

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF AN)
ADJUSTMENT OF GAS RATES OF) CASE NO. 2016-00162
COLUMBIA GAS OF KENTUCKY,)
INC.)

STIPULATION AND RECOMMENDATION

It is the intent and purpose of the parties to this proceeding, namely Columbia Gas of Kentucky, Inc. ("Columbia"); the Attorney General of the Commonwealth of Kentucky; the Lexington-Fayette Urban County Government; the Kentucky Industrial Utility Customers; and the Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc. to express their agreement on a mutually satisfactory resolution of all of the issues in the instant proceeding.

It is understood by all parties hereto that this Stipulation and Recommendation is not binding upon the Public Service Commission ("Commission"), nor does it represent agreement on any specific theory supporting the appropriateness of any recommended adjustments to Columbia's rates. The parties have expended considerable efforts to reach the agreements that form the basis of this Stipulation and Recommendation. All of the parties, representing

diverse interests and divergent viewpoints, agree that this Stipulation and Recommendation, viewed in its entirety, constitutes a reasonable resolution of all issues in this proceeding.

Additionally, the adoption of this Stipulation and Recommendation will eliminate the need for the Commission and the parties to expend significant resources in litigation of this proceeding, and eliminate the possibility of, and any need for, rehearing or appeals of the Commission's final order herein. It is the position of the parties hereto that this Stipulation and Recommendation is supported by sufficient and adequate data and information, and is entitled to serious consideration by the Commission. Based upon the parties' participation in settlement conferences and the materials on file with the Commission, and upon the belief that these materials adequately support this Stipulation and Recommendation, the parties hereby stipulate and recommend the following:

1. Columbia should be authorized to implement an incremental revenue increase of \$13,408,000 effective with service rendered on and after December 27, 2016. The increased revenue requirement shall be reflected in increases to the customer charges associated with Columbia's various rate schedules as well as in increases to Columbia's volumetric rates. For residential customers Columbia's customer charge will be \$16 per month, and the volumetric rate will be \$3.5927 per Mcf. For commercial customers Columbia's customer

charge will be \$44.69 per month and the volumetric rate will be \$3.0332 per Mcf for the first block, \$2.3446 per Mcf for the second block, \$2.2294 per Mcf for the third block and \$2.0294 per Mcf for the fourth block. For DS customers, Columbia will modify the usage for the second rate block and add a third block. The first rate block will remain the first 30,000 Mcf, the second rate block will be the next 70,000 Mcf and the final block will be over 100,000 Mcf per month. The customer charge will be \$2,007.00 and the volumetric rates will be \$0.6321 per Mcf for the first block, \$0.3773 per Mcf for the second block and \$0.3283 per Mcf for the third block. The pro-forma tariff sheets attached hereto as Attachment A are recommended as reflecting the new rates to be effective as of the aforementioned date. These pro-forma tariff sheets reflect rates that are designed to allow Columbia to recover the increased revenue from its various classes of customers, in the manner agreed to by the parties to this Stipulation and Recommendation.

2. Columbia will withdraw its proposed revisions to Rider AMRP except for Columbia's Accelerated Main Replacement Program ("AMRP") rates which will be set to \$0.00. For purposes of Columbia's AMRP and calculation of AFUDC, the specified ROE is 9.8%.
3. All other tariff changes proposed in Columbia's Application shall be adopted.

4. The aforementioned changes are reflected in the proposed tariff sheets attached to this Stipulation and Recommendation as Attachment A.
5. Columbia withdraws the proposed Equal Life Group method of calculating depreciation it submitted as part of its Application in this proceeding. Columbia will implement new depreciation rates effective January 1, 2017 calculated using the Average Service Life method at the rates contained in its response to the Attorney General's Initial Request for Information to Columbia Gas, Item 9.
6. Columbia's actual rate case expenses will be deferred, amortized and recovered over 28 months.
7. Columbia agrees that for 28 months subsequent to December 15, 2016, it will not file any Notice of Intent to submit an application for a general adjustment of rates as required by 807 KAR 5:001 Section 16 (2). This agreement is understood to mean that Columbia will not file an application for a general base rate adjustment prior to May 15, 2019 except to seek approval from the Commission for emergency rate relief to avoid material impairment or damage to Columbia's credit or operations; or, to seek rate relief for costs or programs required of Columbia due to changes in state, federal or local law, order or regulation which may occur during the 28 months subsequent to December 15, 2016.

8. Columbia agrees to withdraw Case No. 2016-00334, Electronic Application of Columbia Gas of Kentucky, Inc. for a Certificate of Public Convenience and Necessity. Columbia further agrees that it will not file a Certificate of Public Convenience and Necessity as required by Commission's Order of September 9, 2016 in Case No. 2016-00181 for the purpose of building a training facility, before 28 months from December 15, 2016; that is, not prior to April 15, 2019.
9. Columbia agrees to perform a lead/lag cash working capital study in conjunction with its next application for a general base rate adjustment which shall exclude any and all non-cash items. The reasonable cost associated with performing the lead/lag study shall be an allowable rate case expense for recovery in its next base rate case.
10. Columbia will guarantee an annual Wintercare contribution of \$45,000 from company funds in addition to voluntary customer contributions to Wintercare.
11. Columbia agrees to contribute an additional \$25,000 annually of shareholder dollars to its Energy Assistance Program and otherwise continue its existing program to eligible customers at the annual budget of \$675,000 except that in its next annual tariff adjustment, the calculation of

the EAP surcharge applicable to Rate Schedule GSR will be calculated to produce \$475,000 annually instead of \$500,000 annually.

12. Attached to this Stipulation and Recommendation as Attachment B are proof-of-revenue sheets, showing that the rates set forth in Attachment A will generate the proposed revenue increase to which the parties have agreed in Paragraph number 1 hereof.
13. Unless otherwise specifically stated in this Stipulation, entering into this Stipulation shall not be deemed in any respect to constitute an admission by any of the Parties that any computation, formula, allegation, assertion or contention made by any other party in these proceedings is true or valid.
14. The Stipulation shall inure to the benefit of and be binding upon the Parties and their successors and assigns.
15. This Stipulation and Recommendation is submitted for purposes of this case only and is not deemed binding upon the parties hereto in any other proceeding unless otherwise specified herein, nor is it to be offered or relied upon in any other proceeding involving Columbia or any other utility.
16. Each party hereto waives all cross-examination of the witnesses of the other parties hereto except in support of the Stipulation and Recommendation, or unless the Commission disapproves this Stipulation and Recommendation, and each party further stipulates and recommends that the Notice of Intent,

Notice, Application, testimony, pleadings and responses to data requests filed in this proceeding be admitted into the record. The parties also agree that if the Commission issues an order adopting this Stipulation and Recommendation in its entirety no party shall file a post-hearing brief.

17. If the Commission issues an order adopting this Stipulation and Recommendation in its entirety, each of the parties hereto agrees that it shall file neither an application for rehearing with the Commission, nor an appeal to the Franklin County Circuit Court with respect to such order.
18. In the event the Commission should reject or modify all or any portion of this Stipulation and Recommendation, or impose additional conditions or requirements upon the signatory parties, each signatory party shall have the right, within twenty (20) days of the Commission's order, to either file an application for rehearing or terminate and withdraw from the Stipulation and Recommendation by filing a notice with the Commission. Upon rehearing, any signatory party shall have the right within fifteen (15) days of the Commission's order on rehearing to file a notice of termination or withdrawal from this Stipulation and Recommendation. In such event the terms of this Stipulation and Recommendation shall not be deemed binding upon the parties hereto, nor shall such Stipulation and

Recommendation be admitted into evidence, referred to, or relied upon in any manner by any party hereto.

- 19. This Stipulation and Recommendation and its attachments constitute the complete agreement and understanding among the Parties and any and all oral statements, representations or agreements made prior hereto or contemporaneously herewith shall be null and void and shall be deemed to have been merged into this Stipulation and Recommendation.**
- 20. The Parties agree for the purpose of settlement that the terms herein are a fair, just and reasonable resolution of the issues and are a product of compromise and negotiation amongst the Parties.**

AGREED, this 20th day of October, 2016

Brooke E. Wancheck

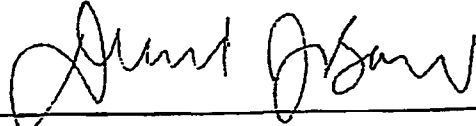
Hon. Brooke E. Wancheck

On behalf of Columbia Gas of Kentucky, Inc.



Hon. Kent Chandler

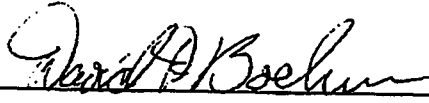
On behalf of the Attorney General of the Commonwealth of Kentucky



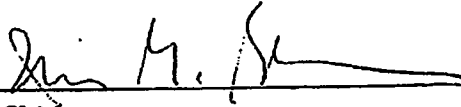
Hon. David J. Barberie

On behalf of the Lexington-Fayette Urban County Government

SUBJECT TO ratification by
the Urban County Council



Hon. David F. Boehm
On behalf of the Kentucky Industrial Utility Customer



Hon. Iris Skidmore

On behalf of the Community Action Council for Lexington-Fayette, Bourbon, Harrison,
and Nicholas Counties, Inc.

ATTACHMENT A

TARIFFS

CURRENTLY EFFECTIVE BILLING RATES

<u>SALES SERVICE</u>	<u>Base Rate Charge</u> \$	<u>Gas Cost Adjustment/ Demand</u> \$	<u>Commodity</u> \$	<u>Total Billing Rate</u> \$	
<u>RATE SCHEDULE GSR</u>					
Customer Charge per billing period	16.00			16.00	I
Delivery Charge per Mcf	3.5927	1.5811	2.9330	8.1068	I
<u>RATE SCHEDULE GSO</u>					
<u>Commercial or Industrial</u>					
Customer Charge per billing period	44.69			44.69	I
Delivery Charge per Mcf -					
First 50 Mcf or less per billing period	3.0332	1.5811	2.9330	7.5473	I
Next 350 Mcf per billing period	2.3446	1.5811	2.9330	6.8587	I
Next 600 Mcf per billing period	2.2294	1.5811	2.9330	6.7435	I
Over 1,000 Mcf per billing period	2.0294	1.5811	2.9330	6.5435	I
<u>RATE SCHEDULE IS</u>					
Customer Charge per billing period	2,007.00			2,007.00	I
Delivery Charge per Mcf					
First 30,000 Mcf per billing period	0.6321		2.9330 2/	3.5651	I
Next 70,000 Mcf per billing period	0.3773		2.9330 2/	3.3103	N
Over 100,000 Mcf per billing period	0.3283		2.9330 2/	3.2613	I
Firm Service Demand Charge					
Demand Charge times Daily Firm					
Volume (Mcf) in Customer Service Agreement		6.8133		6.8133	
<u>RATE SCHEDULE IUS</u>					
Customer Charge per billing period	567.40			567.40	I
Delivery Charge per Mcf					
For All Volumes Delivered	1.1635	1.5811	2.9330	5.6776	I

1/ The Gas Cost Adjustment, as shown, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets 48 through 51 of this Tariff. The Gas Cost Adjustment applicable to a customer who is receiving service under Rate Schedule GS or IUS and received service under Rate Schedule SVGTs shall be \$4.5271 per Mcf only for those months of the prior twelve months during which they were served under Rate Schedule SVGTs 2/ IS Customers may be subject to the Demand Gas Cost, under the conditions set forth on Sheets 14 and 15 of this tariff.

DATE OF ISSUE October 20, 2016
 DATE EFFECTIVE December 27, 2016

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 .

COLUMBIA GAS OF KENTUCKY, INC.

GAS TARIFF
 PSC KY NO. 5
 ONE HUNDRED SIXTH REVISED SHEET NO. 6
 CANCELLING PSC KY NO. 5
 ONE HUNDRED FIFTH SHEET NO. 6

**CURRENTLY EFFECTIVE BILLING RATES
 (Continued)**

<u>TRANSPORTATION SERVICE</u>	<u>Base Rate Charge</u> \$	<u>Gas Cost Adjustment^{1/} Demand</u> \$	<u>Commodity</u> \$	<u>Total Billing Rate</u> \$	
<u>RATE SCHEDULE SS</u>					
Standby Service Demand Charge per Mcf					
Demand Charge times Daily Firm					
Volume (Mcf) in Customer Service Agreement		6.8133		6.8133	
Standby Service Commodity Charge per Mcf			2.9330	2.9330	
<u>RATE SCHEDULE DS</u>					
Customer Charge per billing period ^{2/}				2,007.00	D
Customer Charge per billing period (GDS only)				44.69	I
Customer Charge per billing period (IUDS only)				567.40	I
<u>Delivery Charge per Mcf^{2/}</u>					
First 30,000 Mcf per billing period	0.6321			0.6321	I
Next 70,000 Mcf per billing period	0.3773			0.3773	N
Over 100,000 Mcf per billing period	0.3283			0.3283	I
- Grandfathered Delivery Service					
First 50 Mcf or less per billing period				3.0332	I
Next 350 Mcf per billing period				2.3446	I
Next 600 Mcf per billing period				2.2294	I
All Over 1,000 Mcf per billing period				2.0294	I
- Intrastate Utility Delivery Service					
All Volumes per billing period				1.1635	I
Banking and Balancing Service					
Rate per Mcf		0.0209		0.0209	
<u>RATE SCHEDULE MLDS</u>					
Customer Charge per billing period				255.90	D
Delivery Charge per Mcf				0.0858	I
Banking and Balancing Service					
Rate per Mcf		0.0209		0.0209	
^{1/} The Gas Cost Adjustment, as shown, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets 48 through 51 of this Tariff. ^{2/} Applicable to all Rate Schedule DS customers except those served under Grandfathered Delivery Service or Intrastate Utility Delivery Service.					

DATE OF ISSUE October 20, 2016
 DATE EFFECTIVE December 27, 2016
 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

**GENERAL SERVICE (GS) AND GENERAL PROPANE SERVICE (GPS)
SALES SERVICE RATE SCHEDULES**

APPLICABILITY

Entire service territory of Company. See Sheet 8 for a list of communities.

AVAILABILITY OF SERVICE

Available to residential, commercial and industrial sales service customers.

See Sheet Nos. 53 through 56 for Temporary Volumetric Limitations and Curtailment provisions for all purposes.

BASE RATES

Residential (GSR)

Customer Charge per billing period	@ \$16.00	
Delivery Charge per Mcf	@ \$3.5927 per Mcf	

Commercial or Industrial (GSO)

Customer Charge per billing period	@ \$44.69	
Delivery Charge per Mcf -		
First 50 or less Mcf per billing period	@ \$3.0332 per Mcf	
Next 350 Mcf per billing period	@ \$2.3446 per Mcf	
Next 600 Mcf per billing period	@ \$2.2294 per Mcf	
Over 1,000 Mcf per billing period	@ \$2.0294 per Mcf	

MINIMUM CHARGE

The minimum charge per billing period shall be the applicable Customer Charge. If the meter reading or calculated consumption for the billing period is greater than zero then the minimum charge shall be increased by the Delivery Charge for a minimum of one Mcf per billing period.

GAS COST ADJUSTMENT

Gas sold under this rate schedule and rates as prescribed herein are subject to a Gas Cost Adjustment as stated on currently effective Sheet Nos. 48 through 51 of this tariff which are hereby incorporated into this rate schedule.

The charges set forth herein, exclusive of those pertaining to the minimum charge, shall be subject to a Gas Cost Adjustment, as shown on Sheet 5 of this tariff.

DATE OF ISSUE	October 20, 2016
DATE EFFECTIVE	December 27, 2016

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

Issued pursuant to an Order of the Public Service Commission
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**INTERRUPTIBLE SERVICE (IS)
 SALES SERVICE RATE SCHEDULE
 (Continued)**

CHARACTER OF SERVICE (continued)

provision that the Customer may not concurrently contract with the Company for Delivery Service under Rate DS. The full sales agreement is subject to a minimum contract period of one (1) year as set forth in the General Terms, Conditions, Rules and Regulations, Section 34.

BASE RATES

<u>Customer Charge</u>		1
\$2,007.00 per billing period		
<u>Delivery Charge per Mcf -</u>		1
First 30,000 Mcf per billing period	@ \$ 0.6321 per Mcf	N
Next 70,000 Mcf per billing period	@ \$ 0.3773 per Mcf	1
Over 100,000 Mcf per billing period	@ \$ 0.3283 per Mcf	

MINIMUM CHARGE

The minimum charge each billing period for gas delivered or the right of the Customer to receive same shall be the sum of the Customer Charge of \$2,007.00, plus the Customer Demand Charge as contracted for under Firm Service. (Daily Firm Volume as specified in the Customer's service agreement multiplied by the demand rate (See Sheet No. 5).

In the event of monthly, seasonal or annual curtailment due to gas supply shortage, the demand charge shall be waived when the volume made available is less than 110% of the Daily Firm Volume multiplied by thirty (30). In no event will the minimum charge be less than the Customer charge.

If the delivery of firm volumes of gas by Company is reduced, due to peak day interruption in the delivery of gas by Company or complete or partial suspension of operations by Customer resulting from force majeure, the Minimum Charge shall be reduced in direct proportion to the ratio which the number of days of curtailed service and complete or partial suspension of Customer's operation bears to the total number of days in the billing period. Provided, however, that in cases of Customer's force majeure, the Minimum Charge shall not be reduced to less than the Customer Charge.

GAS COST ADJUSTMENT

Except as otherwise provided herein, gas sold under this rate schedule and rates as prescribed herein are subject to the Gas Cost Adjustment, including the Commodity and Demand components, as stated on currently effective Sheet Nos. 48 through 51 herein, which are hereby incorporated into this rate schedule.

For a Customer who enters into a full sales agreement under this rate schedule after September 1, 1995, the Gas Cost Adjustment shall consist of the Expected Commodity Cost of Gas, as defined in paragraph 1 (a) of Sheet No. 48 herein, and shall not be adjusted to reflect the supplier Refund Adjustment (RA), the Actual Cost Adjustment (ACA), or the Balancing Adjustment (BA) for a period of one year from the effective date of the Customer's agreement. At the end of that one-year period, any gas purchased by the Customer under that agreement shall be subject to the Commodity Cost of Gas, including all appropriate adjustments, as defined in Sheet Nos. 48 and 49.

DATE OF ISSUE October 20, 2016

DATE EFFECTIVE December 27, 2016

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.

**INTRASTATE UTILITY SALES SERVICE (IUS)
RATE SCHEDULE**

APPLICABILITY

Entire service territory of Company. See Sheet No. 8 for a list of communities.

AVAILABILITY OF SERVICE

Available for service to intrastate utilities purchasing gas for resale for consumption solely within the Commonwealth of Kentucky when:

- (1) Company's existing facilities have sufficient capacity and gas supply to provide the quantities of gas requested by said Customer, and
- (2) Customer has executed a Sales Agreement with Company specifying, among other things, a Maximum Daily Volume.

CHARACTER OF SERVICE

Gas delivered by Company to Customer under this rate schedule shall be firm and shall not be subject to curtailment or interruption, except as provided in Section 32 of the General Terms, Conditions, Rules and Regulations.

BASE RATE

Customer Charge per billing period	\$567.40	
Delivery Charge per Mcf –		
For all gas delivered each billing period	\$1.1635 per Mcf.	

MINIMUM CHARGE

The minimum charge shall be the Customer Charge.

GAS COST ADJUSTMENT

Gas sold under this rate schedule and rates as prescribed herein are subject to a Gas Cost Adjustment as stated on currently effective Sheet Nos. 48 through 51, which are hereby incorporated into this rate schedule.

The charges set forth herein, exclusive of those pertaining to the Customer Charge, shall be subject to a Gas Cost Adjustment as shown on Sheet No. 5 of this tariff.

ADJUSTMENTS AND RIDERS

Customers served under this Rate Schedule are subject to the currently effective Adjustments and Riders as prescribed on the Tariff Sheets set forth below and incorporated into this Rate Schedule:

Rider for Natural Gas Research & Development – Sheet No. 51c
Rider AMRP – Sheet No. 58

DATE OF ISSUE October 20, 2016

DATE EFFECTIVE December 27, 2016

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.

**SMALL VOLUME GAS TRANSPORTATION SERVICE
(SVGTS)
RATE SCHEDULE (Continued)**

CHARACTER OF SERVICE

Service provided under this schedule shall be considered firm service.

DELIVERY CHARGE

The Delivery Charge shall be the Base Rate Charges for the applicable Rate Schedule as set forth below:

General Service Residential (SVGTS GSR)

Customer Charge per billing period	\$16.00	
Delivery Charge	\$3.5927 per Mcf	

General Service Other – Commercial or Industrial (SVGTS GSO)

Customer Charge per billing period	\$44.69	
First 50 Mcf or less per billing period	\$3.0332 per Mcf	
Next 350 Mcf per billing period	\$2.3446 per Mcf	
Next 600 Mcf per billing period	\$2.2294 per Mcf	
Over 1,000 Mcf per billing period	\$2.0294 per Mcf	

Intrastate Utility Service

Customer Charge per billing period	\$567.40	
Delivery Charge per Mcf	\$1.1635	

ADJUSTMENTS AND RIDERS

Customers served under this Rate Schedule are subject to the currently effective Adjustments and Riders as prescribed on the Tariff Sheets set forth below and incorporated into this Rate Schedule:

- Weather Normalization Adjustment – Sheet 51a
- Energy Assistance Program Surcharge – Sheet No. 51b (Applies to Residential Customers only)
- Rider for Natural Gas Research & Development – Sheet No. 51c
- Energy Efficiency Conservation Rider – Sheets 51d – 51h (Applies to Residential and Commercial Customers only)
- AMRP Rider – Sheet No. 58

DATE OF ISSUE October 20, 2016
DATE EFFECTIVE December 27, 2016

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.

**SMALL VOLUME AGGREGATION SERVICE
(SVAS)
RATE SCHEDULE (Continued)**

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APPLICABILITY

Entire service territory of Columbia Gas of Kentucky through March 31, 2017. See Sheet No. 8 for a list of communities.

AVAILABILITY

Available to Marketers certified to deliver natural gas, on a firm basis, to the Company's city gates on behalf of customers receiving transportation service under Columbia's Small Volume Transportation Service Rate Schedule provided Marketer has an Aggregation Pool consisting of either: (a) a minimum of 100 customers; or (b) a customer or a group of customers with a minimum annual throughput of 10,000 Mcf. Service hereunder allows Marketers to deliver to Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the requirements of customers participating in Columbia's small volume transportation service program.

MARKETER CERTIFICATION

Marketers will be certified by Columbia to offer supply of natural gas to customers choosing service under Rate Schedule SVGTS provided they meet the following requirements:

1. Satisfactory determination of adequate managerial, financial and technical abilities to provide the service Marketer intends to offer;
2. Satisfactory completion of a determination of credit worthiness by Columbia;
3. Execution of a contract with Columbia for Small Volume Aggregation Service;
4. Marketer agrees to accept assignment of upstream pipeline firm transportation services capacity (FTS) in an amount equal to the Marketer's Daily Delivery Requirement as defined herein;
5. Marketer agrees to abide by the Code of Conduct as set forth herein; Columbia agrees to abide by the Standards of Conduct as set forth herein;
6. Marketer agrees to flow gas in accordance with the Marketer's Daily Delivery Requirement provided by Columbia.

AGGREGATION POOL

Marketers will be required to establish at least one Aggregation Pool for aggregation purposes.

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DATE EFFECTIVE	December 27, 2016
ISSUED BY TITLE	/s/Herbert A. Miller, Jr. President

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

SMALL VOLUME AGGREGATION SERVICE
(SVAS)
RATE SCHEDULE (Continued)

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SCHEDULING DELIVERIES

Marketers must schedule all daily deliveries using the Company's nomination web site.

ANNUAL IMBALANCE RECONCILIATION

Once each year Columbia will reconcile each Marketer's imbalance that has accumulated since the prior reconciliation by determining the difference between: (1) the Marketer's deliveries to Columbia during the reconciliation period, adjusted for Btu value and Company Use and Unaccounted For gas; and, (2) the actual consumption of the Marketer's Aggregation Pool, inclusive of all adjustments applicable to the reconciliation period.

If the reconciliation shows that the Marketer delivered more than what was consumed during the period, then Columbia will pay the Marketer for the excess deliveries. If the reconciliation shows that the Marketer delivered less than what was consumed during the period, then the Marketer will pay Columbia for the under deliveries. Columbia will perform the reconciliation, including associated payment or billing, in the month following the end of the reconciliation period.

The price to be paid for gas to resolve any such imbalance will be the average price during the reconciliation period reported in PLATTS *Inside FERC's Gas Market Report* in the monthly report titled "Prices of Spot Gas Delivered to Pipelines," under the column heading "Index" for "Columbia Gas Transmission Corp., Appalachia", adjusted for Columbia Gas Transmission Corporation's FTS Retainage and commodity charges.

The first reconciliation period shall be the eight-month period ending March 31, 2005. The second reconciliation period shall be the sixteen-month period ending July 31, 2006. Thereafter, the reconciliation period shall end on July 31 of each year, except that, should the effective date of this tariff not continue past March 31, 2017, the final reconciliation period will be an eight-month period ending on March 31, 2017.

DATE OF ISSUE October 20, 2016

DATE EFFECTIVE December 27, 2016

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

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**DELIVERY SERVICE (DS)
 TRANSPORTATION SERVICE RATE SCHEDULE**

APPLICABILITY

Entire service territory of Company. See Sheet No. 8 for a list of communities.

AVAILABILITY

This rate schedule is available to any Customer throughout the territory served by Company provided:

- (1) Customer has executed a Delivery Service Agreement with Company, and
- (2) Customer has normal annual requirements of not less than 25,000 Mcf at any delivery point, and
- (3) Company will not be required to deliver on any day more than the lesser of (i) a quantity of gas equivalent to Customer's Maximum Daily Volume specified in its Delivery Service Agreement; (ii) the quantity of gas scheduled and confirmed to be delivered into the Company's distribution facilities on behalf of the Customer on that day plus applicable Standby Sales; or (iii) the Customer's Authorized Daily Volume, and
- (4) On an annual basis, a Customer's Maximum Daily Volume and Annual Transportation Volume will be automatically adjusted to the Customer's actual Maximum Daily Volume and actual Annual Transportation Volume based on the Customer's highest daily and annual volumetric consumption experienced during the preceding 12-month periods ending with March billings. Upon a Customer's request, the Company shall have the discretion to further adjust a Customer's Maximum Daily Volume and Annual Transportation Volume for good cause shown.

Customers Grandfathered ("GDS") This rate schedule is also available to customers with normal annual requirements of less than 25,000 Mcf but not less than 6,000 Mcf, at any delivery point taking service under a contract with Company for delivery service executed prior to April 1, 1999.

Intrastate Utility ("IUDS") This rate schedule is also available to intrastate utilities for transportation and consumption solely within the Commonwealth of Kentucky.

BASE RATE

Customer Charge per billing period		\$2,007.00	D
Customer Charge per billing period (GDS only)		\$44.69	I
Customer Charge per billing period (IUDS only)		\$567.40	I
Delivery Charge per Mcf -			
First 30,000 Mcf	\$0.6321 per Mcf for all gas delivered each billing month		I
Next 70,000 Mcf	\$0.3773 per Mcf for all gas delivered each billing month		N
Over 100,000 Mcf	\$0.3283 per Mcf for all gas delivered each billing month		I
Grandfathered Delivery Service			
First 50 Mcf per billing period		\$3.0332	I
Next 350 Mcf per billing period		\$2.3446	I
Next 600 Mcf per billing period		\$2.2294	I
All Over 1,000 Mcf per billing period		\$2.0294	I
Intrastate Utility Delivery Service			
All volumes per billing period		\$1.1635	I
Banking and Balancing Service	Rate per Mcf	See Sheet No. 6	

DATE OF ISSUE October 20, 2016

DATE EFFECTIVE December 27, 2016

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

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 in Case No. 2016-00162 dated.

COLUMBIA GAS OF KENTUCKY, INC.

MAIN LINE DELIVERY SERVICE (MLDS)
RATE SCHEDULE

APPLICABILITY

Entire service territory of Company. See Sheet No. 8 for a list of communities.

AVAILABILITY

This rate schedule is available to any Customer throughout the territory served by Company provided:

- (1) Customer has executed a Delivery Service Agreement with Company, and
- (2) Customer has normal annual requirements of not less than 25,000 Mcf at any delivery point, and
- (3) Customer is connected directly through a dual-purpose meter to facilities of an interstate pipeline supplier of Company, and
- (4) Company will not be required to deliver on any day more than the lesser of: (i) a quantity of gas equivalent to Customer's Maximum Daily Volume specified in its Delivery Service Agreement; (ii) the quantity of gas scheduled and confirmed to be delivered into the Company's distribution facilities on behalf of the Customer on that day plus applicable Standby Sales; or (iii) the Customer's Authorized Daily Volume, and
- (5) On an annual basis, a Customer's Maximum Daily Volume and Annual Transportation Volume will be automatically adjusted to the Customer's actual Maximum Daily Volume and actual Annual Transportation Volume based on the Customer's highest daily and annual volumetric consumption experienced during the preceding 12-month periods ending with March billings. Upon a Customer's request, the Company shall have the discretion to further adjust a Customer's Maximum Daily Volume and Annual Transportation Volume for good cause shown.

RATE

The transportation rate shall be \$0.0858 per Mcf for all gas delivered each month.

D

CUSTOMER CHARGE

The customer charge shall be \$255.90 per account each billing period.

I

BANKING AND BALANCING SERVICE

The rate for the Banking and Balancing Service is set forth on Sheet No. 6. This rate represents the current storage cost to the Company to provide a 'bank tolerance' to the Customer of five percent (5%) of the Customer's Annual Transportation Volume. The calculation of the Banking and Balancing Service rate is set forth in the Company's Gas Cost Adjustment.

The Banking and Balancing Service rate is subject to flexing as provided in the Flex Provision of this rate schedule. Refer to Sheet No. 91, Banking and Balancing Service, for the terms and conditions of the Balancing and Banking Service.

ADJUSTMENTS AND RIDERS

Customers served under this Rate Schedule are subject to the currently effective Adjustments and Riders as prescribed on the Tariff Sheets set forth below and incorporated into this Rate Schedule:

Rider for Natural Gas Research & Development - Sheet No. 51c

NOMINATION AND SCHEDULING OF TRANSPORTATION DELIVERIES

All transportation deliveries must be nominated and scheduled through the Company's internet based nomination system. Any customer that transports gas under this schedule may elect to have its marketer or agent make the required nominations, or the Customer may elect to connect to make daily nominations of Delivery Service gas.

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TITLE: President

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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 December 27, 2016 are:

Rate GSR, Rate SVGTS - Residential Service	\$ 0.00	R
Rate GSO, Rate GDS, Rate SVGTS - Commercial or Industrial Service	\$ 0.00	R
Rate IUS, Rate IUDS	\$ 0.00	R
Rate IS, Rate DS ^{1/} , Rate SAS	\$ 0.00	R

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

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COLUMBIA GAS OF KENTUCKY, INC. P.S.C. Ky. No. 5

GENERAL TERMS, CONDITIONS, RULES AND REGULATIONS
(Continued)

17. METER TESTING AND MEASUREMENT OF NATURAL GAS - (Continued)

Failure of Measuring Equipment. - (Continued)

- (b) By correcting the error if the percentage of error is ascertainable by calibration, special test or mathematical calculation, or, in the absence of both (a) and (b), then:
- (c) By estimating the quantity of delivery based on deliveries during periods under similar conditions when the meter was registering accurately.

The estimated readings shall be used in determining the volume of gas delivered for any known or agreed-upon applicable period. In case the period is not known or agreed-upon, such estimated deliveries shall be used in determining the volume of gas delivered during the latter half of the period beginning on the date of the immediately preceding test and ending on the date the measuring equipment was adjusted to record accurately; the recordings of the measuring equipment during the first half of said period shall be considered accurate in computing deliveries.

Preservation of Records. The complete record of tests of each meter shall be continuous for at least two (2) periodic test periods and shall in no case be less than two (2) years.

Standard Delivery Pressure

Company, in accordance with 807 KAR 5:022, Section 13(14): Standard Pressure adopts seven (7) inches water column as its standard pressure as measured at the outlet of Customer's meter.

When conditions warrant, and Customer and Company mutually agree, certain Customers may receive gas at pressures higher than the standard pressure. In these cases either indices compensated for the delivery pressure or pressure factors corresponding to delivery pressure will be used to adjust volumes of gas billed.

The above paragraphs notwithstanding Company shall assume no liability from any damage or loss resulting from inadequate or interrupted supply or from any pressure variation when such conditions are not due to willful fault or neglect on its part.

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COLUMBIA GAS OF KENTUCKY, INC.

GENERAL TERMS, CONDITIONS, RULES AND REGULATIONS
(Continued)

20. FORCE MAJEURE

Neither Company nor Customer shall be liable in damages to the other for any act, omission or circumstance occasioned by or in consequence of any acts of God, strikes, lockouts affecting the company or its suppliers of gas, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated or otherwise, not reasonably within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. Failure to prevent or settle any strike or strikes shall not be considered to be a matter within the control of the party claiming suspension.

Such causes or contingencies affecting the performance hereunder by either Company or Customer, however, shall not relieve it of liability in the event of its concurring negligence or in the event of its failure to use due diligence to remedy the situation and to remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes or contingencies affecting such performance relieve either party from its obligations to make payments of amounts then due hereunder in respect of gas theretofore delivered.

21. RECONNECTION OF SERVICE

If service is discontinued at the request of any Customer, Company may refuse service to such Customer, at the same premises within eight (8) months, unless it shall first receive payment of \$128.00 (current minimum charge of \$16.00 times 8 months) for residential customers reconnect fee and \$357.52 (current customer charge of \$44.69 times 8 months) for commercial customers reconnect fee.

Company will charge a reconnect fee of twenty-five dollars (\$25) when service has been disconnected for nonpayment of bills or for violation of Company's Rules and Regulations and Customer has qualified for and requested the service to be reconnected. Customers exempt from the reconnect fee must qualify under the Commission's Winter Hardship Reconnection Rules, as stated:

- A. During the months from November through March, Customer or Customer's agent:
- (1) Presents a certificate of need from the Cabinet for Human Resources, State Department for Social Insurance, including a certification that a referral for weatherization services has been made in accordance with subsection (C) of this section;
 - (2) Pays one-third (1/3) of the outstanding bill or \$200, whichever is less; and

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BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
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COLUMBIA GAS OF KENTUCKY, INC.

GENERAL TERMS, CONDITIONS, RULES AND REGULATIONS
(Continued)

23. **BILLING**

General Service Rate Schedule

Bills will be rendered and be payable once each billing month. Company may read any meter once each billing month, but may read meters of the General Service Rate Schedule Customers once each two billing months. As to any Customer whose meter is read once each two months, the consumption for the first month of each bimonthly meter reading period shall be determined by calculation on the basis of Customer's previous usage – considering factors such as variations in weather, number of days in the period, the trend in seasonal usage, etc., in order to provide as nearly accurate a bill as possible without actually reading the meter. Customer's consumption for the second month of each bimonthly meter reading period shall be determined by actual measurement taken from Customer's meter, subtracting therefrom the calculated consumption for the first month of the bimonthly meter reading period. The bill for each month shall be the result of applying to the consumption, determined as aforesaid, the applicable rates and charges contained in this tariff.

A customer shall be liable for unbilled service up to 2 years from the date of service, unless the customer obtained service through fraud, theft, or deception.

All Other Rate Schedules

On or before the tenth (10th) day following the date of the final monthly meter reading for each billing month, Company shall render to Customer a statement of the total amount of gas delivered during the preceding billing month and the amount due, with the exception of Delivery Service Customers.

When information necessary for billing purposes is in the control of Customer, Customer shall furnish such information to Company on or before the fifth (5th) day following the date of final meter reading of each month.

Both Company and Customer shall have the right to examine, at reasonable times, books, records, and charts of the other to the extent necessary to verify the accuracy of any statement, charge or computation made under or pursuant to any of the provisions hereof.

A customer shall be liable for unbilled service up to 2 years from the date of service, unless the customer obtained service through fraud, theft, or deception.

24. **PAYMENT**

Customer shall pay Company at its General Office, 290 W. Nationwide Blvd, Columbus, Ohio 43215, or at such other address as Company shall designate on or before the twentieth (20th) day following the date of the final monthly meter reading for the gas delivered hereunder during the preceding billing month. T

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GENERAL TERMS, CONDITIONS, RULES AND REGULATIONS

(Continued)

25. LATE PAYMENT PENALTY

A Late Payment Penalty of five percent (5%) may be assessed, only once on any bill for rendered services, if Customer fails to pay bill by the due date shown on Customer's bill. Any payment received will first be applied to the bill for service rendered. Additional penalty charges shall not be assessed on unpaid penalty charges. Customers enrolled in utility bill assistance programs (including those customers who have been issued a Certificate of Need) shall not be charged a late payment charge.

If prior to the due date of payment, Customer in good faith disputes the bill in part or total, and pays to Company such amounts as it concedes to be correct, and at any time thereafter within ten (10) days of a demand made by Company, furnishes a surety bond in an amount and with surety satisfaction to Company, guaranteeing payment to Company of the amount ultimately found due upon such bills after a final determination which may be reached either by agreement or judgment of the courts, as may be the case, then Company shall not be entitled to suspend further delivery of gas unless and until default be made in the conditions of such bond.

26. RETURNED PAYMENT FEE

If Customer's payment of a bill for service is returned by a bank as unpaid, Customer will be charged a fee of fifteen dollars (\$15.00) to cover the cost of further processing of the account.

27. BILL ADJUSTMENT AND MONITORING OF CUSTOMER USAGE

Bill Adjustment. If upon periodic test, request test, or complaint test a meter in service is found to be more than two (2) percent fast, additional tests shall be made to determine the average error of the meter. Said tests shall be made in accordance with commission regulations applicable to the type of meter involved.

If test results on Customer's meter show an average error greater than two (2) percent fast or slow, or if Customer has been incorrectly billed for any other reason, except in an instance where Company has filed a verified complaint with the appropriate law enforcement agency alleging fraud of theft by Customer, Company shall immediately determine the period during which the error has existed, and shall recompute and adjust Customer's bill to either provide a refund to Customer or collect an additional amount of revenue from the underbilled Customer. Company shall readjust the account based upon the period during which the error is known to have existed. If the period during which the error existed cannot be determined with reasonable precision, the time period shall be estimated using such data as elapsed time since the last meter test, if applicable, and historical usage data for Customer. If that data is not available, the average usage of similar customer loads shall be used for comparison purposes in calculating the time period. If Customer and Company are unable to agree on an estimate of the time period during which the error existed, Commission shall determine the issue. In all instances of Customer overbilling, Customer's account shall be credited or the overbilled amount refunded at the

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COLUMBIA GAS OF KENTUCKY, INC.

**GENERAL TERMS, CONDITIONS, RULES AND REGULATIONS
APPLICABLE TO DELIVERY RATE SCHEDULES ONLY**

1. DELIVERIES OF CUSTOMER-OWNED GAS

Subject to the limitations of Company's pipeline capacity in its system, Company will accept deliveries of Customer's gas at the point(s) of receipt, less applicable retainage, for redelivery to Customer's facilities, in Mcf. Such gas volumes delivered to Company and redelivered to Customer shall be limited to the annual and maximum daily transportation volumes for each facility or, at Company's discretion, lesser volumes if Customer's expected requirements are projected to be less than stated contract quantities. These volume levels shall represent the actual expected requirements of Customer's facilities and may be exceeded only with the prior consent of Company. Notwithstanding anything herein to the contrary, in order to support reliable service on Company's system, Company may require Customer deliveries at other point(s) of receipt as designated by Company from time to time.

It is the Customer's obligation to deliver sufficient gas supplies at the points of receipt to Company for redelivery to Customer's facilities. If for a period of at least five (5) consecutive days in one billing period, the Company (1) has not received gas supply for Customer's account, and (2) the account's bank balance is insufficient to cover the consumption or the customer did not have access to its bank balance due to the Company's issuance of a Balancing Service Interruption, and (3) the customer consumed gas on one or more days during such five (5) day period, the account may be returned to the applicable Sales Service rate at the end of the billing period.

The volumes of Customer-owned gas transported by Company, including banked volumes, to Customer at its facilities during each monthly billing cycle will be considered the first gas through the meter, as explained in Section 4, herein.

2. AUTHORIZED DAILY VOLUME

Customers Authorized Daily Volume on any day consists of the sum of Customer's transported volumes (as determined herein) plus any contracted Daily Standby Service Volume the Customer has contracted for. Delivery of Customer's Authorized Daily Volume is firm, with no planned interruption, except as provided in Section 3 herein. Company may, but is not obligated, to provide additional gas volume that is in excess of the Authorized Daily Volume. These additional daily volumes shall be on a best efforts basis, and will be based on information available to Company. Consumption at Customer's facility in excess of the Authorized Daily Volume is interruptible service. In the event actual gas deliveries to Customer are in excess of the Authorized Daily Volume on any day on which the Company requires Customer to limit gas consumption to that Authorized Daily Volume, Customer shall be liable for all penalties, fines and charges incurred by Company as a result of Customer's deliveries in excess of its Authorized Daily Volume.

For purposes of this section, the portion of Customer's Authorized Daily Volume attributable to transported gas delivered to Company shall consist of two parts. The first part shall consist of volumes delivered at receipt points where the upstream transporter, producer, or other delivering entity does not report deliveries to Company on a daily basis. The portion of Customer's Authorized Daily Volumes attributable to this part shall be determined by dividing the volume of gas delivered to Customer in the month by the number of days in that month.

The second part shall consist of volumes delivered by upstream transporters which report Customer's deliveries to Company on a daily basis. If the upstream transporter's reporting system is acceptable to Company, Company may, at its option, utilize such system to determine Customer's deliveries on any day. If Company elects not to utilize such reporting system, it shall determine Customer's deliveries using the best information available, as determined by Company.

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COLUMBIA GAS OF KENTUCKY, INC.

GENERAL TERMS, CONDITIONS, RULES AND REGULATIONS
APPLICABLE TO DELIVERY SERVICE RATE SCHEDULES ONLY
(Continued)

5. BANKING AND BALANCING SERVICE

A. Election Customers must subscribe to the Banking and Balancing Service set forth on Rate Schedule DS and MLDS to be eligible for the provisions of this service described herein. Customers without daily metering equipment must subscribe to the Banking and Balancing Service. Daily usage and measurement can be obtained from an electronic meter device, or a charted meter device.

B. Cash-Out Customers who have installed daily metering equipment and who choose not to subscribe to Banking and Balancing Service will be placed on a daily cash-out provision, defined as follows. On days when Customer's deliveries are less than their usage, the Company will sell gas to the Customer at the higher of: (1) 120% of the average of the Daily Index prices for each day of the applicable month as reported in PLATTS Gas Daily in the Daily price survey section under the heading "Appalachia" for "Columbia Gas, App." Midpoint, plus the 100% load factor TCO FTS costs (including demand, commodity and retainage); or (2) 120% of the highest commodity purchases by the Company during the calendar month, including the delivered cost of purchases at the city gate, if any, excluding any purchases under fixed price commodity contracts for which the price was determined more than thirty days before the beginning of the calendar month. On days when Customer's deliveries are greater than their usage, Company may, at its option, purchase the excess deliveries at the lower of: (1) 80% of the average of the Daily Index prices for each day of the applicable month as reported in PLATTS Gas Daily, in the Daily price survey section under the heading "Appalachia" for "Columbia Gas, App." Midpoint; or (2) 80% of the lowest cost of purchases by the Company during the calendar month, including the delivered cost of purchases at the City Gate, if any, excluding any purchases under fixed price commodity contracts for which the price was determined more than thirty days before the beginning of the calendar month.

C. Volume Bank Under the Banking and Balancing Service, Company has established a system to account for Customer's volumes received by Company but not delivered to Customer at its facilities during the same monthly billing cycle. Such undelivered volumes shall be called a volume bank and Customer shall be permitted to receive such banked volumes at a later date at Company's discretion. Customer will use its best effort to notify Company of a planned or expected significant change in its volume bank level before that change occurs. Customer may not utilize banked volumes during any period in which a consumption limitation or interruption has been imposed pursuant to Section 3 herein. The availability of Banking and Balancing Service under this Section is contingent upon the policies, practices, and procedures of Company's interstate pipeline suppliers. Company reserves the right to request Commission approval to modify the banking system, if the policies, practices, procedures of one or more of such interstate pipeline suppliers make it impracticable for Company to continue the Banking and Balancing Service system established herein.

D. Imbalances The total volume bank of Customer shall not at any time exceed a 'bank tolerance' of five percent (5%) of Customer's Annual Transportation Volume. If, at any time, Customer's volume bank exceeds the bank tolerance, Company will purchase the excess deliveries at the lower of: (1) 80% of the average of the Daily Index prices for each day of the applicable month as reported in PLATTS Gas Daily N.D publication, in the Daily price survey section under the heading "Appalachia" for "Columbia Gas, App." Midpoint; or (2) 80% of the lowest cost of purchases by the Company during the calendar month, including the delivered cost of purchases at the City Gate, if any, excluding any purchases under fixed price commodity contracts for which the price was determined more than thirty (30) days before the beginning of the calendar month. In addition, if the Customer's exceeded bank tolerance causes the Company to incur a pipeline penalty, Customer is subject to its proportionate share of any such penalty.

Any volumes of gas that are delivered by Company to Customer in any monthly billing cycle that are in excess of: (A) Customer's volume bank from the previous month, plus (B) any volumes delivered to Company by Customer for that billing cycle, plus (C) any Standby Service volumes available to Customer, shall be considered a deficiency in deliveries. All deficiencies in deliveries to Columbia will be billed N.D to the Customer at the higher of: (1) 120% of the average of the Daily Index prices for each day of the applicable month as reported in the PLATTS Gas Daily publication, in the Daily price survey section under the heading "Appalachia" for "Columbia Gas, App." Midpoint, plus the 100% load factor TCO FTS costs (including demand, commodity and retainage); or (2) 120% of the highest commodity cost of purchases by the Company during the calendar month, including the delivered cost of purchases at the city gate, if any, excluding any purchases under fixed price commodity contracts for which the price was determined more than thirty days before the beginning of the calendar month.

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**GENERAL TERMS, CONDITIONS, RULES AND REGULATIONS
APPLICABLE TO DELIVERY SERVICE RATE SCHEDULES ONLY
(Continued)**

Company may also, on its own initiative, take such actions as are necessary to (1) immediately bring Customer's deliveries and consumption into balance or (2) reduce Customer's volume bank to a level which is equal or less than the bank tolerance permitted under this section. The Company further reserves the right to set limitations prior to, or during the course of a month, on how much gas can be scheduled by the Customer in an effort to control Customer's banking activity.

- E. **Balancing Service Interruption ("BSI")** Customers without Daily Metering are subject to Columbia's issuance of Balancing Service Interruptions (BSIs) that will direct Customers or their Agent to schedule confirmed supply volumes to match Columbia's estimate of their daily usage adjusted for contracted standby sales quantities during an under-delivery situation and/or any balancing service quantities that may be available from Columbia. Columbia shall provide a BSI percentage and direct Customers or their Agents to schedule confirmed supply volume equal to plus or minus 3% of the BSI percentage times the Customers' Maximum Daily Volume (MDV). This is referred to as the BSI volume. Balancing Service Interruptions may require the scheduling of a BSI volume in excess of Customers' MDV when forecasted operating conditions exceed the Company's design criteria. Failure to comply with a BSI will result in the billing of the charges below assessed against the BSI difference. The BSI difference is defined as the shortfall between the BSI volume and actual daily supply deliveries during a cold weather BSI, and the overage between the BSI volume and the actual daily supply deliveries during a warm weather BSI.

(A) Twenty-five dollars (\$25) per Mcf times the BSI difference; and

(B) The payment of all other charges incurred by Columbia as a result of Customer noncompliance on the date of the BSI difference.

Customers with Daily Metering are subject to Columbia's issuance of BSIs that will direct Customers or their Agents to adjust usage to match confirmed supply volumes or adjust confirmed supply to match usage adjusted for contracted standby sales quantities during an under-delivery situation and/or balancing services quantities available from the Company. Failure to comply with a BSI will result in the billing of the following charges to the BSI difference, which is defined as the difference between the actual daily usage and the confirmed supply volume, plus or minus 3%:

(A) Twenty-five dollars (\$25) per Mcf times the BSI difference; and

(B) The payment of all other charges incurred by Columbia as a result of Customer noncompliance on the date of the BSI difference.

- F. **Monthly Bank Transfers** Monthly bank transfers will be permitted between one Customer/Agent ("transferor") and another Customer/Agent ("transferee") located within the same Columbia Gas Transmission Market Area and having confirmed deliveries on the same transmission pipeline. Transfers may also be permitted, solely at the discretion of the Company, between a transferor and a transferee located in different Columbia Gas Transmission Market Areas and having confirmed deliveries on the same transmission pipeline. All such transfers may only be requested once a month to be effective for the upcoming billing cycle and must be requested within three (3) business days after the conclusion of the Customers' monthly billing cycle.

- G. **Termination of Service** In the event service hereunder is terminated, Company will deliver to Customer volumes of Customer's gas which Company is holding pursuant to this Volume Bank section during the three monthly billing cycles following the date of termination. However, should Customer fail to take delivery of its entire Volume Bank within the three-month period, Company may, at its option, retain and purchase the undelivered banked volumes. In addition, if Customer owes Company any outstanding gas transportation charges, or other charges which are due, Company may, at its option, offset said unpaid charges by retaining as necessary, banked volumes that would have otherwise been delivered to Customer upon termination of service. The value assigned to such retained bank volumes which are purchased or retained will be the cost of Company's least expensive gas supply at the time the gas was delivered to Company.

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COLUMBIA GAS OF KENTUCKY, INC.

**GENERAL TERMS, CONDITIONS, RULES AND REGULATIONS
APPLICABLE TO DELIVERY SERVICE RATE SCHEDULES ONLY
(Continued)**

6. HEAT CONTENT ADJUSTMENT

When Company receives Customer's gas from an interstate pipeline on a dekatherm (one million Btu) basis, Company will make a heat content adjustment in accordance with the procedures set forth below in order to deliver to Customer volumes of gas, in Mcf, equal in heat content to the gas delivered to Company for the account of Customer. The average monthly heating value of gas measured and calculated by the pipeline which delivers Customer's gas to Company will be used each billing month to establish the heating value of the gas delivered by Company to Customer. However, if locally produced gas or gas from pipelines other than the delivering pipeline is introduced into Company's pipeline serving Customer's facilities, so as to raise a question as to the applicability of the heating value determined by the delivering pipeline, either

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ATTACHMENT B

PROOF OF REVENUE

Columbia Gas of Kentucky, Inc.
Case No. 2016-00162
Revenue Proof

Rate Code	Class Description	Number of Bills	Volumes (Mcf)	Present Rates (\$/Mcf)	Present Revenue (\$)	D-2.4 Ratemaking Adjustment (\$)	Revenue Adjusted (\$)	Proposed Rates (\$/Mcf)	Proposed Revenue (\$)	Revenue Increase (\$)
GSR	Sales Service - Residential General Service - Residential Customer Charge: All Gas Consumed AMRP EECP EAP Revenue Gas Cost Uncollectible Accounts in GCA Gas Cost Recovery (Per filed Schedule M) Total	1,180,666	6,248,080.5	\$15.00 \$2.2606 \$2.25 \$0.0000 \$0.0507 \$0.0160 \$2.2091	\$17,709,990 \$14,161,899 \$2,656,499 \$814,660 \$373,010 \$99,969 \$13,802,633 \$49,618,662		\$17,709,990 \$14,161,899 \$2,656,499 \$814,660 \$373,010 \$99,969 \$13,802,633 \$49,681,143	\$16.00 \$7.4927 \$0.00 \$0.6900 \$0.0597 \$0.0260 \$2.2091	\$18,890,656 \$22,447,479 \$0 \$814,660 \$373,010 \$162,450 \$13,802,633 \$56,490,889	\$1,180,666 \$8,285,580 (\$2,656,499) \$0 \$0 \$0 (\$0) \$0 \$6,809,747
GIC	LG&E Commercial Customer Charge: All Gas Consumed Gas Cost Recovery (Per filed Schedule M) Total	11	1,097.8	\$56.92 \$2,1558 \$2,2091	\$2,334 \$3,660 \$3,251 \$9,744		\$2,334 \$3,660 \$3,251 \$9,744	\$56.92 \$2,1558 \$2,2091	\$2,334 \$3,660 \$3,251 \$9,744	\$0 \$0 \$0 \$0
GIR	LG&E Residential Customer Charge: All Gas Consumed Gas Cost Recovery (Per filed Schedule M) Total	102	2,018.0	\$17.27 \$2,9600 \$2,2091	\$3,316 \$5,976 \$1,360 \$13,752		\$3,316 \$5,976 \$1,360 \$13,752	\$17.27 \$2,9600 \$2,2091	\$3,316 \$5,976 \$1,360 \$13,752	\$0 \$0 \$0 \$0
INJ	Inland Gas General Service - Residential Customer Charge: All Gas Consumed Total	108	940.2	\$0.00 \$0.0000 \$3.96	\$0 \$396 \$396		\$0 \$396 \$396	\$0.00 \$0.0000 \$3.96	\$0 \$396 \$396	\$0 \$0 \$0
IN3	Inland Gas General Service - Commercial Customer Charge: All Gas Consumed Total	0	0.0	\$0.00 \$0.0000	\$0 \$0		\$0 \$0	\$0.00 \$0.0000	\$0 \$0	\$0 \$0
IN4	Inland Gas General Service - Residential Customer Charge: All Gas Consumed Total	0	0.0	\$0.00 \$0.0000	\$0 \$0		\$0 \$0	\$0.00 \$0.0000	\$0 \$0	\$0 \$0
IN5	Inland Gas General Service - Residential Customer Charge: All Gas Consumed Total	30	333.6	\$0.00 \$0.0000	\$0 \$200 \$200		\$0 \$200 \$200	\$0.00 \$0.0000	\$0 \$200 \$200	\$0 \$0 \$0

Columbia Gas of Kentucky, Inc.
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Revenue Proof

Rate Code	Class Description	Number of Bills	Volumes (Mcf)	Present Rates (\$/Mcf)	Present Revenue (\$)	D-2.4 Ratemaking Adjustment (\$)	Revenue Adjusted (\$)	Proposed Rates (\$/Mcf)	Proposed Revenue (\$)	Revenue Interest (\$)
LG2	LG&E Residential Customer Charge: All Gas Consumed Total	12	605.2	\$4.00 \$0.35(4) \$212	\$0 \$212 \$212		\$0 \$212 \$212	\$0.00 \$0.3500 \$212	\$0 \$212 \$212	\$0 \$0 \$0
LG2	LG&E Commercial Customer Charge: All Gas Consumed Total	12	710.4	\$4.00 \$0.35(4) \$249	\$0 \$249 \$249		\$0 \$249 \$249	\$0.00 \$0.3500 \$249	\$0 \$249 \$249	\$0 \$0 \$0
LG3	LG&E Residential Customer Charge: First 2 Mcf Over 2 Mcf Total	12	344 689.7 714.1	\$1.20 \$0.00(4) \$0.35(4) \$241	\$14 \$0 \$241 \$256		\$14 \$0 \$241 \$256	\$1.20 \$0.0000 \$0.3500 \$256	\$14 \$0 \$241 \$256	\$0 \$0 \$0 \$0
LG4	LG&E Residential Customer Charge: All Gas Consumed Total	12	247.6	\$4.00 \$0.40(4) \$103	\$0 \$103 \$103		\$0 \$103 \$103	\$0.00 \$0.4000 \$103	\$0 \$103 \$103	\$0 \$0 \$0
GSO	General Service - Commercial Customer Charge: First 50 Mcf Next 350 Mcf Next 600 Mcf Over 1,000 Mcf AMRP Gas Cost Uncollectible Accounts in GCA Gas Cost Recovery (Per filed Schedule M) Total	119,333	1,502,815.4 1,230,119.0 271,110.7 85,110.0 \$8.02 \$0.01(4) \$2,209.1 3,098,215.1	\$37.50 \$2,266.6 \$1,75.30 \$4,065.0 \$1,516.1 \$8.02 \$0.01(4) \$2,209.1	\$4,471,238 \$3,406,281 \$2,170,936 \$451,693 \$129,106 \$956,249 \$49,571 \$6,844,267 \$18,479,342		\$4,471,238 \$3,406,281 \$2,170,936 \$451,693 \$129,106 \$956,249 \$49,571 \$6,844,267 \$18,479,342	\$44.09 \$3,033.2 \$2,344.6 \$2,294 \$2,029.4 \$4.00 \$0.02(4) \$2,209.1	\$5,328,523 \$4,598,340 \$2,905,238 \$604,481 \$172,783 \$0 \$80,554 \$6,844,267 \$20,494,186	\$857,285 \$1,152,058 \$734,302 \$152,788 \$43,677 (\$956,249) \$0 \$0 \$1,983,862
GSO	General Service - Industrial Customer Charge: First 50 Mcf Next 350 Mcf Next 600 Mcf Over 1,000 Mcf AMRP Gas Cost Uncollectible Accounts in GCA Gas Cost Recovery (Per filed Schedule M) Total	524	15,490.2 63,996.1 9,338.9 221,423.3 \$8.02 \$0.01(4) \$2,209.1 360,230.5	\$37.50 \$2,266.6 \$1,752.0 \$4,065.0 \$1,516.1 \$8.02 \$0.01(4) \$2,209.1	\$19,650 \$35,110 \$112,121 \$98,853 \$335,769 \$4,202 \$5,764 \$795,829 \$1,407,299		\$19,650 \$35,110 \$112,121 \$98,853 \$335,769 \$4,202 \$5,764 \$795,829 \$1,407,299	\$44.69 \$3,033.2 \$2,344.6 \$2,294 \$2,029.4 \$4.00 \$0.02(4) \$2,209.1	\$23,418 \$46,985 \$150,045 \$132,290 \$449,361 \$0 \$9,367 \$295,829 \$1,607,295	\$3,768 \$11,875 \$37,924 \$33,437 \$113,591 (\$4,202) \$0 \$0 \$0 \$196,393

Columbia Gas of Kentucky, Inc.
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Rate Code	Class Description	Number of Bills	Volumes (Mcf)	Present Rates (\$/Mcf)	Present Revenue (\$)	D-2.4 Rate-making Adjustment (\$)	Revenue Adjusted (\$)	Proposed Rates (\$/Mcf)	Proposed Revenue (\$)	Revenue Increase (\$)
IS Interruptible Service - Industrial										
	Customer Charge:	0		\$1,007.05	\$0		\$0	\$2,107.00	\$0	\$0
	First 30,000 Mcf		0.0	\$0.5443	\$0		\$0	\$0.6321	\$0	\$0
	Next 70,000 Mcf		0.0	\$0.2890	\$0		\$0	\$0.3773	\$0	\$0
	Over 100,000 Mcf		0.0	\$0.2890	\$0		\$0	\$0.3283	\$0	\$0
	AMRP			\$149.50	\$0		\$0	\$0.00	\$0	\$0
	Gas Cost Uncollectible Accounts in OCA			\$0.0100	\$0	\$0	\$0	\$0.0260	\$0	\$0
	Gas Cost Recovery (Per filed Schedule M)			\$2.2091	\$0	\$0	\$0	\$2.2091	\$0	\$0
	Total		0.0		\$0		\$0		\$0	\$0
IIS Intrastate Utility Service - Wholesale										
	Customer Charge:	2		\$177.00	\$11,448		\$11,448	\$167.40	\$13,618	\$2,170
	All Gas Consumed		11,320.7	\$0.8150	\$9,226		\$9,226	\$1.1635	\$13,172	\$3,945
	AMRP			\$76.96	\$1,847		\$1,847	\$0.00	\$0	(\$1,847)
	Gas Cost Uncollectible Accounts in OCA			\$0.0160	\$181	\$113	\$294	\$0.0260	\$294	\$0
	Gas Cost Recovery (Per filed Schedule M)			\$2.2091	\$35,009		\$35,009	\$2.2091	\$52,002	\$17,000
	Total				\$47,711		\$47,824		\$52,092	\$4,268
GTR Transmission Service										
	GTS Choice - Residential	281,946		\$15.00	\$4,229,190		\$4,229,190	\$16.00	\$4,511,136	\$281,946
	Customer Charge:			\$2.2600	\$3,869,086		\$3,869,086	\$3.9927	\$6,132,739	\$2,263,653
	All Gas Consumed		1,707,000.0	\$2.25	\$634,379		\$634,379	\$0.00	\$0	(\$634,379)
	EECP			\$0.6900	\$194,543		\$194,543	\$0.6900	\$194,543	\$0
	EAP Revenue			\$0.0597	\$101,908		\$101,908	\$0.0597	\$101,908	\$0
	Total				\$9,029,105		\$9,029,105		\$10,940,326	\$1,911,220
GTO GTS Choice - Commercial										
	Customer Charge:	17,445		\$37.50	\$1,779,188		\$1,779,188	\$44.69	\$2,120,317	\$341,130
	First 30 Mcf		786,373.4	\$2.3666	\$1,782,403		\$1,782,403	\$3.0332	\$2,385,240	\$602,837
	Next 350 Mcf		806,027.7	\$1.7520	\$1,413,737		\$1,413,737	\$2.3446	\$1,891,923	\$478,185
	Next 600 Mcf		179,253.4	\$1.6659	\$298,618		\$298,618	\$2.2294	\$399,628	\$101,009
	Over 1,000 Mcf		87,132.3	\$1.5164	\$132,382		\$132,382	\$2.0294	\$177,435	\$44,853
	AMRP			\$4.02	\$380,509		\$380,509	\$0.00	\$0	(\$380,509)
	Total		1,859,990.8		\$5,787,037		\$5,787,037		\$6,974,542	\$1,187,505
GTO GTS Choice - Industrial										
	Customer Charge:	110		\$37.50	\$5,588		\$5,588	\$44.69	\$6,659	\$1,071
	First 50 Mcf		4,787.8	\$2.6666	\$10,852		\$10,852	\$3.0332	\$14,522	\$3,670
	Next 350 Mcf		21,009.0	\$1.7520	\$36,983		\$36,983	\$2.3446	\$49,492	\$12,509
	Next 600 Mcf		20,999.7	\$1.6659	\$34,833		\$34,833	\$2.2294	\$46,616	\$11,783
	Over 1,000 Mcf		25,195.4	\$1.5164	\$38,203		\$38,203	\$2.0294	\$51,127	\$12,924
	AMRP			\$8.02	\$1,195		\$1,195	\$0.00	\$0	(\$1,195)
	Total		71,999.9		\$127,654		\$127,654		\$168,417	\$40,763

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Rate Code	Class Description	Number of Bills	Volumes (Mcf)	Present Rates (\$/Mcf)	Present Revenue (\$)	D-2-L Rate-making Adjustment (\$)	Revenue Adjusted (\$)	Proposed Rates (\$/Mcf)	Proposed Revenue (\$)	Revenue Increase (\$)
Transportation Service										
DS	GTS Delivery Service - Commercial	428		\$1,007.05	\$431,017		\$431,017	\$2,007.00	\$858,996	\$427,979
	Customer Change:	428		\$55.90	\$23,925		\$23,925	\$0.00	\$0	(\$23,925)
	Administrative Change:			\$0.5443	\$751,444		\$751,444	\$0.6321	\$872,658	\$121,214
	First 30,000 Mcf		1,380,570.0	\$0	\$0		\$0	\$0.3773	\$0	\$0
	Next 70,000 Mcf		0.0	\$0.2890	\$0		\$0	\$0.3283	\$0	\$0
	Over 100,000 Mcf		0.0	\$149.59	\$192,425		\$192,425	\$0.0000	\$0	(\$192,425)
	AMRP				\$1,398,811		\$1,398,811		\$1,731,654	\$332,843
	Total		1,380,570.0		\$1,398,811		\$1,398,811		\$1,731,654	\$332,843
DS	GTS Delivery Service - Industrial	468		\$1,007.05	\$471,299		\$471,299	\$2,007.00	\$939,276	\$467,977
	Customer Change:	468		\$55.90	\$26,161		\$26,161	\$0.00	\$0	(\$26,161)
	Administrative Change:			\$0.5443	\$1,961,647		\$1,961,647	\$0.6321	\$2,278,077	\$316,430
	First 30,000 Mcf		2,603,981.4	\$0	\$389,510		\$389,510	\$0.3773	\$508,519	\$119,009
	Next 70,000 Mcf		1,347,784.0	\$0.2890	\$163,439		\$163,439	\$0.3283	\$183,664	\$22,225
	Over 100,000 Mcf		563,532.0	\$0.2890	\$210,408		\$210,408	\$0.0000	\$0	(\$210,408)
	AMRP			\$149.59	\$3,222,464		\$3,222,464		\$3,911,536	\$689,072
	Total		5,517,297.4		\$3,222,464		\$3,222,464		\$3,911,536	\$689,072
GDS	GTS Grandfathered Delivery Service - Commercial	145		\$37.50	\$5,438		\$5,438	\$44.69	\$6,480	\$1,043
	Customer Change:	145		\$55.90	\$8,106		\$8,106	\$0.00	\$0	(\$8,106)
	Administrative Change:			\$2.2666	\$16,206		\$16,206	\$3.0332	\$31,687	\$15,481
	First 50 Mcf		7,150.0	\$1.7520	\$85,862		\$85,862	\$2.3446	\$114,905	\$29,042
	Next 350 Mcf		49,008.2	\$1.0659	\$119,518		\$119,518	\$2.2294	\$159,945	\$40,428
	Over 600 Mcf		71,743.7	\$1.5164	\$114,835		\$114,835	\$2.0294	\$153,684	\$38,849
	AMRP			\$8.02	\$1,163		\$1,163	\$0.00	\$0	(\$1,163)
	Total		203,630.5		\$351,127		\$351,127		\$456,701	\$105,574
GDS	GTS Grandfathered Delivery Service - Industrial	180		\$37.50	\$6,750		\$6,750	\$44.69	\$8,044	\$1,294
	Customer Change:	180		\$55.90	\$10,062		\$10,062	\$0.00	\$0	(\$10,062)
	Administrative Change:			\$2.2666	\$16,465		\$16,465	\$3.0332	\$22,033	\$5,569
	First 50 Mcf		7,264.1	\$1.7520	\$75,971		\$75,971	\$2.3446	\$101,607	\$25,637
	Next 350 Mcf		43,362.3	\$1.6659	\$88,084		\$88,084	\$2.2294	\$117,879	\$29,795
	Over 600 Mcf		52,973.7	\$1.5164	\$77,286		\$77,286	\$2.0294	\$103,432	\$26,146
	AMRP			\$8.02	\$1,163		\$1,163	\$0.00	\$0	(\$1,163)
	Total		154,467.9		\$276,061		\$276,061		\$353,056	\$76,995

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Rate Code	Class Description	Number of Bills	Volumes (Mcf)	Present Rates (\$/Mcf)	Present Revenue (\$)	D-2.4 Ratemaking Adjustment (\$)	Revenue Adjusted (\$)	Proposed Rates (\$/Mcf)	Proposed Revenue (\$)	Revenue Increase (\$)
Transmission Service										
DS3	GTS Main Line Service - Industrial									
	Customer Charge:	36		\$200.00	\$7,200		\$7,200	\$255.90	\$9,212	\$2,012
	Administrative Charge:	36	680,981.0	\$55.90	\$2,012		\$2,012	\$0.00	\$0	(\$2,012)
	All Gas Consumed			\$0.0858	\$58,428		\$58,428	\$0.0858	\$58,428	\$0
	Total				\$67,641		\$67,641		\$67,641	(\$0)
FX1	GTS Flex Rate - Commercial									
	Customer Charge:	12		\$1,007.05	\$12,085		\$12,085	\$1,007.05	\$12,085	\$0
	Administrative Charge:	12		\$55.90	\$671		\$671	\$55.90	\$671	\$0
	All Gas Consumed		411,812.0	\$0.3900	\$211,302		\$211,302	\$0.3900	\$211,302	\$0
	Total				\$234,062		\$234,062		\$234,062	\$0
FX2	GTS Flex Rate - Commercial									
	Customer Charge:	12		\$1,007.05	\$12,085		\$12,085	\$1,007.05	\$12,085	\$0
	Administrative Charge:	12		\$55.90	\$671		\$671	\$55.90	\$671	\$0
	All Gas Consumed		555,988.0	\$0.3900	\$208,255		\$208,255	\$0.3900	\$208,255	\$0
	Total				\$221,011		\$221,011		\$221,011	\$0
FX5	GTS Flex Rate - Industrial									
	Customer Charge:	36		\$200.00	\$7,200		\$7,200	\$200.00	\$7,200	\$0
	Administrative Charge:	36		\$55.90	\$2,012		\$2,012	\$55.90	\$2,012	\$0
	All Gas Consumed		4,680,510.0	\$0.0858	\$402,360		\$402,360	\$0.0858	\$402,360	\$0
	Total				\$411,572		\$411,572		\$411,572	\$0
FX7	GTS Flex Rate - Industrial									
	Customer Charge:	12		\$1,007.05	\$12,085		\$12,085	\$1,007.05	\$12,085	\$0
	Administrative Charge:	12		\$55.90	\$671		\$671	\$55.90	\$671	\$0
	First 30,000 Mcf		340,000.0	\$0.3900	\$147,000		\$147,000	\$0.3900	\$147,000	\$0
	Over 30,000 Mcf		120,000.0	\$0.2700	\$32,400		\$32,400	\$0.2700	\$32,400	\$0
	Total		420,000.0		\$192,155		\$192,155		\$192,155	\$0
SAS	GTS Special Agency Service									
	Customer Charge:	0		\$1,007.05	\$0		\$0	\$2,007.00	\$0	\$0
	Administrative Charge:	0		\$55.90	\$0		\$0	\$55.90	\$0	\$0
	First 30,000 Mcf		0.0	\$0.5445	\$0		\$0	\$0.6321	\$0	\$0
	Over 30,000 Mcf		0.0	\$0.2890	\$0		\$0	\$0.3283	\$0	\$0
	AMRP			\$449.90	\$0		\$0	\$0.00	\$0	\$0
	Total		0.0		\$0		\$0	\$0.00	\$0	\$0

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Rate Code	Class Description	Number of Bills	Volumes (Mcf)	Present Rates (\$/Mcf)	Present Revenues (\$)	D-2.4 Ratemaking Adjustment (\$)	Revenue Adjusted (\$)	Proposed Rates (\$/Mcf)	Proposed Revenues (\$)	Revenue Increase (\$)
Transmission Service										
SC3	GTS Special Rate - Industrial Customer Charge:	12		\$1,007.05	\$12,085		\$12,085	\$1,007.05	\$12,085	\$0
	Administrative Charge:	12		\$55.90	\$671		\$671	\$55.90	\$671	\$0
	First 150,000 Mcf		1,650,000.0	\$0.2900	\$478,500		\$478,500	\$0.2900	\$478,500	\$0
	Over 150,000 Mcf		(70,000.0)	\$0.1600	(\$11,200)		(\$11,200)	\$0.1600	(\$11,200)	\$0
	Minimum Bill				\$185,945		\$185,945		\$185,945	\$0
	Total		1,580,000.0		\$666,000		\$666,000		\$666,000	\$0
Other Gas Department Revenues										
	Acct. 487 Forfeited Discounts				\$476,000		\$476,000		\$476,000	\$69,732
	Acct. 488 Miscellaneous Service Revenue				\$137,000		\$137,000		\$137,000	\$0
	Acct. 493 Rent from Gas Property				\$72,000		\$72,000		\$72,000	\$0
	Acct. 495 Non-Traditional Sales				\$0		\$0		\$0	\$0
	Acct. 495 Prior Yr. Rate Refund - Net.				\$0		\$0		\$0	\$0
	Acct. 495 Other Gas Revenues - Other				\$215,000		\$215,000		\$215,000	\$0
	Total				\$1,200,000		\$1,200,000		\$1,200,000	\$69,732
Summary										
	Base Revenue				\$64,405,956		\$64,405,956		\$64,405,956	\$18,378,558
	Gas Cost (Incollectible Accounts in GCA)				\$155,486		\$155,486		\$155,486	\$0
	Gas Cost Recovery (Per filed Schedule M)				\$21,475,950	\$97,179	\$21,475,950		\$21,475,950	\$0
	AMRP				\$5,040,318		\$5,040,318		\$5,040,318	(\$5,040,318)
	EAP Revenue				\$474,918		\$474,918		\$474,918	\$0
	Other Gas Department Revenue				\$1,200,000		\$1,200,000		\$1,200,000	\$69,732
	TOTAL REVENUE				\$92,849,807		\$92,849,807		\$92,849,807	\$13,407,972
Summary by Rate Class										
	General Service - Residential	1,462,984	7,960,000.1		\$8,662,686		\$8,662,686		\$8,662,686	\$8,720,967
	General Service - Other	167,729	5,750,963.4		26,438,514		26,438,514		30,064,190	3,591,090
	Intrastate Utility Service	24	11,320.7		47,711		47,824		52,092	4,268
	Mainline Delivery Service / Special Contract	84	5,790,491.0		671,368		671,368		671,368	0
	Delivery Service / Interruptible Service	922	9,533,682.4		5,732,349		5,732,349		6,754,263	1,021,915
	Other Gas Department Revenue				1,200,000		1,200,000		1,269,732	69,732
	Total	1,631,753	29,056,442.6		\$92,752,628		\$92,849,807		\$106,257,779	\$13,407,972
Average Monthly Customer Bill Increase										
	General Service - Residential at \$4/Mcf				\$13.00		\$13.00		\$49.15	\$6.09
	General Service - Commercial at \$3.1/Mcf				\$191.50		\$191.50		\$215.83	\$24.33