

**COLUMBIA GAS OF KENTUCKY, INC.'S
RESPONSE TO OCTOBER 5, 2026, INFORMAL CONFERENCE
MEMO DATA REQUEST**

Request No. 1:

On October 5, 2026, an Informal Conference Memo was filed into the record of this proceeding whereby the following was indicated in reference to supplemental information being requested:

“During the IC, consultants for Commission Staff also requested an example of some specific situations in which costs would be allocated to the miscellaneous category, instead of one of the other defined categories.”

Response:

During the Informal Conference, the Company discussed the NiSource Corporate Services Company (“NCSC”) billing process and presented the table below on page 16 of the prepared materials and attached to the Informal Conference Memo. Consultants for Commission Staff requested the Company provide an example of Direct NCSC expense (highlighted below in yellow in the amount of \$1,209,810 for 2025), which was referred to as “miscellaneous category” in the IC Memo.

NCSC Direct & Allocated O&M Expense Billed to Columbia

Historical Years: 2023, 2024 & 2025

Table GJ-1			
Basis	2023	2024	2025
Direct Billed	\$ 4,891,995	\$ 6,050,574	\$ 5,355,726
Basis 01	2,334,854	2,655,904	2,858,028
Basis 02	3,621	7,809	3,433
Basis 03	1,204	87	695
Basis 04	20,380	22,997	13,810
Basis 07	118,677	139,058	90,617
Basis 08	3	1	10
Basis 09	19,526	29,232	25,038
Basis 10	3,977,907	5,176,387	5,579,819
Basis 11	1,433,962	1,688,713	1,534,287
Basis 13	1,546,177	1,253,292	1,039,261
Basis 14	92	219	147
Basis 20	5,616,813	7,036,093	7,652,088
Direct NCSC	1,033,603	1,544,717	1,209,810
Total O&M Billed from NCSC to Columbia	\$ 20,998,813	\$ 25,605,083	\$ 25,362,768
Direct Billed O&M Charges %	28%	30%	26%
Allocated Billed O&M Charges %	72%	70%	74%

Primary Cost Bases (blue highlighted rows)

- BASIS 01** – Gross fixed assets and total operating expenses
- BASIS 10** – Number of retail customers
- BASIS 11** – Number of regular employees
- BASIS 13** – Fixed allocation
- BASIS 20** – Direct costs



Reference:
 • Direct Testimony George B. Jonda (p. 15-16) Table GJ-1
 • Standard Filing Requirement: 807 KAR 5:001 16 (7)(d)

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Direct NCSC charges (also known as Billing Pool 0012) as described in Article 3 clauses 3 and 5 of the Service Agreement between NCSC and Columbia are services rendered by NCSC to NCSC, which are then billed in accordance with that agreement, based on monthly NCSC labor charges, to the affiliates. The result of billing these expenses based on monthly NCSC labor is a broad allocation roughly aligned with the portion of Columbia services utilized in relation to the other affiliates of NCSC. The \$1.2M is comprised of:

- \$0.5M NCSC Asset Depreciation, including but not limited to servers, network devices, and data processing equipment.
- \$0.3M Vendor Payments to approximately 100 different vendors. Examples include disaster recovery services and employee background checks.

- \$0.2M Interest Expense, which represents both short-term financing and interest on long-term notes payable.
- \$0.1M Labor and Employee Expenses. Billing Pool 0012 is rarely used for labor and labor related charges as NCSC employees exist to serve the affiliates.
- \$0.1M Miscellaneous Charges.

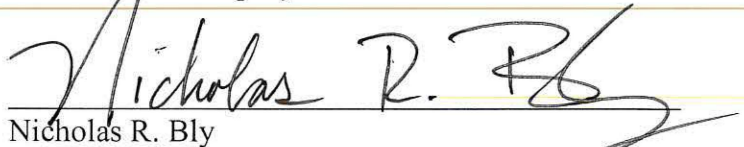
**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:)
)
ELECTRONIC APPLICATION OF) Case No. 2026-00099
COLUMBIA GAS OF KENTUCKY, INC.)
FOR AN ADJUSTMENT OF RATES;)
APPROVAL OF DEPRECIATION STUDY;)
APPROVAL OF TARIFF REVISIONS; AND)
OTHER RELIEF)

VERIFICATION OF NICHOLAS R. BLY

STATE OF OHIO)
)
COUNTY OF FRANKLIN)

Nicholas R. Bly, Director Accounting Services for NiSource Corporate Services Company, on behalf of Columbia Gas of Kentucky, Inc., being duly sworn, states that he has drafted and/or supervised the preparation of responses to certain requests for information 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.


Nicholas R. Bly

The foregoing Verification was signed, acknowledged and sworn to before me this 8th day of October 2026, by Nicholas R. Bly.



Elizabeth Bertke
Notary Public, State of Ohio
Commission #: 2015-RE-553341
My Commission Expires 12-3-30



Notary Commission No. 2015-RE-553341
Commission expiration: December 3, 2030