AUGUST 31, 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE B-2.4
SHEET 1 OF 2
WITNESS: S. M. KATKO

LINE NO.	ACCT. NO.	DESCRIPTION OF PROPERTY	ACQUISITION COST	COST BASIS	ACQUISITION ADJUSTMENT	COMMISSION APPROVAL DATE (DOCKET NO.)	DATE OF ACQUISITION	EXPLANATION OF TREATMENT
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NONE

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
LEASED PROPERTY
AS OF AUGUST 31, 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE B-2.5
SHEET 1 OF 2
WITNESS: S. M. KATKO

LINE NO.	IDENTIFICATION OR REFERENCE NUMBER	DESCRIPTION OF TYPE AND USE OF PROPERTY	NAME OF LESSEE	FREQUENCY OF PAYMENT	AMOUNT OF LEASE PAYMENT	DOLLAR VALUE OF PROPERTY INVOLVED	EXPLAIN METHOD OF CAPITALIZATION
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COLUMBIA GAS OF KENTUCKY, INC. DOES NOT HAVE ANY CAPITAL LEASES.

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
PROPERTY HELD FOR FUTURE USE INCLUDED IN RATE BASE
AS OF AUGUST 31, 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE B-2.6
SHEET 1 OF 2
WITNESS: S. M. KATKO

DESCRIPTION				NET			REVENUE REALIZED			EXPENSES INCURRED
LINE AND LOCATION NO. OF PROPERTY	ACQUISITION DATE	ORIGINAL COST	ACCUMULATED DEPRECIATION	ORIGINAL COST	AMOUNT	ACCT. NO.	DESCRIPTION	AMOUNT	ACCT. NO.	DESCRIPTION

NONE

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
PROPERTY EXCLUDED FROM RATE BASE
AS OF AUGUST 31, 2016

DATA: BASE PERIOD _____ FORECASTED PERIOD _____
TYPE OF FILING: _____ ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE B-2.7
SHEET 1 OF 2
WITNESS: S. M. KATKO

LINE NO.	ACCT. NO.	ACCOUNT TITLE OR DESCRIPTION OF EXCLUDED PROPERTY	IN-SERVICE DATE	ORIGINAL COST	ACCUMULATED DEPRECIATION	NET ORIGINAL COST	AMOUNT	PERIOD REVENUE AND EXPENSE ACCT. NO.	DESCRIPTION	REASONS FOR EXCLUSION
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NONE

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
ACCUMULATED DEPRECIATION & AMORTIZATION
AS OF AUGUST 31, 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): WPB-3.1

SCHEDULE B-3
SHEET 1 OF 4
WITNESS: S. M. KATKO

LINE NO.	ACCT. NO.	ACCOUNT TITLES	BASE PERIOD		RESERVE BALANCES			ADJUSTED JURISDICTION
			TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURISDICTIONAL PERCENT	TOTAL JURISDICTIONAL	ADJUSTMENTS	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
1		<u>INTANGIBLE PLANT</u>			<u>100%</u>			
2	301.00	ORGANIZATION	521	0		0	0	0
3	303.00	MISCELLANEOUS INTANGIBLE PLANT	74,348	47,039		47,039	0	47,039
4	303.10	MISC INTANGIBLE PLANT-DIS SOFTWARE	0	0		0	0	0
5	303.20	MISC INTANGIBLE PLANT-FARA SOFTWARE	0	0		0	0	0
6	303.30	MISC INTANGIBLE PLANT-OTHER SOFTWARE	5,468,897	2,574,497		2,574,497	0	2,574,497
7		TOTAL INTANGIBLE PLANT	5,543,766	2,621,536		2,621,536	0	2,621,536
8		<u>PRODUCTION PLANT - LPG</u>						
9	304.10	LAND	0	0		0	0	0
10		TOTAL PRODUCTION PLANT - LPG	0	0		0	0	0
11		<u>DISTRIBUTION PLANT</u>						
12	374.10	LAND-CITY GATE & MAIN LINE IND. M & R	206	0		0	0	0
13	374.20	LAND-OTHER DISTRIBUTION SYSTEMS	877,741	(538)		(538)	0	(538)
14	374.40	LAND RIGHTS-OTHER DISTR SYSTEMS	661,306	211,846		211,846	0	211,846
15	374.50	RIGHTS OF WAY	2,666,576	922,796		922,796	0	922,796
16	375.20	STRUC & IMPROV-CITY GATE M & R	2,125	1,999		1,999	0	1,999
17	375.30	STRUC & IMPROV-GENERAL M & R	0	(78)		(78)	0	(78)
18	375.40	STRUC & IMPROV-REGULATING	1,949,879	503,077		503,077	0	503,077
19	375.60	STRUC & IMPROV-DISTR. IND. M & R	0	0		0	0	0
20	375.70	STRUC & IMPROV-OTHER DISTR. SYSTEMS	8,139,249	3,299,574		3,299,574	0	3,299,574
21	375.71	STRUC & IMPROV-OTHER DISTR SYS-ILP	286,166	186,048		186,048	0	186,048
22	375.80	STRUC & IMPROV-COMMUNICATIONS	0	0		0	0	0
23	376.00	MAINS	213,320,608	57,746,508		57,746,508	0	57,746,508
24	378.10	M & R STATION EQUIP-GENERAL	518,504	359,404		359,404	0	359,404
25	378.20	M & R STA EQUIP-GENERAL-REGULATING	9,765,130	3,265,695		3,265,695	0	3,265,695
26	378.30	M & R STA EQUIP-GEN-LOCAL GAS PURCH	45,443	35,522		35,522	0	35,522
27	379.10	M & R STA EQUIP-CITY GATE CHECK STA	254,901	267,731		267,731	0	267,731
28	380.00	SERVICES	120,561,677	57,666,693		57,666,693	0	57,666,693

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
ACCUMULATED DEPRECIATION & AMORTIZATION
AS OF AUGUST 31, 2016

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORKPAPER REFERENCE NO(S): WPB-3.1

SCHEDULE B-3
SHEET 2 OF 4
WITNESS: S. M. KATKO

LINE NO.	ACCT. NO.	ACCOUNT TITLES	BASE PERIOD		RESERVE BALANCES			ADJUSTED JURISDICTION
			TOTAL COMPANY INVESTMENT	TOTAL COMPANY	JURISDICTIONAL PERCENT	TOTAL	ADJUSTMENTS	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
1	381.00	METERS	13,516,254	4,700,285		4,700,285	0	4,700,285
2	381.10	METERS - AMI	8,704,964	486,123		486,123	0	486,123
3	382.00	METER INSTALLATIONS	9,060,745	4,583,236		4,583,236	0	4,583,236
4	383.00	HOUSE REGULATORS	5,596,680	1,498,129		1,498,129	0	1,498,129
5	384.00	HOUSE REGULATOR INSTALLATIONS	2,257,522	1,761,055		1,761,055	0	1,761,055
6	385.00	INDUSTRIAL M & R STATION EQUIPMENT	3,265,989	889,240		889,240	0	889,240
7	387.20	OTHER EQUIP-ODORIZATION	0	(59,912)		(59,912)	0	(59,912)
8	387.41	OTHER EQUIP-TELEPHONE	735,771	380,316		380,316	0	380,316
9	387.42	OTHER EQUIPMENT-RADIO	795,187	546,225		546,225	0	546,225
10	387.44	OTHER EQUIP-OTHER COMMUNICATION	133,590	46,917		46,917	0	46,917
11	387.45	OTHER EQUIP-TELEMETERING	2,659,723	477,476		477,476	0	477,476
12	387.46	OTHER EQUIP-CUST INFO SERVICE	113,644	111,342		111,342	0	111,342
13		TOTAL DISTRIBUTION PLANT	405,889,581	139,886,710		139,886,710	0	139,886,710
14		<u>GENERAL PLANT</u>						
15	391.10	OFFICE FURN & EQUIP-UNSPECIFIED	641,583	(172,204)		(172,204)	0	(172,204)
16	391.11	OFFICE FURN & EQUIP-DATA HANDLING	9,182	(22,335)		(22,335)	0	(22,335)
17	391.12	OFFICE FURN & EQUIP-INFO SYSTEMS	871,354	633,726		633,726	0	633,726
18	392.20	TRANS EQUIP-TRAILERS OVER \$1,000	95,778	21,713		21,713	0	21,713
19	392.21	TRANS EQUIP-TRAILERS \$1,000 or LESS	24,462	4,947		4,947	0	4,947
20	393.00	STORES EQUIPMENT	0	0		0	0	0
21	394.10	TOOLS,SHOP, & GAR EQ-GARAGE & SERV	24,241	14,284		14,284	0	14,284
22	394.11	TOOLS,SHOP, & GAR EQ-CNG STATIONARY	0	0		0	0	0
23	394.13	TOOLS,SHOP, & GAR EQ-UND TANK CLEANU	0	37,937		37,937	0	37,937
24	394.20	TOOLS,SHOP, & GAR EQ-SHOP EQUIP	0	185		185	0	185
25	394.30	TOOLS,SHOP, & GAR EQ-TOOLS & OTHER	3,254,553	1,247,576		1,247,576	0	1,247,576
26	395.00	LABORATORY	9,258	7,371		7,371	0	7,371
27	396.00	POWER OPERATED EQUIP-GENERAL TOOLS	253,135	199,322		199,322	0	199,322
28	398.00	MISCELLANEOUS EQUIPMENT	91,472	19,242		19,242	0	19,242
29		TOTAL GENERAL PLANT	5,275,019	1,991,763		1,991,763	0	1,991,763
30		<u>OTHER PLANT</u>						
31	378.21	M & R STA EQUIP REG FMV	(777,092)	(18,917)		(18,917)	0	(18,917)
32		TOTAL PLANT IN SERVICE	416,708,365	144,500,009		144,500,009	0	144,500,009

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
ADJUSTMENTS TO ACCUMULATED DEPRECIATION & AMORTIZATION
AS OF AUGUST 31, 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S): _____

SCHEDULE B-3.1
SHEET 1 OF 2
WITNESS: S. M. KATKO

LINE NO.	ACCT. NO.	ACCOUNT TITLES	BASE PERIOD TOTAL COMPANY ADJUSTMENT	JURISDICTIONAL PERCENT	JURISDICTIONAL ADJUSTMENT	WORKPAPER REFERENCE	DESCRIPTION AND PURPOSE OF ADJUSTMENT
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)

ADJUSTMENTS ARE INCORPORATED INTO SCHEDULE B-3.
PLEASE SEE THE TESTIMONY OF S. M. KATKO.

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
ACCUMULATED DEPRECIATION & AMORTIZATION
BASE PERIOD 09/30/2015 TO 08/31/2016

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL _X_ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):: WPB-2.2

WPB-3.1
SHEET 1 OF 4

LINE NO.	ACCT. NO.	Actual 09/30/2015	Actual 10/31/2015	Actual 11/30/2015	Actual 12/31/2015	Actual 01/31/2016	Actual 02/29/2016	Actual 03/31/2016	Actual 04/30/2016	Actual 05/31/2016	Actual 06/30/2016	Actual 07/31/2016	Actual 08/31/2016
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1	301.00	0	0	0	0	0	0	0	0	0	0	0	0
2	303.00	44,767	44,973	45,180	45,386	45,593	45,799	46,006	46,212	46,419	46,626	46,832	47,039
3	303.10	0	0	0	0	0	0	0	0	0	0	0	0
4	303.20	0	0	0	0	0	0	0	0	0	0	0	0
5	303.30	1,827,487	1,893,422	1,959,573	2,027,215	2,094,397	2,150,290	2,219,714	2,289,210	2,359,672	2,429,635	2,505,347	2,574,497
6	INTANGIBLE	1,872,254	1,938,396	2,004,753	2,072,601	2,139,989	2,196,090	2,265,720	2,335,422	2,406,091	2,476,260	2,552,179	2,621,536
7	304.10	0	0	0	0	0	0	0	0	0	0	0	0
8	PRODUCTION	0	0	0	0	0	0	0	0	0	0	0	0
9													
10	374.10	0	0	0	0	0	0	0	0	0	0	0	0
11	374.20	(523)	(523)	(523)	(523)	(523)	(523)	(523)	(523)	(523)	(523)	(523)	(538)
12	374.40	166,238	167,081	167,924	168,767	169,610	170,453	171,297	172,140	172,983	209,787	210,817	211,846
13	374.50	892,975	895,686	898,397	901,108	903,819	906,530	909,241	911,952	914,663	917,374	920,085	922,796
14	375.20	1,983	1,986	1,990	1,993	1,997	1,997	1,998	1,998	1,998	1,999	1,999	1,999
15	375.30	(78)	(78)	(78)	(78)	(78)	(78)	(78)	(78)	(78)	(78)	(78)	(78)
16	375.40	482,491	485,508	488,530	486,300	489,349	486,466	489,523	492,580	495,698	498,880	502,065	503,077
17	375.60	0	0	0	0	0	0	0	0	0	0	0	0
18	375.70	3,156,249	3,168,548	3,180,848	3,193,606	3,206,832	3,220,067	3,233,305	3,246,544	3,259,784	3,273,024	3,286,276	3,299,574
19	375.71	130,414	135,299	140,185	145,132	150,144	155,155	160,167	165,178	170,190	175,201	180,213	186,048
20	375.80	0	0	0	0	0	0	0	0	0	0	0	0
21	376.00	55,879,160	56,061,221	56,194,485	56,331,198	56,763,773	56,755,636	56,969,805	57,069,506	57,200,700	57,323,290	57,578,824	57,746,508
22	378.10	348,240	349,250	350,266	351,281	352,296	353,312	354,327	355,343	356,358	357,373	358,389	359,404
23	378.20	3,198,198	3,189,646	3,196,504	3,190,544	3,203,222	3,221,848	3,235,486	3,229,983	3,224,940	3,235,845	3,252,882	3,265,695
24	378.30	34,543	34,632	34,721	34,810	34,899	34,988	35,077	35,166	35,255	35,344	35,433	35,522
25	379.10	267,731	267,731	267,731	267,731	267,731	267,731	267,731	267,731	267,731	267,731	267,731	267,731
26	380.00	56,997,364	57,154,580	57,236,825	57,280,572	57,431,429	57,575,963	57,774,299	57,780,247	57,797,150	57,854,368	57,788,841	57,666,693

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
ACCUMULATED DEPRECIATION & AMORTIZATION
BASE PERIOD 09/30/2015 TO 08/31/2016

DATA: _X_ BASE PERIOD ___ FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL _X_ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S):: WPB-2.2

WPB-3.1
SHEET 2 OF 4

LINE NO.	ACCT. NO.	Actual 09/30/2015	Actual 10/31/2015	Actual 11/30/2015	Actual 12/31/2015	Actual 01/31/2016	Actual 02/29/2016	Actual 03/31/2016	Actual 04/30/2016	Actual 05/31/2016	Actual 06/30/2016	Actual 07/31/2016	Actual 08/31/2016
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1	381.00	4,686,091	4,714,635	4,670,731	4,680,338	4,679,483	4,686,266	4,708,693	4,684,521	4,714,398	4,709,285	4,697,802	4,700,285
2	381.10	279,974	298,552	317,131	335,815	354,603	373,392	392,180	410,969	429,757	448,546	467,334	486,123
3	382.00	4,409,055	4,422,226	4,435,265	4,450,213	4,465,563	4,482,538	4,499,035	4,516,018	4,533,236	4,550,345	4,567,083	4,583,236
4	383.00	1,429,849	1,435,774	1,441,741	1,447,854	1,454,071	1,460,409	1,466,572	1,472,933	1,479,246	1,485,577	1,491,889	1,498,129
5	384.00	1,738,296	1,740,364	1,742,431	1,744,500	1,746,569	1,748,639	1,750,708	1,752,778	1,754,847	1,756,916	1,758,986	1,761,055
6	385.00	861,104	858,843	864,169	855,590	858,936	864,245	869,556	877,314	878,400	883,975	884,629	889,240
7	387.20	(59,912)	(59,912)	(59,912)	(59,912)	(59,912)	(59,912)	(59,912)	(59,912)	(59,912)	(59,912)	(59,912)	(59,912)
8	387.41	364,535	365,969	367,404	368,838	370,273	371,708	373,143	374,577	376,012	377,447	378,882	380,316
9	387.42	530,693	532,246	533,799	533,935	535,485	537,036	538,587	540,022	541,573	543,124	544,674	546,225
10	387.44	48,328	48,593	48,858	46,784	45,283	45,544	45,804	45,875	46,136	46,396	46,657	46,917
11	387.45	536,838	529,168	534,009	536,516	541,808	547,160	552,524	557,698	546,701	472,669	478,191	477,476
12	387.46	108,905	109,126	109,348	109,570	109,791	110,013	110,234	110,456	110,678	110,899	111,121	111,342
13	DISTRIBUTION	136,488,739	136,906,153	137,162,778	137,402,482	138,076,453	138,316,582	138,848,778	139,011,016	139,247,921	139,474,884	139,750,288	139,886,710
14	391.10	(90,663)	(89,733)	(88,803)	(86,852)	(83,879)	(80,906)	(78,239)	(182,882)	(180,213)	(177,544)	(174,875)	(172,204)
15	391.11	(13,557)	(13,453)	(13,348)	(13,244)	(13,139)	(13,035)	(22,590)	(22,539)	(22,488)	(22,437)	(22,386)	(22,335)
16	391.12	489,355	499,558	509,761	520,430	533,111	547,335	561,560	575,785	590,158	604,681	619,204	633,726
17	392.20	19,132	19,366	19,601	19,836	20,070	20,305	20,540	20,774	21,009	21,244	21,478	21,713
18	392.21	3,095	3,155	3,215	4,468	4,527	4,587	4,647	4,707	4,767	4,827	4,887	4,947
19	393.00	0	0	0	0	0	0	0	0	0	0	0	0
20	394.10	13,395	13,476	13,556	13,637	13,718	13,799	13,880	13,960	14,041	14,122	14,203	14,284
21	394.11	0	0	0	0	0	0	0	0	0	0	0	0
22	394.13	37,937	37,937	37,937	37,937	37,937	37,937	37,937	37,937	37,937	37,937	37,937	37,937
23	394.20	185	185	185	185	185	185	185	185	185	185	185	185
24	394.30	1,190,937	1,198,149	1,192,215	1,201,947	1,211,684	1,210,842	1,220,576	1,230,453	1,240,467	1,226,802	1,236,984	1,247,576
25	395.00	6,947	6,985	7,024	7,062	7,101	7,140	7,178	7,217	7,255	7,294	7,332	7,371
26	396.00	182,667	182,667	182,667	182,667	182,667	199,322	199,322	199,322	199,322	199,322	199,322	199,322
27	398.00	30,575	31,153	18,694	19,200	19,706	20,212	20,718	21,224	21,730	18,273	18,757	19,242
28	GENERAL	1,870,004	1,889,445	1,882,703	1,907,274	1,933,689	1,967,723	1,985,714	1,906,143	1,934,172	1,934,706	1,963,029	1,991,763
29	TOTAL	140,230,997	140,733,994	141,050,235	141,382,357	142,150,131	142,480,395	143,100,212	143,252,581	143,588,183	143,885,850	144,265,496	144,500,009
30	378.21	(2,415)	(3,935)	(5,455)	(6,976)	(8,496)	(10,016)	(11,308)	(12,829)	(14,351)	(15,873)	(17,395)	(18,917)
31	OTHER	(2,415)	(3,935)	(5,455)	(6,976)	(8,496)	(10,016)	(11,308)	(12,829)	(14,351)	(15,873)	(17,395)	(18,917)
32	TOTAL	140,228,582	140,730,059	141,044,780	141,375,381	142,141,635	142,470,379	143,088,905	143,239,752	143,573,832	143,869,977	144,248,101	144,481,092

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
ACCOUNT 107 CONSTRUCTION WORK IN PROGRESS IN SERVICE
AS OF AUGUST 31, 2016

Data: Base Period Forecasted Period
Type of Filing: Original Updated
Workpaper Reference No(s). WPB-4

SCHEDULE B-4
SHEET 1 OF 1
WITNESS: S. M. KATKO

LINE NO.	GPA	DESCRIPTION	<u>ACCUMULATED COSTS</u>				TOTAL COST (H=F*G)
			TOTAL CWIP AMOUNT (D)	CONSTRUCTION AMOUNT (E)	CWIP AMOUNT IN SERVICE (F=D-E)	JURISDICTIONAL (G)	
(A)	(B)	(C)	\$	\$	\$	%	\$
1	303.00	MISC INTANGIBLE PLANT	21,987	21,987	0	100.00	0
2	303.30	MISC INTANGIBLE PLANT	921,715	921,715	0		0
3		SUBTOTAL	943,702	943,702	0		0
4	374.40	LAND RIGHTS - OTHER DIST	108,601	108,601	0		0
5	375.40	REGULATING STRUCTURES	34,338	34,338	0		0
6	375.70	OTHER STRUCTURES	108,167	9,647	98,519		98,519
7	375.71	OTHER STRUCTURES-LEASED	0	0	0		0
8	376.00	MAINS	1,889,682	2,084,397	(194,715)		(194,715)
9	378.20	M&R EQUIP-GENERAL-REG	168,381	167,963	419		419
10	380.00	SERVICES	137,816	8,709	129,107		129,107
11	381.00	METERS	21,489	21,489	0		0
12	381.10	AMR DEVICES	50,939	51,118	(179)		(179)
13	382.00	METER INSTALLATIONS	(4,539)	0	(4,539)		(4,539)
14	383.00	HOUSE REGULATORS	10,095	0	10,095		10,095
15	385.00	IND M&R EQUIPMENT	70,074	16,477	53,597		53,597
16	387.45	OTHER EQ-TELEMETERING	502,207	502,207	0		0
17		SUBTOTAL	3,097,250	3,004,946	92,305		92,305
18	391.10	OFF FUR & EQ UNSPECIF	0	0	0		0
19	391.12	OFF FUR & EQ INFORM. SYS.	44,690	44,690	0		0
20	394.30	TOOLS & OTHER	24,893	24,893	0		0
21	398.00	MISCELLANEOUS EQUIPMENT	4,346	0	4,346		4,346
22		SUBTOTAL	73,929	69,583	4,346		4,346
23	TOTAL		4,114,881	4,018,230	96,651		96,651

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
ALLOWANCE FOR WORKING CAPITAL
AS OF AUGUST 31, 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S): _____

SCHEDULE B-5
SHEET 1 OF 2
WITNESS: S. M. KATKO

LINE NO.	WORKING CAPITAL COMPONENT	DESCRIPTION OF METHODOLOGY USED TO DETERMINE JURISDICTIONAL REQUIREMENT		TOTAL COMPANY	JURISDICTIONAL PERCENT	JURISDICTIONAL AMOUNT
			WORKPAPER REFERENCE NO.			
1	CASH WORKING CAPITAL	1 / 8 O & M METHOD	B-5.2	4,688,721	100.00%	4,688,721
2	FUEL STOCK	13 MONTH AVERAGE BALANCE	B-5.1	0		0
3	MATERIAL & SUPPLIES	13 MONTH AVERAGE BALANCE	B-5.1	85,970		85,970
4	GAS STORED UNDERGROUND	13 MONTH AVERAGE BALANCE	B-5.1	43,479,090		43,479,090
5	PREPAYMENTS	13 MONTH AVERAGE BALANCE	B-5.1	<u>524,542</u>		<u>524,542</u>
6	TOTAL WORKING CAPITAL REQUIREMENTS			<u><u>48,778,324</u></u>		<u><u>48,778,324</u></u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
WORKING CAPITAL COMPONENTS
AS OF AUGUST 31, 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S). WPB-5.1, WPB-5.3

SCHEDULE B-5.1
SHEET 1 OF 2
WITNESS: S. M. KATKO

LINE NO.	DESCRIPTION	13 MONTH AVERAGE FOR PERIOD		
		TOTAL COMPANY \$	JURISDICTIONAL PERCENT	JURISDICTIONAL AMOUNT \$
1	FUEL STOCK	0	100.00%	0
2	MATERIAL & SUPPLIES	85,970	100.00%	85,970
3	GAS STORED UNDERGROUND	43,479,090	100.00%	43,479,090
4	PREPAYMENTS	<u>524,542</u>	100.00%	<u>524,542</u>
5	TOTAL OTHER WORKING CAPITAL	<u>44,089,603</u>		<u>44,089,603</u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
CASH WORKING CAPITAL COMPONENTS - 1 / 8 O&M EXPENSES
FOR THE 12 MONTHS ENDED AUGUST 31, 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S). SCH.C-2, C-2.2a

SCHEDULE B-5.2
SHEET 1 OF 2
WITNESS: S. M. KATKO

LINE NO.	DESCRIPTION	TOTAL COMPANY (1)	1 / 8 METHOD PERCENT (2)	JURISDICTIONAL AMOUNT (3)
1	CASH WORKING CAPITAL			
2	PURCHASED GAS EXPENSE	327,159	12.50%	40,895
3	LIQUEFIED PETROLEUM GAS EXPENSE	107	12.50%	13
4	DISTRIBUTION EXPENSE	14,176,060	12.50%	1,772,008
5	CUSTOMER ACCOUNTING & COLLECTING	3,742,745	12.50%	467,843
6	CUSTOMER SERVICE & INFORMATION	1,174,287	12.50%	146,786
7	SALES EXPENSE	102,697	12.50%	12,837
8	A & G EXPENSE	<u>17,986,710</u>	12.50%	<u>2,248,339</u>
9	TOTAL O & M EXPENSES	37,509,766		<u>4,688,721</u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
WORKING CAPITAL COMPONENTS

WPB-5.1
SHEET 1 OF 1

Line No.	Month	Account 154	
		Miscellaneous Deferred Debits Plant Materials & Supplies	Account 165 Prepayments 1/
		\$	\$
1	August 31, 2015	86,125	680,670
2	September 30, 2015	85,994	795,174
3	October 31, 2015	88,437	517,352
4	November 30, 2015	29,083	543,927
5	December 31, 2015	90,458	459,898
6	January 31, 2016	90,547	389,393
7	February 29, 2016	91,281	525,045
8	March 31, 2016	92,053	652,708
9	April 30, 2016	92,053	342,803
10	May 31, 2016	93,367	217,627
11	June 30, 2016	90,010	134,915
12	July 31, 2016	90,907	648,269
13	August 31, 2016	97,296	911,272
14	13 Month Average	<u>85,970</u>	<u>524,542</u>

1_/ Prepaid PSC Fees have been removed from calculation.

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
Calculation of Gas Storage Balances

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

WPB-5.3
SHEET 1 OF 1
WITNESS: S. M. KATKO

Line No.	Month	Per Books (LIFO Method)						Ending Balance (Mcf)	Ending Balance (\$)	Annual WACOG Rate/Mcf (\$/Mcf)
		Account 164		Activity (\$)	Withdraw (Mcf)	Activity (\$)	Ending Balance (Mcf)			
		Firm Stor	Serv (Mcf)							
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1	Dec-14	50,985,597	118,978	0	933,093	0	9,502,685	50,985,597		
2	Jan-15	38,512,093	119,748	447,618	3,456,694	12,921,122	6,165,739	38,512,093	3.7380	
3	YTD adj		119,748		3,456,694			2,586,133	(0.7750)	
4	Feb-15	35,265,845	37,324	110,591	2,005,728	5,942,972	4,197,335	35,265,845	2.9630	
5	YTD adj		157,072		5,462,422			(270,573)	0.0510	
6	Mar-15	30,561,304	76,878	231,710	1,548,002	4,665,678	2,726,211	30,561,304	3.0140	
7	YTD adj		233,950		7,010,424			(47,435)	0.0070	
8	Apr-15	34,074,405	1,234,818	3,730,385	56,223	169,850	3,904,806	34,074,405	3.0210	
9	YTD adj		1,468,768		7,066,647			(425,439)	0.0760	
10	May-15	39,571,600	1,912,611	5,923,356	233	722	5,817,184	39,571,600	3.0970	
11	YTD adj		3,381,379		7,066,880			(62,654)	0.0170	
12	Jun-15	41,286,403	646,635	2,013,621	75,840	236,166	6,387,979	41,286,403	3.1140	
13	YTD adj		4,028,014		7,142,720			(90,326)	0.0290	
14	Jul-15	45,130,430	1,391,062	4,372,108	139,279	437,754	7,639,762	45,130,430	3.1430	
15	YTD adj		5,419,076		7,281,999			1,863	(0.0010)	
16	Aug-15	49,793,981	1,483,836	4,662,213	167	525	9,123,431	49,793,981	3.1420	
17	YTD adj		6,902,912		7,282,166			(23,514)	0.0620	
18	Sep-15	53,448,848	1,137,183	3,643,534	(10,876)	(34,847)	10,271,490	53,448,848	3.2040	
19	YTD adj		8,040,095		7,271,290			(93,025)	(0.1210)	
20	Oct-15	54,141,911	500,161	1,541,996	245,186	755,908	10,526,465	54,141,911	3.0830	
21	YTD adj		8,540,256		7,516,476			(45,046)	(0.0440)	
22	Nov-15	52,375,824	162,531	493,932	728,849	2,214,972	9,960,147	52,375,824	3.0390	
23	YTD adj		8,702,787		8,245,325			(1,632,613)	0.0530	
24	Dec-15	46,381,601	34,056	105,301	1,444,667	4,466,910	8,549,536	46,381,601	3.0920	
25	LIFO adj for Net Gas Withdrawn	46,381,602	8,736,843		9,689,992		8,549,536	46,381,602		
26	Jan-16	38,950,208	155,459	406,681	2,996,206	7,838,075	5,708,789	38,950,208	2.6160	
27	YTD adj		155,459		2,996,206			355,093	(0.1250)	
28	Feb-16	34,495,823	29,609	73,756	1,960,351	4,883,234	3,778,047	34,495,823	2.4910	
29	YTD adj		185,068		4,956,557			1,603,220	(0.3360)	
30	Mar-16	33,960,111	115,866	249,691	1,108,410	2,388,624	2,785,503	33,960,111	2.1550	
31	YTD adj		300,934		6,064,967			(1,250,795)	0.2170	
32	Apr-16	33,979,548	869,989	2,063,614	334,478	793,382	3,321,014	33,979,548	2.3720	
33	YTD adj		1,170,923		6,399,445			(1,077,076)	0.2060	
34	May-16	36,229,203	1,588,083	4,094,078	297,652	767,347	4,611,445	36,229,203	2.5780	
35	YTD adj		2,759,006		6,697,097			23,629	(0.0060)	
36	Jun-16	39,933,333	1,557,510	4,005,916	126,522	325,415	6,042,433	39,933,333	2.5720	
37	YTD adj		4,316,516		6,823,619			(722,046)	0.2880	
38	Jul-16	43,883,458	1,640,481	4,691,776	6,855	19,605	7,676,059	43,883,458	2.8600	
39	YTD adj		5,956,997		6,830,474			(78,613)	0.0900	
40	Aug-16	47,654,326	1,313,871	3,875,919	8,962	26,438	8,980,968	47,654,326	2.9500	
41	13 Month Avg August 31, 2016	43,479,090								

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
DEFERRED CREDITS AND ACCUMULATED DEFERRED INCOME TAXES
AS OF AUGUST 31, 2016

DATA: X BASE PERIOD _____ FORECASTED PERIOD
TYPE OF FILING: _____ ORIGINAL X UPDATED
WORKPAPER REFERENCE NO(S). WPB-6

SCHEDULE B-6
SHEET 1 OF 2
WITNESS: P. W. FISCHER

LINE NO.	SUB ACCT	WORKPAPER REFERENCE	TOTAL COMPANY	JURISDICTIONAL PERCENT	JURISDICTIONAL AMOUNT
1		<u>ACCOUNT 190 - DEFERRED INCOME TAXES</u>			
2	2851	CONTRIBUTIONS IN AID & CUST. ADVANCES - FED	1,112,984	100.00%	1,112,984
3	4851	CONTRIBUTIONS IN AID & CUST. ADVANCES - STATE	208,946		208,946
4	1938 & 1947	LIFO INVENTORY & CAPITALIZED INVENTORY - FED	2,296,590		2,296,590
5	3938 & 3947	LIFO INVENTORY & CAPITALIZED INVENTORY - STATE	418,831		418,831
6	2969	NET OPERATING LOSS - FED	1,406,904		1,406,904
7		TOTAL ACCOUNT 190	<u>5,444,255</u>		<u>5,444,255</u>
8		<u>ACCOUNT 282 - DEFERRED INCOME TAXES - DEPRECIATION</u>			
9	2205	EXCESS ACCELERATED DEPRECIATION - FED	(64,224,642)		(64,224,642)
10	4205	EXCESS ACCELERATED DEPRECIATION - STATE	(12,911,431)		(12,911,431)
11	2211	LOSS ON RETIREMENT OF ACRS PROPERTY - FED	(5,598,390)		(5,598,390)
12	4211	LOSS ON RETIREMENT OF ACRS PROPERTY - STATE	(1,051,012)		(1,051,012)
13	2231	PROPERTY REMOVAL COSTS - FED	(446,360)		(446,360)
14	4231	PROPERTY REMOVAL COSTS - ST	(83,797)		(83,797)
15	2232	CONTRIBUTIONS IN AID OF CONSTRUCTION - FED	1,482,994		1,482,994
16	4232	CONTRIBUTIONS IN AID OF CONSTRUCTION - STATE	278,409		278,409
17	2234	BUILDER INCENTIVES - FED	8,588		8,588
18	4234	BUILDER INCENTIVES - STATE	1,566		1,566
19	4227	NON-CONFORMING STATE DEPRECIATION	3,445,650		3,445,650
20	2951	RRA '93 1% OFFSET	(99,362)		(99,362)
21	2953	RRA '93 RATE BASE INCREMENT	(64,845)		(64,845)
22		TOTAL ACCOUNT 282	<u>(79,262,632)</u>		<u>(79,262,632)</u>
23		<u>ACCOUNT 283 - DEFERRED INCOME TAXES - OTHER</u>			
24	2951	LEGAL LIABILITY - LEASE ON G.O. BLDG. - FED	0		0
25	4951	LEGAL LIABILITY - LEASE ON G.O. BLDG. - STATE	0		0
26		TOTAL ACCOUNT 283	<u>0</u>		<u>0</u>
27		TOTAL ACCUMULATED DEFERRED TAXES	<u>(73,818,377)</u>		<u>(73,818,377)</u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
JURISDICTIONAL PERCENTAGE
FOR THE FORCASTED PERIOD DECEMBER 31, 2017
FOR THE BASE PERIOD AUGUST 31, 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE B-7
SHEET 1 OF 1
WITNESS: S. M. KATKO

LINE NO.	ACCT. NO.	ACCOUNT TITLE	JURISDICTIONAL PERCENT	DESCRIPTION OF FACTORS AND/OR METHOD OF ALLOCATION
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ALL DATA 100.00% JURISDICTIONAL.

**Columbia Gas of Kentucky, Inc.
CASE NO. 2016-00162
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(8)(c)**

Description of Filing Requirement:

A jurisdictional operating income summary for both the base period and the forecasted period with supporting schedules, which provide breakdowns by major account group and by individual account;

Response:

Please refer to the attached Schedule C.

Responsible Witness:

Jana T. Croom

SCHEDULE C

JURISDICTIONAL OPERATING INCOME SUMMARY FOR THE BASE AND FORECASTED PERIOD

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

BASE PERIOD : FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016

FORECASTED PERIOD: FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

SCHEDULE

DESCRIPTION

C-1	OPERATING INCOME SUMMARY
C-2	ADJUSTED OPERATING INCOME STATEMENT
C-2.1	OPERATING REVENUES AND EXPENSES BY ACCOUNTS - JURISDICTIONAL
C-2.2	COMPARISON OF TOTAL COMPANY ACCOUNT BALANCES

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

OPERATING INCOME SUMMARY

FOR THE BASE PERIOD 12 MONTHS ENDED AUGUST 31, 2016 AND THE FORECAST PERIOD 12 MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL UPDATED
 WORKPAPER REFERENCE NO(S).

SCHEDULE C-1
 SHEET 1 OF 1
 WITNESS: J. T. CROOM

LINE NO.	DESCRIPTION	BASE PERIOD RETURN AT CURRENT RATES \$	FORECASTED ADJUSTMENTS AT CURRENT RATES \$	FORECASTED RETURN AT CURRENT RATES \$	PROPOSED INCREASE \$	FORECASTED RETURN AT PROPOSED RATES \$
1	OPERATING REVENUES	102,872,328	(10,190,161)	92,682,167	25,408,373	118,090,540
2	OPERATING EXPENSES					
3	GAS SUPPLY EXPENSES	33,437,927	(11,620,420)	21,817,507	0	21,817,507
4	OTHER OPERATING EXPENSES	37,182,607	7,570,867	44,753,474	282,904	45,036,378
5	DEPRECIATION EXPENSE	8,885,324	7,054,463	15,939,787	0	15,939,787
6	TAXES OTHER THAN INCOME	4,165,337	625,544	4,790,881	0	4,790,881
7	OPERATING INCOME BEFORE INCOME TAXES	19,201,132	(13,820,615)	5,380,517	25,125,469	30,505,986
8	FEDERAL INCOME TAXES	4,576,788	(5,061,240)	(484,452)	8,266,279	7,781,827
9	STATE INCOME TAXES	1,070,502	(1,161,509)	(91,007)	1,507,528	1,416,521
10	TOTAL INCOME TAXES	5,647,290	(6,222,749)	(575,459)	9,773,807	9,198,348
11	OPERATING INCOME	13,553,843	(7,597,866)	5,955,976	15,351,666	21,307,642
12	RATE BASE	246,391,211	6,969,570	253,360,781		253,360,781
13	RATE OF RETURN	5.50%		2.35%		8.41%

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

ADJUSTED OPERATING INCOME STATEMENT

FOR THE BASE PERIOD 12 MONTHS ENDED AUGUST 31, 2016 AND THE FORECAST PERIOD 12 MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
 TYPE OF FILING: ORIGINAL UPDATED
 WORKPAPER REFERENCE NO(S).

SCHEDULE C-2
 SHEET 1 OF 1

WITNESS: J. T. CROOM

LINE NO.	MAJOR GROUP CLASSIFICATION	BASE REVENUE & EXPENSES	SCHEDULE D 2.1 - 2.3 ADJUSTMENTS	FORECASTED REVENUE & EXPENSES	SCHEDULE D 2.4 ADJUSTMENTS	ADJUSTED REVENUE & EXPENSES
		\$	\$	\$	\$	\$
1	OPERATING REVENUE	102,872,328	(10,287,340)	92,584,988	97,179	92,682,167
2	OPERATING EXPENSES					
3	GAS SUPPLY EXPENSES	33,437,927	(11,617,854)	21,820,073	(2,566)	21,817,507
4	LIQUEFIED PETROLEUM GAS PRODUCTION EXPENSE	107	2,032	2,139	0	2,139
5	DISTR. O&M EXPENSE	14,176,060	2,853,704	17,029,764	1,439,212	18,468,976
6	CUSTOMER ACCTING. & COLL. EXP.	3,742,745	2,110,220	5,852,965	(313,753)	5,539,212
7	CUSTOMER SERV. & INFORM. EXP.	1,174,287	518,513	1,692,800	(146,039)	1,546,761
8	SALES EXPENSE	102,697	132,638	235,335	(59,152)	176,183
9	ADMIN. & GENERAL EXPENSE	17,986,710	1,026,174	19,012,883	7,320	19,020,203
10	DEPRECIATION EXPENSE	8,885,324	7,054,463	15,939,787	0	15,939,787
11	TAXES					
12	PROPERTY	3,551,221	372,779	3,924,000	212,779	4,136,779
13	PAYROLL	610,125	61,875	672,000	(17,898)	654,102
14	OTHER	3,992	(3,992)	0	0	0
15	FEDERAL INCOME	4,576,788	(4,734,377)	(157,589)	(326,863)	(484,452)
16	STATE INCOME	1,070,502	(1,100,145)	(29,643)	(61,363)	(91,007)
17	TOTAL OPERATING EXPENSES	89,318,485	(3,323,971)	85,994,514	731,677	86,726,191
18	NET OPERATING INCOME	13,553,843	(6,963,368)	6,590,474	(634,498)	5,955,976

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
OPERATING REVENUE AND EXPENSES BY ACCOUNTS - JURISDICTION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016

DATA: BASE PERIOD _____ FORECASTED PERIOD _____
TYPE OF FILING: _____ ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE C-2.1A
SHEET 1 of 2
WITNESS: J. T. CROOM

LINE NO.	ACCOUNT NO. (S)	ACCOUNT TITLE	UNADJUSTED		UNADJUSTED JURISDICTION	JURISDICTIONAL METHOD/ DESCRIPTION
			TOTAL UTILITY	ALLOCATION PERCENTAGE		
			(1)	(2)	(3)	(4)
			\$	%	\$	
1		<u>OPERATING REVENUE</u>				
2		<u>SALES OF GAS</u>				
3	480	RESIDENTIAL	49,600,921	100%	49,600,921	100%
4	481.1	COMMERCIAL	18,816,367	100%	18,816,367	
5	481.2	INDUSTRIAL	1,155,539	100%	1,155,539	
6	481.9	OTHER	0	100%	0	
7		TOTAL SALES OF GAS	<u>69,572,827</u>		<u>69,572,827</u>	
8		<u>OTHER OPERATING INCOME</u>				
9	483	SALES FOR RESALE	47,900	100%	47,900	
10	487	FORFEITED DISCOUNTS	376,722	100%	376,722	
11	488	MISC. SERVICE REVENUES	117,617	100%	117,617	
12	489	TRANSPORTATION OF GAS OF OTHERS	20,679,567	100%	20,679,567	
13	493 - 495	OTHER GAS REVENUES (MISC./OFF SYSTEM SALES)	<u>12,077,695</u>	100%	<u>12,077,695</u>	
		TOTAL OTHER OPERATING INCOME	<u>33,299,501</u>		<u>33,299,501</u>	
14		TOTAL OPERATING REVENUE	<u>102,872,328</u>		<u>102,872,328</u>	
15		<u>OPERATING EXPENSES</u>				
16		<u>LIQUEFIED PETROLEUM GAS PRODUCTION EXPENSE</u>				
17	717	LIQUEFIED PETROLEUM GAS EXPENSE	107	100%	107	
18	723	FUEL FOR LIQUEFIED PETROLEUM GAS PROCESS	0	100%	0	
19	728	LIQUEFIED PETROLEUM GAS	0	100%	0	
20	741	STRUCTURES & IMPROVEMENTS	0	100%	0	
21	742	PRODUCTION EQUIPMENT	0	100%	0	
22		TOTAL LIQUEFIED PETROLEUM GAS PROD. EXPENSE	<u>107</u>		<u>107</u>	
23		<u>OPERATION AND MAINTENANCE EXPENSE ACCOUNTS</u>				
24		<u>OTHER GAS SUPPLY EXPENSES - OPERATION</u>				
25	801-803	NATURAL GAS FIELD & TRANSMISSION LINE PURCH	47,861,098	100%	47,861,098	100%
26	804	NATURAL GAS CITY GATE PURCHASES	570,025	100%	570,025	
27	805	OTHER GAS PURCHASES	(16,497,894)	100%	(16,497,894)	
28	806	EXCHANGE GAS	(898,651)	100%	(898,651)	
29	807	PURCHASED GAS EXPENSE	327,159	100%	327,159	
30	808	GAS WITHDRAWN FROM STORAGE	2,139,655	100%	2,139,655	
31	812	GAS USED FOR OTHER UTILITY OPERATIONS	(63,466)	100%	(63,466)	
32	813	EXCHANGE FEES	0	100%	0	
33		TOTAL OTHER GAS SUPPLY EXPENSES - OPERATION	<u>33,437,927</u>		<u>33,437,927</u>	
34		<u>DISTRIBUTION EXPENSES - OPERATION</u>				
35	870	SUPERVISION AND ENGINEERING	612,918	100%	612,918	
36	871	DISTRIBUTION LOAD DISPATCHING	45,994	100%	45,994	
37	874	MAINS AND SERVICES EXPENSES	4,651,748	100%	4,651,748	
38	875	MEASURING AND REGULATION STA. EXPENSE - GEN.	172,458	100%	172,458	
39	876	MEASURING AND REGULATION STA. EXPENSE - IND.	64,253	100%	64,253	
40	878	METERS AND HOUSE REGULATOR EXPENSE	1,436,966	100%	1,436,966	
41	879	CUSTOMER INSTALLATIONS EXPENSE	1,738,699	100%	1,738,699	
42	880	OTHER EXPENSE	1,440,168	100%	1,440,168	
43	881	TELECOMMUNICATION EXPENSE - ENGINEERING	90,729	100%	90,729	
44		TOTAL DISTRIBUTION EXPENSES - OPERATION	<u>10,253,933</u>		<u>10,253,933</u>	
45		<u>DISTRIBUTION EXPENSES - MAINTENANCE</u>				
46	885	SUPERVISION AND ENGINEERING	9,911	100%	9,911	
47	886	STRUCTURES AND IMPROVEMENTS	248,133	100%	248,133	
48	887	MAINS	2,357,510	100%	2,357,510	
49	889	MEASURING AND REGULATION STA. EXPENSE - GEN.	262,934	100%	262,934	
50	890	MEASURING AND REGULATION STA. EXPENSE - IND.	69,363	100%	69,363	
51	892	SERVICES	469,184	100%	469,184	
52	893	METERS AND HOUSE REGULATORS	179,789	100%	179,789	
53	894	OTHER EQUIPMENT	325,304	100%	325,304	
54		TOTAL DISTRIBUTION EXPENSES - MAINTENANCE	<u>3,922,127</u>		<u>3,922,127</u>	

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
OPERATING REVENUE AND EXPENSES BY ACCOUNTS - JURISDICTION
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016

DATA: BASE PERIOD _____ FORECASTED PERIOD _____
TYPE OF FILING: _____ ORIGINAL UPDATED _____
WORKPAPER REFERENCE NO(S).

SCHEDULE C-2.1A
SHEET 2 of 2
WITNESS: J. T. CROOM

LINE NO.	ACCOUNT NO. (S)	ACCOUNT TITLE	UNADJUSTED		UNADJUSTED JURISDICTION	JURISDICTIONAL METHOD/ DESCRIPTION
			TOTAL UTILITY	ALLOCATION PERCENTAGE		
			(1)	(2)	(3)	(4)
<u>CUSTOMER ACCOUNTS EXPENSES - OPERATION</u>						
1	901	SUPERVISION	0	100%	0	100%
2	902	METER READING EXPENSES	258,999	100%	258,999	
3	903	CUSTOMER RECORDS & COLLECTIONS - UTIL. SERV	3,007,060	100%	3,007,060	
4	904	UNCOLLECTIBLE ACCOUNTS	475,383	100%	475,383	
5	905	MISCELLANEOUS CUSTOMER ACCOUNT EXPENSES	1,130	100%	1,130	
6	921	OFFICE SUPPLIES AND EXPENSES	174	100%	174	
7	935	MAINTENANCE OF GENERAL PLANT	0	100%	0	
8		TOTAL CUSTOMER ACCOUNTS EXPENSE	<u>3,742,745</u>		<u>3,742,745</u>	
<u>CUSTOMER SERVICE & INFORMATION - OPERATION</u>						
9						
10	907	SUPERVISION	27,359	100%	27,359	
11	908	CUSTOMER ASSISTANCE EXPENSES	832,777	100%	832,777	
12	909	INFORMATIONAL AND INSTR. ADVERT. EXPENSES	75,587	100%	75,587	
13	910	MISCELLANEOUS CUSTOMER ACCOUNT EXPENSE	224,110	100%	224,110	
14	921	OFFICE SUPPLIES AND EXPENSES	14,455	100%	14,455	
15	935	MAINTENANCE OF GENERAL PLANT	0	100%	0	
16		TOTAL CUST. ACCOUNTS EXPENSES - OPERATION	<u>1,174,287</u>		<u>1,174,287</u>	
<u>SALES EXPENSES</u>						
17						
18	911	SUPERVISION	1,833	100%	1,833	
19	912	DEMONSTRATING AND SELLING EXPENSES	29,752	100%	29,752	
20	913	ADVERTISING EXPENSE	71,112	100%	71,112	
21	916	MISCELLANEOUS SALES EXPENSE	0	100%	0	
22		TOTAL SALES EXPENSES	<u>102,697</u>		<u>102,697</u>	
<u>ADMINISTRATIVE AND GENERAL EXPENSES - OPERATION</u>						
23						
24	920	ADMINISTRATIVE AND GENERAL SALARIES	5,723,059	100%	5,723,059	
25	921	OFFICE SUPPLIES AND EXPENSES	959,950	100%	959,950	
26	923	OUTSIDE SERVICES EMPLOYED	5,598,261	100%	5,598,261	
27	924	PROPERTY INSURANCE PREMIUMS	30,135	100%	30,135	
28	925	INJURIES AND DAMAGES	936,247	100%	936,247	
29	926	EMPLOYEE PENSIONS AND BENEFITS	3,295,258	100%	3,295,258	
30	927	UTILITY AND FUEL	0	100%	0	
31	928	REGULATORY COMMISSION EXPENSE	473,344	100%	473,344	
32	929	DUPLICATE CHARGES	0	100%	0	
33	930	GENERAL MISCELLANEOUS GENERAL	(36,060)	100%	(36,060)	
34	931	RENTS	767,492	100%	767,492	
35		TOTAL ADMIN. AND GENERAL EXP. - OPERATION	<u>17,747,686</u>		<u>17,747,686</u>	
<u>ADMINISTRATIVE AND GENERAL EXPENSES - MAINTENANCE</u>						
36						
37	932	MAINTENANCE OF GENERAL PLANT	238,944	100%	238,944	
38	935	MAINTENANCE OF GENERAL PLANT	80	100%	80	100%
39		TOTAL ADMIN. AND GEN. EXP. - MAINTENANCE	<u>239,024</u>		<u>239,024</u>	
40		TOTAL OPERATION AND MAINT. EXP. ACCOUNTS	<u>70,620,534</u>	100%	<u>70,620,534</u>	
41	403-404	DEPRECIATION AND AMORTIZATION	8,885,324	100%	8,885,324	
42	408	TAXES OTHER THAN INCOME TAXES	4,165,337	100%	4,165,337	
43	409 - 411	FEDERAL INCOME TAXES	4,576,788	100%	4,576,788	
44	409 - 411	STATE INCOME TAXES	1,070,502	100%	1,070,502	
45		TOTAL OPERATING EXPENSES	<u>89,318,485</u>	100%	<u>89,318,485</u>	
46		NET OPERATING INCOME	<u>13,553,843</u>	100%	<u>13,553,843</u>	

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
COMPARISON OF TOTAL COMPANY ACCOUNT ACTIVITY
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE C-2.2A

SHEET 1 of 2

WITNESS: J. T. CROOM

Line	Acct No.	Account Description	Actual SEP	Actual OCT	Actual NOV	Actual DEC	Actual JAN	Actual FEB	Actual MAR	Actual APR	Actual MAY	Actual JUN	Actual JUL	Actual AUG 16	TOTAL
No.			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1	403 - 405,425	DEPRECIATION AND AMORTIZATION EXPENSE	702,565	714,409	718,954	728,298	736,008	741,208	745,713	749,193	753,645	758,222	768,592	768,518	8,885,324
2	406	AMORTIZATION-GAS PLANT ACQUISITION ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
3	408	TAXES OTHER THAN INCOME TAXES - PROPERTY	261,421	262,133	262,133	272,552	288,568	299,734	255,683	327,439	281,137	468,228	282,966	289,228	3,551,221
4	408	TAXES OTHER THAN INCOME TAXES - PAYROLL	40,728	57,296	46,948	48,269	57,715	53,332	49,861	65,763	46,813	47,707	46,645	49,049	610,125
5	408	TAXES OTHER THAN INCOME TAXES - OTHER	30	2,023	7,913	109	(7,913)	(0)	0	0	(0)	0	0	1,829	3,992
6	480	RESIDENTIAL REVENUE	(2,040,957)	(2,271,053)	(3,223,562)	(5,657,358)	(8,074,994)	(8,528,417)	(6,090,083)	(4,215,342)	(2,857,367)	(2,396,216)	(2,158,701)	(2,086,871)	(49,600,921)
7	481.1	COMMERCIAL REVENUE	(811,429)	(894,753)	(1,208,792)	(2,109,389)	(3,068,314)	(3,318,381)	(2,279,786)	(1,530,277)	(1,086,942)	(899,354)	(818,407)	(790,542)	(18,816,367)
8	481.2	INDUSTRIAL REVENUE	(44,487)	(78,083)	(118,236)	(111,056)	(147,639)	(163,223)	(127,090)	(97,412)	(91,579)	(96,445)	(71,835)	(8,454)	(1,155,539)
9	483	PUBLIC UTILITIES	(2,968)	(1,756)	(4,392)	(4,509)	(4,373)	(9,977)	(8,806)	(569)	(3,365)	(2,803)	(2,255)	(2,126)	(47,900)
10	487	FORFEITED DISCOUNTS	(19,234)	(18,784)	(31,424)	(22,898)	(37,450)	(49,025)	(55,198)	(42,680)	(30,815)	(27,937)	(21,115)	(20,162)	(376,722)
11	488	MISCELLANEOUS SERVICE REVENUE	(10,120)	(21,314)	(19,820)	(8,795)	(8,072)	(6,802)	(8,299)	(7,037)	(5,610)	(10,007)	(3,145)	(8,595)	(117,617)
12	489	TRANSPORTATION REVENUE	(1,247,906)	(1,475,498)	(1,779,536)	(2,116,636)	(3,198,535)	(2,370,701)	(1,982,803)	(1,628,678)	(1,364,570)	(1,184,292)	(1,161,387)	(1,169,027)	(20,679,567)
13	493	RENTAL FROM GAS PROPERTY	(7,887)	(5,684)	(5,684)	(5,684)	(5,684)	(4,130)	(4,907)	(4,907)	(4,907)	(4,907)	(4,907)	(4,907)	(64,195)
14	495	OTHER GAS REVENUE	(641,550)	(1,494,535)	(2,604,034)	(1,358,767)	(3,136,655)	(365,792)	660,474	(431,200)	(925,073)	171,421	(740,309)	(1,147,479)	(12,013,499)
15	717	LIQUEFIED PETROLEUM GAS EXPENSES	0	35	0	37	35	0	0	0	0	0	0	0	107
16	723	FUEL FOR LIQUEFIED PETROLEUM GAS PROCESS	0	0	0	0	0	0	0	0	0	0	0	0	0
17	728	LIQUEFIED PETROLEUM GAS	0	0	0	0	0	0	0	0	0	0	0	0	0
18	741	STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
19	742	PRODUCTION EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
20	801 - 803	NATURAL GAS FIELD & TRANSMISSION LINE PURCHASES	4,890,051	3,259,077	2,473,259	1,932,637	3,065,344	3,240,408	2,446,693	3,363,837	3,927,615	4,035,290	6,932,536	8,294,352	47,861,098
21	804	NATURAL GAS CITY GATE PURCHASES	15,198	(13,268)	70,555	114,812	133,269	111,697	85,968	30,400	(12,497)	6,346	13,253	14,294	570,025
22	805	OTHER GAS PURCHASES	(893,611)	(1,209,609)	(2,006,840)	(4,016,635)	(2,212,601)	(23,137)	1,024,203	(1,938,636)	(732,569)	(666,497)	(2,531,454)	(1,290,507)	(16,497,894)
23	806	EXCHANGE GAS	730,145	341,201	644,435	(878,852)	(797,219)	(1,501,359)	(1,371,504)	1,385,535	914,704	866,558	642,080	(1,874,376)	(898,651)
24	807	PURCHASED GAS EXPENSE - BROKERAGE FEE	0	0	0	0	0	0	0	0	0	0	0	0	0
25	807	PURCHASED GAS EXPENSE	27,356	25,807	28,950	27,195	27,505	28,379	28,526	26,199	26,723	26,022	27,144	27,353	327,159
26	808	GAS WITHDRAWN FROM STORAGE	(3,654,867)	(693,063)	1,766,087	5,994,223	7,431,394	4,454,385	535,712	(19,437)	(2,249,656)	(3,704,130)	(3,950,125)	(3,770,869)	2,139,655
27	812	TOTAL GAS USED IN OPERATIONS	(1,757)	(2,807)	(3,687)	(8,088)	(13,824)	(12,808)	(6,139)	(4,543)	(3,179)	(2,096)	(2,397)	(2,141)	(63,466)
28	813	EXCHANGE FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
29	870	SUPERVISION AND ENGINEERING	77,061	80,947	(6,823)	123,554	44,357	(45,150)	107,703	66,271	11,716	88,312	48,238	16,732	612,918
30	871	DISTRIBUTION LOAD DISPATCHING	2,979	2,433	1,190	1,273	19,542	613	2,218	996	1,884	4,251	2,895	5,721	45,994
31	874	MAINS AND SERVICES EXPENSES	258,887	395,717	416,916	622,931	301,161	343,724	425,790	465,267	469,380	293,315	267,965	390,694	4,651,748
32	875	MEASURING AND REGULATION STA. EXPENSE - GEN.	7,460	10,741	15,428	11,083	11,393	9,452	10,298	8,048	35,141	10,796	8,295	34,322	172,458
33	876	MEASURING AND REGULATION STA. EXPENSE - IND.	4,722	5,064	9,234	9,014	4,348	2,762	3,773	4,281	7,512	4,492	3,505	5,547	64,253
34	878	METERS AND HOUSE REGULATOR EXPENSE	92,944	107,139	169,979	138,962	105,594	123,498	122,188	98,125	146,795	106,283	100,054	125,406	1,436,966
35	879	CUSTOMER INSTALLATIONS EXPENSE	122,617	133,666	155,248	146,283	143,996	168,549	124,352	146,175	159,553	148,282	122,330	167,647	1,738,699
36	880	OTHER EXPENSE	156,391	68,183	124,098	118,553	121,435	124,798	124,887	100,325	138,199	112,917	113,712	136,669	1,440,168
37	881	TELECOMMUNICATION EXPENSE - ENGINEERING	6,584	6,229	10,208	8,257	6,334	6,598	5,773	9,422	9,976	9,173	6,250	5,923	90,729
38	885	SUPERVISION AND ENGINEERING	827	848	726	771	724	902	892	731	804	905	905	878	9,911
39	886	STRUCTURES AND IMPROVEMENTS	19,581	22,463	11,890	36,215	12,728	30,270	36,000	6,083	22,070	16,806	21,039	12,987	248,133
40	887	MAINS	220,108	198,341	197,266	261,001	178,551	266,887	154,858	203,822	177,109	182,044	157,998	159,526	2,357,510
41	889	MEASURING AND REGULATION STA. EXPENSE - GEN.	23,338	15,302	8,275	52,450	21,023	18,238	14,606	17,084	24,412	28,245	12,770	27,192	262,934
42	890	MEASURING AND REGULATION STA. EXPENSE - IND.	4,740	6,049	5,166	5,356	3,474	2,869	8,461	8,594	7,387	4,739	4,827	7,701	69,363

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
COMPARISON OF TOTAL COMPANY ACCOUNT ACTIVITY
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016

DATA: X BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE C-2.2A
SHEET 2 of 2

WITNESS: J. T. CROOM

Line No.	Acct No.	Account Description	Actual SEP	Actual OCT	Actual NOV	Actual DEC	Actual JAN	Actual FEB	Actual MAR	Actual APR	Actual MAY	Actual JUN	Actual JUL	Actual AUG 16	TOTAL
			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1	892	SERVICES	22,576	11,537	33,846	19,273	50,206	42,955	43,510	46,173	59,917	55,608	39,529	44,054	469,184
2	893	METERS AND HOUSE REGULATORS	16,544	15,627	9,818	6,331	2,358	31,984	10,477	25,207	14,025	13,552	21,049	12,819	179,789
3	894	OTHER EQUIPMENT	18,901	16,974	17,047	31,625	16,251	44,124	32,379	20,131	36,169	43,142	21,209	27,352	325,304
4	901	SUPERVISION	0	0	0	0	0	0	0	0	0	0	0	0	0
5	902	METER READING EXPENSES CUSTOMER RECORDS & COLLECTIONS - UTILITY SERVICES	21,034	(4,898)	25,565	14,532	15,623	32,334	23,735	27,426	23,871	25,895	23,667	30,215	258,999
6	903	SERVICES	248,615	241,850	282,040	280,953	241,414	241,009	242,905	243,050	235,007	250,560	243,204	256,452	3,007,060
7	904	UNCOLLECTIBLE ACCOUNTS	26,620	53,741	(49,937)	(138,960)	224,849	169,473	123,954	70,301	41,716	32,527	(65,392)	(13,507)	475,383
8	905	MISCELLANEOUS CUSTOMER ACCOUNT EXPENSES	76	130	78	173	33	163	47	108	64	103	76	78	1,130
9	907	SUPERVISION	0	0	0	(6)	6,115	0	1,250	0	0	20,000	0	0	27,359
10	908	CUSTOMER ASSISTANCE EXPENSES	54,871	62,178	45,622	127,548	108,710	111,279	75,052	63,439	60,191	58,368	38,596	26,923	832,777
11	909	INFORMATIONAL AND INSTR. ADVERT. EXPENSES	635	1,908	41,475	4,806	807	459	7,914	270	843	14,664	1,566	239	75,587
12	910	MISCELLANEOUS CUSTOMER ACCOUNT EXPENSE	21,767	17,278	17,054	14,087	17,135	17,502	21,113	20,006	20,521	17,983	18,199	21,464	224,110
13	911	SUPERVISION	0	0	0	0	0	0	0	0	0	0	1,001	832	1,833
14	912	DEMONSTRATING AND SELLING EXPENSES	6,741	(484)	8,382	(7,380)	9,535	1,945	2,366	1,489	9,623	(8,105)	4,274	1,366	29,752
15	913	ADVERTISING EXPENSE	1	0	673	48,144	0	4,501	2,411	5,192	838	101	0	9,251	71,112
16	920	ADMINISTRATIVE AND GENERAL SALARIES	436,089	418,663	455,280	400,757	405,788	394,799	631,868	497,963	548,392	510,685	482,677	540,098	5,723,059
17	921	OFFICE SUPPLIES CUSTOMER ACCOUNTS	5	5	8	19	43	42	17	11	9	5	5	4	174
18	921	OFFICE SUPPLIES CUSTOMER SERVICE	63	71	117	8,601	586	578	2,807	179	119	845	230	258	14,455
19	921	OFFICE SUPPLIES ADMINISTRATIVE & GENERAL	63,212	66,590	76,333	178,181	62,379	59,302	99,989	56,812	66,865	92,463	66,697	71,128	959,950
20	923	OUTSIDE SERVICES EMPLOYED	433,883	439,103	496,559	586,491	428,534	386,630	462,087	450,732	421,942	544,926	444,010	503,363	5,598,261
21	924	PROPERTY INSURANCE PREMIUMS	3,618	3,292	2,558	3,292	3,134	3,292	(1,830)	4,845	3,292	2,007	1,339	1,295	30,135
22	925	INJURIES AND DAMAGES	63,829	76,542	77,193	68,394	76,403	107,136	80,874	79,405	81,334	91,873	74,268	58,996	936,247
23	926	EMPLOYEE PENSIONS AND BENEFITS	230,764	265,857	326,929	253,873	287,093	439,722	118,447	245,759	267,895	279,039	281,768	298,111	3,295,258
24	927	FRANCHISE REQUIREMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
25	928	REGULATORY COMMISSION EXPENSE	41,317	41,317	41,317	41,317	41,317	41,317	41,317	41,317	41,317	35,933	28,039	37,518	473,344
26	929	DUPLICATE CHARGES	0	0	0	0	0	0	0	0	0	0	0	0	0
27	930	MISCELLANEOUS GENERAL	(3,165)	6,168	(5,840)	(31,063)	(7,638)	1,437	10,711	(6,827)	(2,272)	2,773	(1,994)	1,650	(36,060)
28	931	RENTS	63,869	66,171	67,568	32,903	65,324	65,399	67,820	66,996	72,596	64,794	66,156	67,897	767,492
29	932	MAINTENANCE OF GENERAL PLANT MAINTENANCE OF GENERAL PLANT - CUSTOMER SERVICE & INFORMATION	18,468	17,466	20,090	34,161	22,451	20,924	16,269	14,063	18,316	21,042	14,380	21,314	238,944
30	935	MAINTENANCE OF GENERAL PLANT - CUSTOMER ACCOUNTS	0	0	0	0	0	0	0	0	0	0	0	0	0
31	935	MAINTENANCE OF GENERAL PLANT - ADMINISTRATIVE & GENERAL	0	0	0	0	0	0	0	0	0	0	0	0	0
30	935	MAINTENANCE OF GENERAL PLANT - ADMINISTRATIVE & GENERAL	0	0	0	80	0	0	0	0	0	0	0	0	80
32		Operating (Income) Loss	79,291	(648,018)	(1,878,198)	(3,666,701)	(5,920,326)	(4,152,293)	(2,842,494)	(863,083)	(182,964)	566,457	(77,487)	384,683	(19,201,132)

Columbia Gas of Kentucky, Inc.
CASE NO. 2016-00162
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(8)(d)

Description of Filing Requirement:

A summary of jurisdictional adjustments to operating income by major account with supporting schedules for individual adjustments and jurisdictional factors;

Response:

Please refer to the attached Schedule D.

Responsible Witness:

Melissa J. Bell and Jana T. Croom

SCHEDULE D

JURISDICTIONAL ADJUSTMENT OF OPERATING INCOME

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

BASE PERIOD : FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016

FORECASTED PERIOD: FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

SCHEDULE

DESCRIPTION

D-1	SUMMARY OF ADJUSTMENTS TO OPERATING INCOME
D-2.1	DETAILED ADJUSTMENTS
D-2.2	DETAILED ADJUSTMENTS
D-2.3	DETAILED ADJUSTMENTS
D-2.4	DETAILED ADJUSTMENTS

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO
OPERATING INCOME BY MAJOR ACCOUNTS

FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016 AND THE TWELVE MONTHS ENDED DECEMBER 31, 2017

Data: Base Period Forecasted Period
Type of Filing: Original Updated
Workpaper Reference No(s): _____

SCHEDULE D-1
SHEET 1 OF 6
WITNESS: J. T. CROOM

LINE ACCOUNT NO. NO. & TITLE	BASE PERIOD	D-2.1 ADJ 1	D-2.1 ADJ 2	D-2.1 ADJ 3	D-2.4 ADJ 1	TOTAL ADJUST.
1 SALE OF GAS						
2 480 RESIDENTIAL	49,600,921	32,659			62,481	95,140
3 481.1 COMMERCIAL	18,816,367	(327,031)			30,982	(296,049)
4 481.2 INDUSTRIAL	1,155,539	251,760			3,603	255,363
5 483 PUBLIC UTILITIES	47,900	(189)			113	(76)
6 TOTAL SALE OF GAS	<u>69,620,727</u>	<u>(42,801)</u>	0	0	0	54,378
7 OTHER OPERATING INCOME						
8 487 FORFEITED DISCOUNTS	376,722		99,278			99,278
9 488 MISC. SERVICE REVENUES	117,617		19,383			19,383
10 489 REVENUE FROM TRANSPORTING GAS TO OTHERS	20,679,567		1,127,495			1,127,495
11 493 RENTAL FROM GAS PROPERTY	64,195		7,805			7,805
12 495 OTHER GAS REVENUE	12,013,499		(11,498,499)			(11,498,499)
13 TOTAL OTHER OPERATING INCOME	<u>33,251,601</u>	0	<u>(10,244,539)</u>	0	0	<u>(10,244,539)</u>
14 TOTAL OPERATING REVENUE	<u>102,872,328</u>	<u>(42,801)</u>	<u>(10,244,539)</u>	<u>0</u>	<u>0</u>	<u>(10,190,161)</u>
15 OTHER GAS SUPPLY EXPENSES - OPERATION						
16 801-803 NATURAL GAS FIELD & TRANS.LINE PURCHASES	47,861,098			(31,324,617)		(31,324,617)
17 804 NATURAL GAS CITY GATE PURCHASES	570,025			(140,506)		(140,506)
18 805 OTHER GAS PURCHASES	(16,497,894)			21,222,603		21,222,603
19 806 EXCHANGE GAS	(898,651)			(819,425)		(819,425)
20 807 BROKERAGE FEE	0			0		0
21 808 GAS WITHDRAWN FROM STORAGE	2,139,655			(636,339)		(636,339)
22 812 GAS USED FOR OTHER UTILITY OPERATIONS	(63,466)			63,466		63,466
23 TOTAL OTHER GAS SUPPLY EXPENSES - OPERATION	<u>33,110,768</u>	0	0	<u>(11,634,818)</u>	0	<u>(11,634,818)</u>
24 TOTAL PLANT REVENUE	<u>69,761,560</u>	<u>(42,801)</u>	<u>(10,244,539)</u>	<u>11,634,818</u>	<u>0</u>	<u>1,444,657</u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO
OPERATING INCOME BY MAJOR ACCOUNTS

FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016 AND THE TWELVE MONTHS ENDED DECEMBER 31, 2017

Data: Base Period Forecasted Period
Type of Filing: Original Updated
Workpaper Reference No(s): _____

SCHEDULE D-1
SHEET 2 OF 6
WITNESS: J. T. CROOM

LINE ACCOUNT NO. NO. & TITLE	BASE PERIOD	D-2.2 ADJ 1	D-2.2 ADJ 2	D-2.2 ADJ 3	D-2.2 ADJ 4	D-2.2 ADJ 5	D-2.2 ADJ 6	D-2.2 ADJ 7	D-2.2 ADJ 8	D-2.2 ADJ 9	D-2.2 ADJ 10	SUB-TOTAL ADJUST.
1 717 LIQUEFIED PETROLEUM GAS EXPENSES	107	0	0	0	0	0	0	0	2,032	0	0	2,032
2 723 FUEL FOR LIQUEFIED PETROLEUM GAS PROCESS	0	0	0	0	0	0	0	0	0	0	0	0
3 728 LIQUEFIED PETROLEUM GAS	0	0	0	0	0	0	0	0	0	0	0	0
4 741 STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0
5 742 PRODUCTION EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0
6 807 PURCHASED GAS EXPENSE	327,159	0	0	0	0	0	0	0	0	16,964	0	16,964
7 870 SUPERVISION AND ENGINEERING	612,918	23,594	(681)	9,535	0	14,865	0	12	221,459	0	0	268,783
8 871 DISTRIBUTION LOAD DISPATCHING	45,994	32,425	0	0	0	0	0	0	0	0	0	32,425
9 874 MAINS AND SERVICES EXPENSES	4,651,748	196,995	28,700	651,904	82	0	33,216	0	(12,467)	36,954	0	935,385
10 875 MEASURING AND REGULATION STA. EXPENSE - GEN.	172,458	15,978	2,629	(8,888)	5	0	7,572	0	1,386	1,504	0	20,186
11 876 MEASURING AND REGULATION STA. EXPENSE - IND.	64,253	(2,383)	330	112	0	0	2,168	0	0	1,227	0	1,453
12 878 METERS AND HOUSE REGULATOR EXPENSE	1,436,966	179,559	3,250	(1,119)	(352)	0	7,371	0	3	(3,914)	0	184,799
13 879 CUSTOMER INSTALLATIONS EXPENSE	1,738,699	248,028	290	20,633	(25)	0	3,782	0	(5)	(2,853)	0	269,851
14 880 OTHER EXPENSE	1,440,168	(22,679)	52,395	284,801	555	(6)	25,627	(2,132)	(4,260)	2,784	0	337,085
15 881 TELECOMMUNICATION EXPENSE - ENGINEERING	90,729	0	0	0	(277)	0	0	0	0	0	0	(277)
16 885 SUPERVISION AND ENGINEERING	9,911	298	66	(3)	0	0	250	0	0	0	0	612
17 886 STRUCTURES AND IMPROVEMENTS	248,133	883	(2,941)	7,421	0	0	(195)	0	(254)	0	0	4,915
18 887 MAINS	2,357,510	136,335	33,603	485,882	4	12	10,795	0	(2,728)	10,737	0	674,639
19 889 MEASURING AND REGULATION STA. EXPENSE - GEN.	262,934	(10,393)	17,151	676	0	0	4,237	0	0	1,504	0	13,175
20 890 MEASURING AND REGULATION STA. EXPENSE - IND.	69,363	(3,567)	(1,022)	(475)	0	0	2,168	0	0	4,988	0	2,092
21 892 SERVICES	469,184	12,025	5,254	156,924	(5)	(3)	2,046	0	(2)	(6,995)	0	169,245
22 893 METERS AND HOUSE REGULATORS	179,789	(18,105)	(22,507)	(130)	0	0	0	0	0	9,692	0	(31,050)
23 894 OTHER EQUIPMENT	325,304	(28,658)	(48)	5,322	0	0	(20)	0	1,448	15,958	0	(5,997)
24 901 SUPERVISION	0	0	0	0	0	0	0	0	0	0	0	0
25 902 METER READING EXPENSES	258,999	18,004	0	287,220	0	0	0	0	0	0	0	305,224
26 903 CUSTOMER RECORDS & COLLECTIONS - UTILITY SERV	3,007,060	38,077	94,529	68,595	(9)	0	3,722	(2,500)	(2)	450,038	0	652,450
27 904 UNCOLLECTIBLE ACCOUNTS	475,383	0	0	0	0	0	0	0	0	0	1,180,080	1,180,080
28 905 MISCELLANEOUS CUSTOMER ACCOUNT EXPENSES	1,130	0	0	0	0	0	0	0	7	0	0	7
29 907 SUPERVISION	27,359	0	0	0	0	0	0	(5,225)	0	78	0	(5,147)
30 908 CUSTOMER ASSISTANCE EXPENSES	832,777	9,791	0	107,330	0	0	0	0	0	14,999	0	132,120
31 909 INFORMATIONAL AND INSTR. ADVERT. EXPENSES	75,587	0	0	0	0	0	0	0	0	(12,101)	0	(12,101)
32 910 MISCELLANEOUS CUSTOMER ACCOUNT EXPENSE	224,110	0	0	0	0	0	0	0	0	41,159	0	41,159
33 911 SUPERVISION	1,833	0	0	0	0	0	0	0	0	(1,833)	0	(1,833)
34 912 DEMONSTRATING AND SELLING EXPENSES	29,752	0	(26)	0	0	0	0	0	0	24,780	0	24,754
35 913 ADVERTISING EXPENSE	71,112	0	0	0	0	0	0	0	0	(6,740)	0	(6,740)
36 920 ADMINISTRATIVE AND GENERAL SALARIES	5,723,059	48,815	0	5,485	0	(236)	0	0	0	(1,333,777)	0	(1,279,713)
37 921 OFFICE SUPPLIES CUSTOMER ACCOUNTS	974,579	4,243	3,263	5,871	10,032	0	24,188	951	(47,719)	(45,991)	0	(45,162)
38 923 OUTSIDE SERVICES EMPLOYED	5,598,261	0	3	151,200	(1,434)	0	(315)	(10,000)	0	2,329,401	0	2,468,854
39 924 PROPERTY INSURANCE PREMIUMS	30,135	0	0	732	0	50,880	0	0	0	1	0	51,613
40 925 INJURIES AND DAMAGES	936,247	0	0	0	0	119,329	0	0	0	(11,291)	0	108,038
41 926 EMPLOYEE PENSIONS AND BENEFITS	3,295,258	0	0	0	0	0	0	0	0	107,978	0	107,978

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO
OPERATING INCOME BY MAJOR ACCOUNTS

FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016 AND THE TWELVE MONTHS ENDED DECEMBER 31, 2017

Data: Base Period Forecasted Period
Type of Filing: Original Updated
Workpaper Reference No(s): _____

SCHEDULE D-1
SHEET 3 OF 6
WITNESS: J. T. CROOM

LINE ACCOUNT NO. NO. & TITLE	BASE PERIOD	D-2.2 ADJ 1	D-2.2 ADJ 2	D-2.2 ADJ 3	D-2.2 ADJ 4	D-2.2 ADJ 5	D-2.2 ADJ 6	D-2.2 ADJ 7	D-2.2 ADJ 8	D-2.2 ADJ 9	D-2.2 ADJ 10	SUB-TOTAL ADJUST.
1 927 FRANCHISE REQUIREMENTS	0	0	0	0	0	0	0	0	0	0	0	0
2 928 REGULATORY COMMISSION EXPENSE	473,344	0	0	0	0	0	0	0	0	1,585	0	1,585
3 929 DUPLICATE CHARGES	0	0	0	0	0	0	0	0	0	0	0	0
4 930 MISCELLANEOUS GENERAL	(36,060)	0	1,856	2,180	(22,556)	0	0	2,129	0	(4,719)	0	(21,110)
5 931 RENTS	767,492	0	0	0	1,438	0	0	0	0	(121,954)	0	(120,516)
6 932 MAINTENANCE OF GENERAL PLANT	238,944	0	0	2,937	0	0	0	0	0	7,512	0	10,449
7 935 MAINTENANCE OF GENERAL PLANT - A&G	80	0	0	50	0	0	0	0	0	0	0	50
8 TOTAL	<u>37,509,766</u>	<u>879,266</u>	<u>216,096</u>	<u>2,244,196</u>	<u>(12,542)</u>	<u>170,211</u>	<u>141,238</u>	<u>(16,778)</u>	<u>(62,547)</u>	<u>1,749,134</u>	<u>1,180,080</u>	<u>6,488,353</u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO
OPERATING INCOME BY MAJOR ACCOUNTS

FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016 AND THE TWELVE MONTHS ENDED DECEMBER 31, 2017

Data: Base Period Forecasted Period
Type of Filing: Original Updated
Workpaper Reference No(s): _____

SCHEDULE D-1
SHEET 4 OF 6
WITNESS: J. T. CROOM

LINE ACCOUNT NO. NO. & TITLE	BASE PERIOD	D-2.2 ADJ 11	D-2.2 ADJ 12	D-2.2 ADJ 13	D-2.2 ADJ 14	D-2.2 ADJ 15	SUB-TOTAL ADJ.	TOTAL OPERATIONS	D-2.4 ADJ 2-10, 13-19	GRAND
										TOTAL ADJUST.
1 717 LIQUEFIED PETROLEUM GAS EXPENSES	107	0	0	0	0	0	0	2,032	0	2,032
2 723 FUEL FOR LIQUEFIED PETROLEUM GAS PROCESS	0	0	0	0	0	0	0	0	0	0
3 728 LIQUEFIED PETROLEUM GAS	0	0	0	0	0	0	0	0	0	0
4 741 STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0
5 742 PRODUCTION EQUIPMENT	0	0	0	0	0	0	0	0	0	0
6 807 PURCHASED GAS EXPENSE	327,159	0	0	0	0	0	0	16,964	(2,566)	14,398
7 870 SUPERVISION AND ENGINEERING	612,918	0	(4,021)	0	0	(706)	(4,728)	264,056	3,957	268,013
8 871 DISTRIBUTION LOAD DISPATCHING	45,994	0	0	0	0	(592)	(592)	31,833	6,702	38,535
9 874 MAINS AND SERVICES EXPENSES	4,651,748	0	20,066	0	8,472	(30,376)	(1,839)	933,547	938,901	1,872,448
10 875 MEASURING AND REGULATION STA. EXPENSE - GEN.	172,458	0	(249)	(22)	0	93	(178)	20,008	8,261	28,269
11 876 MEASURING AND REGULATION STA. EXPENSE - IND.	64,253	0	(129)	2	0	(1,013)	(1,140)	313	3,772	4,085
12 878 METERS AND HOUSE REGULATOR EXPENSE	1,436,966	10,292	7,703	0	(38)	(3,834)	14,124	198,922	128,806	327,728
13 879 CUSTOMER INSTALLATIONS EXPENSE	1,738,699	649	346	0	(33)	(3,532)	(2,569)	267,282	150,651	417,933
14 880 OTHER EXPENSE	1,440,168	0	(25,899)	(45)	2,468	(38,208)	(61,684)	275,401	43,890	319,291
15 881 TELECOMMUNICATION EXPENSE - ENGINEERING	90,729	0	(4,695)	0	0	0	(4,695)	(4,972)	(3,600)	(8,572)
16 885 SUPERVISION AND ENGINEERING	9,911	0	(2)	0	0	(168)	(169)	442	867	1,309
17 886 STRUCTURES AND IMPROVEMENTS	248,133	0	0	0	0	425	425	5,340	875	6,215
18 887 MAINS	2,357,510	3,881	238	0	1,019	(5,571)	(433)	674,206	96,714	770,920
19 889 MEASURING AND REGULATION STA. EXPENSE - GEN.	262,934	0	(249)	(22)	0	(6,283)	(6,554)	6,621	13,775	20,396
20 890 MEASURING AND REGULATION STA. EXPENSE - IND.	69,363	0	(599)	(11)	0	(1,140)	(1,750)	342	1,594	1,936
21 892 SERVICES	469,184	67,388	116	(34)	1,037	(7,175)	61,332	230,577	30,147	260,724
22 893 METERS AND HOUSE REGULATORS	179,789	0	(740)	0	0	(4,960)	(5,700)	(36,750)	1,988	(34,762)
23 894 OTHER EQUIPMENT	325,304	0	(318)	0	0	(7,148)	(7,465)	(13,463)	11,912	(1,551)
24 901 SUPERVISION	0	0	0	0	0	0	0	0	0	0
25 902 METER READING EXPENSES	258,999	0	1,102	0	0	(18,194)	(17,092)	288,131	17,703	305,834
26 903 CUSTOMER RECORDS & COLLECTIONS - UTILITY SERV	3,007,060	1,550	725	0	2,909	(12,737)	(7,553)	644,897	296,430	941,327
27 904 UNCOLLECTIBLE ACCOUNTS	475,383	0	0	0	0	0	0	1,180,080	(627,878)	552,202
28 905 MISCELLANEOUS CUSTOMER ACCOUNT EXPENSES	1,130	0	(56)	0	0	0	(56)	(49)	(8)	(57)
29 907 SUPERVISION	27,359	0	0	0	0	0	0	(5,147)	(25,001)	(30,148)
30 908 CUSTOMER ASSISTANCE EXPENSES	832,777	0	357,880	0	0	2,269	360,149	492,269	(113,093)	379,176
31 909 INFORMATIONAL AND INSTR. ADVERT. EXPENSES	75,587	0	0	0	0	0	0	(12,101)	(473)	(12,574)
32 910 MISCELLANEOUS CUSTOMER ACCOUNT EXPENSE	224,110	0	0	0	0	0	0	41,159	(7,472)	33,687
33 911 SUPERVISION	1,833	0	0	0	0	0	0	(1,833)	0	(1,833)
34 912 DEMONSTRATING AND SELLING EXPENSES	29,752	0	0	0	0	0	0	24,754	(17,029)	7,725
35 913 ADVERTISING EXPENSE	71,112	0	0	0	116,457	0	116,457	109,717	(42,123)	67,594
36 920 ADMINISTRATIVE AND GENERAL SALARIES	5,723,059	0	0	0	0	(14,880)	(14,880)	(1,294,593)	132,820	(1,161,773)
37 921 OFFICE SUPPLIES CUSTOMER ACCOUNTS	974,579	0	(5,445)	0	4,569	(252)	(1,128)	(46,291)	(15,430)	(61,721)
38 923 OUTSIDE SERVICES EMPLOYED	5,598,261	0	(46,795)	0	0	0	(46,795)	2,422,058	(55,565)	2,366,493
39 924 PROPERTY INSURANCE PREMIUMS	30,135	0	0	0	0	0	0	51,613	0	51,613
40 925 INJURIES AND DAMAGES	936,247	0	0	0	0	0	0	108,038	(362)	107,676
41 926 EMPLOYEE PENSIONS AND BENEFITS	3,295,258	0	0	47,465	0	0	47,465	155,443	(194,199)	(38,756)

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO
OPERATING INCOME BY MAJOR ACCOUNTS

FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016 AND THE TWELVE MONTHS ENDED DECEMBER 31, 2017

Data: Base Period Forecasted Period
Type of Filing: Original Updated
Workpaper Reference No(s): _____

SCHEDULE D-1
SHEET 5 OF 6
WITNESS: J. T. CROOM

LINE ACCOUNT NO. NO. & TITLE	BASE PERIOD	D-2.2 ADJ 11	D-2.2 ADJ 12	D-2.2 ADJ 13	D-2.2 ADJ 14	D-2.2 ADJ 15	SUB-TOTAL ADJUST.	TOTAL OPERATIONS	D-2.4 ADJ 2-10, 13-19	GRAND
										TOTAL ADJUST.
1 927 FRANCHISE REQUIREMENTS	0	0	0	0	0	0	0	0	0	0
2 928 REGULATORY COMMISSION EXPENSE	473,344	0	(237,351)	0	0	0	(237,351)	(235,766)	136,373	(99,393)
3 929 DUPLICATE CHARGES	0	0	0	0	0	0	0	0	0	0
4 930 MISCELLANEOUS GENERAL	(36,060)	0	(3,626)	0	(83)	0	(3,709)	(24,819)	(1,310)	(26,129)
5 931 RENTS	767,492	0	0	0	0	0	0	(120,516)	(4,735)	(125,251)
6 932 MAINTENANCE OF GENERAL PLANT	238,944	0	0	0	0	0	0	10,449	9,728	20,177
7 935 MAINTENANCE OF GENERAL PLANT - A&G	80	0	0	0	0	0	0	50	0	50
8 TOTAL	<u>37,509,766</u>	<u>83,761</u>	<u>58,002</u>	<u>47,333</u>	<u>136,777</u>	<u>(153,982)</u>	<u>171,890</u>	<u>6,660,243</u>	<u>925,022</u>	<u>7,585,265</u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
SUMMARY OF UTILITY JURISDICTIONAL ADJUSTMENTS TO
OPERATING INCOME BY MAJOR ACCOUNTS

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SCHEDULE D-1
SHEET 6 OF 6
WITNESS: J. T. CROOM

LINE ACCOUNT NO. NO. & TITLE	BASE PERIOD	D-2.3 ADJ 1	D-2.3 ADJ 2	D-2.4 ADJ 11, 12	TOTAL ADJUST.
1 403 - 404 DEPRECIATION AND AMORTIZATION EXPENSE	8,885,324	7,054,463			7,054,463
2 406 AMORT. - GAS PLANT AQUIST.	0	0			0
3 TOTAL DEPRECIATION AND AMORTIZATION	<u>8,885,324</u>	<u>7,054,463</u>	<u>0</u>	<u>0</u>	<u>0</u>
4 408 - TAXES OTHER THAN INCOME TAXES - PROPERTY	3,551,221		372,779	212,779	585,558
5 408 - TAXES OTHER THAN INCOME TAXES - PAYROLL	610,125		61,875	(17,898)	43,977
6 408 - TAXES OTHER THAN INCOME TAXES - OTHER	3,992		(3,992)		(3,992)
7 TOTAL TAXES OTHER THAN INCOME TAXES	<u>4,165,337</u>		<u>430,663</u>	<u>194,881</u>	<u>625,544</u>

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

DETAILED ADJUSTMENTS

FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016 AND THE TWELVE MONTHS ENDED DECEMBER 31, 2017

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 Type of Filing: _____ Original Updated
 Workpaper Reference No(s): _____

SCHEDULE D-2.1
 SHEET 1 of 2
 WITNESS: M. J. Bell

Purpose and Description	Reference Supporting Workpapers	Amount
<u>ADJ1</u>		
SALE OF GAS-RESIDENTIAL - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE CHANGE IN REVENUE AT CURRENT RATES DUE TO THE CHANGE IN BILLING DETERMINANTS FROM THE BASE PERIOD TO THE FORECASTED PERIOD	FORECASTED	\$49,633,580
	BASE	49,600,921
	ADJUSTMENT	<u>\$32,659</u>
		0.1%
SALE OF GAS-COMMERCIAL - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE CHANGE IN REVENUE AT CURRENT RATES DUE TO THE CHANGE IN BILLING DETERMINANTS FROM THE BASE PERIOD TO THE FORECASTED PERIOD	FORECASTED	\$18,489,335
	BASE	18,816,367
	ADJUSTMENT	<u>(\$327,031)</u>
		-1.7%
SALE OF GAS-INDUSTRIAL - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE CHANGE IN REVENUE AT CURRENT RATES DUE TO THE CHANGE IN BILLING DETERMINANTS FROM THE BASE PERIOD TO THE FORECASTED PERIOD	FORECASTED	\$1,407,299
	BASE	1,155,539
	ADJUSTMENT	<u>\$251,760</u>
		21.8%
SALE OF GAS-OTHER - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE CHANGE IN REVENUE AT CURRENT RATES DUE TO THE CHANGE IN BILLING DETERMINANTS FROM THE BASE PERIOD TO THE FORECASTED PERIOD	FORECASTED	\$47,711
	BASE	47,900
	ADJUSTMENT	<u>(\$189)</u>
		-0.4%
<u>ADJ2</u>		
FORFEITED DISCOUNTS - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT CHANGE FROM THE BASE PERIOD LEVEL TO THE FORECASTED PERIOD LEVEL. THE FORECASTED PERIOD LEVEL IS BASED ON A HISTORIC SEVEN YEAR AVERAGE OF FORFEITED DISCOUNTS.	FORECASTED	\$476,000
	BASE	376,722
	ADJUSTMENT	<u>\$99,278</u>
		26.4%
MISC. SERVICE REVENUE - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT CHANGE FROM THE BASE PERIOD LEVEL TO THE FORECASTED PERIOD LEVEL. THE FORECASTED PERIOD LEVEL IS BASED ON A HISTORIC SEVEN YEAR AVERAGE OF FORFEITED DISCOUNTS.	FORECASTED	\$137,000
	BASE	117,617
	ADJUSTMENT	<u>\$19,383</u>
		16.5%
REVENUE FROM GAS TRANSPORTATION - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE CHANGE IN REVENUE AT CURRENT RATES DUE TO THE CHANGE IN BILLING DETERMINANTS FROM THE BASE PERIOD TO THE FORECASTED PERIOD	FORECASTED	\$21,807,062
	BASE	20,679,567
	ADJUSTMENT	<u>\$1,127,495</u>
		5.5%
RENTAL FROM GAS PROPERTY - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE CHANGE IN RENTAL REVENUE FROM BASE YEAR TO FORECASTED PERIOD	FORECASTED	\$72,000
	BASE	64,195
	ADJUSTMENT	<u>\$7,805</u>
		12.2%
OTHER GAS REVENUE - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE CHANGE IN OTHER GAS REVENUE AND ALSO TO ELIMINATE UNBILLED REVENUE RECORDED DURING THE BASE PERIOD	FORECASTED	\$515,000
	BASE	12,013,499
	ADJUSTMENT	<u>(\$11,498,499)</u>
		-95.7%

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

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SCHEDULE D-2.1
 SHEET 2 of 2
 WITNESS: M. J. Bell

Purpose and Description	Reference Supporting Workpapers	Amount
<u>ADJ3</u>		
NATURAL GAS FIELD & TRANSMISSION LINE PURCHASES - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE NORMALIZATION OF GAS COST RECOVERIES DUE TO THE CHANGE FROM BASE YEAR TO FORECASTED VOLUMES		FORECASTED \$16,536,482 BASE 47,861,098 ADJUSTMENT <u>(\$31,324,617)</u> -65.5%
NATURAL GAS CITY GATE PURCHASES - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE NORMALIZATION OF GAS COST RECOVERIES DUE TO THE CHANGE FROM BASE YEAR TO FORECASTED VOLUMES		FORECASTED \$429,519 BASE 570,025 ADJUSTMENT <u>(\$140,506)</u> -24.7%
OTHER GAS PURCHASES - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE NORMALIZATION OF GAS COST RECOVERIES DUE TO THE CHANGE FROM BASE YEAR TO FORECASTED VOLUMES		FORECASTED \$4,724,709 BASE (16,497,894) ADJUSTMENT <u>\$21,222,603</u> -128.6%
EXCHANGE GAS - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE NORMALIZATION OF GAS COST RECOVERIES DUE TO THE CHANGE FROM BASE YEAR TO FORECASTED VOLUMES		FORECASTED (\$1,718,076) BASE (898,651) ADJUSTMENT <u>(\$819,425)</u> 91.2%
GAS WITHDRAWN FROM STORAGE - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE NORMALIZATION OF GAS COST RECOVERIES DUE TO THE CHANGE FROM BASE YEAR TO FORECASTED VOLUMES		FORECASTED \$1,503,317 BASE 2,139,655 ADJUSTMENT <u>(\$636,339)</u> -29.7%
GAS USED FOR OTHER UTILITY OPERATIONS - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE NORMALIZATION OF GAS COST RECOVERIES DUE TO THE CHANGE FROM BASE YEAR TO FORECASTED VOLUMES		FORECASTED \$0 BASE (63,466) ADJUSTMENT <u>\$63,466</u> -100.0%

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

DETAILED ADJUSTMENTS

FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016 AND THE TWELVE MONTHS ENDED DECEMBER 31, 2017

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Type of Filing: Original Updated

Workpaper Reference No(s): _____

SCHEDULE D-2.2

SHEET 1 of 3

WITNESS: J. T. CROOM

Purpose and Description	Reference Supporting Workpapers	Amount
<u>ADJ 1</u>		
NET LABOR - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT EACH BUDGET SPONSOR'S ESTIMATE OF EMPLOYEE HEADCOUNT, PAYROLL, CHARGES TO BALANCE SHEET, AND CHARGES TO AND FROM AFFILIATES TO ARRIVE AT NET LABOR INCLUDED IN O&M EXPENSE. THE ADJUSTMENT REFLECTS AN INCREASE IN AVERAGE HEADCOUNT OF 8 BETWEEN PERIODS DUE TO THE RESOURCE REQUIREMENTS OF PIPELINE SAFETY RELATED TO THE DISTRIBUTION INTEGRITY MANAGEMENT PROGRAM AND FIELD OPERATIONS AND A WAGE GUIDELINE INCREASE OF 3%. THE ADJUSTMENT ALSO REFLECTS A DECREASE RELATED TO THE CORPORATE INCENTIVE PLAN AND LONG TERM INCENTIVE PLAN. THIS CATEGORY IS FURTHER ADJUSTED ON SCHEDULE D-2.4.	FORECASTED BASE ADJUSTMENT	\$9,358,726 <u>8,479,461</u> <u>\$879,266</u> 10.4%
<u>ADJ 2</u>		
MATERIALS AND SUPPLIES - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT EACH BUDGET SPONSOR'S ESTIMATE OF MATERIALS AND SUPPLIES REQUIRED FOR OPERATING PROJECTS AND ADMINISTRATION.	FORECASTED BASE ADJUSTMENT	\$1,929,978 <u>1,713,882</u> <u>\$216,096</u> 12.6%
<u>ADJ 3</u>		
OUTSIDE SERVICES - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT EACH BUDGET SPONSOR'S ESTIMATE OF FEES PAID TO AUDITORS, FINANCIAL INSTITUTIONS, COLLECTION AGENCIES, BENEFITS ADMINISTRATORS, CONSULTANTS, OUTSIDE CONTRACTORS, TEMPORARY EMPLOYMENT SERVICES, OUTSIDE COUNSEL, CONSERVATION CONSULTANTS, AND OTHERS FOR SERVICES RENDERED. THE INCREASE IN EXPENSE PRIMARILY REPRESENTS COSTS ASSOCIATED WITH LINE LOCATING, EMERGENCY RESPONSE, CROSS BORE REMEDIATION AND DAMAGE PREVENTION RISK MANAGEMENT RELATED TO THE DISTRIBUTION INTEGRITY MANAGEMENT PROGRAM. THIS CATEGORY IS FURTHER ADJUSTED ON SCHEDULE D-2.4.	FORECASTED BASE ADJUSTMENT	\$6,836,256 <u>4,592,060</u> <u>\$2,244,196</u> 48.9%
<u>ADJ 4</u>		
RENTS AND LEASES - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT EACH BUDGET SPONSOR'S ESTIMATE OF RENTS AND LEASES RELATED TO BUILDINGS, COMMUNICATIONS EQUIPMENT, OFFICE EQUIPMENT AND FURNITURE, DEDICATED TELEPHONE LINES AND OTHER MISCELLANEOUS RENTS.	FORECASTED BASE ADJUSTMENT	\$108,725 <u>121,267</u> <u>(\$12,542)</u> -10.3%
<u>ADJ 5</u>		
CORPORATE INSURANCE - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE CORPORATE INSURANCE DEPARTMENT'S ESTIMATE OF PREMIUMS FOR PROPERTY, LIABILITY, EXECUTIVE AND DIRECTORS, AND WORKERS' COMPENSATION INSURANCE. THE ADJUSTMENT REFLECTS A PROJECTED INCREASE IN EXCESS LIABILITY PREMIUMS DUE TO MARKET CONDITIONS AND PROPERTY PREMIUMS DUE TO RISING PROPERTY VALUES AND HIGHER GLOBAL INSURANCE MARKET RATES DUE TO LARGE GLOBAL CATASTROPHIC LOSSES AS WELL AS UPDATED ACTUARIAL INFORMATION.	FORECASTED BASE ADJUSTMENT	\$1,076,975 <u>906,764</u> <u>\$170,211</u> 18.8%

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

DETAILED ADJUSTMENTS

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Workpaper Reference No(s): _____

SCHEDULE D-2.2

SHEET 2 of 3

WITNESS: J. T. CROOM

Purpose and Description	Reference Supporting Workpapers	Amount
<u>ADJ 6</u>		
EMPLOYEE EXPENSES - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT EACH BUDGET SPONSOR'S ESTIMATE OF EXPENSES INCURRED BY EMPLOYEES FOR BUSINESS TRAVEL, MEALS AND MEETINGS; MEMBERSHIP DUES; RELOCATION EXPENSES; AND UNIFORMS, SAFETY SHOES AND GLASSES. THIS INCREASE IS PRIMARILY DRIVEN BY A PROJECTED INCREASE IN HEADCOUNT IN FIELD OPERATIONS AND EXPENSE ASSOCIATED WITH INCREASED TRAINING IN THE COMPANY. THIS CATEGORY IS FURTHER ADJUSTED ON SCHEDULE D-2.4	FORECASTED BASE ADJUSTMENT	\$514,242 373,004 <u>\$141,238</u> 37.9%
<u>ADJ 7</u>		
COMPANY MEMBERSHIPS - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT EACH BUDGET SPONSOR'S ESTIMATE OF MEMBERSHIPS TO INDUSTRY AND CIVIC ORGANIZATIONS IN THE COMPANY NAME. ORGANIZATIONS INCLUDE THE AMERICAN GAS ASSOCIATION, KENTUCKY GAS ASSOCIATION, SOUTHERN GAS ASSOCIATION, COMMON GROUND ALLIANCE, ASHLAND ALLIANCE, COMMERCE LEXINGTON, KENTUCKY ASSOCIATION OF MANUFACTURERS ROTARY CLUB OF LEXINGTON, KENTUCKY CHAMBER OF COMMERCE, AND VARIOUS LOCAL CHAMBERS OF COMMERCE. THIS CATEGORY IS FURTHER ADJUSTED ON SCHEDULE D-2.4.	FORECASTED BASE ADJUSTMENT	\$83,416 100,194 <u>(\$16,778)</u> -16.8%
<u>ADJ 8</u>		
UTILITIES/FUEL - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT EACH BUDGET SPONSOR'S ESTIMATE OF UTILITIES USED IN COMPANY OPERATIONS INCLUDING ELECTRICITY, WATER AND SEWER, AND TELEPHONE.	FORECASTED BASE ADJUSTMENT	\$439,260 501,807 <u>(\$62,547)</u> -12.5%
<u>ADJ 9</u>		
MANAGEMENT FEE - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE NISOURCE CORPORATE SERVICES COMPANY ESTIMATE OF SERVICES RENDERED TO COLUMBIA GAS OF KENTUCKY, INC. SERVICES INCLUDE FINANCE, INFORMATION TECHNOLOGY, HUMAN RESOURCES, LEGAL AND OTHER CORPORATE FUNCTIONS AND GAS DISTRIBUTION RELATED FUNCTIONS INCLUDING COMMERCIAL OPERATIONS, COMMUNICATIONS, CUSTOMER OPERATIONS, DISTRIBUTION OPERATIONS, REGULATORY STRATEGY AND SUPPORT, SALES AND MARKETING, AND SUPPLY OPTIMIZATION. THE INCREASE IS DRIVEN BY HIGHER PROJECTED IT, CAPITAL EXECUTION, COMMERCIAL AND CUSTOMER SERVICE AND GAS OPERATIONS EXPENSE. THIS CATEGORY IS FURTHER ADJUSTED ON SCHEDULE D-2.4.	FORECASTED BASE ADJUSTMENT	\$17,441,586 15,692,452 <u>\$1,749,134</u> 11.2%
<u>ADJ 10</u>		
UNCOLLECTIBLE ACCOUNTS - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT AN APPROPRIATE AMOUNT OF EXPENSE AND CORRESPONDING RESERVE ACCRUAL FOR ACCOUNTS RECEIVABLE - UTILITY SERVICE ESTIMATED TO BE UNCOLLECTIBLE. THE FORECASTED PERIOD REFLECTS THE CURRENT CALENDAR YEAR 2016 ESTIMATE OF EXPENSE RELATED TO ANTICIPATED CHARGE OFFS FOR ALL CUSTOMER CLASSES AND ENERGY ASSISTANCE PROGRAM PARTICIPANTS. THIS CATEGORY IS FURTHER ADJUSTED ON SCHEDULE D-2.4.	FORECASTED BASE ADJUSTMENT	\$1,655,463 475,383 <u>\$1,180,080</u> 248.2%

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

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SCHEDULE D-2.2

SHEET 3 of 3

WITNESS: J. T. CROOM

Purpose and Description	Reference Supporting Workpapers	Amount
<u>ADJ 11</u> MISCELLANEOUS REVENUE ADJUSTMENTS - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT EACH BUDGET SPONSOR'S ESTIMATE OF AMOUNTS TO BE RECEIVED FOR INSTALLATION WORK ON CUSTOMER PREMISES AND AMOUNTS TO BE RECOVERED RELATED TO DAMAGES TO COMPANY FACILITIES.	FORECASTED BASE ADJUSTMENT	(\$98,655) <u>(182,416)</u> <u>\$83,761</u>
		-45.9%
<u>ADJ 12</u> MISCELLANEOUS AND OTHER EXPENSES - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT EACH BUDGET SPONSOR'S ESTIMATE OF EXPENSES FOR PUBLIC SERVICE COMMISSION FEES, REGULATORY AMORTIZATIONS, REVENUE TRACKERS, AND OTHER ITEMS NOT INCLUDED IN OTHER COST ELEMENTS. THIS CATEGORY IS FURTHER ADJUSTED ON SCHEDULE D-2.4	FORECASTED BASE ADJUSTMENT	\$1,590,823 <u>1,532,821</u> <u>\$58,002</u>
		3.8%
<u>ADJ 13</u> EMPLOYEE BENEFITS - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE APPROPRIATE LEVEL OF PENSION, INSURED PLANS (MEDICAL, DENTAL, GROUP LIFE, LONG-TERM DISABILITY, EMPLOYEE ASSISTANCE PLAN, POST-EMPLOYEMENT) AND THRIFT PLAN AND RELATED BENEFITS TRANSFERS ASSOCIATED WITH CAPITALIZED BENEFITS COSTS AND BILLINGS TO AND FROM AFFILIATES. THIS COST INCREASE REPRESENTS INCREASED MEDICAL COSTS, A CHANGE IN OPEB METHODOLOGY AS COLUMBIA TRANSITIONS FROM FAS112 AMORTIZATION AND INCREASED EMPLOYEE HEADCOUNT ASSUMPTIONS	FORECASTED BASE ADJUSTMENT	\$1,781,776 <u>1,734,443</u> <u>\$47,333</u>
		2.7%
<u>ADJ 14</u> ADVERTISING - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT EACH BUDGET SPONSOR'S ESTIMATE OF ENERGY EFFICIENCY AND CONSERVATION, PUBLIC AWARENESS, COMMUNITY SUPPORT AND OTHER ADVERTISING. THE ADJUSTMENT REFLECTS INCREASED PUBLIC AWARENESS RELATED TO THE DISTRIBUTION INTEGRITY MANAGEMENT PROGRAM. THIS CATEGORY IS FURTHER ADJUSTED ON SCHEDULE D-2.4.	FORECASTED BASE ADJUSTMENT	\$189,996 <u>53,219</u> <u>\$136,777</u>
		257.0%
<u>ADJ 15</u> CLEARING ACCOUNTS - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT EACH BUDGET SPONSOR'S ESTIMATE OF AMOUNTS TO BE CLEARED FROM CLEARING ACCOUNTS FOR FLEET USAGE. THIS INCLUDES COSTS OF MAINTAINING FLEET OF AUTOS, TRUCK, AND GENERAL TOOLS AND HOURS OF USAGE. THE ADJUSTMENT REFLECTS INCREASED FUEL AND LEASE COSTS.	FORECASTED BASE ADJUSTMENT	\$1,261,442 <u>1,415,424</u> <u>(\$153,982)</u>
		-10.9%

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

DETAILED ADJUSTMENTS

FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016 AND THE TWELVE MONTHS ENDED DECEMBER 31, 2017

Data: Base Period Forecasted Period

Type of Filing: _____ Original Updated

Workpaper Reference No(s). _____

SCHEDULE D-2.3
SHEET 1 of 1
WITNESS: J. T. CROOM

Purpose and Description	Reference Supporting Workpapers	Amount
<u>ADJ1</u>		
DEPRECIATION AND AMORTIZATION EXPENSE - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT THE INCREASED LEVEL OF DEPRECIABLE PLANT INVESTMENT AND THE DEPRECIATION RATES PER THE DEPRECIATION STUDY FILED IN THIS PROCEEDING.	FORECASTED	\$15,939,787
	BASE	8,885,324
	ADJUSTMENT	<u>\$7,054,463</u>
		79.4%
<u>ADJ2</u>		
TAXES OTHER THAN INCOME TAXES - THE PURPOSE OF THIS ADJUSTMENT IS TO REFLECT AN INCREASED LEVEL OF PROPERTY, PLANT AND EQUIPMENT, CHANGES IN TAXABLE STORAGE GAS AND AN INCREASED LEVEL OF PAYROLL TAXES. THIS CATEGORY IS FURTHER ADJUSTED ON SCHEDULE D-2.4.	FORECASTED	\$4,596,000
	BASE	4,165,337
	ADJUSTMENT	<u>\$430,663</u>
		10.3%

Columbia Gas of Kentucky, Inc.
CASE NO. 2016-00162
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(8)(e)

Description of Filing Requirement:

A jurisdictional federal and state income tax summary for both the base period and the forecasted period with all supporting schedules of the various components of jurisdictional income taxes;

Response:

Please refer to the attached Schedule E.

Responsible Witness:

Panpilas W. Fischer

SCHEDULE E

JURISDICTIONAL FEDERAL AND STATE INCOME TAX SUMMARY

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

BASE PERIOD FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016

FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

SCHEDULE

DESCRIPTION

E-1

COMPUTATION OF FEDERAL AND STATE INCOME TAX

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
COMPUTATION OF FEDERAL AND STATE INCOME TAX
FOR THE BASE PERIOD TME AUGUST 31, 2016 AND FORECAST PERIOD TME DECEMBER 31, 2017

Data: Base Period Forecasted Period
Type of Filing: Original Updated
Workpaper Reference No(s). _____

SCHEDULE E-1
SHEET 1 OF 2
WITNESS: P. FISCHER

Line No.	Description	At Current Rates			At Proposed Rates	
		Base Period TME 8/31/16	Proforma Adjustments	Forecast Period TME 12/31/17	Proforma Adjustments	Forecast Period TME 12/31/17
		(1) \$	(2) \$	(3) \$	(4) \$	(5) \$
1	Operating Income Before Income Taxes	19,201,132	(12,797,891)	6,403,241	(1,022,724)	5,380,517
2	Interest Charges	6,135,141	553,584	6,688,725	0	6,688,725
3	Book Net Income before Income Tax & Credit LN 1 - 2	13,065,991	(13,351,475)	(285,484)	(1,022,724)	(1,308,208)
4	Statutory Adjustments to Taxable Income PG 2	(27,506,164)	27,581,061	74,897	0	74,897
5	State Taxable Income LN 3+4	(14,440,172)	14,229,586	(210,587)	(1,022,724)	(1,233,311)
6	State Income Tax LN 5 X Rate	(866,410)	853,775	(12,635)	(61,363)	(73,999)
7	Other Adjustments	821,571	(821,571)	0	0	0
8	Total State Income Tax LN 6+7	(44,839)	32,204	(12,635)	(61,363)	(73,999)
9	Federal Taxable Income LN 5 - 8	(14,395,333)	14,197,382	(197,951)	(961,361)	(1,159,312)
10	Federal Net Operating Loss Carryforward	0		0		0
11	Federal Income Tax LN 9 x Rate	(4,894,413)	4,827,110	(67,303)	(326,863)	(394,166)
12	Prior Adjustment to Federal Income Tax	0	0	0	0	0
13	Other Adjustments to Federal Income Tax	(92,461)	92,461	0	0	0
14	Current Federal Income Tax LN 10+11+12	(4,986,875)	4,919,571	(67,303)	(326,863)	(394,166)
15	Current State Income Tax	283,834	(296,469)	(12,635)	(61,363)	(73,999)
16	Total Current Income Tax LN 13+14	(4,703,041)	4,623,102	(79,939)		
17	Amortization of Excess ADIT-Federal	(53,941)	(585)	(54,526)	0	(54,526)
18	Provision for Deferred Federal Income Tax	9,672,100	(9,672,100)	0	0	0
19	Deferred Federal Income Tax LN 16+17	9,618,160	(9,672,686)	(54,526)	0	(54,526)
20	Amortization of Excess ADIT-State	(47,806)	30,798	(17,008)	0	(17,008)
21	Provision for Deferred State Income Tax	834,474	(834,474)	0	0	0
22	Deferred State Income Tax LN 19+20	786,668	(803,676)	(17,008)	0	(17,008)
23	Total Provision for Deferred Income Taxes LN 18+21	10,404,828	(10,476,362)	(71,534)	0	(71,534)
24	Total Federal Income Taxes LN 13+18	4,631,285	(4,753,115)	(121,829)	(326,863)	(448,692)
25	Amortization of Investment Tax Credit	(54,497)	18,737	(35,760)	0	(35,760)
26	Net Federal Income Taxes LN 23+24	4,576,788	(4,734,377)	(157,589)	(326,863)	(484,452)
27	Net State Income Taxes LN 14+21	1,070,502	(1,100,145)	(29,643)	(61,363)	(91,007)
28	Total Income Tax Expense LN 25+26	5,647,290	(5,834,523)	(187,233)	(388,226)	(575,459)

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
COMPUTATION OF FEDERAL AND STATE INCOME TAX
FOR THE BASE PERIOD TME AUGUST 31, 2016 AND FORECAST PERIOD TME DECEMBER 31, 2017

Data: Base Period Forecasted Period
Type of Filing: Original Updated
Workpaper Reference No(s): _____

SCHEDULE E-1
SHEET 2 OF 2
WITNESS: P. FISCHER

Line No.	Description	At Current Rates			At Proposed Rates	
		Base Period TME 8/31/16 (1) \$	Proforma Adjustments (2) \$	Forecast Period TME 12/31/17 (3) \$	Proforma Adjustments	Forecast Period TME 12/31/17
1	Other Reconciling Items-Flow Through					
2	Political Action Expense/Penalties	76	(76)	0	0	0
3	Non-Taxable Income/Non-Deductible Expenses	69,467	(64,507)	4,960	0	4,960
4	AFUDC Equity	(60,523)	60,523	0	0	0
5	Excess of Book Over Tax Depreciation	82,803	(12,866)	69,937	0	69,937
6	Total Other Recon. Items-Flow Thru	91,822	(16,925)	74,897	0	74,897
7	Other Reconciling Items-Deferred					
8	Excess of Tax Accelerated of Tax S/L	1,630,884	(1,630,884)	0	0	0
9	Loss on Retirement - ACRS property	(1,071,507)	1,071,507	0	0	0
10	Property Removal Costs	(61,505)	61,505	0	0	0
11	Bonus Depreciation	(19,509,310)	0	0	0	0
12	Repairs	(6,773,782)	0	0	0	0
13	263A Mixed Service Costs	(2,538,112)	0	0	0	0
14	Legal Liability-Leased Hdqtrs. Bldg.	0	0	0	0	0
15	Contributions in Aid of Construction	(54,472)	54,472	0	0	0
16	Offsystem Sales	(240,250)	240,250	0	0	0
17	Capitalized Interest - Avoided Cost	0	0	0	0	0
18	Deferred Gas Purchases	1,950,000	(1,950,000)	0	0	0
19	Deferred Gas Purchases - Unbilled	0	0	0	0	0
20	Section 461(h) - Supplier Refunds	(3,783)	3,783	0	0	0
21	LIFO Tax Adjustment	(1,674,944)	1,674,944	0	0	0
22	OPEB	(393,712)	393,712	0	0	0
23	Customer Advances	637,496	(637,496)	0	0	0
24	Customer Assistance Plan	(142,628)	142,628	0	0	0
25	Retirement Income Plan	302,648	(302,648)	0	0	0
26	MF Global Hedging	0	0	0	0	0
27	Other	344,991	(344,991)	0	0	0
28	Total Other Recon. Items-Deferred	(27,597,986)	(1,223,218)	0	0	0
29	Total Other Reconciling Items	(27,506,164)	(1,240,143)	74,897	0	74,897
30	State Bonus Disallowance	14,646,528	(14,646,528)	0	0	0
31	Total Other Reconciling Items-State	(12,859,636)	(13,575,021)	0	0	0

Columbia Gas of Kentucky, Inc.
CASE NO. 2016-00162
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(8)(f)

Description of Filing Requirement:

Summary schedules for both the base period and the forecasted period (the utility may also provide a summary segregating those items it proposes to recover in rates) of organization membership dues; initiation fees; expenditures at country clubs; charitable contributions; marketing, sales, and advertising expenditures; professional service expenses; civic and political activity expenses; expenditures for employee parties and outings; employee gift expenses; and rate case expenses;

Response:

Please refer to the attached Schedule F.

Responsible Witness:

Jana T. Croom

SCHEDULE F

JURISDICTIONAL OTHER EXPENSES FOR THE BASE AND FORECASTED PERIOD

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

BASE PERIOD FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016

FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

SCHEDULE

DESCRIPTION

F-1	CORPORATE DUES AND MEMBERSHIPS
F-2	CHARITABLE CONTRIBUTIONS
F-3	INITIATION FEES/COUNTRY CLUB EXPENSES
F-4	EMPLOYEE PARTY, OUTING, AND GIFT EXPENSES
F-5	CUSTOMER SERVICE AND INFORMATIONAL SALES AND GENERAL ADVERTISING EXPENSES
F-6	ADVERTISING
F-7	PROFESSIONAL SERVICE EXPENSES
F-8	PROJECTED RATE CASE EXPENSES
F-9	CIVIC, POLITICAL AND RELATED ACTIVITIES

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
CORPORATE DUES AND MEMBERSHIPS
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S).

SCHEDULE F-1
PAGE 1 OF 1
WITNESS: J. T. CROOM

LINE NO.	FERC ACCT	SOCIAL ORGANIZATION / SERVICE CLUB	BASE PERIOD			FORECASTED PERIOD		
			TOTAL UTILITY	JURISDICTIONAL %	JURISDICTION	TOTAL UTILITY	JURISDICTIONAL %	JURISDICTION
1	Various	American Gas Association	\$ 29,498	100%	\$ 29,498	100%	\$ -	
2	Various	Kentucky Gas Association	10,350		10,350		-	
3	Various	Southern Gas Association	1,830		1,830		-	
4	Various	AGA Sponsorship	-		-		-	
5	Various	Common Ground Alliance	-		-		-	
6	Various	Ashland Alliance	3,500		3,500		-	
7	Various	Georgetown Scott County Chamber of Commerce	875		875		-	
8	Various	Paris Bourbon County Chamber of Commerce	403		403		-	
9	Various	Mt. Sterling Montgomery County Chamber of Commerce	600		600		-	
10	Various	Winchester Clark County Chamber of Commerce	500		500		-	
11	Various	Kentucky Association of Manufacturers	1,115		1,115		-	
12	Various	Better Business Bureau	735		735		-	
13	Various	Kentucky Chamber of Commerce	5,000		5,000		-	
14	Various	Commerce Lexington	3,393		3,393		-	
15	Various	Frankfort Area Chamber of Commerce	365		365		-	
16	Various	Downtown Lexington Corporation	5,000		5,000		-	
17	Various	Kentucky Clean Fuels Coalition	1,000		1,000		-	
18	Various	Woodford County Chamber of Commerce	1,250		1,250		-	
19	Various	KOGA	1,000		1,000		-	
20	Various	Kentucky Association for Economic Development	1,000		1,000		-	
21	Various	Lexington Strides Ahead Inc	20,000		20,000		-	
22	Various	SAMS Club Direct	140		140		-	
23	Various	Training	-		-		-	
24	Various	Budget (not separately identified by organization)	-		-	83,416	83,416	
25		TOTAL	<u>\$ 87,554</u>		<u>\$ 87,554</u>	<u>\$ 83,416</u>	<u>\$ 83,416</u>	

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
CHARITABLE CONTRIBUTIONS
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S).

SCHEDULE F-2
PAGE 1 OF 1
WITNESS: J. T. CROOM

LINE NO.	ACCOUNT NO.	CHARITABLE ORGANIZATION *	BASE PERIOD			FORECASTED PERIOD		
			TOTAL UTILITY	JURISDICTIONAL %	JURISDICTION	TOTAL UTILITY	JURISDICTIONAL %	JURISDICTION
1	426	African American Forum Inc.	\$ 2,050	100%	\$ 2,050	100%	\$ -	
2	426	Alpha Beta Lambda Chapter/Ed Foundation	1,000		1,000		-	
3	426	Alzheimers Disease and Related Disorders	2,500				-	
4	426	American Diabetes Association	500		500		-	
5	426	American Heart Association	5,000		5,000		-	
6	426	American Red Cross	10,000		10,000		-	
7	426	Big Brothers Big Sisters of the Bluegrass	5,000		5,000		-	
8	426	Bluegrass Community Foundation Inc	750		750		-	
9	426	Bluegrass Conservancy	1,000		1,000		-	
10	426	Bluegrass Lodge No. 4	500		500		-	
11	426	Bluegrass Tomorrow	3,000		3,000		-	
12	426	Casa of Lexington	1,000		1,000		-	
13	426	Center on Aging Foundation	300		300		-	
14	426	Childrens Advocacy Center	8,000		8,000		-	
15	426	Citizens Police Academy Alumni	550		550		-	
16	426	Citizens Fire Academy Association	1,000		1,000		-	
17	426	Commonwealth Fund for KET, Inc.	3,000		3,000		-	
18	426	Council of State Governments	10,000		10,000		-	
19	426	Downtown Lexington Corporation	1,500		1,500		-	
20	426	Frankfort Franklin County Branch NAACP	850		850		-	
21	426	Girls on the Run Central KY	750		750		-	
22	426	Gods Pantry Food Bank	5,000		5,000		-	
23	426	Jenny Wiley Theatre	1,000		1,000		-	
24	426	Jubilee Jobs of Lexington	1,000		1,000		-	
25	426	JustFund KY	2,500		2,500		-	
26	426	Kentucky Refugee Ministries	250		250		-	
27	426	Kings Daughter Health Foundation	850		850		-	
28	426	Lexarts	2,500		2,500		-	
29	426	Lexington Philharmonic Society, Inc.	1,500		1,500		-	
30	426	Lexington Public Library Foundation	1,600		1,600		-	
31	426	MLK Holiday Planning Committee	1,000		1,000		-	
32	426	Montgomery County Council for the Arts	1,200		1,200		-	
33	426	Paramount Arts Center, Inc.	750		750		-	
34	426	Paris Bourbon County YMCA	500		500		-	
35	426	Prichard Committee for Academic	5,000		5,000		-	
36	426	Reach	1,100		1,100		-	
37	426	Roots & Heritage Festival	1,000		1,000		-	
38	426	Salvation Army	7,500		7,500		-	
39	426	Shriners Hospitals for Children	2,500		2,500		-	
40	426	Stumbo Family Foundation, Inc.	1,000		1,000		-	
41	426	Tims Trot for Tots	520		520		-	
42	426	University of Kentucky	3,450		3,450		-	
43	426	Urban League of Lexington-Fayette County	3,250		3,250		-	
44	426	Winter Care Energy Fund	29,259		29,259		-	
45	426	WUKY	2,500		2,500		-	
46	426	YMCA	500		500		-	
47	426	Budget (not separately identified by organization)	-		-	\$ 142,000	\$ 142,000	
48		TOTAL	<u>\$ 135,479</u>		<u>\$ 132,979</u>	<u>\$ 142,000</u>	<u>\$ 142,000</u>	

49 Note: These items are not included in O&M expense and, therefore, are not part of the Revenue Requirement.

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
INITIATION FEES & COUNTRY CLUB EXPENSES
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S).

SCHEDULE F-3
PAGE 1 OF 1
WITNESS: J. T. CROOM

LINE NO.	ACCOUNT NO.	PAYEE ORGANIZATION	BASE PERIOD			FORECASTED PERIOD		
			TOTAL UTILITY	JURISDICTIONAL %	JURISDICTION	TOTAL UTILITY	JURISDICTIONAL %	JURISDICTION
				<u>100%</u>			<u>100%</u>	
1		TOTAL	<u><u>\$0</u></u>		<u><u>\$0</u></u>		<u><u>\$0</u></u>	<u><u>\$0</u></u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
EMPLOYEE PARTY, OUTING, AND GIFT EXPENSES
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S).

SCHEDULE F-4
PAGE 1 OF 1
WITNESS: J. T. CROOM

LINE NO.	TYPE (A)	BASE PERIOD AMOUNT (B)	FORECASTED PERIOD AMOUNT (C)
1	EMPLOYEE RECOGNITION AND AWARDS	\$ 7,231	\$ 10,558
2	EMPLOYEE ACTIVITIES	<u>870</u>	<u>569</u>
3	TOTAL	<u>\$ 8,102</u>	<u>\$ 11,127</u>

4 Note: All amounts are 100% jurisdictional.

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
CUSTOMER SERVICE AND INFORMATIONAL SALES AND GENERAL ADVERTISING EXPENSE
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S).

SCHEDULE F-5
PAGE 1 OF 1
WITNESS: J. T. CROOM

LINE NO.	ACCOUNT NO.	DESCRIPTION OF EXPENSES	BASE PERIOD			FORECASTED PERIOD		
			TOTAL UTILITY	JURISDICTIONAL %	JURISDICTION	TOTAL UTILITY	JURISDICTIONAL %	JURISDICTION
1		CUSTOMER SERVICE & INFORMATIONAL		100%			100%	
2	907	SUPERVISION	\$ 27,359		\$ 27,359	\$ 22,212		\$ 22,212
3	908	CUSTOMER ASSISTANCE	832,777		832,777	1,325,046		1,325,046
4	909	INFORMATIONAL ADVERTISING	75,587		75,587	66,405		66,405
5	910	MISCELLANEOUS CUST. SERV. & INFO.	224,110		224,110	265,269		265,269
6		SALES EXPENSE						
7	911	SUPERVISION	1,833		1,833	-		-
8	912	DEMONSTRATING AND SELLING	29,752		29,752	54,506		54,506
9	913	ADVERTISING	71,112		71,112	180,829		180,829
10	916	MISCELLANEOUS SALES EXPENSE	-		-	-		-
11	930.1	GENERAL ADVERTISING EXPENSE	-		-	-		-
		TOTAL	<u>\$ 1,262,530</u>		<u>\$ 1,262,530</u>	<u>\$ 1,914,267</u>		<u>\$ 1,914,267</u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
ADVERTISING

BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S).

SCHEDULE F-6
PAGE 1 OF 1
WITNESS: J. T. CROOM

LINE NO.	TYPE (A)	BASE PERIOD AMOUNT (B)	FORECASTED PERIOD AMOUNT (C)
1	PUBLIC AWARENESS/PIPELINE SAFETY	52,155	165,000
2	COMMUNITY SUPPORT AND OTHER	<u>1,064</u>	<u>24,996</u>
3	TOTAL	<u>\$ 53,219</u>	<u>\$ 189,996</u>

4 Note: All amounts are 100% jurisdictional.

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
PROFESSIONAL SERVICE EXPENSES
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: _____ ORIGINAL UPDATED _____ REVISED
WORKPAPER REFERENCE NO(S).

SCHEDULE F-7
PAGE 1 OF 1
WITNESS: J. T. CROOM

LINE NO.	TYPE (A)	BASE PERIOD AMOUNT (B)	FORECASTED PERIOD AMOUNT (C)
1	AUDITING SERVICES	\$ 130,676	\$ 163,308
2	CONSULTING SERVICES	<u>45,926</u>	<u>253,426</u>
3	TOTAL	<u>\$ 176,602</u>	<u>\$ 416,734</u>

4 Note: All amounts are 100% jurisdictional.

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
CIVIC, POLITICAL AND RELATED ACTIVITIES
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S).

SCHEDULE F-9
PAGE 1 OF 1
WITNESS: J. T. CROOM

LINE NO.	ITEM (A)	BASE PERIOD AMOUNT (B)	FORECASTED PERIOD AMOUNT (C)
1	DONATIONS	\$ -	\$ -
2	CIVIC DUTIES	-	-
3	POLITICAL ACTIVITIES	7,377	9,559
4	OTHER	-	-
5	TOTAL	<u>\$ 7,377</u>	<u>\$ 9,559</u>

6 Note: All amounts are 100% jurisdictional.

Columbia Gas of Kentucky, Inc.
CASE NO. 2016-00162
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(8)(g)

Description of Filing Requirement:

Analyses of payroll costs including schedules for wages and salaries, employee benefits, payroll taxes, straight time and overtime hours, and executive compensation by title;

Response:

Please refer to the attached Schedule G.

Responsible Witness:

Jana T. Croom

SCHEDULE G

JURISDICTIONAL PAYROLL COST ANALYSIS FOR THE BASE AND FORECASTED PERIOD

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

BASE PERIOD FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016

FORECASTED PERIOD FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

SCHEDULE

DESCRIPTION

G-1	PAYROLL COSTS
G-2	PAYROLL ANALYSIS BY EMPLOYEE CLASSIFICATION
G-3	EXECUTIVE COMPENSATION

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
PAYROLL COSTS
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S).

SCHEDULE G-1
PAGE 1 OF 1
WITNESS: J. T. CROOM

LINE NO.	DESCRIPTION	BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD
1	<u>PAYROLL COSTS</u>			
2	LABOR	\$ 11,859,198	\$ 435,755	\$ 12,294,953
3	<u>EMPLOYEE BENEFITS</u>			
4	PENSION	\$ 335,195	\$ (76,199)	\$ 258,996
5	EMPLOYEE INSURANCE PLANS	859,328	82,292	941,620
6	THRIFT PLAN CONTRIBUTIONS	<u>539,920</u>	<u>41,240</u>	<u>581,160</u>
7	TOTAL EMPLOYEE BENEFITS	\$ 1,734,443	\$ 47,333	\$ 1,781,776
8	<u>PAYROLL TAXES</u>			
9	F.I.C.A.	\$ 597,313	\$ 60,575	\$ 657,888
10	FEDERAL UNEMPLOYMENT	4,271	433	4,704
11	STATE UNEMPLOYMENT	<u>8,542</u>	<u>866</u>	<u>9,408</u>
12	TOTAL PAYROLL TAXES	\$ 610,126	\$ 61,874	\$ 672,000
13	TOTAL PAYROLL COSTS	<u>\$ 14,203,767</u>	<u>\$ 544,962</u>	<u>\$ 14,748,729</u>

14 Note: All amounts are 100% jurisdictional.

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
PAYROLL ANALYSIS BY EMPLOYEE CLASSIFICATION
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S). WPG-2

SCHEDULE G-2
PAGE 1 OF 1
WITNESS: J. T. CROOM

<u>MOST RECENT 5 CALENDAR YEARS</u>														
LINE NO.	DESCRIPTION	2011	% Change	2012	% Change	2013	% Change	2014	% Change	2015	% Change	Base Period	% Change	Forecasted Period
1	<u>TOTAL COMPANY</u>													
2	<u>Employee Hours</u>													
3	Straight-Time Hours	241,527	2.80%	248,301	4.35%	259,112	6.19%	275,140	7.17%	294,863	7.42%	316,740		N/A
4	Overtime Hours	23,761	7.64%	25,576	28.56%	32,879	3.60%	34,063	-8.55%	31,152	-8.12%	28,623		N/A
5	Total Employee Hours	265,287	3.24%	273,877	6.61%	291,991	5.89%	309,203	5.44%	326,014	5.93%	345,362		N/A
6	Ratio of Overtime Hours to Straight-Time Hours	9.84%		10.30%		12.69%		12.38%		10.56%		N/A		N/A
7	<u>Labor Dollars</u>													
8	Straight-Time Hours	\$ 7,384,397	5.36%	\$ 7,780,335	3.97%	\$ 8,089,235	11.10%	\$ 8,986,959	8.12%	\$ 9,716,962	8.85%	\$10,577,328	1.77%	\$10,764,768
9	Overtime Hours	892,409	16.53%	1,039,934	31.11%	1,363,440	8.44%	1,478,568	-6.09%	1,388,469	-7.68%	1,281,869	19.37%	1,530,185
10	Total Labor Dollars	\$ 8,276,806	6.57%	\$ 8,820,269	7.17%	\$ 9,452,675	10.71%	\$10,465,527	6.11%	\$11,105,431	6.79%	\$11,859,198	3.67%	\$12,294,953
11	Ratio of Overtime Dollars to Straight-Time Dollars	12.09%		13.37%		16.85%		16.45%		14.29%		12.12%		14.21%
12	<u>O&M Labor Dollars</u>	\$ 6,778,705	8.31%	\$ 7,342,223	5.22%	\$ 7,725,282	-3.40%	\$ 7,462,953	8.33%	\$ 8,084,844	4.88%	\$ 8,479,461	10.37%	\$ 9,358,726
13	Ratio of O&M Labor Dollars to Total Labor Dollars	81.90%		83.24%		81.73%		71.31%		72.80%		71.50%		76.12%
14	<u>Employee Benefits</u>													
15	Total Employee Benefits	\$ 2,482,591	25.98%	\$ 3,127,605	2.63%	\$ 3,209,933	-44.28%	\$ 1,788,593	19.62%	\$ 2,139,585	23.65%	\$ 2,645,614	1.00%	\$ 2,672,085
16	Employee Benefits Expended	1,817,335	36.52%	2,481,112	-14.35%	2,125,095	-48.42%	1,096,074	29.45%	1,418,885	22.24%	1,734,442	2.73%	1,781,776
17	Ratio of Employee Benefits Expended to Total Employee Benefits	73.20%		79.33%		66.20%		61.28%		66.32%		65.56%		66.68%
18														
19	<u>Payroll Taxes</u>													
20	Total Payroll Taxes	\$ 678,947	8.14%	\$ 734,207	6.03%	\$ 778,454	14.47%	\$ 891,059	0.11%	\$ 892,070	4.43%	\$ 931,588	7.03%	\$ 997,113
21	Payroll Taxes Expended	494,062	13.00%	558,280	1.20%	564,964	-2.87%	548,777	8.09%	593,190	2.85%	610,125	10.14%	672,000
22	Ratio of Payroll Taxes Expended to Total Payroll Taxes	72.77%		76.04%		72.58%		61.59%		66.50%		65.49%		67.39%
23														
24	<u>Employee Levels</u>													
25	Average Employee Levels	118	0.28%	118	3.67%	122	5.99%	130	8.29%	140	6.05%	149	5.93%	158
26	Year-End Employee Levels	122	-4.10%	117	9.40%	128	-0.78%	127	13.39%	144	5.56%	152	3.95%	158

27 Note: Employee hours are not available for budgeted months

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
PAYROLL ANALYSIS BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION/TOTAL COMPANY
FOR THE MOST RECENT FIVE CALENDAR YEARS

WORKPAPER: WPG-2
PAGE 1 OF 4

	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	Total 2011
TOTAL COMPANY													
WORKHOURS													
STRAIGHT TIME HOURS	20,256	16,105	21,736	19,703	20,392	20,200	19,216	20,658	19,998	20,190	21,504	21,569	241,527
OVERTIME HOURS	1,963	1,650	1,845	2,091	1,899	1,633	1,821	1,807	2,038	2,559	2,203	2,252	23,761
TOTAL WORKHOURS	22,219	17,755	23,581	21,794	22,291	21,833	21,037	22,465	22,036	22,749	23,707	23,821	265,287
LABOR DOLLARS													
STRAIGHT-TIME DOLLARS	617,326	537,434	655,493	594,497	611,524	609,450	592,870	622,491	610,692	617,970	656,110	658,541	7,384,397
OVERTIME DOLLARS	71,285	59,547	67,614	77,887	70,943	61,178	69,338	65,833	77,701	99,729	85,371	85,981	892,409
TOTAL LABOR DOLLARS	688,611	596,981	723,107	672,384	682,467	670,628	662,208	688,324	688,393	717,699	741,481	744,522	8,276,806
O&M DOLLARS	609,247	578,799	617,066	559,384	572,175	492,117	503,722	598,377	517,008	565,763	560,166	604,881	6,778,705
EMPLOYEE BENEFITS													
TOTAL EMPLOYEE BENEFITS	153,599	223,439	215,063	208,937	208,695	225,757	244,208	199,612	241,031	250,709	38,352	273,189	2,482,591
BENEFITS EXPENSED	92,095	178,135	142,203	157,734	158,591	173,914	202,413	143,088	181,597	182,752	(18,906)	223,719	1,817,335
PAYROLL TAXES													
TOTAL PAYROLL TAXES	58,166	108,297	53,328	45,668	44,608	44,687	63,732	45,689	43,549	47,690	49,703	73,830	678,947
PAYROLL TAXES EXPENSED	48,572	44,463	40,372	34,600	34,487	33,681	55,431	33,978	30,319	31,275	38,893	67,991	494,062
EMPLOYEE LEVELS (FULL TIME)													
AVERAGE EMPLOYEE LEVELS	120	118	118	117	117	114	114	114	114	122	122	122	118
TOTAL COMPANY													
WORKHOURS													
STRAIGHT TIME HOURS	21,454	20,480	21,336	19,778	21,015	19,480	20,424	20,464	19,200	22,918	21,529	20,224	248,301
OVERTIME HOURS	2,013	1,963	2,139	1,655	1,619	1,823	2,057	1,899	2,162	2,575	3,129	2,544	25,576
TOTAL WORKHOURS	23,467	22,443	23,475	21,433	22,634	21,303	22,481	22,362	21,362	25,493	24,657	22,768	273,877
LABOR DOLLARS													
STRAIGHT-TIME DOLLARS	658,769	673,593	659,385	612,446	657,551	621,952	634,668	636,142	608,237	693,323	674,939	649,332	7,780,335
OVERTIME DOLLARS	76,881	75,549	82,385	68,238	65,456	74,451	86,718	78,495	89,901	103,308	129,104	109,447	1,039,934
TOTAL LABOR DOLLARS	735,650	749,141	741,769	680,684	723,008	696,403	721,385	714,638	698,138	796,631	804,043	758,779	8,820,269
O&M DOLLARS	628,208	620,084	636,039	604,012	595,019	562,798	565,711	617,690	586,389	657,770	680,599	587,904	7,342,223
EMPLOYEE BENEFITS													
TOTAL EMPLOYEE BENEFITS	243,051	242,132	237,837	258,396	243,559	201,084	256,501	259,896	247,432	236,225	448,842	252,650	3,127,605
BENEFITS EXPENSED	192,529	193,400	190,536	214,041	188,007	156,298	201,634	201,747	193,176	162,532	396,001	191,211	2,481,112
PAYROLL TAXES													
TOTAL PAYROLL TAXES	63,733	88,348	77,026	49,348	50,408	67,465	47,449	49,012	48,391	53,415	77,243	62,369	734,207
PAYROLL TAXES EXPENSED	52,363	51,103	40,186	41,993	39,005	59,207	36,261	37,254	37,342	37,339	76,940	49,287	558,280
EMPLOYEE LEVELS (FULL TIME)													
AVERAGE EMPLOYEE LEVELS	122	122	121	114	114	115	112	111	123	123	122	117	118

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
PAYROLL ANALYSIS BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION/TOTAL COMPANY
FOR THE MOST RECENT FIVE CALENDAR YEARS

WORKPAPER: WPG-2
PAGE 2 OF 4

TOTAL COMPANY	January 2013	February 2013	March 2013	April 2013	May 2013	June 2013	July 2013	August 2013	September 2013	October 2013	November 2013	December 2013	Total 2013
WORKHOURS													
STRAIGHT TIME HOURS	21,728	19,520	20,414	21,274	23,916	20,189	22,813	21,893	20,610	22,644	21,502	22,610	259,112
OVERTIME HOURS	2,270	2,174	2,467	2,409	2,793	2,360	2,090	2,990	2,909	3,482	3,993	2,944	32,879
TOTAL WORKHOURS	23,998	21,694	22,881	23,683	26,709	22,548	24,902	24,883	23,519	26,125	25,495	25,554	291,991
LABOR DOLLARS													
STRAIGHT-TIME DOLLARS	673,046	647,948	644,024	668,643	620,929	648,563	708,326	683,991	660,478	712,493	692,633	728,160	8,089,235
OVERTIME DOLLARS	92,256	90,381	99,624	100,481	93,787	98,524	88,394	125,747	122,768	150,013	172,197	129,267	1,363,440
TOTAL LABOR DOLLARS	765,303	738,329	743,649	769,124	714,717	747,087	796,720	809,739	783,246	862,506	864,830	857,427	9,452,675
O&M DOLLARS													
	650,334	648,524	644,561	612,680	664,646	628,333	571,850	664,686	562,069	658,926	672,871	745,802	7,725,282
EMPLOYEE BENEFITS													
TOTAL EMPLOYEE BENEFITS	195,013	201,970	1,333,896	183,156	172,082	240,983	191,577	167,282	495,168	194,523	(428,454)	262,737	3,209,933
BENEFITS EXPENSED	134,158	145,888	1,278,554	90,667	86,111	154,253	102,955	68,444	389,316	56,116	(547,981)	166,613	2,125,095
PAYROLL TAXES													
TOTAL PAYROLL TAXES	60,712	87,240	82,822	51,950	74,540	57,420	52,757	54,022	53,664	56,770	84,083	62,474	778,454
PAYROLL TAXES EXPENSED	47,475	50,215	42,267	37,446	60,582	44,648	39,203	38,669	36,858	35,920	73,377	58,304	564,964
EMPLOYEE LEVELS (FULL TIME)													
AVERAGE EMPLOYEE LEVELS	118	121	120	119	123	123	123	122	122	122	127	128	122

TOTAL COMPANY	January 2014	February 2014	March 2014	April 2014	May 2014	June 2014	July 2014	August 2014	September 2014	October 2014	November 2014	December 2014	Total 2014
WORKHOURS													
STRAIGHT TIME HOURS	23,800	21,168	22,826	23,853	23,549	22,464	24,552	22,173	23,000	23,486	20,153	24,116	275,140
OVERTIME HOURS	4,671	3,213	2,425	2,073	2,166	2,427	2,383	2,797	3,127	2,515	3,231	3,038	34,063
TOTAL WORKHOURS	28,471	24,381	25,251	25,926	25,715	24,890	26,935	24,970	26,127	26,001	23,383	27,154	309,203
LABOR DOLLARS													
STRAIGHT-TIME DOLLARS	753,865	722,526	731,482	759,016	760,725	739,742	787,452	736,895	757,505	774,477	684,319	778,956	8,986,959
OVERTIME DOLLARS	201,626	138,905	100,651	87,646	92,208	103,786	102,407	125,573	136,470	110,221	144,599	134,477	1,478,568
TOTAL LABOR DOLLARS	955,491	861,431	832,133	846,663	852,933	843,527	889,859	862,467	893,975	884,697	828,917	913,433	10,465,527
O&M DOLLARS													
	765,635	552,546	571,658	538,880	579,428	521,834	584,372	593,833	735,091	639,512	638,133	742,032	7,462,953
EMPLOYEE BENEFITS													
TOTAL EMPLOYEE BENEFITS	164,002	148,069	155,449	139,245	128,636	177,115	136,131	162,666	206,623	163,190	34,130	173,336	1,788,593
BENEFITS EXPENSED	100,723	47,155	66,842	113,127	57,989	113,281	85,980	107,741	140,168	106,506	28,819	127,743	1,096,074
PAYROLL TAXES													
TOTAL PAYROLL TAXES	79,887	100,589	87,594	53,580	83,450	59,927	61,538	65,540	68,188	88,947	74,313	67,507	891,059
PAYROLL TAXES EXPENSED	64,137	44,470	32,647	32,496	49,595	35,954	38,089	40,262	45,577	62,313	55,044	48,193	548,777
EMPLOYEE LEVELS (FULL TIME)													
AVERAGE EMPLOYEE LEVELS	128	132	134	133	132	131	130	130	128	126	125	127	130

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
PAYROLL ANALYSIS BY EMPLOYEE CLASSIFICATIONS/PAYROLL DISTRIBUTION/TOTAL COMPANY
FOR THE MOST RECENT FIVE CALENDAR YEARS

WORKPAPER: WPG-2
PAGE 3 OF 4

TOTAL COMPANY	January 2015	February 2015	March 2015	April 2015	May 2015	June 2015	July 2015	August 2015	September 2015	October 2015	November 2015	December 2015	Total 2015
WORKHOURS													
STRAIGHT-TIME HOURS	22,632	20,912	23,275	23,275	24,832	25,448	26,697	24,361	25,856	25,820	24,700	27,055	294,863
OVERTIME HOURS	2,290	2,711	3,062	2,212	1,856	2,433	2,325	2,830	1,980	2,768	3,829	2,858	31,152
TOTAL WORKHOURS	24,922	23,623	26,337	25,487	26,688	27,881	29,022	27,191	27,836	28,588	28,529	29,913	326,014
LABOR DOLLARS													
STRAIGHT-TIME DOLLARS	750,339	711,621	769,667	771,633	789,425	820,666	858,201	827,739	839,599	851,775	826,162	900,137	9,716,962
OVERTIME DOLLARS	100,196	124,173	136,291	98,783	82,485	107,836	103,035	128,140	87,543	123,024	167,709	129,255	1,388,469
TOTAL LABOR DOLLARS	850,534	835,794	905,959	870,415	871,910	928,501	961,236	955,879	927,141	974,799	993,871	1,029,392	11,105,431
O&M DOLLARS													
	641,040	644,788	751,814	620,669	670,380	728,769	682,810	622,617	610,122	619,989	733,129	758,717	8,084,844
EMPLOYEE BENEFITS													
TOTAL EMPLOYEE BENEFITS	250,482	213,104	130,713	143,268	138,879	194,733	181,515	174,348	157,194	172,723	186,923	195,701	2,139,585
BENEFITS EXPENSED	172,694	147,418	94,266	100,925	95,844	135,321	118,747	105,918	94,495	106,576	119,062	127,618	1,418,885
PAYROLL TAXES													
TOTAL PAYROLL TAXES	77,621	70,083	76,911	64,700	92,328	66,632	70,272	67,810	67,697	92,152	71,846	74,018	892,070
PAYROLL TAXES EXPENSED	53,664	47,319	55,062	46,022	62,051	47,358	46,176	42,298	40,728	57,296	46,948	48,269	593,190
EMPLOYEE LEVELS (FULL TIME)													
AVERAGE EMPLOYEE LEVELS	130	132	132	144	143	142	143	143	144	144	144	144	140

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
EXECUTIVE COMPENSATION
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE G-3
PAGE 1 OF 3
WITNESS: J. T. CROOM

LINE NO.	DESCRIPTION	BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD
Chief Executive Officer				
1	<u>Gross Payroll</u>			
2	Salary	\$ 25,245	\$ 757	\$ 26,002
3	Other Allowances and Compensation	<u>94,860</u>	<u>(1,458)</u>	<u>93,402</u>
4	Total Salary and Compensation	\$ 120,105	\$ (701)	\$ 119,404
Employee Benefits				
5	<u>Employee Benefits</u>			
6	Pensions	\$ -	\$ -	\$ -
7	Other Benefits	<u>4,665</u>	<u>140</u>	<u>4,805</u>
8	Total Employee Benefits	\$ 4,665	\$ 140	\$ 4,805
Payroll Taxes				
9	<u>Payroll Taxes</u>			
10	F.I.C.A.	\$ 9,271	\$ (54)	\$ 9,217
11	Federal Unemployment	66	(0)	66
12	State Unemployment	<u>132</u>	<u>(1)</u>	<u>132</u>
13	Total Payroll Taxes	\$ 9,470	\$ (55)	\$ 9,415
14	Total Compensation	<u>\$ 134,239</u>	<u>\$ (616)</u>	<u>\$ 133,623</u>
Chief Financial Officer				
15	<u>Gross Payroll</u>			
16	Salary	\$ 14,153	\$ 425	\$ 14,577
17	Other Allowances and Compensation	<u>33,660</u>	<u>1,096</u>	<u>34,756</u>
18	Total Salary and Compensation	\$ 47,813	\$ 1,521	\$ 49,333
Employee Benefits				
19	<u>Employee Benefits</u>			
20	Pensions	\$ -	\$ -	\$ -
21	Other Benefits	<u>2,615</u>	<u>78</u>	<u>2,693</u>
22	Total Employee Benefits	\$ 2,615	\$ 78	\$ 2,693
Payroll Taxes				
23	<u>Payroll Taxes</u>			
24	F.I.C.A.	\$ 3,691	\$ 117	\$ 3,808
25	Federal Unemployment	26	1	27
26	State Unemployment	<u>53</u>	<u>2</u>	<u>54</u>
27	Total Payroll Taxes	\$ 3,770	\$ 120	\$ 3,890
28	Total Compensation	<u>\$ 54,197</u>	<u>\$ 1,719</u>	<u>\$ 55,917</u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
EXECUTIVE COMPENSATION
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE G-3
PAGE 2 OF 3
WITNESS: J. T. CROOM

LINE NO.	DESCRIPTION	BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD
Chief Operating Officer				
1	<u>Gross Payroll</u>			
2	Salary	\$ 16,256	\$ 488	\$ 16,744
3	Other Allowances and Compensation	<u>42,818</u>	<u>196</u>	<u>\$ 43,014</u>
4	Total Salary and Compensation	\$ 59,074	\$ 683	\$ 59,757
Employee Benefits				
5	<u>Employee Benefits</u>			
6	Pensions	\$ -	\$ -	\$ -
7	Other Benefits	<u>3,004</u>	<u>90</u>	<u>\$ 3,094</u>
8	Total Employee Benefits	\$ 3,004	\$ 90	\$ 3,094
Payroll Taxes				
9	<u>Payroll Taxes</u>			
10	F.I.C.A.	\$ 4,560	\$ 53	\$ 4,613
11	Federal Unemployment	33	0	33
12	State Unemployment	<u>65</u>	<u>1</u>	<u>66</u>
13	Total Payroll Taxes	\$ 4,658	\$ 54	\$ 4,712
14	Total Compensation	<u>\$ 66,736</u>	<u>\$ 827</u>	<u>\$ 67,563</u>
Chief Legal Officer				
15	<u>Gross Payroll</u>			
16	Salary	\$ 14,994	\$ 450	\$ 15,444
17	Other Allowances and Compensation	<u>33,566</u>	<u>(1,349)</u>	<u>\$ 32,216</u>
18	Total Salary and Compensation	\$ 48,560	\$ (900)	\$ 47,660
Employee Benefits				
19	<u>Employee Benefits</u>			
20	Pensions	\$ 2,268	\$ (37)	\$ 2,232
21	Other Benefits	<u>2,770</u>	<u>83</u>	<u>\$ 2,854</u>
22	Total Employee Benefits	\$ 5,039	\$ 46	\$ 5,085
Payroll Taxes				
23	<u>Payroll Taxes</u>			
24	F.I.C.A.	\$ 3,748	\$ (69)	\$ 3,679
25	Federal Unemployment	27	(0)	26
26	State Unemployment	<u>54</u>	<u>(1)</u>	<u>53</u>
27	Total Payroll Taxes	\$ 3,829	\$ (71)	\$ 3,758
28	Total Compensation	<u>\$ 57,427</u>	<u>\$ (924)</u>	<u>\$ 56,503</u>
Chief Regulatory Officer				
29	<u>Gross Payroll</u>			
30	Salary	\$ 15,279	\$ 458	\$ 15,737
31	Other Allowances and Compensation	<u>28,887</u>	<u>1,390</u>	<u>\$ 30,277</u>
32	Total Salary and Compensation	\$ 44,166	\$ 1,848	\$ 46,015
Employee Benefits				
33	<u>Employee Benefits</u>			
34	Pensions	\$ -	\$ -	\$ -
35	Other Benefits	<u>2,823</u>	<u>85</u>	<u>\$ 2,908</u>
36	Total Employee Benefits	\$ 2,823	\$ 85	\$ 2,908
Payroll Taxes				
37	<u>Payroll Taxes</u>			
38	F.I.C.A.	\$ 3,409	\$ 143	\$ 3,552
39	Federal Unemployment	24	1	25
40	State Unemployment	<u>49</u>	<u>2</u>	<u>51</u>
41	Total Payroll Taxes	\$ 3,482	\$ 146	\$ 3,628
42	Total Compensation	<u>\$ 50,472</u>	<u>\$ 2,079</u>	<u>\$ 52,551</u>

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
EXECUTIVE COMPENSATION
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED REVISED
WORKPAPER REFERENCE NO(S):

SCHEDULE G-3
PAGE 3 OF 3
WITNESS: J. T. CROOM

LINE NO.	DESCRIPTION	BASE PERIOD	ADJUSTMENTS	FORECASTED PERIOD
President, Columbia Gas of Kentucky				
1	<u>Gross Payroll</u>			
2	Salary	\$ 216,458	\$ 6,634	\$ 223,092
3	Other Allowances and Compensation	<u>182,431</u>	<u>(3,194)</u>	<u>179,237</u>
4	Total Salary and Compensation	\$ 398,889	\$ 3,440	\$ 402,329
5	<u>Employee Benefits</u>			
6	Pensions	\$ 23,081	\$ 353	\$ 23,434
7	Other Benefits	<u>39,996</u>	<u>1,225</u>	<u>41,221</u>
8	Total Employee Benefits	\$ 63,077	\$ 1,578	\$ 64,655
9	<u>Payroll Taxes</u>			
10	F.I.C.A.	\$ 30,791	\$ 265	\$ 31,056
11	Federal Unemployment	220	2	222
12	State Unemployment	<u>440</u>	<u>4</u>	<u>444</u>
13	Total Payroll Taxes	\$ 31,451	\$ 271	\$ 31,722
14	Total Compensation	<u>\$ 493,417</u>	<u>\$ 5,289</u>	<u>\$ 498,706</u>
Vice President & General Manager, Operations				
15	<u>Gross Payroll</u>			
16	Salary	\$ 139,639	\$ 4,012	\$ 143,651
17	Other Allowances and Compensation	<u>116,496</u>	<u>(4,036)</u>	<u>112,460</u>
18	Total Salary and Compensation	\$ 256,135	\$ (24)	\$ 256,111
19	<u>Employee Benefits</u>			
20	Pensions	\$ -	\$ -	\$ -
21	Other Benefits	<u>25,801</u>	<u>742</u>	<u>26,543</u>
22	Total Employee Benefits	\$ 25,801	\$ 742	\$ 26,543
23	<u>Payroll Taxes</u>			
24	F.I.C.A.	\$ 19,771	\$ (1)	\$ 19,770
25	Federal Unemployment	141	0	141
26	State Unemployment	<u>283</u>	<u>(1)</u>	<u>282</u>
27	Total Payroll Taxes	\$ 20,195	\$ (2)	\$ 20,193
28	Total Compensation	<u>\$ 302,131</u>	<u>\$ 716</u>	<u>\$ 302,848</u>

Columbia Gas of Kentucky, Inc.
CASE NO. 2016-00162
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(8)(h)

Description of Filing Requirement:

A computation of the gross revenue conversion factor for the forecasted period;

Response:

Please refer to the attached Schedule H.

Responsible Witness:

Jana T. Croom

NO UPDATE REQUIRED FOR SCHEDULE H

Columbia Gas of Kentucky, Inc.
CASE NO. 2016-00162
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(8)(i)

Description of Filing Requirement:

Comparative income statements (exclusive of dividends per share or earnings per share), revenue statistics and sales statistics for the five (5) most recent calendar years from the application filing date, the base period, the forecasted period, and two (2) calendar years beyond the forecast period;

Response:

Please refer to the attached Schedule I.

Responsible Witness:

Jana T. Croom and Brian J. Noel

SCHEDULE I

STATISTICAL DATA

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

BASE PERIOD : FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016

FORECASTED PERIOD : FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

SCHEDULE

DESCRIPTION

I-1	COMPARATIVE INCOME STATEMENT
I-2	REVENUE STATISTICS - TOTAL COMPANY
I-3	SALES STATISTICS - TOTAL COMPANY

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
COMPARATIVE INCOME STATEMENTS
BASE PERIOD TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE I-1
SHEET 1 OF 1

WITNESS: J. T. CROOM, BRIAN J. NOEL

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS					PROJECTED CALENDAR YEARS			
		2011	2012	2013	2014	2015	BASE 8/31/2016	FORECAST 12/31/2017	2018	2019
		\$	\$	\$	\$	\$	\$	\$	\$	\$
							[1]	[2]	[2]	
1	OPERATING REVENUES									
2	GAS SERVICE	97,332,278	77,362,488	95,020,405	118,300,424	100,226,719	69,808,727	69,675,105	97,838,000	100,641,000
3	TRANSPORTATION	19,652,794	19,408,997	20,455,808	22,595,856	21,572,375	20,679,567	21,807,062	22,782,000	22,744,000
4	OTHER REVENUE	28,329,061	4,313,965	22,025,094	27,162,572	10,160,862	12,384,034	1,200,000	1,515,000	1,563,000
5	TOTAL OPERATING REVENUES	145,314,133	101,085,450	137,501,307	168,058,852	131,959,956	102,872,328	92,682,167	122,135,000	124,948,000
6	OPERATING EXPENSES									
7	GAS PURCHASED	85,849,591	43,027,998	74,953,091	97,530,188	62,975,860	33,437,927	21,817,507	49,064,000	51,860,000
8	OPERATION	28,840,095	29,817,379	31,932,947	32,973,196	31,799,247	33,021,456	39,714,509	39,997,171	40,794,949
9	MAINTENANCE	2,493,935	2,949,746	2,498,513	2,925,021	3,774,971	4,161,151	5,038,965	5,074,829	5,176,051
10	DEPRECIATION & DEPLETION	6,182,943	6,676,553	7,011,749	7,598,514	8,361,042	8,885,324	15,939,787	11,135,000	12,035,000
11	TAXES - OTHER THAN INCOME	2,770,426	2,913,004	3,046,818	3,400,269	3,761,012	4,165,337	4,790,881	5,000,000	5,405,000
12	TOTAL OPERATING EXPENSES	126,136,990	85,384,680	119,443,118	144,427,188	110,672,133	83,671,196	87,301,650	110,271,000	115,271,000
13	OPERATING INCOME (LOSS)	19,177,143	15,700,770	18,058,189	23,631,664	21,287,822	19,201,132	5,380,517	11,864,000	9,677,000
14	OTHER INCOME (DEDUCTIONS)									
15	INCOME FROM INVESTMENT IN SUBSIDIARY	49,728	42,384	35,719	26,319	13,410	23,803	0	0	0
16	INTEREST INCOME AND OTHER, NET	2,992,077	2,500,183	2,304,810	1,071,441	3,447,550	2,157,726	3,099,000	1,671,000	1,658,000
17	INTEREST EXPENSE	(4,810,858)	(4,759,887)	(4,968,527)	(5,361,083)	(5,614,881)	(5,299,381)	(6,241,000)	(6,945,000)	(7,614,000)
18	TOTAL OTHER INCOME	(1,769,053)	(2,217,320)	(2,627,998)	(4,263,322)	(2,153,921)	(3,117,852)	(3,142,000)	(5,274,000)	(5,956,000)
19	INCOME BEFORE INCOME TAXES	17,408,090	13,483,450	15,430,191	19,368,342	19,133,901	16,083,281	2,238,517	6,590,000	3,721,000
20	INCOME TAXES	6,553,831	4,967,729	4,993,607	7,296,367	8,012,250	5,296,937	(575,459)	2,517,000	1,401,000
21	NET INCOME	10,854,259	8,515,721	10,436,584	12,071,974	11,121,651	10,786,344	2,813,976	4,073,000	2,320,000

[1] The Forecast period does not include the revenue from this case.

[2] Projected calendar years 2018 and 2019 do not reflect what is presented in the current case or subsequent cases, if any.

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
TOTAL COMPANY REVENUE STATISTICS
BASE PERIOD TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE I-2
SHEET 1 OF 1

WITNESS: J. T. CROOM, BRIAN J. NOEL

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS					PROJECTED CALENDAR YEARS			
		2011	2012	2013	2014	2015	BASE 8/31/2016	FORECAST 12/31/2017 [1]	2018 [2]	2019 [2]
1	SALES REVENUE BY CUSTOMER CLASS									
2	RESIDENTIAL	\$69,481,707	\$54,689,609	\$63,771,036	\$82,011,153	\$73,659,595	\$49,600,921	\$49,633,580	\$68,710,000	\$70,748,000
3	COMMERCIAL	30,642,988	21,673,684	26,068,736	34,119,095	30,564,719	18,816,367	18,489,335	27,931,000	29,012,000
4	INDUSTRIAL	1,386,480	1,316,437	2,042,987	1,229,874	1,467,112	1,155,539	1,407,299	846,000	889,000
5	PUBLIC UTILITIES	128,094	72,753	106,635	130,301	97,293	47,900	47,711	12,000	12,000
6	OTHER	0	0	0	0	0	0	0	0	0
7	UNBILLED	(4,306,991)	(389,995)	3,031,011	810,000	(5,562,000)	188,000	0	339,000	(20,000)
8		\$97,332,278	\$77,362,488	\$95,020,405	\$118,300,424	\$100,226,719	\$69,808,727	\$69,577,926	\$97,838,000	\$100,641,000
9	TRANSPORTATION REVENUE BY CUSTOMER CLASS									
10	RESIDENTIAL	\$8,720,443	\$8,221,984	\$8,038,901	\$9,071,135	\$8,903,444	\$8,363,566	\$9,029,105	\$9,203,000	\$9,204,000
11	COMMERCIAL	6,077,571	6,213,229	6,892,596	7,863,216	7,488,890	7,295,942	7,982,049	8,132,000	8,133,000
12	INDUSTRIAL	5,099,769	4,918,771	5,533,300	5,491,504	5,504,041	5,007,059	4,795,908	5,449,000	5,403,000
13	UNBILLED	(244,989)	55,012	(8,989)	170,000	(324,000)	13,000	0	(2,000)	4,000
14		\$19,652,794	\$19,408,997	\$20,455,808	\$22,595,856	\$21,572,375	\$20,679,567	\$21,807,062	\$22,782,000	\$22,744,000
15	TOTAL REVENUE	\$116,985,072	\$96,771,485	\$115,476,213	\$140,896,279	\$121,799,094	\$90,488,294	\$91,384,988	\$120,620,000	\$123,385,000
16	NUMBER OF SALES CUSTOMERS BY CLASS									
17	RESIDENTIAL	93,061	94,308	95,514	96,099	97,855	97,439	97,362	97,465	97,595
18	COMMERCIAL	9,845	9,846	9,910	9,988	10,078	9,995	10,067	10,009	10,041
19	INDUSTRIAL	100	103	104	104	103	98	103	104	104
20	PUBLIC UTILITIES	2	2	3	3	2	2	2	2	2
21	OTHER	0	0	0	0	0	0	0	0	0
22		103,008	104,259	105,531	106,194	108,038	107,534	107,534	107,580	107,742
23	NUMBER OF TRANSPORTATION CUSTOMERS BY CLASSE									
24	RESIDENTIAL	27,620	26,138	25,075	24,635	22,925	21,571	23,543	23,568	23,599
25	COMMERCIAL	4,211	4,168	4,117	4,050	3,883	3,719	3,889	4,258	4,271
26	INDUSTRIAL	75	74	73	76	74	75	75	75	75
27		31,906	30,380	29,265	28,761	26,882	25,365	27,507	27,901	27,945
28	TOTAL CUSTOMERS	134,914	134,639	134,796	134,955	134,920	132,899	135,041	135,481	135,687
29	AVERAGE SALES REVENUE PER CLASS									
30	RESIDENTIAL	747	580	668	853	753	509	510	705	725
31	COMMERCIAL	3,113	2,201	2,631	3,416	3,033	1,883	1,837	2,791	2,889
32	INDUSTRIAL	13,865	12,781	19,644	11,826	14,244	11,791	13,663	8,135	8,548
33	PUBLIC UTILITIES	64,047	36,377	35,545	43,434	48,646	23,950	23,856	6,000	6,000
34	OTHER	0	0	0	0	0	0	0	0	0
35	AVERAGE TRANSPORTATION REVENUE PER CLASS									
36	RESIDENTIAL	316	315	321	368	388	388	384	390	390
37	COMMERCIAL	1,443	1,491	1,674	1,942	1,929	1,962	2,052	1,910	1,904
38	INDUSTRIAL	67,997	66,470	75,799	72,257	74,379	66,761	63,945	72,653	72,040

[1] The Forecast period does not include the revenue from this case.

[2] Projected calendar years 2018 and 2019 do not reflect what is presented in the current case or subsequent cases, if any.

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
SALES STATISTICS
BASE PERIOD TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE I-3
SHEET 1 OF 1

WITNESS: J. T. CROOM, BRIAN J. NOEL

LINE NO.	DESCRIPTION	MOST RECENT FIVE CALENDAR YEARS [1]					PROJECTED CALENDAR YEARS			
		2011	2012	2013	2014	2015	BASE 8/31/2016	FORECAST 12/31/2017	2018	2019
		Mcf	Mcf	Mcf	Mcf	Mcf	Mcf	Mcf	Mcf	Mcf
							[1]	[2]	[2]	
1	SALES BY CUSTOMER CLASS									
2	RESIDENTIAL	6,381,485	5,551,602	7,009,673	7,510,782	6,292,371	5,593,300	6,253,000	6,245,000	6,230,000
3	COMMERCIAL	3,282,674	2,697,137	3,402,050	3,612,683	3,157,309	2,855,988	3,110,693	3,113,000	3,109,000
4	INDUSTRIAL	170,492	217,022	298,668	132,648	194,070	275,747	122,001	122,000	122,000
5	PUBLIC UTILITIES	16,489	10,923	18,252	16,439	11,203	10,040	11,321	0	0
6	OTHER	0	0	0	0	0	0	0	0	0
7	TOTAL	9,851,140	8,476,684	10,728,643	11,272,552	9,654,953	8,735,075	9,497,014	9,480,000	9,461,000
8	NUMBER OF SALES CUSTOMERS BY CLASS									
9	RESIDENTIAL	93,061	94,308	95,514	96,099	97,855	97,439	97,362	97,465	97,595
10	COMMERCIAL	9,845	9,846	9,910	9,988	10,078	9,995	10,067	10,009	10,041
11	INDUSTRIAL	100	103	104	104	103	98	103	104	104
12	PUBLIC UTILITIES	2	2	3	3	2	2	2	2	2
13	OTHER	0	0	0	0	0	0	0	0	0
14	TOTAL	103,008	104,259	105,531	106,194	108,038	107,534	107,534	107,580	107,742
15	AVERAGE SALES PER CLASS									
16	RESIDENTIAL	69	59	73	78	64	57	64	64	64
17	COMMERCIAL	333	274	343	362	313	286	309	311	310
18	INDUSTRIAL	1,705	2,107	2,872	1,275	1,884	2,814	1,184	1,173	1,173
19	OTHER	8,245	5,462	6,084	5,480	5,602	5,020	5,660	0	0

[1] Unbilled volumes are not included in the Base Period and the Forecast Period.

[2] Projected calendar years 2018 and 2019 do not reflect what is presented in the current case or subsequent cases, if any.

Columbia Gas of Kentucky, Inc.
CASE NO. 2016-00162
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(8)(j)

Description of Filing Requirement:

A cost of capital summary for both the base period and forecasted period with supporting schedules providing details on each component of the capital structure;

Response:

Please refer to the attached Schedule J.

Responsible Witness:

Paul R. Moul

SCHEDULE J

COST OF CAPITAL

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

BASE PERIOD : FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016

FORECASTED PERIOD : FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

SCHEDULE

DESCRIPTION

J-1	COST OF CAPITAL SUMMARY
J-1.1/J-1.2	AVG. FORECASTED PERIOD CAPITAL STRUCTURE
J-2	EMBEDDED COST OF SHORT-TERM DEBT
J-3	EMBEDDED COST OF LONG-TERM DEBT
J-4	EMBEDDED COST OF PREFERRED STOCK

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
COST OF CAPITAL SUMMARY
AS OF AUGUST 31, 2016

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE J-1
SHEET 2 OF 2
WITNESS: P. R. MOUL

LINE NO.	CLASS OF CAPITAL (A)	WORKPAPER REFERENCE (B)	AMOUNT (C) \$	PERCENT OF TOTAL (D)	COST RATE (E)	WEIGHTED COST (F=D*E)
1	SHORT-TERM DEBT	(1)	5,151,000	2.44%	1.90%	0.05%
2	LONG-TERM DEBT	(1)	87,585,000	41.56%	5.87%	2.44%
3	PREFERRED STOCK	(1)	0	0.00%	0.00%	0.00%
4	COMMON EQUITY	(1)	<u>117,994,000</u>	<u>55.99%</u>	11.00%	<u>6.16%</u>
5	TOTAL CAPITAL		210,730,000	100.00%		8.65%

NOTE (1) SEE ATTACHMENT PRM-5 PAGE 1 OF 1 FROM PAUL MOUL'S TESTIMONY

**Columbia Gas of Kentucky, Inc.
CASE NO. 2016-00162
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(8)(k)**

Description of Filing Requirement:

Comparative financial data and earnings measures for the ten (10) most recent calendar years, the base period, and the forecast period;

Response:

Please refer to the attached Schedule K.

Responsible Witness:

Jana T. Croom

SCHEDULE K

COMPARATIVE FINANCIAL DATA AND EARNINGS MEASURE FOR THE
TEN MOST RECENT CALENDAR YEARS, BASE PERIOD AND FORECASTED PERIOD

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016 - 00162

BASE PERIOD: FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016

FORECASTED PERIOD: FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

SCHEDULE

DESCRIPTION

K

COMPARATIVE FINANCIAL DATA

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
COMPARATIVE FINANCIAL DATA
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE K
SHEET 1 OF 4
WITNESS: J. T. CROOM

LINE NO.	DESCRIPTION	FORECASTED PERIOD	BASE PERIOD	MOST RECENT CALENDAR YEARS - AS REPORTED										
				2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	
1	<u>PLANT DATA: (\$000)</u>													
2	PLANT IN SERVICE BY FUNCTIONAL CLASS													
3	INTANGIBLE PLANT	8,416	5,544	5,341	4,672	2,935	2,925	2,358	2,019	1,425	1,311	1,369	1,074	
4	DISTRIBUTION PLANT	424,279	405,890	384,450	354,921	327,919	310,090	295,142	282,966	275,508	265,760	255,069	248,058	
5	GENERAL PLANT	5,972	5,275	4,832	4,429	5,201	5,302	5,086	4,471	4,398	4,613	4,196	4,608	
6	PRODUCTION PLANT - LIQUEFIED GAS	0	0	0	0	0	8	8	8	8	8	8	8	
8	CAPITALIZED LEASES NET	0	0	0	0	0	0	0	0	0	0	0	20	
9	GAS PLANT HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0	0	0	0	
10	GAS PLANT ACQUISITION ADJUSTMENTS	(777)	(777)	(777)	0	0	0	0	0	0	0	0	0	
11	GROSS PLANT	437,890	415,931	393,846	364,022	336,055	318,325	302,594	289,464	281,339	271,692	260,642	253,768	
12	LESS: ACCUMULATED DEPRECIATION	151,708	144,500	141,164	135,601	133,426	131,057	128,017	124,484	120,164	118,596	115,468	112,846	
13	NET PLANT IN SERVICE	286,182	271,431	252,682	228,421	202,629	187,268	174,577	164,980	161,175	153,096	145,174	140,922	
14	CONSTRUCTION WORK IN PROGRESS													
15	INTANGIBLE PLANT	0	0	900	851	1,799	734	794	681	768	962	501	1,193	
16	DISTRIBUTION PLANT	0	0	5,961	5,244	4,266	2,083	1,788	2,182	1,732	1,946	1,606	714	
17	GENERAL PLANT	0	0	64	21	43	44	49	468	0	5	102	16	
18	PRODUCTION PLANT - LIQUEFIED GAS	0	0	0	0	0	0	0	0	0	0	0	0	
19	TOTAL CWIP	0	0	6,925	6,116	6,108	2,861	2,631	3,331	2,500	2,913	2,209	1,923	
20	TOTAL	<u>286,182</u>	<u>271,431</u>	<u>259,607</u>	<u>234,537</u>	<u>208,737</u>	<u>190,129</u>	<u>177,208</u>	<u>168,311</u>	<u>163,675</u>	<u>156,009</u>	<u>147,383</u>	<u>142,845</u>	

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
COMPARATIVE FINANCIAL DATA
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE K
SHEET 2 OF 4
WITNESS: J. T. CROOM

LINE NO.	DESCRIPTION	FORECASTED PERIOD [1]	BASE PERIOD	MOST RECENT CALENDAR YEARS - AS REPORTED											
				2015	2014	2013	2012	2011	2010	2009	2008	2007	2006		
1	<u>CAPITAL STRUCTURE:</u>														
2	(BASED ON YEAR-END ACCOUNTS)														
3	SHORT-TERM DEBT (\$000)	3,114	5,151	0	0	0	0	0	0	0	15,599	0	0		
4	LONG-TERM DEBT (\$000)	114,699	87,585	98,335	98,335	93,335	82,055	82,055	82,055	72,055	72,055	58,055	58,055		
5	PREFERRED STOCK (\$000)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
6	COMMON EQUITY (\$000)	129,778	117,994	114,423	110,501	100,386	91,857	90,342	89,397	88,639	95,419	101,871	87,792		
7	TOTAL	<u>247,591</u>	<u>210,730</u>	<u>212,758</u>	<u>208,836</u>	<u>193,721</u>	<u>173,912</u>	<u>172,397</u>	<u>171,452</u>	<u>160,694</u>	<u>183,073</u>	<u>159,926</u>	<u>145,847</u>		
8	<u>CONDENSED INCOME STATEMENT DATA: (\$000)</u>														
9	OPERATING REVENUES	92,682	102,872	131,960	168,059	137,501	101,085	145,314	136,789	156,327	208,429	160,751	164,473		
10	OPERATING EXPENSES (EXCLUDING FEDERAL AND STATE TAXES)	87,302	83,671	110,672	144,427	119,443	85,385	126,137	119,579	142,446	191,149	143,469	152,076		
11	STATE INCOME TAX (CURRENT)	(91)	(2,169)	877	1,407	282	624	957	950	830	1,094	629	585		
12	FEDERAL INCOME TAX (CURRENT)	(449)	7,522	7,201	5,964	4,792	4,424	5,679	5,473	4,261	5,535	6,161	4,348		
13	FEDERAL AND STATE INCOME TAX NET	(540)	5,353	8,078	7,371	5,074	5,048	6,636	6,423	5,091	6,629	6,790	4,933		
14	INVESTMENT TAX CREDITS	(36)	(56)	(66)	(75)	(80)	(80)	(82)	(85)	(87)	(87)	(87)	(88)		
15	OPERATING INCOME	5,956	13,904	13,276	16,336	13,064	10,732	12,623	10,872	8,877	10,738	10,579	7,552		
16	AFUDC	134	193	106	152	99	42	18	34	22	31	46	259		
17	OTHER INCOME NET	3,099	1,988	3,461	1,098	2,340	2,543	3,042	4,027	3,573	3,458	4,379	3,583		
18	INCOME AVAILABLE FOR FIXED CHARGES	9,189	16,085	16,843	17,586	15,503	13,317	15,683	14,933	12,472	14,227	15,004	11,394		
19	INTEREST CHARGES	6,375	5,299	5,721	5,513	5,067	4,802	4,829	4,243	4,259	3,763	3,437	2,940		
20	NET INCOME	2,814	10,786	11,122	12,073	10,436	8,515	10,854	10,690	8,213	10,464	11,567	8,454		
21	CUMULATIVE CHANGE IN ACCTG PRIN	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
22	EARNINGS AVAILABLE FOR COMMON EQUITY	<u>2,814</u>	<u>10,786</u>	<u>11,122</u>	<u>12,073</u>	<u>10,436</u>	<u>8,515</u>	<u>10,854</u>	<u>10,690</u>	<u>8,213</u>	<u>10,464</u>	<u>11,567</u>	<u>8,454</u>		
23	AFUDC - % OF NET INCOME	4.76%	1.79%	0.95%	1.26%	0.95%	0.49%	0.17%	0.32%	0.27%	0.30%	0.40%	3.06%		
24	AFUDC - % OF EARNINGS AVAILABLE FOR COMMON EQUITY	4.76%	1.79%	0.95%	1.26%	0.95%	0.49%	0.17%	0.32%	0.27%	0.30%	0.40%	3.06%		

[1] The Forecast period does not include the revenue from this case.

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
COMPARATIVE FINANCIAL DATA
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE K
SHEET 3 OF 4
WITNESS: J. T. CROOM

LINE NO.	DESCRIPTION	FORECASTED PERIOD	BASE PERIOD	MOST RECENT CALENDAR YEARS - AS REPORTED									
				2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
1	<u>COSTS OF CAPITAL</u>												
2	EMBEDDED COST OF SHORT-TERM DEBT (%)	2.50%	1.90%	0.72%	0.81%	0.71%	1.28%	1.62%	0.79%	0.70%	1.93%	5.35%	5.75%
3	EMBEDDED COST OF LONG-TERM DEBT (%)	5.64%	5.87%	5.82%	5.82%	5.89%	5.68%	5.68%	5.68%	5.63%	5.63%	5.66%	5.66%
4	EMBEDDED COST OF PREFERRED STOCK (%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	<u>FIXED CHARGE COVERAGE:</u>												
6	PRE-TAX INTEREST COVERAGE	1.36	4.15	4.41	4.61	4.11	3.83	4.62	5.05	4.12	3.99	6.39	5.96
7	PRE-TAX INTEREST COVERAGE (EXCLUDING AFUDC)	1.33	4.00	4.33	4.49	4.03	3.80	4.60	5.01	4.10	3.95	6.30	5.44
8	AFTER TAX INTEREST COVERAGE	1.45	3.11	2.98	3.25	3.10	2.79	3.26	3.54	2.94	2.77	4.41	4.15
9	AFTER TAX INTEREST COVERAGE (EXCLUDING AFUDC)	1.42	3.00	2.93	3.16	3.04	2.76	3.24	3.51	2.92	2.75	4.35	3.79
10	INDENTURE PROVISION COVERAGE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	AFTER TAX FIXED CHARGE COVERAGE	0.45	2.11	1.98	2.25	2.10	1.79	2.26	2.54	1.94	1.88	3.41	3.15
12	<u>STOCK AND BOND RATINGS:</u>												
13	MOODY'S BOND RATING	N/A	All Columbia Gas of Kentucky, Inc's. stock is held by NiSource Distribution Group, Inc.										
14	S&P BOND RATING	N/A	The stock is not publicly traded.										
15	MOODY'S PREFERRED STOCK RATING	N/A											
16	S&P PREFERRED STOCK RATING	N/A											
17	<u>COMMON STOCK RELATED DATA:</u>												
18	SHARES OUTSTANDING YEAR END (000)	952,248	952,248	952,248	952,248	952,248	952,248	952,248	952,248	952,248	952,248	952,248	952,248
19	SHARES OUTSTANDING - WEIGHTED												
20	AVERAGE (MONTHLY) (000)	952,248	952,248	952,248	952,248	952,248	952,248	952,248	952,248	952,248	952,248	952,248	952,248
21	EARNINGS PER SHARE - WEIGHTED AVG. (\$)	2.96	11.33	11.68	12.68	10.96	8.94	11.40	11.23	8.62	10.99	12.15	8.88
22	DIVIDENDS PAID PER SHARE (\$)	0.00	4.20	8.40	2.10	2.10	7.35	10.50	10.50	15.75	17.85	0.00	0.00
23	DIVIDENDS DECLARED PER SHARE (\$)	0.00	4.20	8.40	2.10	2.10	7.35	10.50	10.50	15.75	17.85	0.00	0.00
24	DIVIDEND PAYOUT RATIO (DECLARED BASIS) (%)	0%	36%	72%	17%	19%	82%	92%	94%	183%	162%	0%	0%
25	MARKET PRICE - HIGH (LOW)												
26	1ST QUARTER - HIGH (\$)	N/A	All Columbia Gas of Kentucky, Inc's. stock is held by NiSource Distribution Group, Inc.										
27	1ST QUARTER - LOW (\$)	N/A	The stock is not publicly traded.										
28	2ND QUARTER - HIGH (\$)	N/A											
29	2ND QUARTER - LOW (\$)	N/A											
30	3RD QUARTER - HIGH (\$)	N/A											
31	3RD QUARTER - LOW (\$)	N/A											
32	4TH QUARTER - HIGH (\$)	N/A											
33	4TH QUARTER - LOW (\$)	N/A											
34	BOOK VALUE PER SHARE (YEAR-END) (\$)	136.29	123.91	120.16	116.04	105.42	96.46	94.87	93.88	93.08	100.20	106.98	92.19

COLUMBIA GAS OF KENTUCKY, INC.
CASE NO. 2016 - 00162
COMPARATIVE FINANCIAL DATA
BASE PERIOD: TWELVE MONTHS ENDED AUGUST 31, 2016
FORECASTED PERIOD: TWELVE MONTHS ENDED DECEMBER 31, 2017

DATA: BASE PERIOD FORECASTED PERIOD
TYPE OF FILING: ORIGINAL UPDATED
WORKPAPER REFERENCE NO(S).

SCHEDULE K
SHEET 4 OF 4
WITNESS: J. T. CROOM

LINE NO.	DESCRIPTION	FORECASTED PERIOD	BASE PERIOD	MOST RECENT CALENDAR YEARS - AS REPORTED									
				2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
1	<u>RATE OF RETURN MEASURES:</u>												
2	RETURN ON COMMON EQUITY (AVERAGE)	2.3%	9.3%	9.9%	11.4%	10.9%	9.3%	12.1%	12.0%	8.9%	10.6%	12.2%	10.0%
3	RETURN ON TOTAL CAPITAL (AVERAGE)	1.2%	5.1%	6.3%	8.1%	7.1%	6.2%	7.3%	6.5%	5.2%	6.3%	6.9%	5.1%
4	RETURN ON NET PLANT IN SERVICE (AVERAGE)	2.1%	5.3%	5.5%	7.6%	6.7%	5.9%	7.4%	6.7%	5.6%	7.2%	7.4%	5.5%
5	<u>OTHER FINANCIAL AND OPERATING DATA:</u>												
6	MIX OF SALES: (MMcf)												
7	RESIDENTIAL	6,253	5,593	6,292	7,511	7,010	5,552	6,381	6,829	6,629	7,359	6,930	6,274
8	COMMERCIAL	3,111	2,856	3,157	3,613	3,401	2,697	3,283	3,801	3,909	4,235	3,990	3,823
9	INDUSTRIAL	122	276	194	133	299	217	170	142	134	186	179	217
10	PUBLIC AUTHORITIES	<u>11</u>	<u>10</u>	<u>12</u>	<u>17</u>	<u>18</u>	<u>11</u>	<u>16</u>	<u>16</u>	<u>18</u>	<u>19</u>	<u>19</u>	<u>20</u>
11	TOTAL MIX OF SALES	9,497	8,735	9,655	11,274	10,728	8,477	9,851	10,788	10,689	11,798	11,118	10,334
12	MIX OF FUEL: (MMcf)												
13	COLUMBIA GAS TRANSMISSION CORP.	0	0	0	0	0	0	0	0	0	0	0	0
14	OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
15	TOTAL MIX OF FUEL	0	0	0	0	0	0	0	0	0	0	0	0
16	COMPOSITE DEPRECIATION RATE	3.64%	2.23%	2.02%	2.02%	2.02%	2.03%	2.00%	2.01%	2.02%	2.02%	2.06%	2.08%

Columbia Gas of Kentucky, Inc.
CASE NO. 2016-00162
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(8)(I)

Description of Filing Requirement:

A narrative description and explanation of all proposed tariff changes;

Response:

Please refer to the testimony of Judy M. Cooper for a narrative description of all proposed tariff changes. Proposed tariff sheets in both a clean and marked format are attached.

Responsible Witness:

Judy M. Cooper

NO UPDATE REQUIRED FOR SCHEDULE L

Columbia Gas of Kentucky, Inc.
CASE NO. 2016-00162
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(8)(m)

Description of Filing Requirement:

A revenue summary for both the base period and forecasted period with supporting schedules, which provide detailed billing analyses for all customer classes;

Response:

Please refer to the attached Schedule M.

Responsible Witness:

Melissa J. Bell

SCHEDULE M

REVENUE SUMMARY FOR BASE PERIOD AND FORECASTED PERIOD

COLUMBIA GAS OF KENTUCKY, INC.

CASE NO. 2016-00162

BASE PERIOD : FOR THE TWELVE MONTHS ENDED AUGUST 31, 2016

FORECASTED PERIOD: FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

SCHEDULE

DESCRIPTION

M	BASE AND FORECASTED PERIOD AT PRESENT RATES
M-2.1	PRESENT AND PROPOSED REVENUE AT FORECASTED PERIOD
M-2.2	BILLING ANALYSIS FOR THE FORECASTED PERIOD AT PRESENT RATES
M-2.2B	BILLING ANALYSIS FOR THE BASE PERIOD AT CURRENT RATES
M-2.3	BILLING ANALYSIS FOR THE FORECASTED PERIOD AT PROPOSED RATES

Columbia Gas of Kentucky, Inc.
Case No. 2016-00162
Revenues At Present and Proposed Rates
For the 12 Months Ended August 31, 2016
(Gas Service)

Data: Base Period Forecasted Period
Type of Filing: Original Update Revised
Work Paper Reference No(s):
12 Mos Actual

Schedule M
Page 1 of 3
Witness: M. J. Bell

Line No.	Description	Sept-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Total
1	Revenue by Customer Class	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)	
2	Residential Sales	\$ 2,040,957	\$ 2,271,052	\$ 3,223,562	\$ 5,657,358	\$ 8,074,994	\$ 8,528,417	\$ 6,088,717	\$ 4,214,541	\$ 2,857,002	\$ 2,395,982	\$ 2,158,548	\$ 2,086,748	\$ 49,597,879
3	Commercial Sales	811,429	894,753	1,208,792	2,109,389	3,068,314	3,318,381	2,279,786	1,530,277	1,086,942	899,354	818,407	790,542	18,816,367
4	Industrial Sales	44,487	78,083	118,236	111,056	147,639	163,223	127,090	97,412	91,579	96,445	71,835	8,454	1,155,539
5	Public Utilities	<u>2,968</u>	<u>1,756</u>	<u>4,392</u>	<u>4,509</u>	<u>4,373</u>	<u>9,977</u>	<u>8,806</u>	<u>569</u>	<u>3,365</u>	<u>2,803</u>	<u>2,255</u>	<u>2,126</u>	<u>47,900</u>
6	Total Sales	\$ 2,899,841	\$ 3,245,645	\$ 4,554,982	\$ 7,882,312	\$ 11,295,320	\$ 12,019,998	\$ 8,504,400	\$ 5,842,798	\$ 4,038,888	\$ 3,394,584	\$ 3,051,046	\$ 2,887,870	\$ 69,617,684
7	Transportation	1,247,906	1,475,498	1,779,536	2,116,636	3,198,535	2,370,701	1,982,803	1,628,678	1,364,570	1,184,292	1,161,387	1,169,027	20,679,567
8	Other Revenue	678,792	1,540,318	2,660,961	1,396,144	3,187,861	425,748	1,390,732	485,824	966,405	(128,570)	769,476	1,181,143	14,554,837
9	Total Operating Revenues	<u>\$ 4,826,539</u>	<u>\$ 6,261,461</u>	<u>\$ 8,995,479</u>	<u>\$ 11,395,093</u>	<u>\$ 17,681,717</u>	<u>\$ 14,816,447</u>	<u>\$ 11,877,935</u>	<u>\$ 7,957,301</u>	<u>\$ 6,369,863</u>	<u>\$ 4,450,306</u>	<u>\$ 4,981,909</u>	<u>\$ 5,238,040</u>	<u>\$ 104,852,088</u>
10	Gas Cost Revenue	1,114,271	1,710,145	2,976,445	3,173,381	7,647,694	6,310,373	2,749,599	2,847,897	1,874,320	563,588	1,133,434	1,400,247	33,501,393
11	Total Revenue (Excluding Gas Cost)	<u>\$ 3,712,268</u>	<u>\$ 4,551,315</u>	<u>\$ 6,019,034</u>	<u>\$ 8,221,712</u>	<u>\$ 10,034,023</u>	<u>\$ 8,506,074</u>	<u>\$ 9,128,336</u>	<u>\$ 5,109,404</u>	<u>\$ 4,495,543</u>	<u>\$ 3,886,717</u>	<u>\$ 3,848,475</u>	<u>\$ 3,837,794</u>	<u>\$ 71,350,695</u>
12	Mcf by Customer Class	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)	(Act)	
13	Residential Sales	90,037	133,613	322,224	684,257	1,090,504	1,323,920	881,749	502,857	235,028	148,621	97,518	82,973	5,593,300
14	Commercial Sales	86,656	102,594	167,401	318,925	509,668	600,839	399,062	238,575	143,241	110,923	92,361	85,743	2,855,988
15	Industrial Sales	7,849	17,812	26,400	25,082	32,439	36,415	30,027	24,641	23,292	26,098	20,464	5,228	275,747
16	Public Utilities	<u>318</u>	<u>343</u>	<u>948</u>	<u>981</u>	<u>894</u>	<u>2,424</u>	<u>2,104</u>	<u>17</u>	<u>739</u>	<u>555</u>	<u>380</u>	<u>337</u>	<u>10,040</u>
17	Total Sales	184,860	254,362	516,973	1,029,245	1,633,505	1,963,598	1,312,942	766,090	402,300	286,197	210,723	174,281	8,735,075
18	Transportation	1,661,008	1,464,884	1,857,127	1,985,469	2,688,492	2,285,915	2,047,989	1,739,794	1,298,022	1,128,768	1,028,290	1,117,277	20,303,035
19	Total Volumes	<u>1,845,868</u>	<u>1,719,246</u>	<u>2,374,100</u>	<u>3,014,714</u>	<u>4,321,997</u>	<u>4,249,513</u>	<u>3,360,931</u>	<u>2,505,884</u>	<u>1,700,322</u>	<u>1,414,965</u>	<u>1,239,013</u>	<u>1,291,558</u>	<u>29,038,110</u>

**Columbia Gas of Kentucky, Inc.
CASE NO. 2016-00162
Forecasted Test Period Filing Requirements
807 KAR 5:001 Section 16-(8)(n)**

Description of Filing Requirement:

A typical bill comparison under present and proposed rates for all customer classes.

Response:

Please refer to the attached Schedule N.

Responsible Witness:

Melissa J. Bell

NO UPDATE REQUIRED FOR SCHEDULE N