

**COLUMBIA GAS OF KENTUCKY, INC.**  
**RESPONSE TO STAFF'S FIRST REQUEST FOR INFORMATION**  
**DATED NOVEMBER 18, 2022**

1. Refer to the Direct Testimony of Jeffery Gore, page 6, lines 1-8 and Attachment JTG-1, SMRP Form 3.0, page 2 of 2.

- a. Explain why capital amounts included in rate base for base rates should be included in the Safety Modification and Replacement Program (SMRP) rates.
- b. Provide a calculation of the SMRP rates, in the same format as Attachment JTG-1, which excludes capital spending before January 1, 2023.

**Response:**

- a. Capital cost recovery included in base rates should not be included in SMRP rates, but capital cost recovery of SMRP projects not included in base rates should be included in SMRP rates. The proposed SMRP rates only provide recovery for eligible SMRP costs that are *not* included in base rates. In fact, that

is precisely what Kentucky law<sup>1</sup> specifies. The Commission's statutory authority regarding recovery of costs for investment in natural gas pipeline replacement programs is KRS 278.509, which states:

*“Notwithstanding any other provision of law to the contrary, upon application by a regulated utility, the commission may allow recovery of costs for investment in natural gas pipeline replacement programs which are not recovered in the existing rates of a regulated utility. No recovery shall be allowed unless the costs shall have been deemed by the commission to be fair, just, and reasonable. “*

The purpose of this statute, enacted in 2005, was to encourage natural gas utilities to more aggressively replace aging pipeline infrastructure by reducing regulatory lag for the recovery of costs. The cost recovery requested in Case No. 2022-00342 is for the recovery of natural gas pipeline replacement program costs not included in existing rates.

Columbia's existing rates were last approved in Case No. 2021-00183.<sup>2</sup> A portion of Columbia's pipeline replacement program costs were included in the base rates established in Case No. 2021-00183, but not the total cost of its 2022 pipeline replacement program. The SMRP amount not included in base rates should be included in the SMRP rates as Columbia has proposed.

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<sup>1</sup> See KRS 278.509 (which is included in its entirety below this reference).

<sup>2</sup> Case No. 2021-00183, *The Electronic Application of Columbia Gas of Kentucky, Inc. for an Adjustment of Rates; Approval of Tariff Revisions; Issuance of a Certificate of Public Convenience and Necessity; and Other Relief* (Ky. PSC Dec. 28, 2021).

The 2022 capital additions for SMRP eligible investments were specifically identified in Case No. 2021-00183, as noted in the Direct Testimony of Columbia witness Gore and Attachment JTG-2 included in the original filing of the instant proceeding (Case No. 2022-00342). As part of the base rate case, Columbia's SMRP Rider rate was set to \$0.00. The 2022 SMRP capital additions (as part of the forecasted test year) were included in rate base using a 13-month average balance calculation. The use of the 13-month average balance calculation is pursuant to the requirements for utilization of a forecasted test year in a rate case, set forth in Kentucky Administrative Regulation 807 5:001 Section 16(6)(c). The capitalization and net investment rate base currently included in Columbia's base rates is the 13-month average for the forecasted period of the 2021-00183 rate case, which was calendar year 2022. Calendar year 2022 pipeline replacement projects are no longer part of a forecasted period, rather these are included as actual costs in Case No. 2022-00342. Therefore, it is appropriate to include the recovery of the portion of the costs not included in the 13-month average, as it is not included in the existing base rates, and recovery is necessary to align with KRS 278.509. The "roll-in" of SMRP investments and resetting the rate of the SMRP Rider to \$0.00 was consistent with the approach used in all of Columbia's prior cases<sup>3</sup> and consistent

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<sup>3</sup> Case No. 2013-00167, *Application of Columbia Gas of Kentucky, Inc. for an Adjustment of Rates for Gas Service* (Ky. PSC Dec. 13, 2013); Case No. 2016-00162, *Application of Columbia Gas of Kentucky, Inc. for an Increase in Base Rates* (Ky. PSC Dec. 22, 2016).

with the intentions expressed in Case No. 2009-00141, wherein the Commission first approved Columbia's Rider AMRP.<sup>4</sup> Rider AMRP was the forerunner to Rider SMRP, the tariff mechanism for recovery of eligible pipeline replacement program costs.

Also consistent with past cases, forecasted pipeline replacement program additions through the end of the forecasted rate year were only partially included in the base rates authorized by the final Order in the base rate case because the forecasted test period uses a 13-month average of spend instead of the actual projected spend in the test year. Following past precedent, the pipeline replacement program cost recovery not included in Columbia's base rates are appropriately included in this filing. The cost recovery in base rates is limited to the forecasted 2022 pipeline replacement cost spend that was included as a 13-month average in the forecasted test year. The pipeline replacement cost recovery not included in Columbia's existing base rates is the difference between the projected 2022 program spend and the 13-month average included in base rates.

To summarize, the base rates per Case No. 2021-00183 include cost recovery on all SMRP investments made prior to 2022. Further, it only includes cost recovery on

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<sup>4</sup> Case No. 2009-00141, *Application of Columbia Gas of Kentucky, Inc. for an Adjustment in Rates* (Ky. PSC Oct. 26, 2009).



the 13-month average balance of estimated 2022 SMRP investments, not the cost recovery for the full amount of 2022 SMRP investments.

Columbia's proposed rates follow past precedent of the Commission. The inclusion of the difference between the cost recovery of test period SMRP investments included in base rates and the cost recovery of the actual SMRP investments in a succeeding SMRP filing was most recently approved by the Commission in Case No. 2017-00413.<sup>5</sup> The circumstances regarding the treatment of SMRP investments are nearly identical between that case (which followed Columbia's 2016 rate case) and Columbia's current case (which follows its 2021 rate case), as follows:

2016 Rate Case (Case No. 2016-00162). The 2016 rate case involved a calendar year 2017 Forecasted Test Period, the 2017 SMRP investments rolled into base rates, and the SMRP rider rate set to \$0. The subsequent SMRP filing (Case No. 2017-00413) included 1) the difference between base rate cost recovery for test year SMRP investments and actual cost recovery of test period SMRP investments, and 2) calendar year 2018 planned pipeline replacement program value at year end. For reference, 2022-00342 PSC Set 1 No 1 Attachment A is a copy of the 2017 AMRP filing. The 2018

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<sup>5</sup> Case No. 2017-00413, *In the Matter of Columbia Gas of Kentucky, Inc. 2017 Accelerated Main Replacement Program Filing* (Ky. PSC Dec. 22, 2017).

Beginning Plant Balance as noted on AMRP Form 2.0 reflects the 2017 eligible investments included in the cost recovery calculation. Further Form 2.2 details the calculation by gas plant account of the difference between the investment values utilized in the determination of base rates and the actual 2017 AMRP investments.

2021 Rate Base (Case No. 2021-00183). The 2021 rate case involved a calendar year 2022 Forecasted Test Period, the 2022 SMRP investments rolled into base rates, and the SMRP rider rate set to \$0. The subsequent SMRP filing (Case No. 2022-0342) includes 1) the difference between base rate cost recovery for test year SMRP investments and actual cost recovery of test period SMRP investments, and 2) calendar year 2023 planned pipeline replacement program value at 13-month average. The change in valuation for the future year investments is pursuant to the Commission's Order in Case No. 2020-00327.<sup>6</sup>

In conclusion, the inclusion of cost recovery for the difference between the base rate recovery and the cost recovery based on actual 2022 SMRP spend is

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<sup>6</sup> Case No. 2020-00327, *Electronic 2021 Safety Modification and Replacement Program Filing of Columbia Gas of Kentucky, Inc.* (Ky. PSC April 30, 2021).

supported by statute and is consistent with Orders of the Commission in Columbia's prior cases.

- b. Please refer to 2022-00342 PSC Set 1 No 1 Attachment B.

Case No. 2017-00413

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October 13, 2017

Ms. Gwen Pinson  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard, P. O. Box 615  
Frankfort, KY 40602

RECEIVED  
OCT 13 2017  
PUBLIC SERVICE  
COMMISSION

**Re: Columbia Gas of Kentucky, Inc.  
2017 Accelerated Main Replacement Program Filing**

Dear Ms. Pinson:

Pursuant to the Commission's Order dated December 22, 2016 in Case No. 2016-00162, Columbia Gas of Kentucky, Inc. ("Columbia") hereby encloses for filing with the Commission, an original and ten (10) copies of Columbia's 2018 annual forecasted data submitted pursuant to the requirements of the Accelerated Main Replacement Program ("AMRP") Rider contained in Columbia's tariff. By updating the rider, Columbia proposes to increase its current rates to tariff customers effective January 2, 2018 (the beginning of Columbia's January 2018 billing cycle) as follows:

|   |          |
|---|----------|
| Rate GSR, Rate SVGTS — Residential Service                | \$2.00   |
| Rate GSO, Rate GDS, Rate SVGTS — Commercial or Industrial | \$7.42   |
| Rate IUS, Rate IUDS                                       | \$62.46  |
| Rate IS, Rate DS <sup>1</sup> , Rate SAS                  | \$370.37 |

<sup>1</sup> Excluding customers subject to Flex Provisions of Rate Schedule DS

Please feel free to contact me at bwancheck@nisource.com or 614-460-5558 if there are any questions.

Sincerely,

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

Brooke E. Wancheck  
Attorney for  
**COLUMBIA GAS OF KENTUCKY, INC.**

Case No. 2017-00413

**Columbia Gas of Kentucky, Inc.**  
**Annual Adjustment to the Accelerated Main Replacement Program ("AMRP")**  
**Forecasted Period Ending December 31, 2018**  
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| 1.2                       | Cost of Capital                  |
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| 2.1                       | Tax Depreciation                 |
| 2.2                       | Unrecovered Rate Case AMRP Plant |
| 3.0                       | O&M Savings                      |
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AMRP Form 1.0

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

| Line No. | Rate Schedule<br>(1)                                  | Base Revenue as<br>Approved PSC<br>Case No. 2016-00162<br>(2) | Allocation<br>Percent <sup>(1)</sup><br>(3) | Revenue<br>Requirement<br>(4) | Billing<br>Determinant<br># of Bills <sup>(2)</sup><br>(5) | Monthly<br>AMRP<br>Rider<br>(6) |
|----------|---|---|---|-------------------------------|--|---------------------------------|
| 1        | Rate GSR, Rate SVGTS - Residential Service            | \$51,773,587  | 64.996%                                     | \$2,907,871                   | 1,451,390  | \$2.00                          |
| 2        | Rate GSO, Rate GDS, Rate SVGTS - Com. or Ind. Service | \$22,237,376  | 27.917%                                     | \$1,248,966                   | 168,269  | \$7.42                          |
| 3        | Rate IUS, Rate IUDES                                  | \$26,686  | 0.034%                                      | \$1,499                       | 24   | \$62.46                         |
| 4        | Rate IS, Rate DS <sup>(3)</sup> , Rate SAS            | \$5,618,358   | 7.053%                                      | \$315,556                     | 852  | \$370.37                        |
| 5        | TOTAL   | <u>\$79,656,007</u>   | <u>100.000%</u>                             | <u>\$4,473,892</u>            | <u>1,620,535</u>   |                                 |

Notes:

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

<sup>(2)</sup> Billing Determinants based on projected twelve months ending December 31, 2018 bills

<sup>(3)</sup> Excluding customers subject to the Flex Provisions of Rate Schedule DS.

AMRP Form 1.1

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

| <u>Line No.</u>                  |  | <u>AMRP Investment<br/>December 31, 2018<br/>(1)</u> | <u>Reference<br/>(2)</u>                 |
|----------------------------------|--|--|--|
| <b>Return on Investment</b>      |  |  |  |
| <b><u>Rate Base</u></b>          |  |  |  |
| 1                                | Net AMRP Investment-Property, Plant and Equipment    | 32,131,874   | Form 2.0                                 |
| 2                                | Cost of Removal                                      | 3,135,916  | Form 2.0                                 |
| 3                                | Accumulated Reserve for Depreciation                 | 3,402,307  | Form 2.0 + Form 2.2                      |
| 4                                | Net PP&E   | 38,670,097   |  |
| 5                                | Deferred Taxes on Liberalized Depreciation           | (5,811,433)  | Form 2.1                                 |
| 6                                | Net Rate Base  | 32,858,664   | Line 4 + Line 5                          |
| 7                                | Authorized Rate of Return, Adjusted for Income Taxes | 10.79%   | Form 1.2                                 |
| 8                                | Required Return on AMRP Related Investment           | 3,546,883  | Line 6 * Line 7                          |
| <b><u>Operating Expenses</u></b> |  |  |  |
| 9                                | Depreciation   | 491,793  | Form 2.0                                 |
| 10                               | Property Tax <sup>(1)</sup>                          | 426,711  | Line 1 * 1.328%                          |
| 11                               | O&M Savings FERC Account 887                         | -  | Form 3.0                                 |
| 12                               | PSC Assessment <sup>(2)</sup>                        | 8,505  | (Sum Line 8 to 11) * (.1901%/(1-.1901%)) |
| 13                               | Total Operating Expenses                             | 927,009  | Sum Lines 9 to 12                        |
| 14                               | <b><u>Total Annual Revenue Requirement</u></b>       | <b><u>4,473,892</u></b>                              | Line 8 + Line 13                         |

Notes:

<sup>(1)</sup> Property taxes estimated using an effective rate of 1.328%

<sup>(2)</sup> PSC Assessment estimated using a rate of .1901%

AMRP Form 1.2

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

| <u>Line No.</u> | <u>Capital Structure</u><br>(1) | <u>Ratio</u><br>(2) | <u>Cost</u><br>(3) | <u>Weighted Cost</u><br>(4) | <u>Pre-Tax @<br/>Effect tax of<br/>38.90%</u><br>(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                          | <u>52.42%</u>       | 9.500%             | <u>4.98%</u>                | <u>8.15%</u>   |
| 4               | Total                           | 100.00%             |                    | 7.62%                       | 10.79%   |



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) |
|------------------------|-----------------------|--------------------|----------------------------------|----------------|---------------------------------------|----------------------------------|---|--|
| <b>Additions</b>       |                       |                    |                                  |                |                                       |                                  |   |  |
| 1                      | Mains                 | 376                | 7,725,759                        | 1.65%          | 127,475                               | 15,340,000                       | 126,555   | 23,065,759                             |
| 2                      | Plant Regulators      | 378                | -                                | 2.20%          | -                                     | -                                | -   | -                                      |
| 3                      | Service Lines         | 380                | 3,993,330                        | 3.80%          | 151,747                               | 7,511,000                        | 142,709   | 11,504,330                             |
| 4                      | Meter Installations   | 382                | 55,001                           | 2.08%          | 1,144                                 | 1,086,000                        | 11,294  | 1,141,001                              |
| 5                      | House Regulators      | 383                | 100,000                          | 2.25%          | 2,250                                 | 63,000                           | 709   | 163,000                                |
| 6                      | GPS Devices           | 387                | 210,921                          | 3.13%          | 6,602                                 | -                                | -   | 210,921                                |
| 7                      | Total Additions       |                    | 12,085,011                       |                | 289,218                               | 24,000,000                       | 281,267   | 36,085,011                             |
| <b>Retirements</b>     |                       |                    |                                  |                |                                       |                                  |   |  |
| 1                      | Mains                 | 376                | (342,407)                        | 1.65%          | (5,650)                               | (1,088,487)                      | (8,980)   | (1,430,894)                            |
| 2                      | Plant Regulators      | 378                | (1,928)                          | 2.20%          | (42)                                  | -                                | -   | (1,928)                                |
| 3                      | Service Lines         | 380                | (937,178)                        | 3.80%          | (35,613)                              | (1,374,911)                      | (26,123)  | (2,312,090)                            |
| 4                      | Meter Installations   | 382                | (9,946)                          | 2.08%          | (207)                                 | (196,416)                        | (2,043)   | (206,362)                              |
| 5                      | House Regulators      | 383                | (1,143)                          | 2.25%          | (26)                                  | (720)                            | (8)   | (1,863)                                |
| 6                      | GPS Devices           | 387                | -                                | 3.13%          | -                                     | -                                | -   | -                                      |
| 7                      | Total Retirements     |                    | (1,292,602)                      |                | (41,538)                              | (2,660,535)                      | (37,154)  | (3,953,137)                            |
| 8                      | <b>Total Plant</b>    |                    | <b>10,792,409</b>                |                | <b>247,680</b>                        | <b>21,339,465</b>                | <b>244,113</b>                                  | <b>32,131,874</b>                      |
| <b>Cost of Removal</b> |                       |                    |                                  |                |                                       |                                  |   |  |
| 10                     | Mains                 | 376                | 214,333                          |                |                                       | 372,968                          |   | 587,301                                |
| 11                     | Plant Regulators      | 378                | 1,875                            |                |                                       | -                                |   | 1,875                                  |
| 12                     | Service Lines         | 380                | 1,059,084                        |                |                                       | 1,438,351                        |   | 2,497,435                              |
| 13                     | Meter Installations   | 382                | 140                              |                |                                       | 49,104                           |   | 49,244                                 |
| 14                     | House Regulators      | 383                | 24                               |                |                                       | 36                               |   | 60                                     |
| 15                     | GPS Devices           | 387                | -                                |                |                                       | -                                |   | -                                      |
| 16                     | Total Cost of Removal |                    | 1,275,456                        |                |                                       | 1,860,460                        |   | 3,135,916                              |

Notes:

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

AMRP Form 2.1  
Page 1 of 5

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

| Ln. No. | MACRS 20 Year Tax Depr Rates (1) | Year (2) | 2017 Additions (\$)(3) | 2018 Additions (\$)(4) | Annual Tax Depreciation (\$)(5) | Cost of Removal (\$)(6) | Book Depreciation (\$)(7) | Difference (\$)(8) | Deferred Tax @ [1] 38.9% (\$)(9) | Accumulated Deferred Income Taxes-Fed NOL (\$)(10) | ADIT Normalization Adjustment (\$)(11) | Accumulated Deferred Inc. Taxes (\$)(12) |
|---------|----------------------------------|----------|------------------------|------------------------|---------------------------------|-------------------------|---------------------------|--------------------|----------------------------------|--|--|--|
| 1       | Total Plant Additions            |          | 12,085,011             | 24,000,000             |                                 |                         |                           |                    |                                  |  |  |  |
| 2       | <hr/>                            |          |                        |                        |                                 |                         |                           |                    |                                  |  |  |  |
| 3       | 0.03750                          | 1        | 8,409,007              |                        | 8,409,007                       | 1,275,456               | 59,037                    | 9,625,426          | 3,434,014                        | (153,827)  | -                                      | 3,280,187                                |
| 4       | 0.07219                          | 2        | 275,710                | 15,157,201             | 15,432,911                      | 1,860,460               | 491,793                   | 16,801,578         | 6,003,055                        | (473,451)  | (2,998,358)                            | 5,811,433                                |
| 5       | 0.06677                          | 3        | 255,009                | 663,233                | 918,242                         |                         | 19,673                    | 898,569            | 412,771                          | -  | -                                      | 6,224,204                                |
| 6       | 0.06177                          | 4        | 235,913                | 613,437                | 849,350                         |                         | 19,673                    | 829,677            | 381,229                          | -  | -                                      | 6,605,433                                |
| 7       | 0.05713                          | 5        | 218,192                | 567,501                | 785,693                         |                         | 19,673                    | 766,020            | 352,083                          | -  | -                                      | 6,957,516                                |
| 8       | 0.05285                          | 6        | 201,846                | 524,872                | 726,718                         |                         | 19,673                    | 707,045            | 325,081                          | -  | -                                      | 7,282,597                                |
| 9       | 0.04888                          | 7        | 186,684                | 485,550                | 672,234                         |                         | 19,673                    | 652,561            | 300,135                          | -  | -                                      | 7,582,732                                |
| 10      | 0.04522                          | 8        | 172,706                | 449,077                | 621,783                         |                         | 19,673                    | 602,110            | 277,036                          | -  | -                                      | 7,859,768                                |
| 11      | 0.04462                          | 9        | 170,413                | 415,451                | 585,864                         |                         | 19,673                    | 566,191            | 260,755                          | -  | -                                      | 8,120,523                                |
| 12      | 0.04461                          | 10       | 170,376                | 409,939                | 580,315                         |                         | 19,673                    | 560,642            | 258,246                          | -  | -                                      | 8,378,770                                |
| 13      | 0.04462                          | 11       | 170,413                | 409,847                | 580,260                         |                         | 19,673                    | 560,587            | 258,223                          | -  | -                                      | 8,636,993                                |
| 14      | 0.04461                          | 12       | 170,376                | 409,939                | 580,315                         |                         | 19,673                    | 560,642            | 258,246                          | -  | -                                      | 8,895,239                                |
| 15      | 0.04462                          | 13       | 170,413                | 409,847                | 580,260                         |                         | 19,673                    | 560,587            | 258,223                          | -  | -                                      | 9,153,462                                |
| 16      | 0.04461                          | 14       | 170,376                | 409,939                | 580,315                         |                         | 19,673                    | 560,642            | 258,246                          | -  | -                                      | 9,411,708                                |
| 17      | 0.04462                          | 15       | 170,413                | 409,847                | 580,260                         |                         | 19,673                    | 560,587            | 258,223                          | -  | -                                      | 9,669,931                                |
| 18      | 0.04461                          | 16       | 170,376                | 409,939                | 580,315                         |                         | 19,673                    | 560,642            | 258,246                          | -  | -                                      | 9,928,178                                |
| 19      | 0.04462                          | 17       | 170,413                | 409,847                | 580,260                         |                         | 19,673                    | 560,587            | 258,223                          | -  | -                                      | 10,186,401                               |
| 20      | 0.04461                          | 18       | 170,376                | 409,939                | 580,315                         |                         | 19,673                    | 560,642            | 258,246                          | -  | -                                      | 10,444,647                               |
| 21      | 0.04462                          | 19       | 170,413                | 409,847                | 580,260                         |                         | 19,673                    | 560,587            | 258,223                          | -  | -                                      | 10,702,870                               |
| 22      | 0.04461                          | 20       | 170,376                | 409,939                | 580,315                         |                         | 19,673                    | 560,642            | 258,246                          | -  | -                                      | 10,961,116                               |
| 23      | 0.02231                          | 21       | 85,207                 | 409,847                | 495,054                         |                         | 19,673                    | 475,381            | 217,886                          | -  | -                                      | 11,179,002                               |
| 24      |                                  | 22       | -                      | 204,969                | 204,969                         |                         | 19,673                    | 185,296            | 84,968                           | -  | -                                      | 11,263,971                               |
| 25      |                                  |          |                        |                        |                                 |                         |                           |                    |                                  |  |  |  |
| 26      |                                  |          | 12,085,008             | 24,000,007             | 36,085,015                      | 3,135,916               | 944,290                   |                    |                                  |  |  |  |

Notes:

[1] Includes adjustment for state disallowance on 2017 and 2018 bonus tax depreciation as calculated on Form 2.1 pages 4 and 5.

AMRP Form 2.1  
Page 2 of 5

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

| Ln. No. | MACRS 20 Year Tax Depr Rates (1) | Year (2) | 2017 Additions (\$)(3) | 2018 Additions (\$)(4) | Annual Tax Depreciation (\$)(5) | Cost of Removal (\$)(6) | Book Depreciation (\$)(7) | Difference (\$)(8) | Deferred Tax @ 38.9% (\$)(9) | Accumulated Deferred Income Taxes-Fed NOL (\$)(10) | ADIT Normalization Adjustment (\$)(11) | Accumulated Deferred Inc. Taxes (\$)(12) |
|---------|----------------------------------|----------|------------------------|------------------------|---------------------------------|-------------------------|---------------------------|--------------------|------------------------------|--|--|--|
| 1       | AMRP Plant Additions [1]         |          | 11,719,089             | 22,851,000             |                                 |                         |                           |                    |                              |  |  |  |
| 2       | Composite Tax Rate [2]           |          | 68.909%                | 62.691%                |                                 |                         |                           |                    |                              |  |  |  |
| 3       | 0.03750                          | 1        | 8,212,123              |                        | 8,212,123                       | 1,273,417               | 56,545                    | 9,428,995          | 3,667,879                    | (149,170)  | -                                      | 3,518,709                                |
| 4       | 0.07219                          | 2        | 263,032                | 14,645,140             | 14,908,172                      | 1,811,319               | 472,120                   | 16,247,371         | 6,320,228                    | (450,784)  | (2,854,812)                            | 6,533,341                                |
| 5       | 0.06677                          | 3        | 243,283                | 615,461                | 858,744                         |                         | -                         | 858,744            | 334,051                      | -  | -                                      | 6,867,392                                |
| 6       | 0.06177                          | 4        | 225,065                | 569,252                | 794,317                         |                         | -                         | 794,317            | 308,989                      | -  | -                                      | 7,176,381                                |
| 7       | 0.05713                          | 5        | 208,159                | 526,624                | 734,783                         |                         | -                         | 734,783            | 285,831                      | -  | -                                      | 7,462,212                                |
| 8       | 0.05285                          | 6        | 192,564                | 487,066                | 679,630                         |                         | -                         | 679,630            | 264,376                      | -  | -                                      | 7,726,588                                |
| 9       | 0.04888                          | 7        | 178,099                | 450,576                | 628,675                         |                         | -                         | 628,675            | 244,555                      | -  | -                                      | 7,971,143                                |
| 10      | 0.04522                          | 8        | 164,764                | 416,730                | 581,494                         |                         | -                         | 581,494            | 226,201                      | -  | -                                      | 8,197,344                                |
| 11      | 0.04462                          | 9        | 162,577                | 385,526                | 548,103                         |                         | -                         | 548,103            | 213,212                      | -  | -                                      | 8,410,556                                |
| 12      | 0.04461                          | 10       | 162,541                | 380,411                | 542,952                         |                         | -                         | 542,952            | 211,208                      | -  | -                                      | 8,621,764                                |
| 13      | 0.04462                          | 11       | 162,577                | 380,326                | 542,903                         |                         | -                         | 542,903            | 211,189                      | -  | -                                      | 8,832,953                                |
| 14      | 0.04461                          | 12       | 162,541                | 380,411                | 542,952                         |                         | -                         | 542,952            | 211,208                      | -  | -                                      | 9,044,161                                |
| 15      | 0.04462                          | 13       | 162,577                | 380,326                | 542,903                         |                         | -                         | 542,903            | 211,189                      | -  | -                                      | 9,255,350                                |
| 16      | 0.04461                          | 14       | 162,541                | 380,411                | 542,952                         |                         | -                         | 542,952            | 211,208                      | -  | -                                      | 9,466,558                                |
| 17      | 0.04462                          | 15       | 162,577                | 380,326                | 542,903                         |                         | -                         | 542,903            | 211,189                      | -  | -                                      | 9,677,747                                |
| 18      | 0.04461                          | 16       | 162,541                | 380,411                | 542,952                         |                         | -                         | 542,952            | 211,208                      | -  | -                                      | 9,888,955                                |
| 19      | 0.04462                          | 17       | 162,577                | 380,326                | 542,903                         |                         | -                         | 542,903            | 211,189                      | -  | -                                      | 10,100,144                               |
| 20      | 0.04461                          | 18       | 162,541                | 380,411                | 542,952                         |                         | -                         | 542,952            | 211,208                      | -  | -                                      | 10,311,352                               |
| 21      | 0.04462                          | 19       | 162,577                | 380,326                | 542,903                         |                         | -                         | 542,903            | 211,189                      | -  | -                                      | 10,522,541                               |
| 22      | 0.04461                          | 20       | 162,541                | 380,411                | 542,952                         |                         | -                         | 542,952            | 211,208                      | -  | -                                      | 10,733,749                               |
| 23      | 0.02231                          | 21       | 81,289                 | 380,326                | 461,615                         |                         | -                         | 461,615            | 179,568                      | -  | -                                      | 10,913,317                               |
| 24      |                                  | 22       |                        | 190,205                | 190,205                         |                         | -                         | 190,205            | 73,990                       | -  | -                                      | 10,987,307                               |
| 25      |                                  |          |                        |                        |                                 |                         | -                         |                    |                              | -  | -                                      | 10,987,307                               |
| 26      |                                  |          | 11,719,084             | 22,850,998             | 34,570,088                      | 3,084,737               | 528,665                   |                    |                              |  |  |  |

Notes:

[1] Plant additions eligible for repairs tax deduction.

[2] Composite rate including repairs (35.22%) and mixed services 263A (4.01%) and bonus tax (50% for 2017 and 40% for 2018) deductions.

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

| Ln. No. | MACRS 20 Year Tax Depr Rates (1) | Year (2) | 2017 Additions (\$)(3) | 2018 Additions (\$)(4) | Annual Tax Depreciation (\$)(5) | Cost of Removal (\$)(6) | Book Depreciation (\$)(7) | Difference (\$)(8) | Deferred Tax @ 38.9% (\$)(9) | Accumulated Deferred Income Taxes-Fed NOL (\$)(10) | ADIT Normalization Adjustment (\$)(11) | Accumulated Deferred Inc. Taxes (\$)(12) |
|---------|----------------------------------|----------|------------------------|------------------------|---------------------------------|-------------------------|---------------------------|--------------------|------------------------------|--|--|--|
| 1       | Plant Additions [1]              |          | 365,922                | 1,149,000              |                                 |                         |                           |                    |                              |  |  |  |
| 2       | Tax MSC 263A %                   |          | 52.005%                | 42.406%                |                                 |                         |                           |                    |                              |  |  |  |
| 3       | 0.03750                          | 1        | 196,884                |                        | 196,884                         | 2,039                   | 2,492                     | 196,431            | 76,412                       | (4,658)  | -                                      | 71,754                                   |
| 4       | 0.07219                          | 2        | 12,678                 | 512,061                | 524,739                         | 49,140                  | 19,673                    | 554,206            | 215,586                      | (22,666)   | (143,546)                              | 121,127                                  |
| 5       | 0.06677                          | 3        | 11,726                 | 47,772                 | 59,498                          |                         | 19,673                    | 39,825             | 15,492                       | -  | -                                      | 136,619                                  |
| 6       | 0.06177                          | 4        | 10,848                 | 44,185                 | 55,033                          |                         | 19,673                    | 35,360             | 13,755                       | -  | -                                      | 150,374                                  |
| 7       | 0.05713                          | 5        | 10,033                 | 40,877                 | 50,910                          |                         | 19,673                    | 31,237             | 12,151                       | -  | -                                      | 162,525                                  |
| 8       | 0.05285                          | 6        | 9,282                  | 37,806                 | 47,088                          |                         | 19,673                    | 27,415             | 10,664                       | -  | -                                      | 173,189                                  |
| 9       | 0.04888                          | 7        | 8,585                  | 34,974                 | 43,559                          |                         | 19,673                    | 23,886             | 9,292                        | -  | -                                      | 182,481                                  |
| 10      | 0.04522                          | 8        | 7,942                  | 32,347                 | 40,289                          |                         | 19,673                    | 20,616             | 8,020                        | -  | -                                      | 190,501                                  |
| 11      | 0.04462                          | 9        | 7,836                  | 29,925                 | 37,761                          |                         | 19,673                    | 18,088             | 7,036                        | -  | -                                      | 197,537                                  |
| 12      | 0.04461                          | 10       | 7,835                  | 29,528                 | 37,363                          |                         | 19,673                    | 17,690             | 6,881                        | -  | -                                      | 204,418                                  |
| 13      | 0.04462                          | 11       | 7,836                  | 29,521                 | 37,357                          |                         | 19,673                    | 17,684             | 6,879                        | -  | -                                      | 211,297                                  |
| 14      | 0.04461                          | 12       | 7,835                  | 29,528                 | 37,363                          |                         | 19,673                    | 17,690             | 6,881                        | -  | -                                      | 218,178                                  |
| 15      | 0.04462                          | 13       | 7,836                  | 29,521                 | 37,357                          |                         | 19,673                    | 17,684             | 6,879                        | -  | -                                      | 225,057                                  |
| 16      | 0.04461                          | 14       | 7,835                  | 29,528                 | 37,363                          |                         | 19,673                    | 17,690             | 6,881                        | -  | -                                      | 231,938                                  |
| 17      | 0.04462                          | 15       | 7,836                  | 29,521                 | 37,357                          |                         | 19,673                    | 17,684             | 6,879                        | -  | -                                      | 238,817                                  |
| 18      | 0.04461                          | 16       | 7,835                  | 29,528                 | 37,363                          |                         | 19,673                    | 17,690             | 6,881                        | -  | -                                      | 245,698                                  |
| 19      | 0.04462                          | 17       | 7,836                  | 29,521                 | 37,357                          |                         | 19,673                    | 17,684             | 6,879                        | -  | -                                      | 252,577                                  |
| 20      | 0.04461                          | 18       | 7,835                  | 29,528                 | 37,363                          |                         | 19,673                    | 17,690             | 6,881                        | -  | -                                      | 259,458                                  |
| 21      | 0.04462                          | 19       | 7,836                  | 29,521                 | 37,357                          |                         | 19,673                    | 17,684             | 6,879                        | -  | -                                      | 266,337                                  |
| 22      | 0.04461                          | 20       | 7,835                  | 29,528                 | 37,363                          |                         | 19,673                    | 17,690             | 6,881                        | -  | -                                      | 273,218                                  |
| 23      | 0.02231                          | 21       | 3,918                  | 29,521                 | 33,439                          |                         | 19,673                    | 13,766             | 5,355                        | -  | -                                      | 278,573                                  |
| 24      |                                  | 22       |                        | 14,764                 | 14,764                          |                         | 19,673                    | (4,909)            | (1,910)                      | -  | -                                      | 276,663                                  |
| 25      |                                  |          |                        |                        | -                               |                         | 19,673                    | (19,673)           | (7,653)                      | -  | -                                      | 269,010                                  |
| 26      |                                  |          | 365,922                | 1,149,005              | 1,514,927                       | 51,179                  | 435,298                   |                    |                              |  |  |  |

Notes:

[1] Plant additions not eligible for repairs tax deduction.

Columbia Gas of Kentucky, Inc.  
Calculation of State Disallowance on Bonus Tax Depreciation for 2017 Additions

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| <u>Ln.</u> | <u>Year</u> | <u>State Tax Depr</u> | <u>State ADIT</u>             |                            |                         | <u>Total ADIT Adj</u> | <u>Cumulative ADIT Adj</u> |
|------------|-------------|-----------------------|-------------------------------|----------------------------|-------------------------|-----------------------|----------------------------|
|            |             |                       | <u>State vs. Fed Tax Depr</u> | <u>on Disallowed Bonus</u> | <u>Fed Benefit ADIT</u> |                       |                            |
|            | <u>(1)</u>  | <u>(2)</u>            | <u>(3)</u>                    | <u>(4)</u>                 | <u>(5)</u>              | <u>(6)</u>            | <u>(7)</u>                 |
| 1          | 2017        | 453,188               | 7,955,819                     | 477,349                    | (167,072)               | 310,277               | 310,277                    |
| 2          | 2018        | 872,417               | (596,707)                     | (35,802)                   | 12,531                  | (23,272)              | 287,005                    |
| 3          | 2019        | 806,916               | (551,907)                     | (33,114)                   | 11,590                  | (21,524)              | 265,481                    |
| 4          | 2020        | 746,491               | (510,578)                     | (30,635)                   | 10,722                  | (19,913)              | 245,568                    |
| 5          | 2021        | 690,417               | (472,225)                     | (28,333)                   | 9,917                   | (18,417)              | 227,152                    |
| 6          | 2022        | 638,693               | (436,847)                     | (26,211)                   | 9,174                   | (17,037)              | 210,115                    |
| 7          | 2023        | 590,715               | (404,031)                     | (24,242)                   | 8,485                   | (15,757)              | 194,357                    |
| 8          | 2024        | 546,484               | (373,778)                     | (22,427)                   | 7,849                   | (14,577)              | 179,780                    |
| 9          | 2025        | 539,233               | (368,820)                     | (22,129)                   | 7,745                   | (14,384)              | 165,396                    |
| 10         | 2026        | 539,112               | (368,736)                     | (22,124)                   | 7,743                   | (14,381)              | 151,015                    |
| 11         | 2027        | 539,233               | (368,820)                     | (22,129)                   | 7,745                   | (14,384)              | 136,631                    |
| 12         | 2028        | 539,112               | (368,736)                     | (22,124)                   | 7,743                   | (14,381)              | 122,251                    |
| 13         | 2029        | 539,233               | (368,820)                     | (22,129)                   | 7,745                   | (14,384)              | 107,867                    |
| 14         | 2030        | 539,112               | (368,736)                     | (22,124)                   | 7,743                   | (14,381)              | 93,486                     |
| 15         | 2031        | 539,233               | (368,820)                     | (22,129)                   | 7,745                   | (14,384)              | 79,102                     |
| 16         | 2032        | 539,112               | (368,736)                     | (22,124)                   | 7,743                   | (14,381)              | 64,721                     |
| 17         | 2033        | 539,233               | (368,820)                     | (22,129)                   | 7,745                   | (14,384)              | 50,337                     |
| 18         | 2034        | 539,112               | (368,736)                     | (22,124)                   | 7,743                   | (14,381)              | 35,957                     |
| 19         | 2035        | 539,233               | (368,820)                     | (22,129)                   | 7,745                   | (14,384)              | 21,573                     |
| 20         | 2036        | 539,112               | (368,736)                     | (22,124)                   | 7,743                   | (14,381)              | 7,192                      |
| 21         | 2037        | 269,617               | (184,410)                     | (11,065)                   | 3,873                   | (7,192)               | (0)                        |
| 22         | Total       | 12,085,011            | (3)                           | (0)                        | 0                       | (0)                   | -                          |

Columbia Gas of Kentucky, Inc.  
Calculation of State Disallowance on Bonus Tax Depreciation for 2018 Additions

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| <u>Ln.</u> | <u>Year</u> | <u>State Tax Depr</u> | <u>State ADIT</u>             |                            |                         | <u>Total ADIT Adj</u> | <u>Cumulative ADIT Adj</u> |
|------------|-------------|-----------------------|-------------------------------|----------------------------|-------------------------|-----------------------|----------------------------|
|            |             |                       | <u>State vs. Fed Tax Depr</u> | <u>on Disallowed Bonus</u> | <u>Fed Benefit ADIT</u> |                       |                            |
|            | <u>(1)</u>  | <u>(2)</u>            | <u>(3)</u>                    | <u>(4)</u>                 | <u>(5)</u>              | <u>(6)</u>            | <u>(7)</u>                 |
| 1          | 2018        | 900,000               | 14,257,201                    | 855,432                    | (299,401)               | 556,031               | 556,031                    |
| 2          | 2019        | 1,732,560             | (1,069,327)                   | (64,160)                   | 22,456                  | (41,704)              | 514,327                    |
| 3          | 2020        | 1,602,480             | (989,043)                     | (59,343)                   | 20,770                  | (38,573)              | 475,754                    |
| 4          | 2021        | 1,482,480             | (914,979)                     | (54,899)                   | 19,215                  | (35,684)              | 440,070                    |
| 5          | 2022        | 1,371,120             | (846,248)                     | (50,775)                   | 17,771                  | (33,004)              | 407,067                    |
| 6          | 2023        | 1,268,400             | (782,850)                     | (46,971)                   | 16,440                  | (30,531)              | 376,535                    |
| 7          | 2024        | 1,173,120             | (724,043)                     | (43,443)                   | 15,205                  | (28,238)              | 348,298                    |
| 8          | 2025        | 1,085,280             | (669,829)                     | (40,190)                   | 14,066                  | (26,123)              | 322,174                    |
| 9          | 2026        | 1,070,880             | (660,941)                     | (39,656)                   | 13,880                  | (25,777)              | 296,398                    |
| 10         | 2027        | 1,070,640             | (660,793)                     | (39,648)                   | 13,877                  | (25,771)              | 270,627                    |
| 11         | 2028        | 1,070,880             | (660,941)                     | (39,656)                   | 13,880                  | (25,777)              | 244,850                    |
| 12         | 2029        | 1,070,640             | (660,793)                     | (39,648)                   | 13,877                  | (25,771)              | 219,079                    |
| 13         | 2030        | 1,070,880             | (660,941)                     | (39,656)                   | 13,880                  | (25,777)              | 193,302                    |
| 14         | 2031        | 1,070,640             | (660,793)                     | (39,648)                   | 13,877                  | (25,771)              | 167,532                    |
| 15         | 2032        | 1,070,880             | (660,941)                     | (39,656)                   | 13,880                  | (25,777)              | 141,755                    |
| 16         | 2033        | 1,070,640             | (660,793)                     | (39,648)                   | 13,877                  | (25,771)              | 115,984                    |
| 17         | 2034        | 1,070,880             | (660,941)                     | (39,656)                   | 13,880                  | (25,777)              | 90,207                     |
| 18         | 2035        | 1,070,640             | (660,793)                     | (39,648)                   | 13,877                  | (25,771)              | 64,436                     |
| 19         | 2036        | 1,070,880             | (660,941)                     | (39,656)                   | 13,880                  | (25,777)              | 38,660                     |
| 20         | 2037        | 1,070,640             | (660,793)                     | (39,648)                   | 13,877                  | (25,771)              | 12,889                     |
| 21         | 2038        | 535,440               | (330,471)                     | (19,828)                   | 6,940                   | (12,888)              | 0                          |
| 22         | Total       | 24,000,000            | 7                             | 0                          | (0)                     | 0                     | -                          |

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

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**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)  | (L)                         |
| 1        | Jan-17            | 12               | 202,765                                  | 787,036   | 726,495  | (205,891)          | (94,444)                        | (87,179)                             | (30,462)   | (28,611)   | (26,410)   | (746)                       |
| 2        | Feb-17            | 11               | 912,845                                  | 420,451   | 355,766  | (186,941)          | (50,454)                        | (42,692)                             | (242,178)  | (15,243)   | (12,898)   | (821)                       |
| 3        | Mar-17            | 10               | 610,308                                  | 512,097   | 393,921  | (85,354)           | (61,451)                        | (47,270)                             | (102,824)  | (18,585)   | (14,296)   | 226                         |
| 4        | Apr-17            | 9                | 775,273                                  | 741,213   | 513,147  | (117,000)          | (88,945)                        | (61,577)                             | (107,563)  | (26,940)   | (18,651)   | 928                         |
| 5        | May-17            | 8                | 860,609                                  | 1,199,444   | 738,119  | (123,423)          | (143,933)                       | (88,574)                             | (86,050)   | (43,650)   | (26,862)   | 1,433                       |
| 6        | Jun-17            | 7                | 1,602,481                                | 1,657,675   | 892,594  | (99,877)           | (198,921)                       | (107,111)                            | (152,240)  | (60,361)   | (32,502)   | 2,405                       |
| 7        | Jul-17            | 6                | 823,855                                  | 1,657,675   | 765,081  | (147,315)          | (198,921)                       | (91,810)                             | (258,600)  | (60,361)   | (27,859)   | 3,275                       |
| 8        | Aug-17            | 5                | 2,151,785                                | 2,917,811   | 1,122,235  | (271,822)          | (350,138)                       | (134,668)                            | (126,063)  | (106,314)  | (40,890)   | 3,996                       |
| 9        | Sep-17            | 4                | 2,850,121                                | 2,849,075   | 876,638  | (237,734)          | (341,889)                       | (105,197)                            | (110,303)  | (103,808)  | (31,941)   | 6,202                       |
| 10       | Oct-17            | 3                | 3,061,042                                | 2,917,811   | 673,341  | (237,734)          | (350,138)                       | (80,801)                             | (110,303)  | (106,314)  | (24,534)   | 9,797                       |
| 11       | Nov-17            | 2                | 2,850,121                                | 1,772,233   | 272,651  | (237,734)          | (212,668)                       | (32,718)                             | (110,303)  | (64,538)   | (9,929)  | 13,967                      |
| 12       | Dec-17            | 1                | 2,850,121                                | 1,772,233   | 136,326  | (237,734)          | (212,668)                       | (16,359)                             | (110,303)  | (64,538)   | (4,964)  | 18,372                      |
| 13       |                   |                  | 19,551,326                               | 19,204,754  | 7,466,315  | (2,188,559)        | (2,304,570)                     | (895,957)                            | (1,547,192)  | (699,263)  | (271,736)  | 59,037                      |
| 14       | Rate Year Summary |                  | Actual Net Plant Additions<br>17,362,767 | Rate Case 13-Month Average Net Plant Additions<br>6,570,358 | Net Plant Additions Not Included in Base Rates - Jan 2017 - Dec 2017 (2)<br>10,792,409 |                    |                                 |                                      | Actual Depreciation Reserve - Retirements and Cost of Removal<br>(3,735,751) | Rate Case 13-Mo. Avg Depreciation Reserve - Retirements and Cost of Removal<br>(1,167,693) | Depreciation Reserve Not Included in Base Rates - Jan 2017 - Dec 2017 (2)<br>(2,568,058) |                             |

**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)  | (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                | 2,054,098                                | 1,598,492   | 491,844   | (125,235)          | (191,819)                       | (59,021)                             | (32,964)   | (28,773)   | (8,853)  | 1,902                       |
| 10       | Oct-17                    | 3                | 2,054,098                                | 1,637,005   | 377,770   | (125,235)          | (196,441)                       | (45,333)                             | (32,964)   | (29,466)   | (6,800)  | 4,028                       |
| 11       | Nov-17                    | 2                | 2,054,098                                | 995,131   | 153,097   | (125,235)          | (119,416)                       | (18,372)                             | (32,964)   | (17,912)   | (2,756)  | 6,359                       |
| 12       | Dec-17                    | 1                | 2,054,098                                | 995,131   | 76,549  | (125,235)          | (119,416)                       | (9,186)                              | (32,964)   | (17,912)   | (1,378)  | 8,872                       |
| 13       |                           |                  | 11,922,008                               | 10,786,195  | 4,196,249   | (845,956)          | (1,294,343)                     | (503,549)                            | (289,865)  | (194,150)  | (75,532)   | 18,426                      |
| 14       | Rate Year GPA 376 Summary |                  | Actual Net Plant Additions<br>11,076,052 | Rate Case 13-Month Average Net Plant Additions<br>3,692,700 | Net Plant Additions Not Included in Base Rates - Jan 2017 - Dec 2017 (2)<br>7,383,352 |                    |                                 |                                      | Actual Depreciation Reserve - Retirements and Cost of Removal<br>(1,135,821) | Rate Case 13-Mo. Avg Depreciation Reserve - Retirements and Cost of Removal<br>(579,081) | Depreciation Reserve Not Included in Base Rates - Jan 2017 - Dec 2017 (2)<br>(556,740) |                             |

**Notes:**

- <sup>(1)</sup> Recovered through base rates in Case No. 2016-00162
- <sup>(2)</sup> 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**  
**Development of AMRP Plant Excluded From Base Rates**

**Form 2.2**  
**Page 2 of 4**

**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                | 778,584           | 1,250,583                 | 384,795                              | (111,681)          | (150,070)                       | (46,175)                             | (77,298)               | (75,035)                            | (23,088)                             | 4,146                       |
| 10       | Oct-17                    | 3                | 778,584           | 1,280,806                 | 295,571                              | (111,681)          | (153,697)                       | (35,469)                             | (77,298)               | (76,848)                            | (17,734)                             | 5,310                       |
| 11       | Nov-17                    | 2                | 778,584           | 777,102                   | 119,554                              | (111,681)          | (93,252)                        | (14,346)                             | (77,298)               | (46,626)                            | (7,173)                              | 6,843                       |
| 12       | Dec-17                    | 1                | 778,584           | 777,102                   | 59,777                               | (111,681)          | (93,252)                        | (7,173)                              | (77,298)               | (46,626)                            | (3,587)                              | 8,705                       |
| 13       |                           |                  | 7,263,396         | 8,418,559                 | 3,270,066                            | (1,329,586)        | (1,010,227)                     | (392,408)                            | (1,255,288)            | (505,113)                           | (196,204)                            | 38,118                      |
| 14       | Rate Year GPA 380 Summary |                  | 5,933,810         | 2,877,658                 | 3,056,152                            |                    |                                 |                                      | (2,584,874)            | (588,612)                           | (1,996,262)                          |                             |

**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               | -                 | -                         | -                                    | (1,595)            | -                               | -                                    | (1,542)                | -                                   | -                                    | (1)                         |
| 2        | Feb-17                    | 11               | -                 | -                         | -                                    | (254)              | -                               | -                                    | (254)                  | -                                   | -                                    | (3)                         |
| 3        | Mar-17                    | 10               | -                 | -                         | -                                    | -                  | -                               | -                                    | -                      | -                                   | -                                    | (3)                         |
| 4        | Apr-17                    | 9                | -                 | -                         | -                                    | -                  | -                               | -                                    | -                      | -                                   | -                                    | (3)                         |
| 5        | May-17                    | 8                | -                 | -                         | -                                    | -                  | -                               | -                                    | -                      | -                                   | -                                    | (3)                         |
| 6        | Jun-17                    | 7                | -                 | -                         | -                                    | -                  | -                               | -                                    | -                      | -                                   | -                                    | (3)                         |
| 7        | Jul-17                    | 6                | -                 | -                         | -                                    | (79)               | -                               | -                                    | (79)                   | -                                   | -                                    | (3)                         |
| 8        | Aug-17                    | 5                | -                 | -                         | -                                    | -                  | -                               | -                                    | -                      | -                                   | -                                    | (4)                         |
| 9        | Sep-17                    | 4                | -                 | -                         | -                                    | -                  | -                               | -                                    | -                      | -                                   | -                                    | (4)                         |
| 10       | Oct-17                    | 3                | -                 | -                         | -                                    | -                  | -                               | -                                    | -                      | -                                   | -                                    | (4)                         |
| 11       | Nov-17                    | 2                | -                 | -                         | -                                    | -                  | -                               | -                                    | -                      | -                                   | -                                    | (4)                         |
| 12       | Dec-17                    | 1                | -                 | -                         | -                                    | -                  | -                               | -                                    | -                      | -                                   | -                                    | (4)                         |
| 13       |                           |                  | -                 | 0                         | 0                                    | (1,928)            | 0                               | 0                                    | (1,875)                | 0                                   | 0                                    | (39)                        |
| 14       | Rate Year GPA 378 Summary |                  | (1,928)           | 0                         | (1,928)                              |                    |                                 |                                      | (3,803)                | 0                                   | (3,803)                              |                             |

**Notes:**

<sup>(1)</sup> Recovered through base rates in Case No. 2016-00162

<sup>(2)</sup> 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**  
**Development of AMRP Plant Excluded From Base Rates**

**Form 2.2**  
**Page 3 of 4**

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

| Line No. | Month (A)                 | Number of Months (B) | Actual AMRP CapEx (C)      | Rate Case Projected CapEx (D)                  | 13 Mo. Avg Rate Case Projections (1) (E)             | Actual Retirements (F) | Rate Case Projected Retirements (G) | 13 Mo. Avg Rate Case Projections (1) (H) | Actual Cost of Removal (I)      | Rate Case Projected Cost of Removal (J) | 13 Mo. Avg Rate Case Projections (1) (K)         | Depreciation Difference (2) (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                    | 7,821                      | -  | -  | -                      | (700)                               | -  | (35)                            | -                                       | -  | 35  |  |
| 10       | Oct-17                    | 3                    | 7,821                      | -  | -  | -                      | (700)                               | -  | (35)                            | -                                       | -  | 47  |  |
| 11       | Nov-17                    | 2                    | 7,821                      | -  | -  | -                      | (700)                               | -  | (35)                            | -                                       | -  | 60  |  |
| 12       | Dec-17                    | 1                    | 7,821                      | -  | -  | -                      | (700)                               | -  | (35)                            | -                                       | -  | 72  |  |
| 13       |                           |                      | 55,001                     | 0  | 0  |                        | (9,946)                             | 0  | (140)                           | 0                                       | 0  | 323   |  |
|          |                           |                      |                            |  | Net Plant Additions                                  |                        |                                     |  |                                 | Actual Depreciation Reserve -           | Rate Case 13-Mo. Avg Depreciation Reserve -      | Depreciation Reserve Not Included in Base Rates - |  |
|          |                           |                      | Actual Net Plant Additions | Rate Case 13-Month Average Net Plant Additions | Not Included in Base Rates - Jan 2017 - Dec 2017 (2) |                        |                                     |  | Retirements and Cost of Removal | Retirements and Cost of Removal         | Included in Base Rates - Jan 2017 - Dec 2017 (2) |   |  |
| 14       | Rate Year GPA 382 Summary |                      | 45,055                     | 0  | 45,055   |                        |                                     |  | (10,086)                        | 0                                       | (10,086)   |   |  |

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

| Line No. | Month (A)                 | Number of Months (B) | Actual AMRP CapEx (C)      | Rate Case Projected CapEx (D)                  | 13 Mo. Avg Rate Case Projections (1) (E)             | Actual Retirements (F) | Rate Case Projected Retirements (G) | 13 Mo. Avg Rate Case Projections (1) (H) | Actual Cost of Removal (I)      | Rate Case Projected Cost of Removal (J) | 13 Mo. Avg Rate Case Projections (1) (K)         | Depreciation Difference (2) (L)                   |  |
|----------|---------------------------|----------------------|----------------------------|--|--|------------------------|-------------------------------------|--|---------------------------------|---|--|---|--|
| 1        | Jan-17                    | 12                   | -                          | -  | -  | -                      | (131)                               | -  | -                               | -                                       | -  | (0)   |  |
| 2        | Feb-17                    | 11                   | 7,104                      | -  | -  | -                      | (66)                                | -  | -                               | -                                       | -  | 6   |  |
| 3        | Mar-17                    | 10                   | 83                         | -  | -  | -                      | (156)                               | -  | -                               | -                                       | -  | 13  |  |
| 4        | Apr-17                    | 9                    | 11,236                     | -  | -  | -                      | (29)                                | -  | -                               | -                                       | -  | 23  |  |
| 5        | May-17                    | 8                    | 1,474                      | -  | -  | -                      | (115)                               | -  | -                               | -                                       | -  | 35  |  |
| 6        | Jun-17                    | 7                    | 1,963                      | -  | -  | -                      | (38)                                | -  | -                               | -                                       | -  | 38  |  |
| 7        | Jul-17                    | 6                    | 911                        | -  | -  | -                      | (86)                                | -  | -                               | -                                       | -  | 41  |  |
| 8        | Aug-17                    | 5                    | 38,757                     | -  | -  | -                      | (50)                                | -  | -                               | -                                       | -  | 78  |  |
| 9        | Sep-17                    | 4                    | 9,618                      | -  | -  | -                      | (118)                               | -  | (6)                             | -                                       | -  | 123   |  |
| 10       | Oct-17                    | 3                    | 9,618                      | -  | -  | -                      | (118)                               | -  | (6)                             | -                                       | -  | 141   |  |
| 11       | Nov-17                    | 2                    | 9,618                      | -  | -  | -                      | (118)                               | -  | (6)                             | -                                       | -  | 159   |  |
| 12       | Dec-17                    | 1                    | 9,618                      | -  | -  | -                      | (118)                               | -  | (6)                             | -                                       | -  | 176   |  |
| 13       |                           |                      | 100,000                    | 0  | 0  |                        | (1,143)                             | 0  | (24)                            | 0                                       | 0  | 833   |  |
|          |                           |                      |                            |  | Net Plant Additions                                  |                        |                                     |  |                                 | Actual Depreciation Reserve -           | Rate Case 13-Mo. Avg Depreciation Reserve -      | Depreciation Reserve Not Included in Base Rates - |  |
|          |                           |                      | Actual Net Plant Additions | Rate Case 13-Month Average Net Plant Additions | Not Included in Base Rates - Jan 2017 - Dec 2017 (2) |                        |                                     |  | Retirements and Cost of Removal | Retirements and Cost of Removal         | Included in Base Rates - Jan 2017 - Dec 2017 (2) |   |  |
| 14       | Rate Year GPA 383 Summary |                      | 98,857                     | 0  | 98,857   |                        |                                     |  | (1,167)                         | 0                                       | (1,167)  |   |  |

**Notes:**

<sup>(1)</sup> Recovered through base rates in Case No. 2016-00162

<sup>(2)</sup> 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**  
**Development of AMRP Plant Excluded From Base Rates**

**Form 2.2**  
**Page 4 of 4**

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

| Line No. | Month (A)                 | Number of Months (B) | Actual AMRP CapEx (C) | Rate Case Projected CapEx (D) | 13 Mo. Avg Rate Case Projections (1) (E) | Actual Retirements (F) | Rate Case Projected Retirements (G) | 13 Mo. Avg Rate Case Projections (1) (H) | Actual Cost of Removal (I) | Rate Case Projected Cost of Removal (J) | 13 Mo. Avg Rate Case Projections (1) (K) | Depreciation Difference (2) (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                    | -                     | -                             | -  | -                      | -                                   | -  | -                          | -                                       | -  | -                               |
| 10       | Oct-17                    | 3                    | 210,921               | -                             | -  | -                      | -                                   | -  | -                          | -                                       | -  | 275                             |
| 11       | Nov-17                    | 2                    | -                     | -                             | -  | -                      | -                                   | -  | -                          | -                                       | -  | 550                             |
| 12       | Dec-17                    | 1                    | -                     | -                             | -  | -                      | -                                   | -  | -                          | -                                       | -  | 550                             |
| 13       |                           |                      | 210,921               | 0                             | 0  | -                      | 0                                   | 0  | 0                          | 0                                       | 0  | 1,375                           |
| 14       | Rate Year GPA 387 Summary |                      | 210,921               | 0                             | 210,921                                  |                        |                                     |  | 0                          | 0                                       | 0  |                                 |

| 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) |
|----------------------------|--|--|---|---|---|
| 210,921                    | 0  | 210,921  | 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

AMRP Form 3.0

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

|  | <u>FERC Account 887</u> |
|--|-------------------------|
| Projected 2018 O&M Account 887 Costs         | (\$)<br>2,886,706       |
| 2017 O&M Account 887 per Case No. 2016-00162 | <u>2,886,706</u>        |
| Projected O&M Savings                        | -                       |

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

**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                | 101,818        | 102,005        | 101,980        | 101,460        | 100,893        | 100,239        | 99,775         | 99,501         | 99,337         | 99,622         | 100,663        | 101,671        | 1,208,964        |
| SVGTS - Residential              | 20,416         | 20,454         | 20,449         | 20,345         | 20,231         | 20,102         | 20,008         | 19,952         | 19,920         | 19,977         | 20,185         | 20,387         | 242,426          |
| GSO - Commercial or Industrial   | 10,533         | 10,555         | 10,538         | 10,486         | 10,423         | 10,354         | 10,311         | 10,274         | 10,250         | 10,256         | 10,355         | 10,472         | 124,807          |
| GDS - Commercial or Industrial   | 27             | 27             | 27             | 27             | 27             | 27             | 27             | 27             | 27             | 27             | 27             | 27             | 324              |
| SVGTS - Commercial or Industrial | 3,579          | 3,549          | 3,533          | 3,509          | 3,479          | 3,681          | 3,672          | 3,656          | 3,639          | 3,628          | 3,615          | 3,598          | 43,138           |
| IUS, IUUS                        | 2              | 2              | 2              | 2              | 2              | 2              | 2              | 2              | 2              | 2              | 2              | 2              | 24               |
| IS, DS                           | 71             | 71             | 71             | 71             | 71             | 71             | 71             | 71             | 71             | 71             | 71             | 71             | 852              |
| SAS                              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0                |
| <b>Total</b>                     | <b>136,446</b> | <b>136,663</b> | <b>136,600</b> | <b>135,900</b> | <b>135,126</b> | <b>134,476</b> | <b>133,866</b> | <b>133,483</b> | <b>133,246</b> | <b>133,583</b> | <b>134,918</b> | <b>136,228</b> | <b>1,620,535</b> |

TARIFF PAGES

COLUMBIA GAS OF KENTUCKY, INC.

GAS TARIFF  
P.S.C. KY NO. 5  
FOURTEENTH REVISED SHEET NO. 58  
CANCELLING PSC KY. NO. 5  
THIRTEENTH REVISED SHEET NO. 58

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**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 January 2, 2018 are:

|   |           |  |
|---|-----------|--|
| Rate GSR, Rate SVGTS - Residential Service                        | \$ 2.00   |  |
| Rate GSO, Rate GDS, Rate SVGTS - Commercial or Industrial Service | \$ 7.42   |  |
| Rate IUS, Rate IUDS   | \$ 62.46  |  |
| Rate IS, Rate DS <sup>1/</sup> , Rate SAS                         | \$ 370.37 |  |

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<sup>1/</sup> - Excluding customers subject to Flex Provisions of Rate Schedule DS

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|                |                               |
|----------------|-------------------------------|
| DATE OF ISSUE  | October 13, 2017              |
| DATE EFFECTIVE | January 2, 2018               |
| ISSUED BY      | <i>Herbert A. Miller, Jr.</i> |
| TITLE          | President                     |

COLUMBIA GAS OF KENTUCKY, INC.

GAS TARIFF  
 P.S.C. KY NO. 5  
~~THIRTEENTH-FOURTEENTH~~ REVISED SHEET NO. 58  
 CANCELLING PSC KY. NO. 5  
~~TWELFTH-THIRTEENTH~~ REVISED SHEET NO. 58

**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 ~~December 27, 2016~~ January 2, 2018 are:

|   |                          |              |
|---|--------------------------|--------------|
| Rate GSR, Rate SVGTS - Residential Service                        | \$ <del>0.002.00</del>   | <del>R</del> |
| Rate GSO, Rate GDS, Rate SVGTS - Commercial or Industrial Service | \$ <del>0.007.42</del>   | <del>R</del> |
| Rate IUS, Rate IUDS   | \$ <del>0.0062.46</del>  | <del>R</del> |
| Rate IS, Rate DS <sup>1/</sup> , Rate SAS                         | \$ <del>0.00370.37</del> | <del>R</del> |

<sup>1/</sup> - Excluding customers subject to Flex Provisions of Rate Schedule DS

DATE OF ISSUE ~~January 6, 2017~~ October 13, 2017  
 DATE EFFECTIVE ~~December 27, 2016~~ January 2, 2018  
 ISSUED BY ~~/s/ Herbert A. Miller, Jr.~~  
 TITLE President

~~Issued pursuant to an Order of the Public Service Commission in Case No. 2016-00162 dated December 22, 2016~~

**PSC Set 1 No. 1 2022-00342  
Attachment JTG-1**

**Columbia Gas of Kentucky, Inc.  
Annual Adjustment to the Safety Modification and Replacement Program ("SMRP")  
Forecasted Period Ending December 31, 2023  
Table of Contents**

| <b><u>Form Number</u></b> | <b><u>Description</u></b>             |
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| 1.0                       | SMRP Rates by Rate Schedule           |
| 1.1                       | Projected Bills                       |
| 2.0                       | Revenue Requirement                   |
| 2.1                       | Cost of Capital                       |
| 2.2                       | PSC Assessment Conversion Factor      |
| 3.0                       | Plant In Service                      |
| 4.0                       | Accumulated Depreciation              |
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| 6.1                       | ADIT - Calculation                    |
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| 9.4                       | Base Rates - ADIT Calculation         |



**PSC Set 1 No. 1 2022-00342  
Attachment JTG-1  
SMRP Form 1.0**

**Columbia Gas of Kentucky, Inc.  
Annual Adjustment to the Safety Modification and Replacement Program ("SMRP")  
SMRP Rider by Rate Schedule**

| <u>Line No.</u> | <u>Rate Schedule</u><br>( A )                         | <u>Allocation Percent</u> <sup>(1)</sup><br>( B ) | <u>Revenue Requirement</u><br>( C ) | <u>Billing Determinant Volumes</u> <sup>(2)</sup><br>( D ) | <u>Volumetric SMRP Rider</u><br>( E ) | <u>Balancing Adjustment SMRP Rider</u> <sup>(4)</sup><br>( F ) | <u>Total Volumetric SMRP Rider</u><br>( G ) |
|-----------------|---|---|-------------------------------------|--|---------------------------------------|--|---|
| 1               | Rate GSR, Rate SVGTS - Residential Service            | 64.419%   | \$1,013,498                         | 8,279,217.4  | 0.1224                                | 0.00000  | 0.1224                                      |
| 2               | Rate GSO, Rate GDS, Rate SVGTS - Com. or Ind. Service | 27.859%   | \$438,308                           | 5,989,222.2  | 0.0732                                | 0.00000  | 0.0732                                      |
| 3               | Rate IUS, Rate IUDS                                   | 0.032%  | \$503                               | 11,251.2   | 0.0447                                | 0.00000  | 0.0447                                      |
| 4               | Rate IS, Rate DS <sup>(3)</sup> , Rate SAS            | 7.690%  | \$120,991                           | 8,691,352.8  | 0.0139                                | 0.00000  | 0.0139                                      |
| 5               | TOTAL   | <u>100.000%</u>                                   | <u>\$1,573,300</u>                  | <u>22,971,043.6</u>  |                                       |  |   |

Notes:

<sup>(1)</sup> Allocation percent is based on the overall base revenue distribution approved in PSC Case No. 2021-00183

<sup>(2)</sup> Billing Determinants based on volumes in PSC Case No. 2021-00183

<sup>(3)</sup> Excluding customers subject to the Flex Provisions of Rate Schedule DS.

<sup>(4)</sup> Balancing Adjustment will have no rate until BA filing in 2024.

PSC Set 1 No. 1 2022-00342  
Attachment JTG-1  
Form 1.1

Columbia Gas of Kentucky  
I Adjustment to the Safety Modification and Replacement Program ("SMRP")  
P Rider Billing Determinants by Rate Schedule - Estimated Billing Volumes  
For the Twelve Months Ending December 31, 2023

| <u>Rate Schedule</u>                   | <u>Total Mcf</u>    |
|--|---------------------|
| ( A )                                  | ( B )               |
| GSR /GTR - Residential                 | 8,279,217.4         |
| GSO/GTO/GDS - Commercial or Industrial | 5,989,222.2         |
| IUS, IU DS                             | 11,251.2            |
| IS, DS                                 | 8,691,352.8         |
| Total                                  | <u>22,971,043.6</u> |

**PSC Set 1 No. 1 2022-00342  
Attachment JTG-1  
SMRP Form 2.0**

**Columbia Gas of Kentucky, Inc.  
Annual Adjustment to the Safety Modification and Replacement Program ("SMRP")  
Forecasted SMRP Revenue Requirement For the Thirteen Months Ending December 31, 2023**

| <u>Line No.</u> |   | <u>SMRP Investment<br/>December 31, 2023</u><br>( A ) | <u>SMRP Investment<br/>Included in Base Rates</u><br>( B ) | <u>2023 SMRP<br/>w/o Base Rates</u><br>( C )<br>(C=A-B) | <u>Revenue Requirement<br/>Calculation</u><br>( D ) | <u>Reference</u><br>( E ) |
|-----------------|---|---|--|---|---|---------------------------|
| 1               | Plant In Service  | 13,307,365  | -  | 13,307,365  |   | Form 3.0, Form 9.0        |
| 2               | Accumulated Depreciation                                | 3,311,230   | -  | 3,311,230   |   | Form 4.0, Form 9.1        |
| 3               | Accumulated Deferred Income Tax                         | (1,585,218)   | -  | (1,585,218)   |   | From 6.0, Form 9.3        |
| 4               | Net Rate Base (Line 1 + Line 2 + Line 3)                | 15,033,377  | -  | 15,033,377  | 15,033,377  | Line 1 + Line 2 + Line 3  |
| 5               | Rate of Return  |   |  |   | 8.48%   | Form 2.1                  |
| 6               | Return on Rate Base                                     |   |  |   | 1,274,830   | Line 4 * Line 5           |
| 7               | Depreciation Expense                                    | 295,323   | -  | 295,323   |   |                           |
| 8               | Property Tax  | -   | 0  | -   |   |                           |
| 9               | O&M Savings   | -   | 0  | -   |   |                           |
| 10              | Subtotal Depreciation, Property Tax and O&M Savings     | 295,323   | -  | 295,323   | 295,323   |                           |
| 11              | Revenue Requirement Before PSC Assessment/Uncollectible |   |  |   | 1,570,153   | Line 6 + Line 10          |
| 12              | PSC Assessment & Uncollectible Conversion Factor        |   |  |   | 1.00200   | Form 2.2                  |
| 13              | <b>Required Return on SMRP Related Investment</b>       |   |  |   | <b>\$ 1,573,300</b>                                 | Line 11 * Line 12         |

**PSC Set 1 No. 1 2022-00342  
Attachment JTG-1  
SMRP Form 2.1**

**Columbia Gas of Kentucky, Inc.  
Annual Adjustment to the Safety Modification and Replacement Program  
Cost of Capital**

| <u>Line No.</u> | <u>Capital Structure</u><br>( A ) | <u>Ratio</u><br>( B ) | <u>Cost</u><br>( C ) | <u>Weighted Cost</u><br>( D ) | <u>Pre-Tax @<br/>Effect tax of<br/>24.95%</u><br>( E ) |
|-----------------|-----------------------------------|-----------------------|----------------------|-------------------------------|--|
| 1               | Short term Debt                   | 3.11%                 | 1.30%                | 0.04%                         | 0.04%  |
| 2               | Long term Debt                    | 44.25%                | 4.37%                | 1.93%                         | 1.93%  |
| 3               | Equity                            | 52.64%                | 9.275%               | 4.88%                         | <u>6.51%</u>   |
| 4               | Total                             | 100.00%               |                      | 6.86%                         | 8.48%  |

**PSC Set 1 No. 1 2022-00342**  
**Attachment JTG-1**  
**SMRP Form 2.2**

**Columbia Gas of Kentucky, Inc.**  
**Annual Adjustment to the Safety Modification and Replacement Program**  
**Conversion Factor - PSC fees**

| <u>Line No.</u> | <u>DESCRIPTION</u>              | <u>PERCENTAGE OF<br/>INCREMENTAL<br/>GROSS REVENUE</u> |
|-----------------|---------------------------------|--|
| 1               | OPERATING REVENUE               | 100.000000%  |
| 2               | LESS: PSC FEES                  | <u>0.200000%</u>                                       |
| 3               | NET REVENUES                    | 99.800000%   |
| 4               | GROSS REVENUE CONVERSION FACTOR | <u>1.002004</u>  |



Columbia Gas of Kentucky, Inc.  
Annual Adjustment to the Safety Modification and Replacement Program ("SMRP")  
2023 Plant In Service

|   | 2022<br>December<br>Cumulative | 2023<br>January | 2023<br>February | 2023<br>March | 2023<br>April | 2023<br>May | 2023<br>June | 2023<br>July | 2023<br>August | 2023<br>September | 2023<br>October | 2023<br>November | 2023<br>December | 2023<br>Cumulative Total | 2023<br>13 Month Average |
|---|--------------------------------|-----------------|------------------|---------------|---------------|-------------|--------------|--------------|----------------|-------------------|-----------------|------------------|------------------|--------------------------|--------------------------|
| <b>Additions</b>                        |                                |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |                          |                          |
| 376 Mains                               | -                              | 739,397         | 1,802,861        | 1,927,513     | 1,509,520     | 1,360,998   | 1,533,971    | 1,727,675    | 2,516,774      | 1,855,227         | 2,972,482       | 4,602,807        | 5,413,523        | 27,962,748               |                          |
| 378 Plant Regulators                    | -                              | 34,988          | 85,311           | 91,210        | 71,430        | 64,402      | 72,587       | 81,753       | 119,093        | 87,789            | 140,657         | 217,804          | 256,167          | 1,323,192                |                          |
| 380 Service Lines                       | -                              | 322,197         | 785,608          | 839,926       | 657,783       | 593,063     | 668,437      | 752,845      | 1,096,700      | 808,426           | 1,295,277       | 2,005,701        | 2,358,976        | 12,184,939               |                          |
| 382 Meter Installations                 | -                              | 2,083           | 5,080            | 5,431         | 4,254         | 3,835       | 4,322        | 4,868        | 7,092          | 5,228             | 8,376           | 12,970           | 15,254           | 78,794                   |                          |
| 383 House Regulators                    | -                              | 2,455           | 5,986            | 6,400         | 5,012         | 4,519       | 5,094        | 5,737        | 8,357          | 6,160             | 9,870           | 15,284           | 17,976           | 92,851                   |                          |
| Total Monthly Additions                 | -                              | 1,101,121       | 2,684,846        | 2,870,480     | 2,247,999     | 2,026,817   | 2,284,411    | 2,572,878    | 3,748,016      | 2,762,830         | 4,426,663       | 6,854,566        | 8,061,896        |                          |                          |
| Total Cumulative Additions              | -                              | 1,101,121       | 3,785,967        | 6,656,447     | 8,904,446     | 10,931,264  | 13,215,674   | 15,788,553   | 19,536,569     | 22,299,399        | 26,726,062      | 33,580,628       | 41,642,524       | 41,642,524               | 15,705,281               |
| <b>Retirements</b>                      |                                |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |                          |                          |
| 376 Mains                               | -                              | (68,408)        | (94,061)         | (171,020)     | (188,122)     | (205,224)   | (213,775)    | (171,020)    | (158,194)      | (183,847)         | (153,918)       | (68,408)         | (34,204)         | (1,710,202)              |                          |
| 378 Plant Regulators                    | -                              | (4,550)         | (6,256)          | (11,374)      | (12,512)      | (13,649)    | (14,218)     | (11,374)     | (10,521)       | (12,227)          | (10,237)        | (4,550)          | (2,275)          | (113,744)                |                          |
| 380 Service Lines                       | -                              | (110,019)       | (151,277)        | (275,049)     | (302,555)     | (330,059)   | (343,812)    | (275,049)    | (254,420)      | (295,678)         | (247,544)       | (110,019)        | (55,010)         | (2,750,493)              |                          |
| 382 Meter Installations                 | -                              | (1,024)         | (1,407)          | (2,559)       | (2,815)       | (3,071)     | (3,199)      | (2,559)      | (2,367)        | (2,751)           | (2,303)         | (1,024)          | (512)            | (25,588)                 |                          |
| 383 House Regulators                    | -                              | (114)           | (156)            | (284)         | (312)         | (341)       | (355)        | (284)        | (263)          | (305)             | (256)           | (114)            | (57)             | (2,839)                  |                          |
| Total Monthly Retirements               | -                              | (184,114)       | (253,158)        | (460,287)     | (506,316)     | (552,344)   | (575,358)    | (460,287)    | (425,765)      | (494,809)         | (414,258)       | (184,114)        | (92,057)         |                          |                          |
| Total Cumulative Retirements            | -                              | (184,114)       | (437,272)        | (897,559)     | (1,403,875)   | (1,956,219) | (2,531,577)  | (2,991,864)  | (3,417,628)    | (3,912,437)       | (4,326,695)     | (4,510,809)      | (4,602,866)      | (4,602,866)              | (2,397,916)              |
| <b>Total Plant In Service</b>           |                                |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |                          |                          |
| 376 Mains                               | -                              | 670,989         | 1,708,800        | 1,756,493     | 1,321,398     | 1,155,773   | 1,320,195    | 1,556,655    | 2,358,581      | 1,671,380         | 2,818,564       | 4,534,399        | 5,379,319        | 26,252,546               |                          |
| 378 Plant Regulators                    | -                              | 30,438          | 79,055           | 79,835        | 58,918        | 50,753      | 58,369       | 70,379       | 108,572        | 75,561            | 130,420         | 213,254          | 253,892          | 1,209,448                |                          |
| 380 Service Lines                       | -                              | 212,177         | 634,330          | 564,876       | 355,228       | 263,004     | 324,625      | 477,796      | 842,279        | 512,748           | 1,047,733       | 1,895,682        | 2,303,966        | 9,434,446                |                          |
| 382 Meter Installations                 | -                              | 1,060           | 3,673            | 2,873         | 1,439         | 764         | 1,124        | 2,309        | 4,725          | 2,477             | 6,073           | 11,946           | 14,743           | 53,206                   |                          |
| 383 House Regulators                    | -                              | 2,342           | 5,830            | 6,116         | 4,700         | 4,179       | 4,739        | 5,453        | 8,094          | 5,855             | 9,615           | 15,170           | 17,919           | 90,012                   |                          |
| Total Plant In Service Monthly Activity | -                              | 917,006         | 2,431,688        | 2,410,194     | 1,741,684     | 1,474,473   | 1,709,053    | 2,112,592    | 3,322,251      | 2,268,021         | 4,012,405       | 6,670,451        | 7,969,839        |                          |                          |
| Total Cumulative Plant In Service       | -                              | 917,006         | 3,348,695        | 5,758,888     | 7,500,572     | 8,975,045   | 10,684,098   | 12,796,689   | 16,118,941     | 18,386,962        | 22,399,368      | 29,069,819       | 37,039,658       | 37,039,658               | 13,307,365               |





Columbia Gas of Kentucky, Inc.  
Annual Adjustment to the Safety Modification and Replacement Program ("SMRP")  
2023 Accumulated Depreciation

|   | 2022<br>December<br>Cumulative | 2023<br>January | 2023<br>February | 2023<br>March | 2023<br>April | 2023<br>May | 2023<br>June | 2023<br>July | 2023<br>August | 2023<br>September | 2023<br>October | 2023<br>November | 2023<br>December | 2023<br>Cumulative Total | 2023<br>13 Month Average |
|---|--------------------------------|-----------------|------------------|---------------|---------------|-------------|--------------|--------------|----------------|-------------------|-----------------|------------------|------------------|--------------------------|--------------------------|
| <u>Depreciation Expense</u>               |                                |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |                          |                          |
| 376 Mains                                 | -                              | (486)           | (2,212)          | (4,724)       | (6,956)       | (8,752)     | (10,547)     | (12,633)     | (15,471)       | (18,393)          | (21,647)        | (26,978)         | (34,166)         | (162,966)                |                          |
| 378 Plant Regulators                      | -                              | (32)            | (147)            | (314)         | (460)         | (574)       | (689)        | (824)        | (1,012)        | (1,205)           | (1,422)         | (1,783)          | (2,274)          | (10,736)                 |                          |
| 380 Service Lines                         | -                              | (352)           | (1,756)          | (3,745)       | (5,270)       | (6,295)     | (7,270)      | (8,600)      | (10,790)       | (13,036)          | (15,624)        | (20,506)         | (27,470)         | (120,714)                |                          |
| 382 Meter Installations                   | -                              | (1)             | (5)              | (9)           | (12)          | (14)        | (15)         | (18)         | (23)           | (29)              | (34)            | (48)             | (68)             | (275)                    |                          |
| 383 House Regulators                      | -                              | (2)             | (9)              | (18)          | (27)          | (34)        | (41)         | (49)         | (61)           | (72)              | (84)            | (104)            | (131)            | (632)                    |                          |
| Total Depreciation Monthly                | -                              | (873)           | (4,128)          | (8,810)       | (12,725)      | (15,669)    | (18,562)     | (22,124)     | (27,357)       | (32,735)          | (38,812)        | (49,419)         | (64,109)         | (295,323)                |                          |
| Total Cumulative Depreciation             | -                              | (873)           | (5,001)          | (13,811)      | (26,536)      | (42,205)    | (60,768)     | (82,892)     | (110,249)      | (142,984)         | (181,796)       | (231,215)        | (295,323)        |                          |                          |
| <u>Retirements</u>                        |                                |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |                          |                          |
| 376 Mains                                 | -                              | 68,408          | 94,061           | 171,020       | 188,122       | 205,224     | 213,775      | 171,020      | 158,194        | 183,847           | 153,918         | 68,408           | 34,204           | 1,710,202                |                          |
| 378 Plant Regulators                      | -                              | 4,550           | 6,256            | 11,374        | 12,512        | 13,649      | 14,218       | 11,374       | 10,521         | 12,227            | 10,237          | 4,550            | 2,275            | 113,744                  |                          |
| 380 Service Lines                         | -                              | 110,019         | 151,277          | 275,049       | 302,555       | 330,059     | 343,812      | 275,049      | 254,420        | 295,678           | 247,544         | 110,019          | 55,010           | 2,750,493                |                          |
| 382 Meter Installations                   | -                              | 1,024           | 1,407            | 2,559         | 2,815         | 3,071       | 3,199        | 2,559        | 2,367          | 2,751             | 2,303           | 1,024            | 512              | 25,588                   |                          |
| 383 House Regulators                      | -                              | 114             | 156              | 284           | 312           | 341         | 355          | 284          | 263            | 305               | 256             | 114              | 57               | 2,839                    |                          |
| Total Monthly Retirements                 | -                              | 184,114         | 253,158          | 460,287       | 506,316       | 552,344     | 575,358      | 460,287      | 425,765        | 494,809           | 414,258         | 184,114          | 92,057           | 4,602,866                |                          |
| Total Cumulative Retirements              | -                              | 184,114         | 437,272          | 897,559       | 1,403,875     | 1,956,219   | 2,531,577    | 2,991,864    | 3,417,628      | 3,912,437         | 4,326,695       | 4,510,809        | 4,602,866        |                          |                          |
| <u>Cost of Removal</u>                    |                                |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |                          |                          |
| 376 Mains                                 | -                              | 14,081          | 17,467           | 22,623        | 25,720        | 28,394      | 26,668       | 28,972       | 28,911         | 29,001            | 32,004          | 29,056           | 19,101           | 301,998                  |                          |
| 378 Plant Regulators                      | -                              | 1,135           | 1,408            | 1,824         | 2,074         | 2,289       | 2,150        | 2,336        | 2,331          | 2,338             | 2,580           | 2,343            | 1,540            | 24,347                   |                          |
| 380 Service Lines                         | -                              | 84,763          | 105,149          | 136,189       | 154,830       | 170,926     | 160,536      | 174,406      | 174,042        | 174,584           | 192,663         | 174,916          | 114,988          | 1,817,993                |                          |
| 382 Meter Installations                   | -                              | -               | -                | -             | -             | -           | -            | -            | -              | -                 | -               | -                | -                | -                        |                          |
| 383 House Regulators                      | -                              | -               | -                | -             | -             | -           | -            | -            | -              | -                 | -               | -                | -                | -                        |                          |
| Total Monthly Cost of Removal             | -                              | 99,979          | 124,024          | 160,636       | 182,624       | 201,608     | 189,354      | 205,713      | 205,284        | 205,923           | 227,248         | 206,315          | 135,629          | 2,144,338                |                          |
| Total Cumulative Cost of Removal          | -                              | 99,979          | 224,003          | 384,640       | 567,263       | 768,871     | 958,225      | 1,163,938    | 1,369,223      | 1,575,146         | 1,802,394       | 2,008,709        | 2,144,338        |                          |                          |
| <u>Total Accumulated Depreciation</u>     |                                |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |                          |                          |
| 376 Mains                                 | -                              | 82,002          | 109,316          | 188,919       | 206,886       | 224,866     | 229,896      | 187,359      | 171,634        | 194,455           | 164,275         | 70,486           | 19,139           | 1,849,234                |                          |
| 378 Plant Regulators                      | -                              | 5,653           | 7,517            | 12,884        | 14,126        | 15,364      | 15,679       | 12,886       | 11,840         | 13,360            | 11,395          | 5,109            | 1,541            | 127,355                  |                          |
| 380 Service Lines                         | -                              | 194,431         | 254,671          | 407,494       | 452,115       | 494,690     | 497,078      | 440,855      | 417,673        | 457,226           | 424,583         | 264,430          | 142,528          | 4,447,772                |                          |
| 382 Meter Installations                   | -                              | 1,023           | 1,403            | 2,550         | 2,803         | 3,057       | 3,184        | 2,541        | 2,343          | 2,722             | 2,268           | 976              | 444              | 25,313                   |                          |
| 383 House Regulators                      | -                              | 112             | 147              | 266           | 285           | 306         | 314          | 234          | 202            | 233               | 172             | 9                | (75)             | 2,207                    |                          |
| Total Accumulated Depreciation Activity   | -                              | 283,220         | 373,054          | 612,113       | 676,215       | 738,283     | 746,150      | 643,876      | 603,693        | 667,997           | 602,693         | 341,010          | 163,578          | 6,451,881                |                          |
| Total Accumulated Depreciation Cumulative | -                              | 283,220         | 656,274          | 1,268,387     | 1,944,602     | 2,682,884   | 3,429,034    | 4,072,910    | 4,676,603      | 5,344,600         | 5,947,293       | 6,288,303        | 6,451,881        |                          | 3,311,230                |



Columbia Gas of Kentucky, Inc.  
Annual Adjustment to the Safety Modification and Replacement Program ("SMRP")  
2023 Depreciation Expense

|  | Monthly<br>Depreciation<br>Rate by GPA | 2022<br>December<br>Cumulative | 2023<br>January | 2023<br>February | 2023<br>March | 2023<br>April | 2023<br>May | 2023<br>June | 2023<br>July | 2023<br>August | 2023<br>September | 2023<br>October | 2023<br>November | 2023<br>December | 2023<br>Cumulative Total |
|--|--|--------------------------------|-----------------|------------------|---------------|---------------|-------------|--------------|--------------|----------------|-------------------|-----------------|------------------|------------------|--------------------------|
| 376 Mains  | 0.1450%                                |                                |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |                          |
| Additions  |  |                                | 739,397         | 1,802,861        | 1,927,513     | 1,509,520     | 1,360,998   | 1,533,971    | 1,727,675    | 2,516,774      | 1,855,227         | 2,972,482       | 4,602,807        | 5,413,523        | 27,962,748               |
| Retirements                                      |  |                                | (68,408)        | (94,061)         | (171,020)     | (188,122)     | (205,224)   | (213,775)    | (171,020)    | (158,194)      | (183,847)         | (153,918)       | (68,408)         | (34,204)         |                          |
| Monthly Activity                                 |  |                                | 670,989         | 1,708,800        | 1,756,493     | 1,321,398     | 1,155,773   | 1,320,195    | 1,556,655    | 2,358,581      | 1,671,380         | 2,818,564       | 4,534,399        | 5,379,319        | 26,252,546               |
| Cumulative Balance                               |  | -                              | 670,989         | 2,379,789        | 4,136,282     | 5,457,680     | 6,613,453   | 7,933,648    | 9,490,303    | 11,848,884     | 13,520,264        | 16,338,828      | 20,873,227       | 26,252,546       |                          |
| Depreciation on Prior Month Balance              |  |                                | -               | 973              | 3,451         | 5,998         | 7,914       | 9,590        | 11,504       | 13,761         | 17,181            | 19,604          | 23,691           | 30,266           |                          |
| 1/2 Month Depreciation on Current Month Activity |  |                                | 486             | 1,239            | 1,273         | 958           | 838         | 957          | 1,129        | 1,710          | 1,212             | 2,043           | 3,287            | 3,900            |                          |
| Total Depreciation                               |  | -                              | 486             | 2,212            | 4,724         | 6,956         | 8,752       | 10,547       | 12,633       | 15,471         | 18,393            | 21,647          | 26,978           | 34,166           | 162,966                  |
| 378 Plant Regulators                             | 0.2100%                                |                                |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |                          |
| Additions  |  |                                | 34,988          | 85,311           | 91,210        | 71,430        | 64,402      | 72,587       | 81,753       | 119,093        | 87,789            | 140,657         | 217,804          | 256,167          | 1,323,192                |
| Retirements                                      |  |                                | (4,550)         | (6,256)          | (11,374)      | (12,512)      | (13,649)    | (14,218)     | (11,374)     | (10,521)       | (12,227)          | (10,237)        | (4,550)          | (2,275)          |                          |
| Monthly Activity                                 |  |                                | 30,438          | 79,055           | 79,835        | 58,918        | 50,753      | 58,369       | 70,379       | 108,572        | 75,561            | 130,420         | 213,254          | 253,892          | 1,209,448                |
| Cumulative Balance                               |  | -                              | 30,438          | 109,493          | 189,329       | 248,247       | 299,000     | 357,369      | 427,748      | 536,320        | 611,881           | 742,302         | 955,556          | 1,209,448        |                          |
| Depreciation on Prior Month Balance              |  |                                | -               | 64               | 230           | 398           | 521         | 628          | 750          | 898            | 1,126             | 1,285           | 1,559            | 2,007            |                          |
| 1/2 Month Depreciation on Current Month Activity |  |                                | 32              | 83               | 84            | 62            | 53          | 61           | 74           | 114            | 79                | 137             | 224              | 267              |                          |
| Total Depreciation                               |  |                                | 32              | 147              | 314           | 460           | 574         | 689          | 824          | 1,012          | 1,205             | 1,422           | 1,783            | 2,274            | 10,736                   |
| 380 Service Lines                                | 0.3317%                                |                                |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |                          |
| Additions  |  |                                | 322,197         | 785,608          | 839,926       | 657,783       | 593,063     | 668,437      | 752,845      | 1,096,700      | 808,426           | 1,295,277       | 2,005,701        | 2,358,976        | 12,184,939               |
| Retirements                                      |  |                                | (110,019)       | (151,277)        | (275,049)     | (302,555)     | (330,059)   | (343,812)    | (275,049)    | (254,420)      | (295,678)         | (247,544)       | (110,019)        | (55,010)         |                          |
| Monthly Activity                                 |  |                                | 212,177         | 634,330          | 564,876       | 355,228       | 263,004     | 324,625      | 477,796      | 842,279        | 512,748           | 1,047,733       | 1,895,682        | 2,303,966        | 9,434,446                |
| Cumulative Balance                               |  | -                              | 212,177         | 846,508          | 1,411,384     | 1,766,612     | 2,029,616   | 2,354,242    | 2,832,037    | 3,674,317      | 4,187,065         | 5,234,798       | 7,130,480        | 9,434,446        |                          |
| Depreciation on Prior Month Balance              |  |                                | -               | 704              | 2,808         | 4,681         | 5,859       | 6,732        | 7,808        | 9,393          | 12,186            | 13,887          | 17,362           | 23,649           |                          |
| 1/2 Month Depreciation on Current Month Activity |  |                                | 352             | 1,052            | 937           | 589           | 436         | 538          | 792          | 1,397          | 850               | 1,737           | 3,144            | 3,821            |                          |
| Total Depreciation                               |  |                                | 352             | 1,756            | 3,745         | 5,270         | 6,295       | 7,270        | 8,600        | 10,790         | 13,036            | 15,624          | 20,506           | 27,470           | 120,714                  |
| 382 Meter Installations                          | 0.1475%                                |                                |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |                          |
| Additions  |  |                                | 2,083           | 5,080            | 5,431         | 4,254         | 3,835       | 4,322        | 4,868        | 7,092          | 5,228             | 8,376           | 12,970           | 15,254           | 78,794                   |
| Retirements                                      |  |                                | (1,024)         | (1,407)          | (2,559)       | (2,815)       | (3,071)     | (3,199)      | (2,559)      | (2,367)        | (2,751)           | (2,303)         | (1,024)          | (512)            |                          |
| Monthly Activity                                 |  |                                | 1,060           | 3,673            | 2,873         | 1,439         | 764         | 1,124        | 2,309        | 4,725          | 2,477             | 6,073           | 11,946           | 14,743           | 53,206                   |
| Cumulative Balance                               |  | -                              | 1,060           | 4,733            | 7,605         | 9,044         | 9,809       | 10,933       | 13,242       | 17,967         | 20,444            | 26,517          | 38,463           | 53,206           |                          |
| Depreciation on Prior Month Balance              |  |                                | -               | 2                | 7             | 11            | 13          | 14           | 16           | 20             | 27                | 30              | 39               | 57               |                          |
| 1/2 Month Depreciation on Current Month Activity |  |                                | 1               | 3                | 2             | 1             | 1           | 1            | 2            | 3              | 2                 | 4               | 9                | 11               |                          |
| Total Depreciation                               |  |                                | 1               | 5                | 9             | 12            | 14          | 15           | 18           | 23             | 29                | 34              | 48               | 68               | 275                      |
| 383 House Regulators                             | 0.1617%                                |                                |                 |                  |               |               |             |              |              |                |                   |                 |                  |                  |                          |
| Additions  |  |                                | 2,455           | 5,986            | 6,400         | 5,012         | 4,519       | 5,094        | 5,737        | 8,357          | 6,160             | 9,870           | 15,284           | 17,976           | 92,851                   |
| Retirements                                      |  |                                | (114)           | (156)            | (284)         | (312)         | (341)       | (355)        | (284)        | (263)          | (305)             | (256)           | (114)            | (57)             |                          |
| Monthly Activity                                 |  |                                | 2,342           | 5,830            | 6,116         | 4,700         | 4,179       | 4,739        | 5,453        | 8,094          | 5,855             | 9,615           | 15,170           | 17,919           | 90,012                   |
| Cumulative Balance                               |  | -                              | 2,342           | 8,172            | 14,288        | 18,988        | 23,167      | 27,906       | 33,359       | 41,453         | 47,308            | 56,923          | 72,093           | 90,012           |                          |
| Depreciation on Prior Month Balance              |  |                                | -               | 4                | 13            | 23            | 31          | 37           | 45           | 54             | 67                | 76              | 92               | 117              |                          |
| 1/2 Month Depreciation on Current Month Activity |  |                                | 2               | 5                | 5             | 4             | 3           | 4            | 4            | 7              | 5                 | 8               | 12               | 14               |                          |
| Total Depreciation                               |  |                                | 2               | 9                | 18            | 27            | 34          | 41           | 49           | 61             | 72                | 84              | 104              | 131              | 632                      |
| Total Depreciation - Monthly                     |  |                                | 873             | 4,128            | 8,810         | 12,725        | 15,669      | 18,562       | 22,124       | 27,357         | 32,735            | 38,812          | 49,419           | 64,109           | 295,323                  |
| Total Cumulative Depreciation                    |  | -                              | 873             | 5,001            | 13,811        | 26,536        | 42,205      | 60,768       | 82,892       | 110,249        | 142,984           | 181,796         | 231,215          | 295,323          |                          |

PSC Set 1 No. 1 2022-00342  
Attachment JTG-1  
SMRP Form 6.0

**Columbia Gas of Kentucky, Inc.**  
**Calculation of Accumulated Deferred Income Tax (Normalized)**  
**Annual Adjustment to the Safety Modification and Replacement Program**

|                         | 2021<br>December | 2022<br>January | 2022<br>February | 2022<br>March | 2022<br>April | 2022<br>May | 2022<br>June | 2022<br>July | 2022<br>August | 2022<br>September | 2022<br>October | 2022<br>November | 2022<br>December | 2022<br>Activity  | 2022<br>Monthly Activity | 2022<br>13 Month Ave. |
|-------------------------|------------------|-----------------|------------------|---------------|---------------|-------------|--------------|--------------|----------------|-------------------|-----------------|------------------|------------------|-------------------|--------------------------|-----------------------|
|                         | ( A )            | ( B )           | ( C )            | ( D )         | ( E )         | ( F )       | ( G )        | ( H )        | ( I )          | ( J )             | ( K )           | ( L )            | ( M )            | ( N )<br>(N= M-A) | ( O )<br>(O=N/12)        | ( P )                 |
| ADIT Balance - Form 6.1 | -                |                 |                  |               |               |             |              |              |                |                   |                 |                  | -                | -                 | -                        | -                     |
| 2022 Normalized ADIT    | -                | -               | -                | -             | -             | -           | -            | -            | -              | -                 | -               | -                | -                | -                 | -                        | -                     |
|                         | 2022<br>December | 2023<br>January | 2023<br>February | 2023<br>March | 2023<br>April | 2023<br>May | 2023<br>June | 2023<br>July | 2023<br>August | 2023<br>September | 2023<br>October | 2023<br>November | 2023<br>December | 2023<br>Activity  | 2023<br>Monthly Activity | 2023<br>13 Month Ave. |
| ADIT Balance - Form 6.1 | -                |                 |                  |               |               |             |              |              |                |                   |                 |                  | (3,170,434)      | (3,170,434)       | (264,203)                |                       |
| 2023 Normalized ADIT    | -                | (264,203)       | (528,406)        | (792,609)     | (1,056,812)   | (1,321,015) | (1,585,218)  | (1,849,421)  | (2,113,624)    | (2,377,827)       | (2,642,030)     | (2,906,233)      | (3,170,436)      |                   |                          | (1,585,218)           |

Columbia Gas of Kentucky, Inc.  
Calculation of Accumulated Deferred Income Tax  
Annual Adjustment to the Safety Modification and Replacement Program  
Summary of Form 6.1, Pages 2 and 3

| Ln. No. | MACRS 20 Year Tax Depr Rates (A) | Year (B) | 2022 Additions (C) (\$) | 2023 Additions (D) (\$) | 2024 Additions (E) (\$) | 2025 Additions (F) (\$) | 2026 Additions (G) (\$) | 2027 Additions (H) (\$) | Annual Tax Depreciation (I) (\$) | Cost of Removal (J) (\$) | Book Depreciation (K) (\$) | Difference (L) (\$) | Deferred Tax @ [1] 24.95% (M) (\$) | Accumulated Deferred Inc. Taxes (N) (\$) |
|---------|----------------------------------|----------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|----------------------------------|--------------------------|----------------------------|---------------------|------------------------------------|--|
| 1       | Total Plant Additions            |          | -                       | 41,642,524              | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                  | -  |
| 2       |                                  |          |                         |                         |                         |                         |                         |                         |                                  |                          |                            |                     |                                    |  |
| 3       | 0.03750                          | 1        | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                  | -  |
| 4       | 0.07219                          | 2        | -                       | 10,858,136              | -                       | -                       | -                       | -                       | 10,858,136                       | 2,144,338                | 295,323                    | 12,707,151          | 3,170,434                          | 3,170,434                                |
| 5       | 0.06677                          | 3        | -                       | 2,308,909               | -                       | -                       | -                       | -                       | 2,308,909                        | -                        | -                          | -                   | -                                  | -  |
| 6       | 0.06177                          | 4        | -                       | 2,135,557               | -                       | -                       | -                       | -                       | 2,135,557                        | -                        | -                          | -                   | -                                  | -  |
| 7       | 0.05713                          | 5        | -                       | 1,975,638               | -                       | -                       | -                       | -                       | 1,975,638                        | -                        | -                          | -                   | -                                  | -  |
| 8       | 0.05285                          | 6        | -                       | 1,827,233               | -                       | -                       | -                       | -                       | 1,827,233                        | -                        | -                          | -                   | -                                  | -  |
| 9       | 0.04888                          | 7        | -                       | 1,690,343               | -                       | -                       | -                       | -                       | 1,690,343                        | -                        | -                          | -                   | -                                  | -  |
| 10      | 0.04522                          | 8        | -                       | 1,563,368               | -                       | -                       | -                       | -                       | 1,563,368                        | -                        | -                          | -                   | -                                  | -  |
| 11      | 0.04462                          | 9        | -                       | 1,446,307               | -                       | -                       | -                       | -                       | 1,446,307                        | -                        | -                          | -                   | -                                  | -  |
| 12      | 0.04461                          | 10       | -                       | 1,427,116               | -                       | -                       | -                       | -                       | 1,427,116                        | -                        | -                          | -                   | -                                  | -  |
| 13      | 0.04462                          | 11       | -                       | 1,426,797               | -                       | -                       | -                       | -                       | 1,426,797                        | -                        | -                          | -                   | -                                  | -  |
| 14      | 0.04461                          | 12       | -                       | 1,427,116               | -                       | -                       | -                       | -                       | 1,427,116                        | -                        | -                          | -                   | -                                  | -  |
| 15      | 0.04462                          | 13       | -                       | 1,426,797               | -                       | -                       | -                       | -                       | 1,426,797                        | -                        | -                          | -                   | -                                  | -  |
| 16      | 0.04461                          | 14       | -                       | 1,427,116               | -                       | -                       | -                       | -                       | 1,427,116                        | -                        | -                          | -                   | -                                  | -  |
| 17      | 0.04462                          | 15       | -                       | 1,426,797               | -                       | -                       | -                       | -                       | 1,426,797                        | -                        | -                          | -                   | -                                  | -  |
| 18      | 0.04461                          | 16       | -                       | 1,427,116               | -                       | -                       | -                       | -                       | 1,427,116                        | -                        | -                          | -                   | -                                  | -  |
| 19      | 0.04462                          | 17       | -                       | 1,426,797               | -                       | -                       | -                       | -                       | 1,426,797                        | -                        | -                          | -                   | -                                  | -  |
| 20      | 0.04461                          | 18       | -                       | 1,427,116               | -                       | -                       | -                       | -                       | 1,427,116                        | -                        | -                          | -                   | -                                  | -  |
| 21      | 0.04462                          | 19       | -                       | 1,426,797               | -                       | -                       | -                       | -                       | 1,426,797                        | -                        | -                          | -                   | -                                  | -  |
| 22      | 0.04461                          | 20       | -                       | 1,427,116               | -                       | -                       | -                       | -                       | 1,427,116                        | -                        | -                          | -                   | -                                  | -  |
| 23      | 0.02231                          | 21       | -                       | 1,426,797               | -                       | -                       | -                       | -                       | 1,426,797                        | -                        | -                          | -                   | -                                  | -  |
| 24      |                                  | 22       | -                       | 713,562                 | -                       | -                       | -                       | -                       | 713,562                          | -                        | -                          | -                   | -                                  | -  |
| 25      |                                  | 23       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                  | -  |
| 26      |                                  | 24       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                  | -  |
| 27      |                                  |          | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                  | -  |
| 28      |                                  |          | -                       | 41,642,531              | -                       | -                       | -                       | -                       | 41,642,531                       | 2,144,338                | 295,323                    | -                   | -                                  | -  |

Notes:

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

Columbia Gas of Kentucky, Inc.  
Calculation of Accumulated Deferred Income Tax  
Annual Adjustment to the Safety Modification and Replacement Program<sup>[1]</sup>

| Ln. No. | MACRS 20 Year Tax Depr Rates (A) | Year (B) | 2022 Additions (C)<br>(\$) | 2023 Additions (D)<br>(\$) | 2024 Additions (E)<br>(\$) | 2025 Additions (F)<br>(\$) | 2026 Additions (G)<br>(\$) | 2027 Additions (H)<br>(\$) | Annual Tax Depreciation (I)<br>(\$) | Cost of Removal (J)<br>(\$) | Book Depreciation (K)<br>(\$) | Difference (L)<br>(\$) | Deferred Tax @ 24.95% [3] (M)<br>(\$) | Accumulated Deferred Inc. Taxes (N)<br>(\$) |
|---------|----------------------------------|----------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------------|-----------------------------|-------------------------------|------------------------|---------------------------------------|---|
| 1       | Mains & Services                 |          | -                          | 40,147,687                 | -                          | -                          | -                          | -                          |                                     |                             |                               |                        |                                       |   |
| 2       | Composite Tax Rate [2]           |          | 23.909%                    | 23.909%                    | 23.909%                    | 23.909%                    | 23.909%                    | 23.909%                    |                                     |                             |                               |                        |                                       |   |
| 3       | 0.03750                          | 1        | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 4       | 0.07219                          | 2        | -                          | 10,744,384                 | -                          | -                          | -                          | -                          | 10,744,384                          | 2,119,991                   | 283,681                       | 12,580,694             | 3,138,883                             | 3,138,883                                   |
| 5       | 0.06677                          | 3        | -                          | 2,205,324                  | -                          | -                          | -                          | -                          | 2,205,324                           | -                           | -                             | -                      | -                                     | -   |
| 6       | 0.06177                          | 4        | -                          | 2,039,749                  | -                          | -                          | -                          | -                          | 2,039,749                           | -                           | -                             | -                      | -                                     | -   |
| 7       | 0.05713                          | 5        | -                          | 1,887,005                  | -                          | -                          | -                          | -                          | 1,887,005                           | -                           | -                             | -                      | -                                     | -   |
| 8       | 0.05285                          | 6        | -                          | 1,745,258                  | -                          | -                          | -                          | -                          | 1,745,258                           | -                           | -                             | -                      | -                                     | -   |
| 9       | 0.04888                          | 7        | -                          | 1,614,509                  | -                          | -                          | -                          | -                          | 1,614,509                           | -                           | -                             | -                      | -                                     | -   |
| 10      | 0.04522                          | 8        | -                          | 1,493,230                  | -                          | -                          | -                          | -                          | 1,493,230                           | -                           | -                             | -                      | -                                     | -   |
| 11      | 0.04462                          | 9        | -                          | 1,381,421                  | -                          | -                          | -                          | -                          | 1,381,421                           | -                           | -                             | -                      | -                                     | -   |
| 12      | 0.04461                          | 10       | -                          | 1,363,091                  | -                          | -                          | -                          | -                          | 1,363,091                           | -                           | -                             | -                      | -                                     | -   |
| 13      | 0.04462                          | 11       | -                          | 1,362,786                  | -                          | -                          | -                          | -                          | 1,362,786                           | -                           | -                             | -                      | -                                     | -   |
| 14      | 0.04461                          | 12       | -                          | 1,363,091                  | -                          | -                          | -                          | -                          | 1,363,091                           | -                           | -                             | -                      | -                                     | -   |
| 15      | 0.04462                          | 13       | -                          | 1,362,786                  | -                          | -                          | -                          | -                          | 1,362,786                           | -                           | -                             | -                      | -                                     | -   |
| 16      | 0.04461                          | 14       | -                          | 1,363,091                  | -                          | -                          | -                          | -                          | 1,363,091                           | -                           | -                             | -                      | -                                     | -   |
| 17      | 0.04462                          | 15       | -                          | 1,362,786                  | -                          | -                          | -                          | -                          | 1,362,786                           | -                           | -                             | -                      | -                                     | -   |
| 18      | 0.04461                          | 16       | -                          | 1,363,091                  | -                          | -                          | -                          | -                          | 1,363,091                           | -                           | -                             | -                      | -                                     | -   |
| 19      | 0.04462                          | 17       | -                          | 1,362,786                  | -                          | -                          | -                          | -                          | 1,362,786                           | -                           | -                             | -                      | -                                     | -   |
| 20      | 0.04461                          | 18       | -                          | 1,363,091                  | -                          | -                          | -                          | -                          | 1,363,091                           | -                           | -                             | -                      | -                                     | -   |
| 21      | 0.04462                          | 19       | -                          | 1,362,786                  | -                          | -                          | -                          | -                          | 1,362,786                           | -                           | -                             | -                      | -                                     | -   |
| 22      | 0.04461                          | 20       | -                          | 1,363,091                  | -                          | -                          | -                          | -                          | 1,363,091                           | -                           | -                             | -                      | -                                     | -   |
| 23      | 0.02231                          | 21       | -                          | 1,362,786                  | -                          | -                          | -                          | -                          | 1,362,786                           | -                           | -                             | -                      | -                                     | -   |
| 24      |                                  | 22       | -                          | 681,550                    | -                          | -                          | -                          | -                          | 681,550                             | -                           | -                             | -                      | -                                     | -   |
| 25      |                                  | 23       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 26      |                                  | 24       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 27      |                                  |          | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 28      |                                  |          | -                          | 40,147,690                 | -                          | -                          | -                          | -                          | 40,147,692                          | 2,119,991                   | 283,681                       | -                      | -                                     | -   |

Notes:

[1] Plant additions eligible for repairs tax deduction.

[2] Composite rate including repairs (20.73%) and mixed services 263A (4.01%)

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

**Columbia Gas of Kentucky, Inc.**  
**Calculation of Accumulated Deferred Income Tax**  
**Annual Adjustment to the Safety Modification and Replacement Program<sup>[1]</sup>**

| Ln. No. | MACRS 20 Year Tax Depr Rates |          | 2022 Additions | 2023 Additions | 2024 Additions | 2025 Additions | 2026 Additions | 2027 Additions | Annual Tax Depreciation | Cost of Removal | Book Depreciation | Difference | Deferred Tax @ 24.95% [3] | Accumulated Deferred Inc. Taxes |
|---------|------------------------------|----------|----------------|----------------|----------------|----------------|----------------|----------------|-------------------------|-----------------|-------------------|------------|---------------------------|---------------------------------|
|         | (A)                          | Year (B) |                |                |                |                |                |                |                         |                 |                   |            |                           |                                 |
| 1       | Plant Additions [1]          |          | -              | 1,494,837      | -              | -              | -              | -              | -                       | -               | -                 | -          | -                         | -                               |
| 2       | Composite Tax Rate [2]       |          | 4.010%         | 4.010%         | 4.010%         | 4.010%         | 4.010%         | 4.010%         |                         |                 |                   |            |                           |                                 |
| 3       | 0.03750                      | 1        | -              |                |                |                |                |                | -                       | -               | -                 | -          | -                         | -                               |
| 4       | 0.07219                      | 2        | -              | 113,752        |                |                |                |                | 113,752                 | 24,347          | 11,643            | 126,456    | 31,551                    | 31,551                          |
| 5       | 0.06677                      | 3        | -              | 103,585        | -              | -              |                |                | 103,585                 |                 |                   |            |                           |                                 |
| 6       | 0.06177                      | 4        | -              | 95,808         | -              | -              | -              |                | 95,808                  | -               |                   |            |                           |                                 |
| 7       | 0.05713                      | 5        | -              | 88,633         | -              | -              | -              |                | 88,633                  | -               |                   |            |                           |                                 |
| 8       | 0.05285                      | 6        | -              | 81,975         | -              | -              | -              |                | 81,975                  |                 |                   |            |                           |                                 |
| 9       | 0.04888                      | 7        | -              | 75,834         | -              | -              | -              |                | 75,834                  |                 |                   |            |                           |                                 |
| 10      | 0.04522                      | 8        | -              | 70,138         | -              | -              | -              |                | 70,138                  |                 |                   |            |                           |                                 |
| 11      | 0.04462                      | 9        | -              | 64,886         | -              | -              | -              |                | 64,886                  |                 |                   |            |                           |                                 |
| 12      | 0.04461                      | 10       | -              | 64,025         | -              | -              | -              |                | 64,025                  |                 |                   |            |                           |                                 |
| 13      | 0.04462                      | 11       | -              | 64,011         | -              | -              | -              |                | 64,011                  |                 |                   |            |                           |                                 |
| 14      | 0.04461                      | 12       | -              | 64,025         | -              | -              | -              |                | 64,025                  |                 |                   |            |                           |                                 |
| 15      | 0.04462                      | 13       | -              | 64,011         | -              | -              | -              |                | 64,011                  |                 |                   |            |                           |                                 |
| 16      | 0.04461                      | 14       | -              | 64,025         | -              | -              | -              |                | 64,025                  |                 |                   |            |                           |                                 |
| 17      | 0.04462                      | 15       | -              | 64,011         | -              | -              | -              |                | 64,011                  |                 |                   |            |                           |                                 |
| 18      | 0.04461                      | 16       | -              | 64,025         | -              | -              | -              |                | 64,025                  |                 |                   |            |                           |                                 |
| 19      | 0.04462                      | 17       | -              | 64,011         | -              | -              | -              |                | 64,011                  |                 |                   |            |                           |                                 |
| 20      | 0.04461                      | 18       | -              | 64,025         | -              | -              | -              |                | 64,025                  |                 |                   |            |                           |                                 |
| 21      | 0.04462                      | 19       | -              | 64,011         | -              | -              | -              |                | 64,011                  |                 |                   |            |                           |                                 |
| 22      | 0.04461                      | 20       | -              | 64,025         | -              | -              | -              |                | 64,025                  |                 |                   |            |                           |                                 |
| 23      | 0.02231                      | 21       | -              | 64,011         | -              | -              | -              |                | 64,011                  |                 |                   |            |                           |                                 |
| 24      |                              | 22       | -              | 32,012         | -              | -              | -              |                | 32,012                  |                 |                   |            |                           |                                 |
| 25      |                              | 23       | -              |                | -              | -              | -              |                |                         |                 |                   |            |                           |                                 |
| 26      |                              | 24       | -              |                | -              | -              | -              |                |                         |                 |                   |            |                           |                                 |
| 27      |                              |          | -              |                | -              | -              | -              |                |                         |                 |                   |            |                           |                                 |
| 28      |                              |          | -              | 1,494,839      | -              | -              | -              |                | 1,494,839               | 24,347          | 11,643            |            |                           |                                 |

Notes:

- [1] Plant additions not eligible for repairs tax deduction.
- [2] Composite rate including mixed services 263A (4.01%)
- [3] Deferred Taxes calculated using 21% Corporate Tax Rate and 5% State Tax Rate.

**Columbia Gas of Kentucky, Inc.**  
**Annual Adjustment to the Safety Modification and Replacement Program ("SMRP")**  
**Property Tax Calculation**

| <u>Line No.</u> |   | <u>SMRP Investment</u><br><u>December 31, 2022</u><br>( A ) | <u>Reference</u><br>( B ) |
|-----------------|---|---|---------------------------|
|                 | <b>Return on Investment</b>                       |   |                           |
|                 | <b><u>Rate Base</u></b>                           |   |                           |
| 1               | Net SMRP Investment-Property, Plant and Equipment | -   | Form 3.0 and 4.0          |
|                 | <b><u>Operating Expenses</u></b>                  |   |                           |
| 2               | Property Tax <sup>(1)</sup>                       | -   | Line 1 * 1.418%           |
|                 |   | <hr/>   |                           |

Notes:

<sup>(1)</sup> Property taxes rate is filed for rate in 2021-00183 that was unchanged by Settlement



**PSC Set 1 No. 1 2022-00342**  
**Attachment JTG-1**  
**SMRP Form 8.0**

**Columbia Gas of Kentucky, Inc.**  
**Annual Adjustment to the Safety Modification and Replacement Program**  
**Calculation of O&M Savings**

|  | <b><u>FERC Account 887</u></b> |
|--|--------------------------------|
|  | (\$)                           |
| 2022 O&M Account 887 Costs <sup>[1]</sup>    | 2,978,227                      |
| 2022 O&M Account 887 per Case No. 2021-00183 | <u>2,978,227</u>               |
| Projected O&M Savings                        | -                              |

<sup>[1]</sup> 2022 O&M reflects the base rate costs per case. This will be updated to actual O&M costs in next SMRP filing (filed Oct 2023)









Columbia Gas of Kentucky, Inc.  
Calculation of Base Rates Accumulated Deferred Income Tax  
Annual Adjustment to the Safety Modification and Replacement Program  
Summary of Form 9.4, Pages 2 and 3

| Ln. No. | MACRS 20 Year Tax Depr Rates (A) | Year (B) | 2022 Additions (C) (\$) | 2023 Additions (D) (\$) | 2024 Additions (E) (\$) | 2025 Additions (F) (\$) | 2026 Additions (G) (\$) | 2027 Additions (H) (\$) | Annual Tax Depreciation (I) (\$) | Cost of Removal (J) (\$) | Book Depreciation (K) (\$) | Difference (L) (\$) | Deferred Tax @ [1] [2] 24.95% (M) (\$) | Accumulated Deferred Inc. Taxes (N) (\$) |
|---------|----------------------------------|----------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|----------------------------------|--------------------------|----------------------------|---------------------|--|--|
| 1       | Total Plant Additions            |          | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 2       | <hr/>                            |          |                         |                         |                         |                         |                         |                         |                                  |                          |                            |                     |  |  |
| 3       | 0.03750                          | 1        | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 4       | 0.07219                          | 2        | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 5       | 0.06677                          | 3        | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 6       | 0.06177                          | 4        | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 7       | 0.05713                          | 5        | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 8       | 0.05285                          | 6        | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 9       | 0.04888                          | 7        | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 10      | 0.04522                          | 8        | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 11      | 0.04462                          | 9        | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 12      | 0.04461                          | 10       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 13      | 0.04462                          | 11       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 14      | 0.04461                          | 12       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 15      | 0.04462                          | 13       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 16      | 0.04461                          | 14       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 17      | 0.04462                          | 15       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 18      | 0.04461                          | 16       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 19      | 0.04462                          | 17       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 20      | 0.04461                          | 18       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 21      | 0.04462                          | 19       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 22      | 0.04461                          | 20       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 23      | 0.02231                          | 21       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 24      |                                  | 22       | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 25      |                                  |          | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 26      |                                  |          | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 27      |                                  |          | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |
| 28      |                                  |          | -                       | -                       | -                       | -                       | -                       | -                       | -                                | -                        | -                          | -                   | -                                      | -  |

Notes:

[1] Includes adjustment for state disallowance on 2017 bonus tax depreciation as calculated on Form 2.1 pages 4 through 8.

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

Columbia Gas of Kentucky, Inc.  
Calculation of Accumulated Deferred Income Tax  
Annual Adjustment to the Safety Modification and Replacement Program<sup>[1]</sup>

| Ln. No. | MACRS 20 Year Tax Depr Rates |     | 2022        | 2023        | 2024        | 2025        | 2026        | 2027        | Annual Tax Depreciation | Cost of Removal | Book Depreciation | Difference  | Deferred Tax @ 24.95% [3] | Accumulated Deferred Inc. Taxes |
|---------|------------------------------|-----|-------------|-------------|-------------|-------------|-------------|-------------|-------------------------|-----------------|-------------------|-------------|---------------------------|---------------------------------|
|         | (A)                          | (B) | (C)<br>(\$) | (D)<br>(\$) | (E)<br>(\$) | (F)<br>(\$) | (G)<br>(\$) | (H)<br>(\$) | (I)<br>(\$)             | (J)<br>(\$)     | (K)<br>(\$)       | (L)<br>(\$) | (M)<br>(\$)               | (N)<br>(\$)                     |
| 1       | Mains & Services             |     | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 2       | Composite Tax Rate [2]       |     | 35.898%     | 35.898%     | 35.898%     | 35.898%     | 35.898%     | 35.898%     |                         |                 |                   |             |                           |                                 |
| 3       | 0.03750                      | 1   | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 4       | 0.07219                      | 2   | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 5       | 0.06677                      | 3   | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 6       | 0.06177                      | 4   | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 7       | 0.05713                      | 5   | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 8       | 0.05285                      | 6   | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 9       | 0.04888                      | 7   | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 10      | 0.04522                      | 8   | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 11      | 0.04462                      | 9   | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 12      | 0.04461                      | 10  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 13      | 0.04462                      | 11  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 14      | 0.04461                      | 12  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 15      | 0.04462                      | 13  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 16      | 0.04461                      | 14  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 17      | 0.04462                      | 15  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 18      | 0.04461                      | 16  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 19      | 0.04462                      | 17  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 20      | 0.04461                      | 18  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 21      | 0.04462                      | 19  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 22      | 0.04461                      | 20  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 23      | 0.02231                      | 21  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 24      |                              | 22  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 25      |                              | 23  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 26      |                              | 24  | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 27      |                              |     | -           | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |
| 28      |                              |     | (2)         | -           | -           | -           | -           | -           | -                       | -               | -                 | -           | -                         | -                               |

Notes:

[1] Plant additions eligible for repairs tax deduction.

[2] Composite rate including repairs (33.22%) and mixed services 263A (4.01%)

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

Columbia Gas of Kentucky, Inc.  
Calculation of Accumulated Deferred Income Tax  
Annual Adjustment to the Safety Modification and Replacement Program [1]

| Ln. No. | MACRS 20 Year Tax Depr Rates (A) | Year (B) | 2022 Additions (C)<br>(\$) | 2023 Additions (D)<br>(\$) | 2024 Additions (E)<br>(\$) | 2025 Additions (F)<br>(\$) | 2026 Additions (G)<br>(\$) | 2027 Additions (H)<br>(\$) | Annual Tax Depreciation (I)<br>(\$) | Cost of Removal (J)<br>(\$) | Book Depreciation (K)<br>(\$) | Difference (L)<br>(\$) | Deferred Tax @ 24.95% [3] (M)<br>(\$) | Accumulated Deferred Inc. Taxes (N)<br>(\$) |
|---------|----------------------------------|----------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------------|-----------------------------|-------------------------------|------------------------|---------------------------------------|---|
| 1       | Plant Additions [1]              |          | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 2       | Composite Tax Rate [2]           |          | 4.010%                     | 4.010%                     | 4.010%                     | 4.010%                     | 4.010%                     | 4.010%                     |                                     |                             |                               |                        |                                       |   |
| 3       | 0.03750                          | 1        | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 4       | 0.07219                          | 2        | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 5       | 0.06677                          | 3        | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 6       | 0.06177                          | 4        | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 7       | 0.05713                          | 5        | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 8       | 0.05285                          | 6        | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 9       | 0.04888                          | 7        | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 10      | 0.04522                          | 8        | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 11      | 0.04462                          | 9        | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 12      | 0.04461                          | 10       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 13      | 0.04462                          | 11       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 14      | 0.04461                          | 12       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 15      | 0.04462                          | 13       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 16      | 0.04461                          | 14       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 17      | 0.04462                          | 15       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 18      | 0.04461                          | 16       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 19      | 0.04462                          | 17       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 20      | 0.04461                          | 18       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 21      | 0.04462                          | 19       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 22      | 0.04461                          | 20       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 23      | 0.02231                          | 21       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 24      |                                  | 22       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 25      |                                  | 23       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 26      |                                  | 24       | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 27      |                                  |          | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |
| 28      |                                  |          | -                          | -                          | -                          | -                          | -                          | -                          | -                                   | -                           | -                             | -                      | -                                     | -   |

Notes:

[1] Plant additions not eligible for repairs tax deduction.

[2] Composite rate including mixed services 263A (4.01%)

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



COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF COLUMBIA  
GAS OF KENTUCKY, INC. FOR ANNUAL  
ADJUSTMENTS TO THE SAFETY  
MODIFICATION AND REPLACEMENT  
PROGRAM

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Case No. 2022-00342

VERIFICATION OF JEFFERY GORE

STATE OF OHIO


)

)

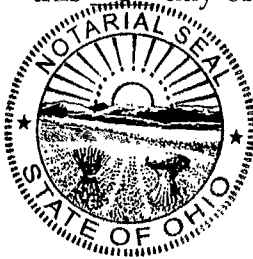
COUNTY OF FRANKLIN

)

Jeffery Gore, Regulatory Manager for NiSource Corporate Services Company, on behalf of Columbia Gas of Kentucky Inc., being duly sworn, states that he has supervised the preparation of responses to data requests in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

  
\_\_\_\_\_  
Jeffery Gore

The foregoing Verification was signed, acknowledged and sworn to before me this 30<sup>th</sup> day of November, 2022, by Jeffery Gore.



VALERIE JOHNSON  
Notary Public, State of Ohio  
My Commission Expires 05-11-24

  
\_\_\_\_\_

Notary Commission No. 2019-RE-781796

Commission expiration: 5-11-24

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of: )  
 )  
 ELECTRONIC APPLICATION OF COLUMBIA )  
 GAS OF KENTUCKY, INC. FOR ANNUAL ) Case No. 2022-00342  
 ADJUSTMENTS TO THE SAFETY )  
 MODIFICATION AND REPLACEMENT )  
 PROGRAM )

VERIFICATION OF JUDY COOPER

COMMONWEALTH OF KENTUCKY )  
 )  
 COUNTY OF FAYETTE )

Judy Cooper, Director of Regulatory Affairs of Columbia Gas of Kentucky, Inc., being duly sworn, states that she has supervised the preparation of responses to data requests in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

Judy Cooper  
 Judy Cooper

The foregoing Verification was signed, acknowledged and sworn to before me this 5<sup>th</sup> day of ~~November~~, 2022, by Judy Cooper.  
December

Evelyn Long Durr

Notary Commission No. KYNP49615

Commission expiration: May 15, 2026

