Columbia Gas of Kentucky
A NiSource Company

P.O. Box 14241
2001 Mercer Road
Lexington, KY 40512-4241

May 6, 2010

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

RE: Case No. 2010-00143

Dear Mr. Derouen,

Enclosed for docketing with the Commission is an original and ten (10) copies of Columbia Gas of Kentucky, Inc.'s Response to the Commission's First Set of Data Requests in the above case. Should you have any questions about this filing, please contact me at 614-460-5558. Thank you!

Sincerely,

Brooke E. Leslie (gmc)

Brooke E. Leslie
Counsel

Enclosures

cc: Hon. Richard S. Taylor

COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO INITIAL DATA REQUEST OF COMMISSION STAFF

Data Request 001:

Refer to Columbia's application, AMRP Form 1.0.

a. Provide calculations producing the billing determinants for each of the Rate Schedules shown in the column labeled "Billing Determinant # of Bills."

b. Explain why Columbia is using projected billing determinants for the 12 months ending May 31, 2011 in its Accelerated Main Replacement Program ("AMRP") Rider calculation instead of the billing determinants from Case No. 2009-00141.[1] Provide the calculation of the Monthly AMRP Riders for each Rate Schedule if Case No. 2009-00141 billing determinants were used.

c. Explain why the Rate Schedules are grouped as they are on AMRP Form 1.0 to calculate the Monthly AMRP Rider instead of being calculated separately for each Rate Schedule as shown in the response to Item 14.c. of Commission Staff's Second Data Request ("Staff's Second Request"), Attachment 1, page 1 of 6, in Case No. 2009-00141. Provide the resulting calculations for each Rate Schedule calculated separately.

RESPONSE:

a. The attached sheet, labeled PSC-1 DR 001-a, shows projected monthly bills for each Rate Schedule. The number of bills is further detailed by billing system (DIS, GMB, and GTS) and type (tariff sales, Choice, and GTS). The projections of bills are based on Columbia's forecast. The forecast starts with actual bill counts and applies information for new customers and conversions as well as customer attrition.

b. Columbia is using projected billing determinants for the 12 months ending May 31, 2011, in order to develop rates for the AMRP Rider because the recovery period for the Rider per the tariff is June 1, 2010 through May 31, 2011. By using billing determinants from this period, the rates will better reflect the number of bills they are to be applied to thus allowing a reasonable opportunity to recover the AMRP costs.

Please refer to the attached sheet, labeled PSC-1 DR 001-b, for a calculation of the Monthly AMRP Riders for each Rate Schedule using Case No. 2009-00141 billing determinants. The billing determinants are from Columbia's Proof of Revenue from Case No. 2009-00141.

c. The Rate Schedules are grouped on AMRP Form 1.0 in the same manner in which they are grouped on Sheet No. 58 of Columbia's tariff. General Service Residential (GSR) and Small Volume Gas Transportation Service – Residential (SVGTS or GTR) have the same delivery rates and customers taking service under these rate schedules may switch between them at any time. For these reasons it is logical to group them together for purposes of developing the AMRP Rider to retain this equivalence. Likewise, General Service Other (GSO), SVGTS – Other (SVGTS or GTO), and Grandfathered Delivery Service (GDS) are grouped together since their delivery rates are the same. Customers taking GSO or GTO service may switch between the two services at any time. Delivery Service (DS) and Special Agency Service (SAS) are grouped together because SAS delivery charges are the same as for DS.

Please refer to the attached sheet, labeled PSC-1 DR 001-1c, for a calculation of the separate Monthly AMRP Riders for each Rate Schedule as shown on Attachment 1, page 1 of 6, in Case No. 2009-00141. The billing determinants are from Columbia's Proof of Revenue from Case No. 2009-00141.

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[1]Case No. 2009-00141, Application of Columbia Gas of Kentucky, Inc. for an Adjustment in Rates (Ky. PSC Oct. 26, 2009).

PSC-1
DR 001-a

Columbia Gas of Kentucky
AMRP Rider Billing Determinants by Rate Schedule
For the Twelve Months Ending May 31, 2011

	Number of Bills												
Rate Schedule	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Total**
GSR - Residential	89,883	89,296	88,975	88,842	89,113	90,209	91,185	91,483	91,585	91,444	90,786	89,913	1,082,714
SVGTS - Residential	29,814	29,620	29,514	29,469	29,559	29,923	30,247	30,345	30,379	30,332	30,114	29,825	359,141
GSO - Commercial or Industrial	10,310	10,237	10,200	10,167	10,173	10,299	10,396	10,449	10,461	10,444	10,373	10,273	123,782
GDS - Commercial or Industrial	27	27	27	27	27	27	26	26	26	26	26	26	318
SVGTS - Commercial or Industrial	3,594	3,568	3,555	3,545	3,547	3,593	3,627	3,645	3,649	3,644	3,621	3,587	43,175
IUS, IUDS	2	2	2	2	2	2	2	2	2	2	2	2	24
IS, DS	70	70	70	70	70	70	70	70	70	70	71	71	842
SAS	1	1	1	1	1	1	1	1	1	1	1	1	12
Total	133,701	132,821	132,344	132,123	132,492	134,124	135,554	136,021	136,173	135,963	134,994	133,698	1,610,008
Detail by billing system and type of service													
DIS Tariff													
GSO	10,216	10,143	10,106	10,073	10,079	10,205	10,302	10,355	10,365	10,348	10,277	10,177	122,646
GSR	89,883	89,296	88,975	88,842	89,113	90,209	91,185	91,483	91,585	91,444	90,786	89,913	1,082,714
DIS Choice													
GTO	3,562	3,536	3,522	3,512	3,512	3,558	3,592	3,609	3,612	3,606	3,582	3,548	42,751
GTR	29,814	29,620	29,514	29,469	29,559	29,923	30,247	30,345	30,379	30,332	30,114	29,825	359,141
GMB Tariff													
GSO	94	94	94	94	94	94	94	94	96	96	96	96	1,136
IUS	2	2	2	2	2	2	2	2	2	2	2	2	24
GMB Choice													
GTC	32	32	33	33	35	35	35	36	37	38	39	39	424
GTS													
DS	70	70	70	70	70	70	70	70	70	70	71	71	842
GDS	27	27	27	27	27	27	26	26	26	26	26	26	318
SAS	1	1	1	1	1	1	1	1	1	1	1	1	12
	133,701	132,821	132,344	132,123	132,492	134,124	135,554	136,021	136,173	135,963	134,994	133,698	1,610,008

Columbia Gas of Kentucky, Inc.
Annual Adjustment to the Accelerated Main Replacement Program
Allocation of Increase in Annual Revenue Requirement and Calculation of Proposed Rates
For AMRP Rider Effective June 1, 2010

Class Description	Approved Base Revenue Per 2009-00141	Percent of Revenue	Revenue Increase	Number of Bills 1/	Rider AMRP $ Per Bill
	(1)	(2)	(3)	(4)	(5=3x4)
Summary by Rate Class					
General Service - Residential	$34,985,685	63.973%	$720,450	1,496,096	$ 0.48
General Service - Other	15,193,128	27.781%	$312,864	173,017	$ 1.81
Intrastate Utility Service	22,785	0.042%	$473	24	$ 19.71
Delivery Service / Interruptible Service / SAS	4,486,725	8.204%	$92,392	862	$ 107.18
Total	$54,688,323	100.000%	$1,126,178	1,669,999	

1/ Number of bills per rate schedule from Case No. 2009-00141 Proof of Revenue.

	Bills per Proof of Revenue
General Service - Residential	
GSR - Sales	1,185,131
GTR - SVGTS Choice	310,965
Total	1,496,096
General Service - Other	
GSO - Commercial Sales	133,374
GSO - Industrial Sales	522
GTO - SVGTS Commercial Choice	38,712
GTO - SVGTS Industrial Choice	96
GDS - Grandfathered Delivery Service - Commerical	204
GDS - Grandfathered Delivery Service - Industrial	109
Total	173,017
Intrastate Utility Service	
IUS	24
Total	24
Delivery Service / Interruptible Service	
DS - Delivery Service - Commercial	312
DS - Delivery Service - Industrial	538
SAS - Special Agency Service	12
Total	862

PSC-1
DR 001-c

Columbia Gas of Kentucky
Annual Adjustment to the Accelerated Main Replacement Program
AMRP Rider by Rate Schedule
For AMRP Rider Effective June 1, 2010

Line No.	Rate Schedule (1)	Revenue as Approved PSC Case No.2009-00141 (2)	Allocation Percent 1/ (3)	Revenue Requirement (4)	Billing Determinant No. of Bills 2/ (5)	Monthly AMRP Rider (6)
1	GSR	27,410,651	50.12%	564,458	1,185,131	$0.48
2						
3	GSO	10,900,568	19.93%	224,472	133,896	$1.68
4						
5	IS	0	0.00%	-	-	$0.00
6						
7	IUS	22,785	0.04%	470	24	$19.57
8						
9	SVGTS	11,154,925	20.40%	229,710	349,773	$0.66
10						
11	DS	4,451,440	8.14%	91,668	850	$107.84
12						
13	GDS	712,669	1.30%	14,675	313	$46.89
14						
15	SAS	35,285	0.06%	726	12	$60.53
16						
17	TOTAL	54,688,323	100%	1,126,178	1,669,999	

1/ Allocation percent is based on the overall base revenue distribution for these rate schedules approved in PSC Case No. 2009-00141.
2/ Billing determinants based on the Proof of Revenue from Case No. 2009-00141.

PSC Case No. 2010-00143
Staff Data Set 1 DR No. 002
Respondent: Lon R. Patton

COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO INITIAL DATA REQUEST OF COMMISSION STAFF

Data Request 002:

Refer to Line 1, Column 6, on AMRP Form 2.0.

a. Provide a breakdown of the 2009 additions to Account 376.25, Mains-AMRP, showing the length of pipe for each size of pipe installed.

b. For each size of pipe installed, as identified in the response to part a. of this request, provide a breakdown of the installed cost showing separately the cost of materials, the cost of labor, and any other non-materials items.

RESPONSE:

Please see the attachment titled," Attachment I - Case No 2010-00143 - Staff Set 2a-b" for the supporting documentation for both part (a) and part (b) of this data request. The data supplied is detailed by individual construction work orders issued for each AMRP related project.

Columbia Gas of Kentucky
Accelerated Main Replacement Program
2009 Main Line Projects Submitted for Recovery
with Length and Size of Pipe Installed

Construction Work Order	2009 Charges	Total Project Charges	1 1/4"	2"	3"	4"	6"	8"	12"	Total Length
00557.WP1932.2623 Total	21,310	401,078		220	41		919		1,670	**2,850**
00557.WP2182.2623 Total	17,796	17,796				66				**66**
00557.WP2279.2629 Total	73	190,954			13	112	1,336	208		**1,669**
00557.WP2286.2631 Total	63,406	63,789			161			558		**719**
00557.WP2317.2621 Total	4,285	4,285			28					**28**
00557.WP2329.2623 Total	44,387	44,387				855				**855**
00557.WP2372.2621 Total	27,107	27,107				30		177		**207**
00557.WP2519.2621 Total	102,956	371,065		3,033		732				**3,765**
00557.WP2525.2629 Total	77,587	237,567		9,348						**9,348**
00557.WP2537.2621 Total	189,205	538,494		4,862		833	127	1,539		**7,361**
00557.WP2546.2633 Total	451	451				130				**130**
00557.WP2565.2621 Total	5,466	5,466			161					**161**
00557.WP2575.2621 Total	40,617	40,617				425				**425**
00557.WP2593.2621 Total	9,701	9,701		10		1	10			**21**
00557.WP2613.2631 Total	6,422	39,483				195				**195**
00557.WP2698.2631 Total	146,895	147,908		3,698		1				**3,699**
00557.WP2704.2633 Total	142,760	142,999		2,737						**2,737**
00557.WP2728.2621 Total	13,621	13,621	310							**310**
00557.WP2807.2631 Total	42,143	42,143		85		655				**740**
00557.WP2860.2621 Total	12,446	12,446			81					**81**
00557.WP2862.2623 Total	3,745	3,745				28				**28**
00557.WP2865.2631 Total	20,519	20,519				227				**227**
00557.WP2872.2621 Total	4,648	4,648			82					**82**
00557.WP2890.2621 Total	14,363	14,363			340					**340**
00557.WP2894.2621 Total	64,186	64,186		1,857						**1,857**
00557.WP2905.2621 Total	49,358	49,358				458	2			**460**
00557.WP2929.2621 Total	19,458	19,458				128				**128**
00557.WP2931.2629 Total	28,659	28,659		624		341		5		**970**
00557.WP2936.2623 Total	5,079	5,079			13					**13**
00557.WP2948.2621 Total	11,189	11,189			149	7				**156**
00557.WP2967.2621 Total	12,243	12,243				102				**102**
00557.WP2969.2621 Total	6,441	6,441			21					**21**
00557.WP3010.2623 Total	10,725	10,725				20				**20**
00557.WP3023.2621 Total	3,666	3,666				5				**5**
00557.WP3026.2621 Total	4,244	4,244		10						**10**
00557.WP3085.2633 Total	218	4,800		160						**160**
00557.WP3103.2633 Total	10,401	10,401		490						**490**

Columbia Gas of Kentucky
Accelerated Main Replacement Program
2009 Main Line Projects Submitted for Recovery
with Length and Size of Pipe Installed

Construction Work Order	2009 Charges	Total Project Charges		1 1/4"	2"	3"	4"	6"	8"	12"	Total Length
00559.WP2083.2632 Total	144	39,212			262	14	1,091				**1,367**
00559.WP2115.2623 Total	35,959	35,959					434				**434**
00559.WP2515.2623 Total	18,221	18,221					142				**142**
00561.WP2679.2629 Total	5,462	7,855					231				**231**
00561.WP2799.2629 Total	96,384	97,532					1,785				**1,785**
00561.WP2810.2621 Total	47,078	47,078			950						**950**
00561.WP2892.2621 Total	31,627	31,627					781				**781**
00561.WP2916.2621 Total	56,073	65,736			977		9	61	79		**1,126**
00561.WP3000.2621 Total	1,316	1,316						274			**274**
00561.WP3034.2621 Total	21,495	21,495					166				**166**
00561.WP3082.2621 Total	123,573	123,786			447		825				**1,272**
07705.WP2079.2621 Total	2,830	628,417			281				23,450		**23,731**
07803.WP2313.2621 Total	514,252	514,252					5,124	3,681			**8,805**
07805.WP2335.2623 Total	289,108	289,108						6		1,935	**1,941**
07807.WP2343.2629 Total	22,979	2,065,376			860		48	332		16,173	**17,413**
07809.WP2366.2629 Total	5,487	435,283			894				11,114		**12,008**
07811.WP2483.2621 Total	24,968	475,415				65	5,026	2			**5,093**
07813.WP2479.2631 Total	582,669	606,622			7,582		3,868	4			**11,454**
07909.WP2675.2623 Total	625,124	625,124			14,002		5,756				**19,758**
07913.WP2663.2621 Total	393,214	393,214			8,867		72	16	260		**9,215**
07919.WP2726.2621 Total	1,019,388	1,019,388					211	160	3,155	2,842	**6,368**
00595.WP2300.2629 Total	400	5,525	**								
00595.WP2701.2623 Total	3,718	3,718	**								
00595.WP2702.2623 Total	3,925	3,925	**								
00595.WP2777.2623 Total	6,371	6,371	**								
00595.WP3043.2621 Total	6,991	6,991	**								
00595.WP3060.2623 Total	44,252	44,341	**								
00595.WP3093.2621 Total	5,260	5,260	**								
00595.WP3140.2621 Total	14,669	14,765	**								
00595.WP3153.2623 Total	6,987	7,047	**								
Grand Total	**5,247,698**	**10,265,039**	**Total Length per Pipe Size**	**310**	**62,256**	**1,169**	**30,920**	**6,930**	**40,545**	**22,620**	**164,750**

** AMRP Corrosion Mitigation Projects

Columbia Gas of Kentucky
Accelerated Main Replacement Program
2009 Main Line Projects Submitted for Recovery
with Breakdown of Charges per Project

Construction Work Order	2009 Charges
00557.WP1932.2623 Total	**21,310**
Cost of Materials	3,232
Cost of Labor	620
Non-Material Items	17,457
00557.WP2182.2623 Total	**17,796**
Cost of Materials	1,272
Cost of Labor	4,951
Non-Material Items	11,572
00557.WP2279.2629 Total	**73**
Cost of Materials	0
Cost of Labor	51
Non-Material Items	22
00557.WP2286.2631 Total	**63,406**
Cost of Materials	12,258
Cost of Labor	15,991
Non-Material Items	35,157
00557.WP2317.2621 Total	**4,285**
Cost of Materials	715
Cost of Labor	935
Non-Material Items	2,635
00557.WP2329.2623 Total	**44,387**
Cost of Materials	3,608
Cost of Labor	7,591
Non-Material Items	33,188
00557.WP2372.2621 Total	**27,107**
Cost of Materials	5,855
Cost of Labor	3,836
Non-Material Items	17,417
00557.WP2519.2621 Total	**102,956**
Cost of Materials	1,446
Cost of Labor	21,542
Non-Material Items	79,968
00557.WP2525.2629 Total	**77,587**
Cost of Materials	608
Cost of Labor	2,431
Non-Material Items	74,548
00557.WP2537.2621 Total	**189,205**
Cost of Materials	-2,482
Cost of Labor	27,873

Columbia Gas of Kentucky
Accelerated Main Replacement Program
2009 Main Line Projects Submitted for Recovery
with Breakdown of Charges per Project

Construction Work Order	2009 Charges
Non-Material Items	163,814
00557.WP2546.2633 Total	**451**
Cost of Materials	259
Cost of Labor	111
Non-Material Items	81
00557.WP2565.2621 Total	**5,466**
Cost of Materials	633
Cost of Labor	785
Non-Material Items	4,047
00557.WP2575.2621 Total	**40,617**
Cost of Materials	1,602
Cost of Labor	4,432
Non-Material Items	34,582
00557.WP2593.2621 Total	**9,701**
Cost of Materials	1,320
Cost of Labor	2,090
Non-Material Items	6,291
00557.WP2613.2631 Total	**6,422**
Cost of Materials	-31
Cost of Labor	45
Non-Material Items	6,408
00557.WP2698.2631 Total	**146,895**
Cost of Materials	7,396
Cost of Labor	24,853
Non-Material Items	114,645
00557.WP2704.2633 Total	**142,760**
Cost of Materials	4,970
Cost of Labor	17,777
Non-Material Items	120,013
00557.WP2728.2621 Total	**13,621**
Cost of Materials	969
Cost of Labor	561
Non-Material Items	12,091
00557.WP2807.2631 Total	**42,143**
Cost of Materials	2,918
Cost of Labor	6,754
Non-Material Items	32,472
00557.WP2860.2621 Total	**12,446**

Columbia Gas of Kentucky
Accelerated Main Replacement Program
2009 Main Line Projects Submitted for Recovery
with Breakdown of Charges per Project

Construction Work Order	2009 Charges
Cost of Materials	1,144
Cost of Labor	1,066
Non-Material Items	10,237
00557.WP2862.2623 Total	**3,745**
Cost of Materials	865
Cost of Labor	1,869
Non-Material Items	1,011
00557.WP2865.2631 Total	**20,519**
Cost of Materials	1,089
Cost of Labor	3,611
Non-Material Items	15,819
00557.WP2872.2621 Total	**4,648**
Cost of Materials	1,092
Cost of Labor	501
Non-Material Items	3,055
00557.WP2890.2621 Total	**14,363**
Cost of Materials	1,820
Cost of Labor	1,634
Non-Material Items	10,909
00557.WP2894.2621 Total	**64,186**
Cost of Materials	3,518
Cost of Labor	9,479
Non-Material Items	51,190
00557.WP2905.2621 Total	**49,358**
Cost of Materials	4,667
Cost of Labor	7,043
Non-Material Items	37,648
00557.WP2929.2621 Total	**19,458**
Cost of Materials	1,129
Cost of Labor	2,301
Non-Material Items	16,028
00557.WP2931.2629 Total	**28,659**
Cost of Materials	2,568
Cost of Labor	3,959
Non-Material Items	22,132
00557.WP2936.2623 Total	**5,079**
Cost of Materials	480
Cost of Labor	1,995
Non-Material Items	2,604

Columbia Gas of Kentucky
Accelerated Main Replacement Program
2009 Main Line Projects Submitted for Recovery
with Breakdown of Charges per Project

Construction Work Order	2009 Charges
00557.WP2948.2621 Total	**11,189**
Cost of Materials	1,503
Cost of Labor	1,829
Non-Material Items	7,858
00557.WP2967.2621 Total	**12,243**
Cost of Materials	1,137
Cost of Labor	2,309
Non-Material Items	8,797
00557.WP2969.2621 Total	**6,441**
Cost of Materials	1,032
Cost of Labor	289
Non-Material Items	5,120
00557.WP3010.2623 Total	**10,725**
Cost of Materials	40
Cost of Labor	1,081
Non-Material Items	9,604
00557.WP3023.2621 Total	**3,666**
Cost of Materials	706
Cost of Labor	197
Non-Material Items	2,763
00557.WP3026.2621 Total	**4,244**
Cost of Materials	767
Cost of Labor	399
Non-Material Items	3,077
00557.WP3085.2633 Total	**218**
Cost of Materials	121
Cost of Labor	40
Non-Material Items	57
00557.WP3103.2633 Total	**10,401**
Cost of Materials	566
Cost of Labor	1,244
Non-Material Items	8,592
00559.WP2083.2632 Total	**144**
Cost of Materials	0
Cost of Labor	113
Non-Material Items	32
00559.WP2115.2623 Total	**35,959**
Cost of Materials	9,990

Columbia Gas of Kentucky
Accelerated Main Replacement Program
2009 Main Line Projects Submitted for Recovery
with Breakdown of Charges per Project

Construction Work Order	2009 Charges
Cost of Labor	7,113
Non-Material Items	18,856
00559.WP2515.2623 Total	**18,221**
Cost of Materials	4,423
Cost of Labor	1,129
Non-Material Items	12,669
00561.WP2679.2629 Total	**5,462**
Cost of Materials	1,705
Cost of Labor	3,047
Non-Material Items	710
00561.WP2799.2629 Total	**96,384**
Cost of Materials	5,570
Cost of Labor	10,790
Non-Material Items	80,023
00561.WP2810.2621 Total	**47,078**
Cost of Materials	1,986
Cost of Labor	6,794
Non-Material Items	38,299
00561.WP2892.2621 Total	**31,627**
Cost of Materials	3,617
Cost of Labor	6,605
Non-Material Items	21,405
00561.WP2916.2621 Total	**56,073**
Cost of Materials	5,189
Cost of Labor	16,847
Non-Material Items	34,037
00561.WP3000.2621 Total	**1,316**
Cost of Materials	5,471
Cost of Labor	7,550
Non-Material Items	-11,704
00561.WP3034.2621 Total	**21,495**
Cost of Materials	1,369
Cost of Labor	4,580
Non-Material Items	15,546
00561.WP3082.2621 Total	**123,573**
Cost of Materials	5,355
Cost of Labor	18,912
Non-Material Items	99,307

Columbia Gas of Kentucky
Accelerated Main Replacement Program
2009 Main Line Projects Submitted for Recovery
with Breakdown of Charges per Project

Construction Work Order	2009 Charges
07705.WP2079.2621 Total	**2,830**
Cost of Materials	0
Cost of Labor	0
Non-Material Items	2,830
07803.WP2313.2621 Total	**514,252**
Cost of Materials	53,114
Cost of Labor	47,339
Non-Material Items	413,798
07805.WP2335.2623 Total	**289,108**
Cost of Materials	76,279
Cost of Labor	31,278
Non-Material Items	181,551
07807.WP2343.2629 Total	**22,979**
Cost of Materials	-139
Cost of Labor	2,970
Non-Material Items	20,148
07809.WP2366.2629 Total	**5,487**
Cost of Materials	0
Cost of Labor	0
Non-Material Items	5,487
07811.WP2483.2621 Total	**24,968**
Cost of Materials	794
Cost of Labor	-373
Non-Material Items	24,547
07813.WP2479.2631 Total	**582,669**
Cost of Materials	48,546
Cost of Labor	59,437
Non-Material Items	474,686
07909.WP2675.2623 Total	**625,124**
Cost of Materials	40,744
Cost of Labor	61,313
Non-Material Items	523,066
07913.WP2663.2621 Total	**393,214**
Cost of Materials	18,614
Cost of Labor	46,087
Non-Material Items	328,513
07919.WP2726.2621 Total	**1,019,388**
Cost of Materials	209,566
Cost of Labor	68,686

Columbia Gas of Kentucky
Accelerated Main Replacement Program
2009 Main Line Projects Submitted for Recovery
with Breakdown of Charges per Project

Construction Work Order	2009 Charges
Non-Material Items	741,136
00595.WP2300.2629 Total	**400**
Cost of Materials	400
Cost of Labor	0
Non-Material Items	0
00595.WP2701.2623 Total	**3,718**
Cost of Materials	2,478
Cost of Labor	0
Non-Material Items	1,240
00595.WP2702.2623 Total	**3,925**
Cost of Materials	2,478
Cost of Labor	174
Non-Material Items	1,272
00595.WP2777.2623 Total	**6,371**
Cost of Materials	1,127
Cost of Labor	1,150
Non-Material Items	4,094
00595.WP3043.2621 Total	**6,991**
Cost of Materials	1,012
Cost of Labor	1,966
Non-Material Items	4,013
00595.WP3060.2623 Total	**44,252**
Cost of Materials	9,497
Cost of Labor	7,142
Non-Material Items	27,613
00595.WP3093.2621 Total	**5,260**
Cost of Materials	1,723
Cost of Labor	2,056
Non-Material Items	1,480
00595.WP3140.2621 Total	**14,669**
Cost of Materials	2,701
Cost of Labor	3,279
Non-Material Items	8,755
00595.WP3153.2623 Total	**6,987**
Cost of Materials	1,060
Cost of Labor	1,124
Non-Material Items	4,804
Grand Total	**5,247,698**

PSC Case No. 2010-00143
Staff Data Set 1 DR No. 003
Respondent: Lon R. Patton

COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO INITIAL DATA REQUEST OF COMMISSION STAFF

Data Request 003:

Refer to Line 3, Column 6, on AMRP Form 2.0.

a. Provide a breakdown of the 2009 additions to Account 380.25, Service Lines, showing the length of pipe for each size of pipe installed.

b. For each size of pipe installed, as identified in the response to part a. of this request, provide a breakdown of the installed cost showing separately the cost of materials, the cost of labor, and any other non-materials items.

RESPONSE:

a. Columbia Gas of Kentucky (Columbia) does not maintain Service Lines by pipe length on its Continuing Property Records. Each Service Line installed, regardless of footage used, is reported to the records as a quantity of one (1). In addition, Service Lines that are less than 3" in diameter are not maintained on the records by specific pipe size.

Please see the chart on the second page for the number of Service Lines replaced during 2009 as part of the AMRP program.

b. Please see the chart on the next page for a breakdown of the requested costs. Also, due to the repetitive nature and short duration of Service Line installation projects, Columbia does not issue individual construction work orders for each installation. Rather, costs for installations of this type are recorded to a series of repetitive "blanket" work orders.

2009 AMRP Service Line Replacement Activity

Number of AMRP Service Lines Replaced – Quantity	2,242
Cost of Material	$472,713
Cost of Labor	$757,560
Non-Materials	$2,699,393
Total Service Line Replacement Costs	$3,926,666
Less: Amount Not AMRP Eligible	($99,172)
Total Replacement Costs Eligible for Recovery	$3,827,494

PSC Case No. 2010-00143
Staff Data Set 1 DR No. 004
Respondent: Gary Sullivan

COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO INITIAL DATA REQUEST OF COMMISSION STAFF

Data Request 004:

Refer to Lines 2, 4, and 5, in Column 6 on AMRP Form 2.0. Provide a general discussion of the circumstances and conditions that necessitate replacing plant regulators, meter installations, and house regulators on an accelerated basis.

RESPONSE:

One of the strategies of Columbia's Accelerated Main Replacement Program is to reduce overall installation costs by installing higher pressure, smaller diameter pipelines insofar as prudent engineering design allows. The elevated pressure may come from either of two sources: another piping network in close proximity to the replacement project or a plant regulating station. If another piping network having sufficient pressure and capacity does not exist in close proximity to the replacement project, one must rely on a plant regulator to deliver the higher pressure. In circumstances where an existing plant regulator controls pressure to an existing part of Columbia's network, the newly replaced piping may require the installation of an additional plant regulating station to control a different pressure in the new piping. Thus, replacing mains in an accelerated manner sometimes requires installation of plant regulators to supply the pressure required to execute on Columbia's replacement strategy.

Columbia's strategy of installing higher pressure, smaller diameter pipelines in an accelerated manner also contributes to accelerated replacement of house regulators. In order to safely convert from a low-pressure service, one not having a house regulator, to a medium pressure service, it is necessary to install house regulators to protect the customer's equipment from a pressure that would cause damage to the gas burning equipment. As with plant regulators, the accelerated replacement of mains and services requires the accelerated replacement of house regulators.

Installing higher pressure, smaller diameter pipelines in an accelerated manner also contributes to accelerated replacement of meters. Columbia standardizes its replacement meter installations to 1" so that it can use a pre-fabricated meter loop with regulator instead of building each set. No adaptor exists so that a 1-1/4" meter can be reused. Consequently, when 1-1/4" meters are encountered during an accelerated replacement project, the necessary house regulators are

installed with a 1" pre-fabricated assembly and a new 1" meter. If a 1" meter already exists, then the meter is reused.

PSC Case No. 2010-00143
Staff Data Set 1 DR No. 005
Respondent: Gary Sullivan

COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO INITIAL DATA REQUEST OF COMMISSION STAFF

Data Request 005:

In Case No. 2009-00141, Mr. David E. Mueller testified that the Lexington and Frankfort systems have more unprotected steel pipe than other parts of Columbia's system. He also testified to the efficiencies of an area-based replacement strategy and the benefits of undertaking larger-scale projects.

a. Identify generally, the locations of the major main replacements that occurred in 2009 and describe how those specific projects were selected and prioritized.

b. Explain, generally, if the size of the 2009 main replacement projects permitted Columbia to leverage materials purchases, obtain the best contractor costs, and acquire land and right-of-way more cost effectively as described by Mr. Mueller.

RESPONSE:

a. In 2009, two major main replacement projects occurred in Lexington and one in Frankfort. These projects were identified based on a risk analysis which considered such items as: the leakage history, the type of historical failures, the age and condition of the pipe, the operating pressure, the feasibility of converting from low-pressure to medium pressure, the propensity of producing high risk future leaks and feasibility of repairs. The risk assessment was used along with Operation's feedback to prioritize and select the projects.

b. The area-based replacement strategy did allow Columbia to generate savings over what would have occurred using its historical method of replacement. The three major main replacement projects described above generated a savings of 16.4% utilizing the strategy.