

July 14, 2009

Mr. Jeff Derouen  
Executive Director  
Public Service Commission  
Commonwealth of Kentucky  
211 Sower Boulevard  
P. O. Box 615  
Frankfort, KY 40602

**RECEIVED**

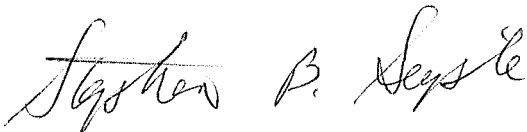
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PUBLIC SERVICE  
PUBLIC SERVICE  
COMMISSION

**RE: Case No. 2009-00141**

Dear Mr. Derouen,

Enclosed for docketing with the Commission is an original and ten copies of Columbia Gas of Kentucky, Inc.'s responses to the Lexington-Fayette Urban County Government's Supplemental Request for Information. Should you have any questions about this filing, please contact me at 614-460-4648. Thank you!

Sincerely,



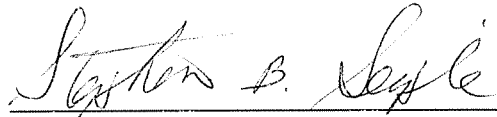
Stephen B. Seiple  
Assistant General Counsel

Enclosures

cc: All Parties of Record  
Hon. Richard S. Taylor

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing Supplemental Responses of Columbia Gas of Kentucky, Inc., were served upon all parties of record by regular U. S. mail this 14<sup>th</sup> day of July, 2009.



Stephen B. Seiple  
Attorney for  
**COLUMBIA GAS OF KENTUCKY INC.**

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JUL 14 2009

PUBLIC SERVICE  
COMMISSION

PSC Case No. 2009-00141

LFUCG Set 1 DR No. 001

Respondent(s): Herbert A. Miller, Jr.

**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S  
SUPPLEMENTAL REQUEST FOR INFORMATION**

Data Request 001:

Can ratepayers expect any enhancement over the current existing level of service as a result of the proposed rate increase? If so, please provide a detailed response that includes the specific benefit or benefits to be provided to each particular customer rate class.

- (a) More specifically, will the LFUCG obtain any additional benefit or benefits (level of maintenance or otherwise) as a result of the proposed increase? If so, please provide a detailed response that includes the specific benefit or benefits to be provided to each particular customer rate class.

**Response:**

Columbia has filed this case to recover its revenue deficiency as identified in its application. Revenue made available from rates will support continued safe and reliable natural gas service. The recovery of costs associated with the Accelerated Main Replacement Program (AMRP) will permit Columbia to continue to fund its AMRP, a program that enhances the public safety for all customers.



PSC Case No. 2009-00141  
LFUCG Set 1 DR No. 002  
Respondent(s): Amy Efland

**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S  
SUPPLEMENTAL REQUEST FOR INFORMATION**

Data Request 002:

How many additional customers (and of which particular customer rate class) does Columbia anticipate adding within Fayette County over the next 5 years? What is the anticipated level of additional revenue to Columbia as result of the addition of these customers?

**Response:**

Columbia does not project customer additions by county.



**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S  
SUPPLEMENTAL REQUEST FOR INFORMATION**

Data Request 003:

How many different types of customer rate classes does the LFUCG currently make payments to Columbia under? For each type of class, please provide the following information:

- (a) The type of customer rate class;
- (b) The number of LFUCG accounts in each such class;
- (c) The total amount paid by the LFUCG for each such class during the last 12 month period; and
- (d) The total next projected impact for each such class under the proposed rate increase.

**Response:**

There are 5 types of customer rate classes LFUCG currently make payments to Columbia under.

- a & b. DS 1 customer, GSO 15 customers, GSR 22 customers, GTO 78 customers, and GTR 1 customer (see Schedule M-2.2 for descriptions of rate schedule acronyms).
- c. DS \$28,377.38, GSO \$125,532.75, GSR \$4,022.84, GTO \$981,470.69, and GTR \$1,905.38.
- d. DS \$873.72, GSO \$4,026.64, GSR \$456.36, GTO \$7,776.48, and GTR \$14.09. This summary analysis shows the impact of the proposed rate versus the existing rate using the most recent 12 month actual usage and billing data. This analysis should not be interpreted as a projection of a net impact for any future period.





**COLUMBIA GAS OF KENTUCKY, INC.**  
**RESPONSE TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S**  
**SUPPLEMENTAL REQUEST FOR INFORMATION**

Data Request 004:

For each separate LFUCG account please provide a detailed analysis showing the impact of the proposed rate versus the existing rate using the most recent 12 month actual usage and billing data. Please also provide a detailed explanation of the formula that was used to obtain this information.

**Response:**

Detailed analysis showing the impact of the proposed rate versus the existing rate using the most recent 12 month actual usage and billing data is in the spreadsheet in compact disc (CD) format. The file name is 2009-00141 Lex-Fay Discovery Set 1-4 Attachment.xls

Actual bill volumes were downloaded from CKY's mainframe billing system to the attached spreadsheet. Differences (proposed rates – current rates) in the fixed monthly charges and block rates were applied to the actual billed volumes for the 12 months ending May 2009 (most recent 12 months) on a customer by customer month by month basis (see formulas in spreadsheet).



**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S  
SUPPLEMENTAL REQUEST FOR INFORMATION**

Data Request 005:

Is Columbia willing to assist LFUCG in identifying LFUCG accounts for which the overall number of meters could be reduced or consolidated? Please provide a detailed explanation with your response.

**Response:**

Columbia is not certain if the question relates to combined billing or the physical combination of meters and service lines. However, Columbia is willing to assist the LFUCG in identifying LFUCG accounts for benefits available under Columbia's tariffs.



**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S  
SUPPLEMENTAL REQUEST FOR INFORMATION**

Data Request 006:

Is LFUCG's account billing information available in electronic form either for each separate account or as a whole? Please provide a detailed explanation with your response. Is this information available on a monthly ongoing basis? Please provide a detailed explanation with your response.

**Response:**

Upon application and in lieu of paper billing, LFUCG's account billing is available in electronic form for each LFUCG account. The information appearing thereon is similar to the billing information supplied in paper form. Electronic billing is available on a monthly on-going basis.



**COLUMBIA GAS OF KENTUCKY, INC.**  
**RESPONSE TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S**  
**SUPPLEMENTAL REQUEST FOR INFORMATION**

Data Request 007:

How much money has Columbia spent on advertising or promotional activities in the last 5 years? If possible, please provide such information for Fayette County and describe in detail the nature (i.e., television, radio, billboard, etc.) and type (i.e. conservation of electricity, etc.) of such advertisement or promotion.

- (a) What amount (and percentage), if any, of this advertisement was of material benefit to ratepayers in accordance with Commission regulation 807 KAR 5:016?

**Response:**

Please see the table below showing the amount of promotional activity and advertising cost expended by Columbia in the last 5 years. No identification of type of advertising is available nor how much was expended in Fayette County.

The test year amount was eliminated from the cost of service on Schedule D-2.13.

Year	Amount
2008	\$23,733
2007	\$23,806
2006	\$0
2005	\$0
2004	\$0





**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S  
SUPPLEMENTAL REQUEST FOR INFORMATION**

Data Request 008:

How frequently (on an annual basis) does Columbia perform meter inspections?

- (a) Of these inspections, how frequently ( on average) does the customer bear the associated costs or expenses?
- (b) Are the costs or expenses associated with meter inspections otherwise reflected in Columbia's overall costs or expenses such as maintenance and operations?
- (c) To what extent, if any, is a customer responsible for the costs associated with inspecting, repairing, and/or replacing a defective or nonworking meter?

**Response:**

(a), (b) and (c)

Columbia performs meter inspections multiple times each year. A visual inspection is done each time the meter is read and every time Columbia is on a customer's premise, such as in response to a call of an odor of gas. In addition, leakage surveys of the meter and meter setting are performed in compliance with DOT regulations and meters are inspected and tested for accuracy as part of Columbia's meter sampling program. The customer bears the costs of all these inspections, repairs and replacements as they are part of Columbia's total operation and maintenance expenses.



**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S  
SUPPLEMENTAL REQUEST FOR INFORMATION**

Data Request 009:

How does Columbia determine the appropriate amount of the monthly charge in the event that it is determined the meter was not working correctly?

**Response:**

The appropriate monthly charge is determined by applying the applicable effective rate to calculated gas usage. The following criteria are used to determine the gas usage when a meter does not register properly: base load (non heat consumption), heat load (heat consumption), degree days, and prior history. All factors utilized in the computation are premise specific.



**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S  
SUPPLEMENTAL REQUEST FOR INFORMATION**

Data Request 010:

How frequently (on an annual basis) does Columbia disconnect or reconnect service?

- (a) Are the costs or expenses associated with disconnecting or reconnecting service otherwise reflected in Columbia's overall costs or expenses such as maintenance and operations?

**Response:**

During the test period in this case, January 2008 – December 2008, there were a total of 9,143 disconnect orders for non payment in Columbia Gas of Kentucky's service area. During the same time period, Columbia worked 5,556 reconnect orders.

The costs associated with these types of services are reflected in Columbia's total operations and maintenance expense.



**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S  
SUPPLEMENTAL REQUEST FOR INFORMATION**

Data Request 011:

Does Columbia engage in non-regulated activities or in any way provide non-regulated service? If so, generally describe all such activities or services in detail and indicate the extent to which Columbia engages in or provides such activities or services.

- (a) Do any Columbia employees spend any of their time engaged in such activities?

**Response:**

Columbia does not engage in any non-regulated activities. Columbia provides billing services for an entity called Columbia Service Partners, which is not affiliated with Columbia Gas of Kentucky.

- (a) N/A





**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S  
SUPPLEMENTAL REQUEST FOR INFORMATION**

Data Request 012:

What is the current number of Columbia's employees who are located in Fayette County? Please also provide the job title (and general description of work performed if not apparent from the job title) and the number of persons holding that job title in Fayette County.

- (a) Is the number of these employees expected to increase or decrease over the next 5 years? Please provide a breakdown by job title and an explanation with your answer.

**Response:**

There are currently 76 Columbia employees located in Fayette County. The following is a listing of the job titles and numbers of employees in each job title.

Administrative Assistant (2)  
Applications Specialist (1)  
Communications Manager (1)  
Construction Coordinator (8)  
Construction Site Coordinator (1)  
Construction-Regulator Operator (1)  
Customer Service Programs Specialist (2)  
Customer Service A (9)  
Customer Service B (3)  
Customer Service Senior (3)  
Director Government Affairs (1)  
Director Regulatory Affairs (1)  
Field Engineer 1 (1)  
Field Engineer 2 (1)  
Field Engineering Technician (3)  
General Utility A (1)  
Inspector A (2)  
Land Agent (1)

Leader Field Engineering (1)  
Leader Field Operations (1)  
Leader Front Line Construction Services (1)  
Leader Measurement & Regulation (1)  
Measurement Regulation Inspector A (1)  
Manager Customer Programs (1)  
Manager Operations Center (1)  
Operations Coordinator (4)  
Plant/Service Combination (3)  
President (1)  
Regulation Technician II (2)  
Senior Teller (1)  
Street Service A (6)  
Street Service C (1)  
Survey and Land Admin 2 (1)  
Team Leader Regulatory Customer Services (1)  
Technical Trainer (1)  
Teller (3)  
Utility B (2)  
Welder B (1)

(a) Since the implementation of the AMRP Columbia has increased staffing somewhat to support the large-scale replacement of Columbia's facilities. Future staffing is a dynamic process based on the analysis of business and operating needs. Columbia will continue to evaluate work load impacts from all sources and increase or decrease staffing to a level necessary to safely and effectively operate its distribution systems and provide customer service.



**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S  
SUPPLEMENTAL REQUEST FOR INFORMATION**

Data Request 013:

Please provide the street address(es) and hours of operation of every location in Fayette County to which a customer can go to pay a bill or have a question answered in a face-to-face setting.

**Response:**

The following is a list of locations in Fayette County:

**Central Bank**

300 W. Vine Street	8:00 a.m. – 6:00 p.m. Monday-Friday (Drive Thru) 9:00 a.m. - 4:00 p.m. Monday-Thursday (Lobby) 9:00 a.m. - 6:00 p.m. Friday (Lobby) Closed Saturday
1331 Eastland Dr.	8:00 a.m. - 6:00 p.m. Monday-Friday (Drive Thru) 9:00 a.m. – 4:00 p.m. Monday-Friday (Lobby) 9:00 a.m. - 1:00 p.m. Saturday
515 New Circle Rd.	8:00 a.m. - 6:00 p.m. Monday-Friday (Drive Thru) 9:00 a.m. – 4:00 p.m. Monday-Friday (Lobby) 9:00 a.m. - 1:00 p.m. Saturday
3700 Palomar Centre	8:00 a.m. - 6:00 p.m. Monday-Friday (Drive Thru) 9:00 a.m. – 4:00 p.m. Monday-Friday (Lobby) 9:00 a.m. - 1:00 p.m. Saturday
3100 Pimlico Pkwy	8:00 a.m. - 6:00 p.m. Monday-Friday (Drive Thru) 9:00 a.m. – 4:00 p.m. Monday-Friday (Lobby) 9:00 a.m. - 1:00 p.m. Saturday
2233 Richmond Rd.	8:00 a.m. - 6:00 p.m. Monday-Friday (Drive Thru) 9:00 a.m. – 4:00 p.m. Monday-Friday (Lobby) 9:00 a.m. - 1:00 p.m. Saturday
256 Southland Dr.	8:00 a.m. - 6:00 p.m. Monday-Friday (Drive Thru)

9:00 a.m. – 4:00 p.m. Monday-Friday (Lobby)  
9:00 a.m. - 1:00 p.m. Saturday

3270 Tates Creek Rd. 8:00 a.m. - 6:00 p.m. Monday-Friday (Drive Thru)  
9:00 a.m. – 4:00 p.m. Monday-Friday (Lobby)  
9:00 a.m. - 1:00 p.m. Saturday

2257 Harrodsburg Rd 8:00 a.m. - 6:00 p.m. Monday-Friday (Drive Thru)  
9:00 a.m. – 4:00 p.m. Monday-Friday (Lobby)  
9:00 a.m. - 1:00 p.m Saturday

2347 Versailles Rd. 8:00 a.m. - 6:00 p.m. Monday-Friday (Drive Thru)  
9:00 a.m. – 4:00 p.m. Monday-Friday (Lobby)  
9:00 a.m. - 1:00 p.m. Saturday

3101 Maple Leaf Dr. 8:00 a.m. - 6:00 p.m. Monday-Friday (Drive Thru)  
9:00 a.m. – 4:00 p.m. Monday-Friday (Lobby)  
9:00 a.m. - 1:00 p.m. Saturday

100 E. Reynolds Rd. 8:00 a.m. - 6:00 p.m. Monday-Friday (Drive Thru)  
9:00 a.m. – 4:00 p.m. Monday-Friday (Lobby)  
9:00 a.m. - 1:00 p.m. Saturday

**The Mail Box** 3735 Harrodsburg Rd 8:30 a.m. – 7:30 p.m. Monday-Friday  
9:00 a.m. - 5:00 p.m. Saturday

**Check N Go** 393 Waller Ave. 10:00 a.m. – 6:00 p.m. Monday-Friday  
10:00 a.m. – 2:00 p.m. Saturday

**Check Advance** 828 Lane Allen Rd. 10:00 a.m. - 6:00 p.m. Monday-Friday  
9:00 a.m. - 1:00 p.m. Saturday

227 New Circle Rd. 10:00 a.m. - 6:00 p.m. Monday-Friday  
9:00 a.m. - 1:00 p.m. Saturday

3154 Richmond Rd. 10:00 a.m. - 6:00 p.m. Monday-Friday  
9:00 a.m. - 1:00 p.m. Saturday

**Columbia Gas** 2001 Mercer Rd. 8:30 a.m. - 4:30 p.m. Monday-Friday



**COLUMBIA GAS OF KENTUCKY, INC.  
RESPONSE TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S  
SUPPLEMENTAL REQUEST FOR INFORMATION**

Data Request 014:

Does Columbia currently provide customer or other assistance in the event of declared or other emergencies (flooding, etc.) in which part of the response and/or recovery effort requires a customer to re-light his or her pilot light? Please provide a detailed response.

**Response:**

In the event of a declared or other emergency Columbia will respond on an individual basis or in a defined geographic territory. Columbia will reestablish a customer's gas service after the emergency at no charge.