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March 29, 2019

ELECTRONICALLY FILED AND HAND DELIVERED

Gwen R. Pinson
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

RE: KY PSC Case No. 2019-00097

Dear Ms. Pinson,

Pursuant to the Commission's Order dated December 22, 2016 in Case No. 2016-00162, and the Accelerated Main Replacement Program ("AMRP") Rider set forth in its tariff, Columbia Gas of Kentucky, Inc. ("Columbia") submits its revised tariff and balancing adjustment calculation. The balancing adjustment true-up is for the twelve months ended December 31, 2018. Columbia proposes to revise its current AMRP Rider to tariff customers effective May 31, 2019 as follows:

Rate GSR, Rate SVGTS — Residential Service	\$3.32
Rate GSO, Rate GDS, Rate SVGTS — Commercial or Industrial	\$12.40
Rate IUS, Rate IUUS	\$103.34
Rate IS, Rate DS ¹ , Rate SAS	\$649.39

¹ Excluding customers subject to Flex Provisions of Rate Schedule DS

Sincerely,

A handwritten signature in blue ink that reads "Brooke E. Wancheck".

Brooke E. Wancheck
Assistant General Counsel

Enclosure(s)

Columbia Gas of Kentucky, Inc.
Actual Annual Adjustment to the Accelerated Main Replacement Program ("AMRP")
Actual Period Ending December 31, 2018
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Columbia Gas of Kentucky, Inc.
 Actual Annual Adjustment to the Accelerated Main Replacement Program ("AMRP")
 AMRP Rider Including Balancing Adjustment by Rate Schedule

Line No.	Rate Schedule (1)	Base Revenue as Approved PSC Case No. 2016-00162 (2)	Allocation Percent ⁽¹⁾ (3)	Revenue Requirement (4)	Billing Determinant # of Bills ⁽²⁾ (5)	Balancing Adjustment AMRP Rider (6)	Current AMRP Rider (7)	Total Monthly AMRP Rider ⁽⁴⁾ (8)
1	Rate GSR, Rate SVGTS - Residential Service	\$51,773,587	64.996%	(\$411,899)	1,454,330	(\$0.28)	\$3.60	\$3.32
2	Rate GSO, Rate GDS, Rate SVGTS - Com. or Ind. Service	\$22,237,376	27.917%	(\$176,915)	166,667	(\$1.06)	\$13.46	\$12.40
3	Rate IUS, Rate IUUS	\$26,686	0.034%	(\$212)	24	(\$8.83)	\$112.17	\$103.34
4	Rate IS, Rate DS ⁽³⁾ , Rate SAS	\$5,618,358	7.053%	(\$44,698)	804	(\$55.59)	\$704.98	\$649.39
5	TOTAL	<u>\$79,656,007</u>	100.000%	(\$633,725)	1,621,825			

Notes:

(1) Allocation percent is based on the overall base revenue distribution approved in PSC Case No. 2016-00162

(2) Billing Determinants based on projected twelve months ending May 31, 2020 bills

(3) Excluding customers subject to the Flex Provisions of Rate Schedule DS.

(4) To be effective May 31, 2019 (Unit 1, June 2019).

Columbia Gas of Kentucky, Inc.
 Actual Annual Adjustment to the Accelerated Main Replacement Program ("AMRP")
 AMRP Revenue Requirement for 2018

<u>Line No.</u>		<u>Actual AMRP Investment</u> <u>December 31, 2018</u> (1)	<u>Reference</u> (2)
Return on Investment			
<u>Rate Base</u>			
1	Net AMRP Investment-Property, Plant and Equipment	33,152,498	Form 2.0
2	Cost of Removal	2,920,024	Form 2.0
3	Accumulated Reserve for Depreciation	<u>3,343,609</u>	Form 2.0 + Form 2.2
4	Net PP&E	39,416,131	
5	Deferred Taxes on Liberalized Depreciation	<u>(5,818,860)</u>	Form 2.1
6	Net Rate Base	33,597,271	Line 4 + Line 5
7	Authorized Rate of Return, Adjusted for Income Taxes	9.28%	Form 1.2
8	Required Return on AMRP Related Investment	<u>3,117,622</u>	Line 6 * Line 7
<u>Operating Expenses</u>			
9	Depreciation	525,977	Form 2.0
10	Property Tax ⁽¹⁾	437,613	Line 1 * 1.320%
11	O&M Savings FERC Account 887	(282,533)	Form 3.0
12	PSC Assessment ⁽²⁾	<u>7,235</u>	(Sum Line 8 to 11) * (.1901%/(1-.1901%))
13	Total Operating Expenses	688,292	Sum Lines 9 to 12
14	Total 2018 Annual Revenue Requirement	<u>3,805,914</u>	Line 8 + Line 13
15	Total 2018 Actual Revenue Recovery	<u>4,439,639</u>	
16	Actual 2018 (Over)/Under Collection	<u>(633,725)</u>	

Notes:

(1) Property taxes using an effective rate of 1.320%

(2) PSC Assessment estimated using a rate of .1901%

Columbia Gas of Kentucky, Inc.
Actual Annual Adjustment to the Accelerated Main Replacement Program ("AMRP")
2018 Actual AMRP Rider Revenue by Rate Schedule

<u>Line No.</u>	<u>Rate Schedule</u> (1)	<u>Actual Billing Determinant # of Bills</u> ⁽¹⁾ (2)	<u>Monthly AMRP Rider As Filed</u> (3)	<u>2018 Annual AMRP Revenue</u> (4)
1	Rate GSR, Rate SVGTS - Residential Service	1,449,731	\$2.00	\$2,899,462
2	Rate GSO, Rate GDS, Rate SVGTS - Com. or Ind. Service	167,387	\$7.42	\$1,242,012
3	Rate IUS, Rate IUDS	24	\$62.46	\$1,499
4	Rate IS, Rate DS ⁽²⁾ , Rate SAS	<u>801</u>	<u>\$370.37</u>	<u>\$296,666</u>
5	TOTAL	<u>1,617,943</u>		<u>\$4,439,639</u>

Notes:

(1) Billing Determinants based on actual twelve months ending December 31, 2018 (Form 4.0).

(2) Excluding customers subject to the Flex Provisions of Rate Schedule DS.

Columbia Gas of Kentucky, Inc.
 Actual Annual Adjustment to the Accelerated Main Replacement Program
 Cost of Capital

<u>Line No.</u>	<u>Capital Structure</u> (1)	<u>Ratio</u> (2)	<u>Cost</u> (3)	<u>Weighted Cost</u> (4)	<u>Pre-Tax @ Effect tax of 24.95%</u> (5)
1	Short term Debt	1.26%	2.500%	0.03%	0.03%
2	Long term Debt	46.32%	5.640%	2.61%	2.61%
3	Equity	52.42%	9.500%	4.98%	6.64%
4	Total	100.00%		7.62%	9.28%

Columbia Gas of Kentucky, Inc.
Annual Adjustment to the Accelerated Main Replacement Program
2018 Plant Additions and Depreciation

Line No.	Description (1)	Account Number (2)	2018 Beginning Plant Balance (3)	Depr Rates (4)	Depr on Beginning Balance (5)=(3)*(4)	2018 Additions & Retirements (6)	Current Year Depr on Adds/(Ret) (7)=(4)*(6)*50%	2018 Ending Plant Balance (8)=(6)+(3)
Additions								
1	Mains	376	10,446,894	1.65%	172,374	14,148,911	116,729	24,595,806
2	Plant Regulators	378	98,242	2.20%	2,161	129,571	1,425	227,813
3	Service Lines	380	4,164,307	3.80%	158,244	7,615,309	144,691	11,779,616
4	Meter Installations	382	32,675	2.08%	680	110,748	1,152	143,423
5	House Regulators	383	65,220	2.25%	1,467	55,726	627	120,946
6	GPS Devices	387	213,381	3.13%	6,679	-	-	213,381
7	Total Additions		15,020,719		341,605	22,060,266	264,624	37,080,985
Retirements								
1	Mains	376	(92,176)	1.65%	(1,521)	(1,206,724)	(9,955)	(1,298,900)
2	Plant Regulators	378	(4,128)	2.20%	(91)	(149)	(2)	(4,277)
3	Service Lines	380	(997,218)	3.80%	(37,894)	(1,594,970)	(30,304)	(2,592,188)
4	Meter Installations	382	(12,084)	2.08%	(251)	(18,279)	(190)	(30,363)
5	House Regulators	383	(1,152)	2.25%	(26)	(1,606)	(18)	(2,758)
6	GPS Devices	387	-	3.13%	-	-	-	-
7	Total Retirements		(1,106,758)		(39,783)	(2,821,728)	(40,469)	(3,928,487)
8	Total Plant		<u>13,913,961</u>		<u>301,822</u>	<u>19,238,537</u>	<u>224,155</u>	<u>33,152,498</u>
Cost of Removal								
10	Mains	376	145,583			581,629		727,213
11	Plant Regulators	378	4,035			-		4,035
12	Service Lines	380	1,031,624			1,157,152		2,188,776
13	Meter Installations	382	-			-		-
14	House Regulators	383	-			-		-
15	GPS Devices	387	-			-		-
16	Total Cost of Removal		1,181,242			1,738,782		2,920,024

Notes:

(1) See Form 2.2 for detail of 2017 AMRP eligible capital additions.

Columbia Gas of Kentucky, Inc.
Annual Adjustment to the Accelerated Main Replacement Program
Calculation of Accumulated Deferred Income Tax

Ln. No.	MACRS 20 Year Tax Depr Rates	Year	2017 Jan-Sept Additions	2017 Oct-Dec Additions	2018 Additions	Annual Tax Depreciation	Cost of Removal	Book Depreciation	Difference	Deferred Tax @ [1] [2] 24.95%	Accumulated Deferred Income Taxes-Fed NOL	ADIT Normalization Adjustment	Accumulated Deferred Inc. Taxes
	(1)	(2)	(3)	(4)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
			(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
1	Total Plant Additions		<u>2,770,290</u>	<u>12,250,429</u>	<u>22,060,266</u>								
2													
3	0.03750	1	1,659,688	12,250,429		13,910,117	1,181,242	58,900	15,032,459	5,327,100	(1,063,610)	-	4,263,490
4	0.07219	2	83,298	-	4,779,364	4,862,662	1,738,782	525,977	6,075,467	1,555,370	-	-	5,818,860
5	0.06677	3	77,044	-	1,296,113	1,373,157		13,613	1,359,544	375,779	-	-	6,194,639
6	0.06177	4	71,274	-	1,198,801	1,270,075		13,613	1,256,462	347,321	-	-	6,541,960
7	0.05713	5	65,921	-	1,109,030	1,174,951		13,613	1,161,338	321,046	-	-	6,863,006
8	0.05285	6	60,982	-	1,025,723	1,086,705		13,613	1,073,092	296,684	-	-	7,159,691
9	0.04888	7	56,401	-	948,879	1,005,280		13,613	991,667	274,195	-	-	7,433,885
10	0.04522	8	52,178	-	877,600	929,778		13,613	916,165	253,353	-	-	7,687,238
11	0.04462	9	51,486	-	811,888	863,374		13,613	849,761	236,456	-	-	7,923,694
12	0.04461	10	51,474	-	801,116	852,590		13,613	838,977	233,760	-	-	8,157,454
13	0.04462	11	51,486	-	800,936	852,422		13,613	838,809	233,722	-	-	8,391,176
14	0.04461	12	51,474	-	801,116	852,590		13,613	838,977	233,760	-	-	8,624,936
15	0.04462	13	51,486	-	800,936	852,422		13,613	838,809	233,722	-	-	8,858,658
16	0.04461	14	51,474	-	801,116	852,590		13,613	838,977	233,760	-	-	9,092,418
17	0.04462	15	51,486	-	800,936	852,422		13,613	838,809	233,722	-	-	9,326,140
18	0.04461	16	51,474	-	801,116	852,590		13,613	838,977	233,760	-	-	9,559,899
19	0.04462	17	51,486	-	800,936	852,422		13,613	838,809	233,722	-	-	9,793,622
20	0.04461	18	51,474	-	801,116	852,590		13,613	838,977	233,760	-	-	10,027,381
21	0.04462	19	51,486	-	800,936	852,422		13,613	838,809	233,722	-	-	10,261,103
22	0.04461	20	51,474	-	801,116	852,590		13,613	838,977	233,760	-	-	10,494,863
23	0.02231	21	25,743	-	800,936	826,679		13,613	813,066	215,080	-	-	10,709,943
24		22	-	-	400,558	400,558		13,613	386,945	103,215	-	-	10,813,159
25													
26			2,770,289	12,250,429	22,060,268	37,080,986	2,920,024	857,137					

Notes:

- [1] Includes adjustment for state disallowance on 2017 bonus tax depreciation as calculated on Form 2.1 pages 4 and 5.
- [2] Deferred Taxes calculated beginning 1/1/2018 using 21% Corporate Tax Rate and 5% State Tax Rate.

Columbia Gas of Kentucky, Inc.
Annual Adjustment to the Accelerated Main Replacement Program
Calculation of Accumulated Deferred Income Tax

Ln. No.	MACRS 20 Year Tax Depr Rates (1)	Year (2)	2017 Jan-Sept Additions (3)	2017 Oct-Dec Additions (4)	2018 Additions (4)	Annual Tax Depreciation (5)	Cost of Removal (6)	Book Depreciation (7)	Difference (8)	Deferred Tax @ 24.95% [3] (9)	Accumulated Deferred Income Taxes-Fed NOL (10)	ADIT Normalization Adjustment (11)	Accumulated Deferred Inc. Taxes (12)
1			2,374,447	12,236,754	21,764,221								
2	Composite Tax Rate [2]		59.406%	100.000%	18.812%								
3	0.03750	1	1,446,706	12,236,754		13,683,460	1,177,207	55,213	14,805,454	5,759,322	(1,034,612)	-	4,724,710
4	0.07219	2	69,583	-	4,756,836	4,826,419	1,738,782	512,364	6,052,837	1,510,183	-	-	6,234,893
5	0.06677	3	64,359	-	1,275,598	1,339,957	-	-	1,339,957	334,319	-	-	6,569,212
6	0.06177	4	59,539	-	1,179,827	1,239,366	-	-	1,239,366	309,222	-	-	6,878,434
7	0.05713	5	55,067	-	1,091,477	1,146,544	-	-	1,146,544	286,063	-	-	7,164,497
8	0.05285	6	50,941	-	1,009,488	1,060,429	-	-	1,060,429	264,577	-	-	7,429,074
9	0.04888	7	47,115	-	933,860	980,975	-	-	980,975	244,753	-	-	7,673,827
10	0.04522	8	43,587	-	863,710	907,297	-	-	907,297	226,371	-	-	7,900,198
11	0.04462	9	43,009	-	799,038	842,047	-	-	842,047	210,091	-	-	8,110,289
12	0.04461	10	42,999	-	788,436	831,435	-	-	831,435	207,443	-	-	8,317,732
13	0.04462	11	43,009	-	788,259	831,268	-	-	831,268	207,401	-	-	8,525,133
14	0.04461	12	42,999	-	788,436	831,435	-	-	831,435	207,443	-	-	8,732,576
15	0.04462	13	43,009	-	788,259	831,268	-	-	831,268	207,401	-	-	8,939,977
16	0.04461	14	42,999	-	788,436	831,435	-	-	831,435	207,443	-	-	9,147,420
17	0.04462	15	43,009	-	788,259	831,268	-	-	831,268	207,401	-	-	9,354,821
18	0.04461	16	42,999	-	788,436	831,435	-	-	831,435	207,443	-	-	9,562,264
19	0.04462	17	43,009	-	788,259	831,268	-	-	831,268	207,401	-	-	9,769,665
20	0.04461	18	42,999	-	788,436	831,435	-	-	831,435	207,443	-	-	9,977,108
21	0.04462	19	43,009	-	788,259	831,268	-	-	831,268	207,401	-	-	10,184,509
22	0.04461	20	42,999	-	788,436	831,435	-	-	831,435	207,443	-	-	10,391,952
23	0.02231	21	21,504	-	788,259	809,763	-	-	809,763	202,036	-	-	10,593,988
24		22			394,218	394,218	-	-	394,218	98,357	-	-	10,692,345
25													
26			2,374,447	12,236,752	21,764,218	36,375,425	2,915,989	567,577					

Notes:

[1] Plant additions eligible for repairs and mixed services 263A tax deductions.

[2] Composite rate including repairs (15.42%) and mixed services 263A (4.01%) and bonus tax (50% for Jan-Sept 2017 and 100% for Oct-Dec 2017) deductions.

[3] Deferred Taxes calculated beginning 1/1/2018 using 21% Corporate Tax Rate and 5% State Tax Rate.

Columbia Gas of Kentucky, Inc.
Annual Adjustment to the Accelerated Main Replacement Program
Calculation of Accumulated Deferred Income Tax

Ln. No.	MACRS 20 Year Tax Depr Rates (1)	Year (2)	2017 Jan-Sept Additions (3) (\$)	2017 Oct-Dec Additions (4) (\$)	2018 Additions (4) (\$)	Annual Tax Depreciation (5) (\$)	Cost of Removal (6) (\$)	Book Depreciation (7) (\$)	Difference (8) (\$)	Deferred Tax @ 24.95% [3] (9) (\$)	Accumulated Deferred Income Taxes-Fed NOL (10) (\$)	ADIT Normalization Adjustment (11) (\$)	Accumulated Deferred Inc. Taxes (12) (\$)
1	Plant Additions [1]		395,843	13,675	296,045								
2	Tax MSC 263A % [2]		52.005%	100.000%	4.010%								
3	0.03750	1	212,982	13,675		226,657	4,035	3,687	227,005	88,305	(28,998)	-	59,307
4	0.07219	2	13,715	-	22,528	36,243	-	13,613	22,630	5,646	-	-	64,953
5	0.06677	3	12,685	-	20,515	33,200		13,613	19,587	4,887	-	-	69,840
6	0.06177	4	11,735	-	18,974	30,709		13,613	17,096	4,265	-	-	74,105
7	0.05713	5	10,854	-	17,553	28,407		13,613	14,794	3,691	-	-	77,796
8	0.05285	6	10,041	-	16,235	26,276		13,613	12,663	3,159	-	-	80,955
9	0.04888	7	9,286	-	15,019	24,305		13,613	10,692	2,668	-	-	83,623
10	0.04522	8	8,591	-	13,890	22,481		13,613	8,868	2,213	-	-	85,836
11	0.04462	9	8,477	-	12,850	21,327		13,613	7,714	1,925	-	-	87,761
12	0.04461	10	8,475	-	12,680	21,155		13,613	7,542	1,882	-	-	89,643
13	0.04462	11	8,477	-	12,677	21,154		13,613	7,541	1,881	-	-	91,524
14	0.04461	12	8,475	-	12,680	21,155		13,613	7,542	1,882	-	-	93,406
15	0.04462	13	8,477	-	12,677	21,154		13,613	7,541	1,881	-	-	95,287
16	0.04461	14	8,475	-	12,680	21,155		13,613	7,542	1,882	-	-	97,169
17	0.04462	15	8,477	-	12,677	21,154		13,613	7,541	1,881	-	-	99,050
18	0.04461	16	8,475	-	12,680	21,155		13,613	7,542	1,882	-	-	100,932
19	0.04462	17	8,477	-	12,677	21,154		13,613	7,541	1,881	-	-	102,813
20	0.04461	18	8,475	-	12,680	21,155		13,613	7,542	1,882	-	-	104,695
21	0.04462	19	8,477	-	12,677	21,154		13,613	7,541	1,881	-	-	106,576
22	0.04461	20	8,475	-	12,680	21,155		13,613	7,542	1,882	-	-	108,458
23	0.02231	21	4,239	-	12,677	16,916		13,613	3,303	824	-	-	109,282
24		22			6,340	6,340		13,613	(7,273)	(1,815)	-	-	107,467
25						-		13,613	(13,613)	(3,396)	-	-	104,071
26			395,840	13,675	296,046	705,561	4,035	303,173					

Notes:

[1] Plant additions eligible for mixed services 263A tax deduction.

[2] Composite rate including mixed services 263A (4.01%) and bonus tax (50% for Jan-Sept 2017 and 100% for Oct-Dec 2017) deductions.

[3] Deferred Taxes calculated beginning 1/1/2018 using 21% Corporate Tax Rate and 5% State Tax Rate.

Columbia Gas of Kentucky, Inc.
Actual Annual Adjustment to the Accelerated Main Replacement Program
Calculation of State Disallowance on Bonus Tax Depreciation for 2017 Additions

<u>Ln.</u>	<u>Year</u>	<u>State Tax Depr</u>	<u>State ADIT</u>		<u>Fed Benefit</u>	<u>Total</u>	<u>Cumulative</u>
			<u>State vs. Fed</u>	<u>on Disallowed</u>			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	2017	563,277	13,346,840	800,810	(280,284)	520,527	520,527
2	2018	1,084,346	(1,001,048)	(50,052)	10,511	(39,541)	480,985
3	2019	1,002,933	(925,889)	(46,294)	9,722	(36,573)	444,413
4	2020	927,830	(856,556)	(42,828)	8,994	(33,834)	410,579
5	2021	858,134	(792,213)	(39,611)	8,318	(31,292)	379,286
6	2022	793,845	(732,863)	(36,643)	7,695	(28,948)	350,338
7	2023	734,213	(677,812)	(33,891)	7,117	(26,774)	323,565
8	2024	679,237	(627,059)	(31,353)	6,584	(24,769)	298,796
9	2025	670,224	(618,738)	(30,937)	6,497	(24,440)	274,356
10	2026	670,074	(618,600)	(30,930)	6,495	(24,435)	249,921
11	2027	670,224	(618,738)	(30,937)	6,497	(24,440)	225,481
12	2028	670,074	(618,600)	(30,930)	6,495	(24,435)	201,046
13	2029	670,224	(618,738)	(30,937)	6,497	(24,440)	176,606
14	2030	670,074	(618,600)	(30,930)	6,495	(24,435)	152,171
15	2031	670,224	(618,738)	(30,937)	6,497	(24,440)	127,731
16	2032	670,074	(618,600)	(30,930)	6,495	(24,435)	103,296
17	2033	670,224	(618,738)	(30,937)	6,497	(24,440)	78,856
18	2034	670,074	(618,600)	(30,930)	6,495	(24,435)	54,422
19	2035	670,224	(618,738)	(30,937)	6,497	(24,440)	29,981
20	2036	670,074	(618,600)	(30,930)	6,495	(24,435)	5,547
21	2037	335,112	(309,369)	(15,468)	3,248	(12,220)	(6,673)
22	Total	15,020,719	(1)	133,468	(140,142)	(6,673)	-

Columbia Gas of Kentucky, Inc.
 Actual Annual Adjustment to the Accelerated Main Replacement Program
 Calculation of State Disallowance on Bonus Tax Depreciation for 2018 Additions

<u>Ln.</u>	<u>Year</u>	<u>State Tax Depr</u>	<u>State vs. Fed</u>	<u>State ADIT</u>	<u>Fed Benefit</u>	<u>Total</u>	<u>Cumulative</u>
	<u>(1)</u>	<u>(2)</u>	<u>Tax Depr</u>	<u>on Disallowed</u>	<u>ADIT</u>	<u>ADIT Adj</u>	<u>ADIT Adj</u>
			<u>(3)</u>	<u>Bonus</u>	<u>(5)</u>	<u>(6)</u>	<u>(7)</u>
1	2018	-	-	-	-	-	-
2	2019	-	-	-	-	-	-
3	2020	-	-	-	-	-	-
4	2021	-	-	-	-	-	-
5	2022	-	-	-	-	-	-
6	2023	-	-	-	-	-	-
7	2024	-	-	-	-	-	-
8	2025	-	-	-	-	-	-
9	2026	-	-	-	-	-	-
10	2027	-	-	-	-	-	-
11	2028	-	-	-	-	-	-
12	2029	-	-	-	-	-	-
13	2030	-	-	-	-	-	-
14	2031	-	-	-	-	-	-
15	2032	-	-	-	-	-	-
16	2033	-	-	-	-	-	-
17	2034	-	-	-	-	-	-
18	2035	-	-	-	-	-	-
19	2036	-	-	-	-	-	-
20	2037	-	-	-	-	-	-
21	2038	-	-	-	-	-	-
22	Total	-	-	-	-	-	-

Columbia Gas of Kentucky, Inc.
Actual Annual Adjustment to the Accelerated Main Replacement Program
Development of AMRP Plant Excluded From Base Rates

Test Year 12/31/17 AMRP Investment Summary

Line No.	Month	Number of Months	AMRP CapEx	Rate Case Projected CapEx	13 Mo. Avg Rate Case Projections (1)	Actual Retirements	Rate Case Projected Retirements	13 Mo. Avg Rate Case Projections (1)	Actual Cost of Removal	Rate Case Projected Cost of Removal	13 Mo. Avg Rate Case Projections (1)	Depreciation Difference (2)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
1	Jan-17	12	203,041	787,036	726,495	(205,883)	(94,444)	(87,179)	(30,462)	(28,611)	(26,410)	(745)
2	Feb-17	11	922,620	420,451	355,766	(186,937)	(50,454)	(42,692)	(242,178)	(15,243)	(12,898)	(811)
3	Mar-17	10	607,894	512,097	393,921	(85,345)	(61,451)	(47,270)	(102,824)	(18,585)	(14,296)	243
4	Apr-17	9	775,824	741,213	513,147	(116,998)	(88,945)	(61,577)	(107,563)	(26,940)	(18,651)	943
5	May-17	8	876,331	1,199,444	738,119	(123,416)	(143,933)	(88,574)	(86,050)	(43,650)	(26,862)	1,462
6	Jun-17	7	1,602,481	1,657,675	892,594	(99,874)	(198,921)	(107,111)	(152,240)	(60,361)	(32,502)	2,449
7	Jul-17	6	823,855	1,657,675	765,081	(147,310)	(198,921)	(91,810)	(258,600)	(60,361)	(27,859)	3,319
8	Aug-17	5	2,151,785	2,917,811	1,122,235	(271,819)	(350,138)	(134,668)	(126,063)	(106,314)	(40,890)	4,040
9	Sep-17	4	1,190,456	2,849,075	876,638	(222,726)	(341,889)	(105,197)	(162,635)	(103,808)	(31,941)	5,142
10	Oct-17	3	2,371,548	2,917,811	673,341	(228,831)	(350,138)	(80,801)	(46,556)	(106,314)	(24,534)	7,141
11	Nov-17	2	6,490,489	1,772,233	272,651	(176,567)	(212,668)	(32,718)	(41,336)	(64,538)	(9,929)	13,741
12	Dec-17	1	4,470,710	1,772,233	136,326	(137,009)	(212,668)	(16,359)	(96,471)	(64,538)	(4,964)	21,976
13			22,487,034	19,204,754	7,466,315	(2,002,715)	(2,304,570)	(895,957)	(1,452,978)	(699,263)	(271,736)	58,900

Line	Actual Net Plant Additions	Rate Case 13-Month Average Net Plant Additions	Net Plant Additions Not Included in Base Rates - Jan 2017 - Dec 2017 (2)	Actual Depreciation Reserve - Retirements and Cost of Removal	Rate Case 13-Mo. Avg Depreciation Reserve - Retirements and Cost of Removal	Depreciation Reserve Not Included in Base Rates - Jan 2017 - Dec 2017 (2)
14 Rate Year Summary	20,484,319	6,570,358	13,913,961	(3,455,693)	(1,167,693)	(2,288,000)

Test Year 12/31/17 AMRP - Mains Gas Plant Account 376

Line No.	Month	Number of Months	Actual AMRP CapEx	Rate Case Projected CapEx	13 Mo. Avg Rate Case Projections (1)	Actual Retirements	Rate Case Projected Retirements	13 Mo. Avg Rate Case Projections (1)	Actual Cost of Removal	Rate Case Projected Cost of Removal	13 Mo. Avg Rate Case Projections (1)	Depreciation Difference (2)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
1	Jan-17	12	202,765	443,119	409,033	(144,500)	(53,174)	(49,084)	(28,920)	(7,976)	(7,362)	(207)
2	Feb-17	11	265,790	237,719	201,147	(115,673)	(28,526)	(24,137)	(76,799)	(4,279)	(3,621)	(433)
3	Mar-17	10	91,930	289,069	222,361	(3,618)	(34,688)	(26,683)	(1,566)	(5,203)	(4,002)	(526)
4	Apr-17	9	250,848	417,444	289,000	(2,295)	(50,093)	(34,680)	(1,836)	(7,514)	(5,202)	(603)
5	May-17	8	327,909	674,194	414,889	(12,563)	(80,903)	(49,786)	(4,486)	(12,135)	(7,468)	(642)
6	Jun-17	7	825,284	930,943	501,277	(3,713)	(111,713)	(60,153)	(3,277)	(16,757)	(9,023)	(414)
7	Jul-17	6	301,451	930,943	429,666	(8,665)	(111,713)	(51,560)	(1,665)	(16,757)	(7,734)	(211)
8	Aug-17	5	1,439,639	1,637,005	629,617	(53,989)	(196,441)	(75,554)	(39,460)	(29,466)	(11,333)	302
9	Sep-17	4	190,029	1,598,492	491,844	(43,650)	(191,819)	(59,021)	(33,461)	(28,773)	(8,853)	677
10	Oct-17	3	1,447,194	1,637,005	377,770	(97,804)	(196,441)	(45,333)	(16,495)	(29,466)	(6,800)	1,179
11	Nov-17	2	5,232,912	995,131	153,097	(12,782)	(119,416)	(18,372)	(6,996)	(17,912)	(2,756)	5,374
12	Dec-17	1	4,067,392	995,131	76,549	(96,473)	(119,416)	(9,186)	(6,154)	(17,912)	(1,378)	11,554
13			14,643,143	10,786,195	4,196,249	(595,725)	(1,294,343)	(503,549)	(221,115)	(194,150)	(75,532)	16,048

Line	Actual Net Plant Additions	Rate Case 13-Month Average Net Plant Additions	Net Plant Additions Not Included in Base Rates - Jan 2017 - Dec 2017 (2)	Actual Depreciation Reserve - Retirements and Cost of Removal	Rate Case 13-Mo. Avg Depreciation Reserve - Retirements and Cost of Removal	Depreciation Reserve Not Included in Base Rates - Jan 2017 - Dec 2017 (2)
14 Rate Year GPA 376 Summary	14,047,418	3,692,700	10,354,718	(816,840)	(579,081)	(237,759)

Notes:

⁽¹⁾ Recovered through base rates in Case No. 2016-00162

⁽²⁾ AMRP spend not recovered through base rates and eligible for recovery through 2017 AMRP

Columbia Gas of Kentucky, Inc.
Actual Annual Adjustment to the Accelerated Main Replacement Program
Development of AMRP Plant Excluded From Base Rates

Test Year 12/31/17 AMRP - Services Gas Plant Account 380

Line No.	Month	Number of Months	Actual AMRP CapEx	Rate Case Projected CapEx	13 Mo. Avg Rate Case Projections (1)	Actual Retirements	Rate Case Projected Retirements	13 Mo. Avg Rate Case Projections (1)	Actual Cost of Removal	Rate Case Projected Cost of Removal	13 Mo. Avg Rate Case Projections (1)	Depreciation Difference (2)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
1	Jan-17	12	-	343,917	317,462	(59,289)	(41,270)	(38,095)	-	(20,635)	(19,048)	(536)
2	Feb-17	11	635,163	182,732	154,619	(70,166)	(21,928)	(18,554)	(165,125)	(10,964)	(9,277)	(393)
3	Mar-17	10	514,412	223,028	171,560	(80,460)	(26,763)	(20,587)	(101,258)	(13,382)	(10,294)	734
4	Apr-17	9	512,040	323,769	224,148	(113,703)	(38,852)	(26,898)	(105,727)	(19,426)	(13,449)	1,500
5	May-17	8	526,252	525,250	323,231	(109,791)	(63,030)	(38,788)	(81,564)	(31,515)	(19,394)	2,028
6	Jun-17	7	773,120	726,732	391,317	(95,580)	(87,208)	(46,958)	(148,963)	(43,604)	(23,479)	2,764
7	Jul-17	6	516,148	726,732	335,415	(136,811)	(87,208)	(40,250)	(256,856)	(43,604)	(20,125)	3,425
8	Aug-17	5	671,925	1,280,806	492,618	(217,062)	(153,697)	(59,114)	(86,603)	(76,848)	(29,557)	3,592
9	Sep-17	4	713,739	1,250,583	384,795	(177,531)	(150,070)	(46,175)	(129,174)	(75,035)	(23,088)	3,939
10	Oct-17	3	918,342	1,280,806	295,571	(129,326)	(153,697)	(35,469)	(30,061)	(76,848)	(17,734)	5,089
11	Nov-17	2	1,249,901	777,102	119,554	(160,212)	(93,252)	(14,346)	(32,180)	(46,626)	(7,173)	7,485
12	Dec-17	1	403,331	777,102	59,777	(39,695)	(93,252)	(7,173)	(90,317)	(46,626)	(3,587)	9,537
13			7,434,373	8,418,559	3,270,066	(1,389,626)	(1,010,227)	(392,408)	(1,227,828)	(505,113)	(196,204)	39,165

Line No.	Month	Number of Months	Actual Net Plant Additions	Rate Case 13-Month Average Net Plant Additions	Net Plant Additions Not Included in Base Rates - Jan 2017 - Dec 2017 (2)	Actual Depreciation Reserve - Retirements and Cost of Removal	Rate Case 13-Mo. Avg Depreciation Reserve - Retirements and Cost of Removal	Depreciation Reserve Not Included in Base Rates - Jan 2017 - Dec 2017 (2)
14	Rate Year GPA 380 Summary		6,044,747	2,877,658	3,167,089	(2,617,454)	(588,612)	(2,028,842)

Test Year 12/31/17 AMRP - Plant Regulators Plant Account 378

Line No.	Month	Number of Months	Actual AMRP CapEx	Rate Case Projected CapEx	13 Mo. Avg Rate Case Projections (1)	Actual Retirements	Rate Case Projected Retirements	13 Mo. Avg Rate Case Projections (1)	Actual Cost of Removal	Rate Case Projected Cost of Removal	13 Mo. Avg Rate Case Projections (1)	Depreciation Difference (2)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
1	Jan-17	12	276	-	-	(1,595)	-	-	(1,542)	-	-	(1)
2	Feb-17	11	9,775	-	-	(254)	-	-	(254)	-	-	6
3	Mar-17	10	(2,414)	-	-	-	-	-	-	-	-	13
4	Apr-17	9	551	-	-	-	-	-	-	-	-	11
5	May-17	8	15,722	-	-	-	-	-	-	-	-	26
6	Jun-17	7	-	-	-	-	-	-	-	-	-	40
7	Jul-17	6	-	-	-	(79)	-	-	(79)	-	-	40
8	Aug-17	5	-	-	-	-	-	-	-	-	-	40
9	Sep-17	4	71,679	-	-	-	-	-	-	-	-	106
10	Oct-17	3	2,653	-	-	-	-	-	-	-	-	174
11	Nov-17	2	-	-	-	(2,200)	-	-	(2,160)	-	-	175
12	Dec-17	1	-	-	-	-	-	-	-	-	-	173
13			98,242	0	0	(4,128)	0	0	(4,035)	0	0	803

Line No.	Month	Number of Months	Actual Net Plant Additions	Rate Case 13-Month Average Net Plant Additions	Net Plant Additions Not Included in Base Rates - Jan 2017 - Dec 2017 (2)	Actual Depreciation Reserve - Retirements and Cost of Removal	Rate Case 13-Mo. Avg Depreciation Reserve - Retirements and Cost of Removal	Depreciation Reserve Not Included in Base Rates - Jan 2017 - Dec 2017 (2)
14	Rate Year GPA 378 Summary		94,114	0	94,114	(8,163)	0	(8,163)

Notes:

(1) Recovered through base rates in Case No. 2016-00162

(2) AMRP spend not recovered through base rates and eligible for recovery through 2017 AMRP

Columbia Gas of Kentucky, Inc.
Actual Annual Adjustment to the Accelerated Main Replacement Program
Development of AMRP Plant Excluded From Base Rates

Test Year 12/31/17 AMRP - Meter Installations Plant Account 382

Line No.	Month	Number of Months	Actual AMRP CapEx	Rate Case Projected CapEx	13 Mo. Avg Rate Case Projections (1)	Actual Retirements	Rate Case Projected Retirements	13 Mo. Avg Rate Case Projections (1)	Actual Cost of Removal	Rate Case Projected Cost of Removal	13 Mo. Avg Rate Case Projections (1)	Depreciation Difference (2)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
1	Jan-17	12	-	-	-	(376)	-	-	-	-	-	(0)
2	Feb-17	11	4,788	-	-	(782)	-	-	-	-	-	3
3	Mar-17	10	3,883	-	-	(1,120)	-	-	-	-	-	9
4	Apr-17	9	1,149	-	-	(973)	-	-	-	-	-	11
5	May-17	8	4,974	-	-	(954)	-	-	-	-	-	15
6	Jun-17	7	2,114	-	-	(546)	-	-	-	-	-	20
7	Jul-17	6	5,345	-	-	(1,674)	-	-	-	-	-	24
8	Aug-17	5	1,464	-	-	(721)	-	-	-	-	-	28
9	Sep-17	4	3,093	-	-	(1,337)	-	-	-	-	-	30
10	Oct-17	3	1,317	-	-	(1,565)	-	-	-	-	-	32
11	Nov-17	2	4,763	-	-	(1,255)	-	-	-	-	-	34
12	Dec-17	1	(215)	-	-	(781)	-	-	-	-	-	37
13			32,675	0	0	(12,084)	0	0	0	0	0	242

Line No.	Month	Actual Net Plant Additions	Rate Case 13-Month Average Net Plant Additions	Net Plant Additions Not Included in Base Rates - Jan 2017 - Dec 2017 (2)	Actual Depreciation Reserve - Retirements and Cost of Removal	Rate Case 13-Mo. Avg Depreciation Reserve - Retirements and Cost of Removal	Depreciation Reserve Not Included in Base Rates - Jan 2017 - Dec 2017 (2)
14	Rate Year GPA 382 Summary	20,591	0	20,591	(12,084)	0	(12,084)

Test Year 12/31/17 AMRP - House Regulators Plant Account 383

Line No.	Month	Number of Months	Actual AMRP CapEx	Rate Case Projected CapEx	13 Mo. Avg Rate Case Projections (1)	Actual Retirements	Rate Case Projected Retirements	13 Mo. Avg Rate Case Projections (1)	Actual Cost of Removal	Rate Case Projected Cost of Removal	13 Mo. Avg Rate Case Projections (1)	Depreciation Difference (2)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
1	Jan-17	12	-	-	-	(123)	-	-	-	-	-	(0)
2	Feb-17	11	7,104	-	-	(62)	-	-	-	-	-	6
3	Mar-17	10	83	-	-	(147)	-	-	-	-	-	13
4	Apr-17	9	11,236	-	-	(27)	-	-	-	-	-	23
5	May-17	8	1,474	-	-	(108)	-	-	-	-	-	35
6	Jun-17	7	1,963	-	-	(35)	-	-	-	-	-	38
7	Jul-17	6	911	-	-	(81)	-	-	-	-	-	41
8	Aug-17	5	38,757	-	-	(47)	-	-	-	-	-	78
9	Sep-17	4	995	-	-	(208)	-	-	-	-	-	115
10	Oct-17	3	2,042	-	-	(136)	-	-	-	-	-	117
11	Nov-17	2	453	-	-	(118)	-	-	-	-	-	120
12	Dec-17	1	202	-	-	(60)	-	-	-	-	-	120
13			65,220	0	0	(1,152)	0	0	0	0	0	707

Line No.	Month	Actual Net Plant Additions	Rate Case 13-Month Average Net Plant Additions	Net Plant Additions Not Included in Base Rates - Jan 2017 - Dec 2017 (2)	Actual Depreciation Reserve - Retirements and Cost of Removal	Rate Case 13-Mo. Avg Depreciation Reserve - Retirements and Cost of Removal	Depreciation Reserve Not Included in Base Rates - Jan 2017 - Dec 2017 (2)
14	Rate Year GPA 383 Summary	64,068	0	64,068	(1,152)	0	(1,152)

Notes:

(1) Recovered through base rates in Case No. 2016-00162

(2) AMRP spend not recovered through base rates and eligible for recovery through 2017 AMRP

Columbia Gas of Kentucky, Inc.
Actual Annual Adjustment to the Accelerated Main Replacement Program
Development of AMRP Plant Excluded From Base Rates

Test Year 12/31/17 AMRP - GPS Devices Plant Account 387

Line No.	Month	Number of Months	Actual AMRP CapEx	Rate Case Projected CapEx	13 Mo. Avg Rate Case Projections (1)	Actual Retirements	Rate Case Projected Retirements	13 Mo. Avg Rate Case Projections (1)	Actual Cost of Removal	Rate Case Projected Cost of Removal	13 Mo. Avg Rate Case Projections (1)	Depreciation Difference (2)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
1	Jan-17	12	-	-	-	-	-	-	-	-	-	-
2	Feb-17	11	-	-	-	-	-	-	-	-	-	-
3	Mar-17	10	-	-	-	-	-	-	-	-	-	-
4	Apr-17	9	-	-	-	-	-	-	-	-	-	-
5	May-17	8	-	-	-	-	-	-	-	-	-	-
6	Jun-17	7	-	-	-	-	-	-	-	-	-	-
7	Jul-17	6	-	-	-	-	-	-	-	-	-	-
8	Aug-17	5	-	-	-	-	-	-	-	-	-	-
9	Sep-17	4	210,921	-	-	-	-	-	-	-	-	275
10	Oct-17	3	-	-	-	-	-	-	-	-	-	550
11	Nov-17	2	2,460	-	-	-	-	-	-	-	-	553
12	Dec-17	1	-	-	-	-	-	-	-	-	-	557
13			213,381	0	0	-	0	0	0	0	0	1,935

	Actual Net Plant Additions	Rate Case 13-Month Average Net Plant Additions	Net Plant Additions Not Included in Base Rates - Jan 2017 - Dec 2017 (2)	Actual Depreciation Reserve - Retirements and Cost of Removal	Rate Case 13-Mo. Avg Depreciation Reserve - Retirements and Cost of Removal	Depreciation Reserve Not Included in Base Rates - Jan 2017 - Dec 2017 (2)
14 Rate Year GPA 387 Summary	213,381	0	213,381	0	0	0

Notes:

(1) Recovered through base rates in Case No. 2016-00162

(2) AMRP spend not recovered through base rates and eligible for recovery through 2017 AMRP

Columbia Gas of Kentucky, Inc.
Annual Adjustment to the Accelerated Main Replacement Program
Calculation of O&M Savings

FERC Account 887

Actual 2018 O&M Account 887 Costs
2017 O&M Account 887 per Case No. 2016-00162
Actual O&M Savings

(\$)
2,604,173
2,886,706
(282,533)

Columbia Gas of Kentucky, Inc.
AMRP Rider Billing Determinants by Rate Schedule
Actual Bills For the Twelve Months Ending December 31, 2018

AMRP Form 4.0

<u>Rate Schedule</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Total</u>
GSR - Residential	103,261	103,492	103,438	103,264	102,544	101,502	100,985	100,808	100,850	101,336	102,981	104,286	1,228,747
SVGTS - Residential	19,061	18,962	18,809	18,677	18,594	18,477	18,338	18,202	18,101	17,999	17,921	17,843	220,984
GSO - Commercial or Industrial	10,679	10,774	10,758	10,732	10,661	10,570	10,512	10,482	10,495	10,542	10,728	10,900	127,833
GDS - Commercial or Industrial	25	25	25	24	23	23	25	23	23	23	23	23	285
SVGTS - Commercial or Industrial	3,379	3,348	3,325	3,312	3,287	3,285	3,267	3,256	3,227	3,210	3,205	3,168	39,269
IUS, IUDS	2	2	2	2	2	2	2	2	2	2	2	2	24
IS, DS	67	66	66	66	67	67	66	68	68	68	66	66	801
SAS	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	136,474	136,669	136,423	136,077	135,178	133,926	133,195	132,841	132,766	133,180	134,926	136,288	1,617,943

Columbia Gas of Kentucky, Inc.
AMRP Rider Billing Determinants by Rate Schedule
Projected Bills For the Twelve Months Ending May 31, 2020

AMRP Form 4.1

<u>Rate Schedule</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Total</u>
GSR - Residential	102,017	101,539	101,263	101,102	101,296	102,401	103,493	103,843	104,042	104,017	103,583	103,014	1,231,610
SVGTS - Residential	18,449	18,362	18,312	18,283	18,318	18,518	18,715	18,778	18,815	18,810	18,731	18,629	222,720
GSO - Commercial or Industrial	10,568	10,517	10,473	10,450	10,454	10,553	10,680	10,731	10,756	10,742	10,689	10,624	127,237
GDS - Commercial or Industrial	23	23	23	23	23	23	23	23	23	23	23	23	276
SVGTS - Commercial or Industrial	3,267	3,267	3,261	3,262	3,262	3,262	3,262	3,262	3,262	3,263	3,262	3,262	39,154
IUS, IUDES	2	2	2	2	2	2	2	2	2	2	2	2	24
IS, DS	67	67	67	67	67	67	67	67	67	67	67	67	804
SAS	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	134,393	133,777	133,401	133,189	133,422	134,826	136,242	136,706	136,967	136,924	136,357	135,621	1,621,825

**AMRP RIDER
ACCELERATED MAIN REPLACEMENT PROGRAM RIDER**

APPLICABILITY

Applicable to all customers receiving service under the Company's Rate Schedules GS, IS, IUS, SVGTS, DS and SAS.

CALCULATION OF ACCELERATED MAIN REPLACEMENT RIDER REVENUE REQUIREMENT

The AMRP Rider Revenue Requirement includes the following:

- a. AMRP-related Plant In-Service not included in base gas rates minus the associated AMRP-related accumulated depreciation and accumulated deferred income taxes;
- b. Retirement and removal of plant related to AMRP construction;
- c. The rate of return on the net rate base is the overall rate of return on capital authorized in the Company's latest base gas rate case, grossed up for federal and state income taxes;
- d. Depreciation expense on the AMRP = related Plant In-Service less retirement and removals;
- e. Property taxes related to the AMRP; and
- f. Reduction for savings in Account No. 887 – Maintenance of Mains,

ACCELERATED MAIN REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rate Schedules GSR, GSO, IS, IUS, SVGTS, DS, GDS and SAS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to complete the accelerated main replacement program.

Rider AMRP will be updated annually in order to reflect the expected impact on the Company's revenue requirements of forecasted net plant additions and subsequently adjusted to true up the actual costs with the projected costs. A filing to update the projected costs for the upcoming calendar year will be submitted annually by October 15 to become effective with meter readings on and after the first billing cycle of January. The allocation of the program costs shall be based on the revenue distribution approved by the Commission. Company will submit a balancing adjustment annually by March 31 to true-up the actual costs, as offset by operations and maintenance expense reductions, during the most recent twelve months ended December with the projected program costs for the same period. The balancing adjustment true-up to the rider will become effective with meter readings on and after the first billing cycle of June.

The charges for the respective gas service schedules effective ~~May 31~~January 2, 2019 are:

Rate GSR, Rate SVGTS - Residential Service	\$ 3.3260	<u>R</u>
Rate GSO, Rate GDS, Rate SVGTS - Commercial or Industrial Service	\$ 12.4043.46	<u>R</u>
Rate IUS, Rate IUDS	\$ 103.34112.17	<u>R</u>
Rate IS, Rate DS ^{1/} , Rate SAS	\$ 649.39704.98	<u>R</u>

^{1/} - Excluding customers subject to Flex Provisions of Rate Schedule DS

DATE OF ISSUE ~~March 29, 2019~~December 14, 2018

DATE EFFECTIVE ~~May 31, 2019 (Unit 1 June Billing)~~January 2, 2019

ISSUED BY /s/ Herbert A. Miller, Jr.

TITLE President

~~Issued pursuant to an Order of the Public Service Commission in Case No. 2018-00341 dated December 5, 2018~~

**AMRP RIDER
ACCELERATED MAIN REPLACEMENT PROGRAM RIDER**

APPLICABILITY

Applicable to all customers receiving service under the Company's Rate Schedules GS, IS, IUS, SVGTS, DS and SAS.

CALCULATION OF ACCELERATED MAIN REPLACEMENT RIDER REVENUE REQUIREMENT

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- a. AMRP-related Plant In-Service not included in base gas rates minus the associated AMRP-related accumulated depreciation and accumulated deferred income taxes;
- b. Retirement and removal of plant related to AMRP construction;
- c. The rate of return on the net rate base is the overall rate of return on capital authorized in the Company's latest base gas rate case, grossed up for federal and state income taxes;
- d. Depreciation expense on the AMRP = related Plant In-Service less retirement and removals;
- e. Property taxes related to the AMRP; and
- f. Reduction for savings in Account No. 887 – Maintenance of Mains,

ACCELERATED MAIN REPLACEMENT PROGRAM FACTORS

All customers receiving service under Rate Schedules GSR, GSO, IS, IUS, SVGTS, DS, GDS and SAS shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to complete the accelerated main replacement program.

Rider AMRP will be updated annually in order to reflect the expected impact on the Company's revenue requirements of forecasted net plant additions and subsequently adjusted to true up the actual costs with the projected costs. A filing to update the projected costs for the upcoming calendar year will be submitted annually by October 15 to become effective with meter readings on and after the first billing cycle of January. The allocation of the program costs shall be based on the revenue distribution approved by the Commission. Company will submit a balancing adjustment annually by March 31 to true-up the actual costs, as offset by operations and maintenance expense reductions, during the most recent twelve months ended December with the projected program costs for the same period. The balancing adjustment true-up to the rider will become effective with meter readings on and after the first billing cycle of June.

The charges for the respective gas service schedules effective May 31, 2019 are:

Rate GSR, Rate SVGTS - Residential Service	\$ 3.32	R
Rate GSO, Rate GDS, Rate SVGTS - Commercial or Industrial Service	\$ 12.40	R
Rate IUS, Rate IUUS	\$ 103.34	R
Rate IS, Rate DS ^{1/} , Rate SAS	\$ 649.39	R

^{1/} - Excluding customers subject to Flex Provisions of Rate Schedule DS

DATE OF ISSUE March 29, 2019
DATE EFFECTIVE May 31, 2019 (Unit 1 June Billing)
ISSUED BY /s/ Herbert A. Miller, Jr.
TITLE President