19

FILE

Columbia Exhibit No.

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Columbia Gas of Ohio, Inc. for Authority to Amend Filed Tariffs to Increase the Rates and Charges for Gas Distribution Service.	)	Case No. 08-0072-GA-AIR
In the Matter of the Application of Columbia Gas of Ohio, Inc. for Approval of an Alternative Form of Regulation and for a Change in its Rates and Charges.	)	Case No. 08-0073-GA-ALT
In the Matter of the Application of Columbia Gas of Ohio, Inc. for Approval to Change Accounting Methods.	)	Case No. 08-0074-GA-AAM
In the Matter of the Application of Columbia Gas of Ohio, Inc. for Authority to Revise its Depreciation Accrual Rates.	)	Case No. 08-0075-GA-AAM

PREPARED SUPPLEMENTAL DIRECT TESTIMONY OF
STEPHANIE D. NOEL
ON BEHALF OF COLUMBIA GAS OF OHIO, INC.

- [ ] MANAGEMENT POLICIES, PRACTICES AND ORGANIZATION
- [x] OPERATING INCOME
- [x] RATE BASE
- [ ] ALLOCATIONS
- [ ] RATE OF RETURN
- [ ] RATES AND TARIFFS
- [ ] OTHER

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Attorneys for
COLUMBIA GAS OF OHIO, INC.

September 25, 2008

PREPARED SUPPLEMENTAL DIRECT TESTIMONY OF STEPHANIE D. NOEL

Q: Please state your name and business address.

A: My name is Stephanie D. Noel and my business address is 200 Civic Center Drive, Columbus, OH 43215.

Q. By whom are you employed and in what capacity?

A. I am employed by Columbia Gas of Ohio, Inc. ("Columbia"). My current title is Director, Regulatory Affairs.

Q: Are you the same Stephanie D. Noel who submitted Prepared Direct Testimony in Case No. 08-0072-GA-AIR?

A. Yes.

PURPOSE OF TESTIMONY

Q. What is the purpose of your Supplemental Direct Testimony?

A. My testimony presents certain of the Standard Filing Requirement Schedules, attached as Schedules SDN-1 through SDN-7. Columbia accepts the adjustments made in the Staff Report of Investigation ("Staff Report") except for the items noted in Columbia's objections and supplemental direct testimony. Each of the attachments filed with my testimony illustrates the mathematical impact of Columbia's objections to the schedules filed in the Staff Report. In addition, I specifically support Columbia's Objection Nos. 2, 31, and 32.

Q. What Standard Filing Requirement schedules have been included in your attachments?

A. Schedules A-1, B-1, B-5, B-6, C-2, C-3 and C-4 have been included.

Q. Please describe the difference between Staff's Schedule C-3 and attached Schedule SDN-6/C-3.

A. Columbia's adjustments to "Taxes Other than Income," "Other Revenue Adjustments," and "Income Tax" are different than what Staff proposed in Staff Schedule C-3 and further supported on Staff Schedules C-3.3 and C-3.17. These differences are described in the following paragraphs.

<u>COLUMBIA OBJECTION NO. 2 – Operating Income/Other Revenue Adjustments</u>

Q. What is Staff's proposal related to Bad Check and Late Payment revenues?

A. Columbia had adjusted test year revenues downward by $763,000 to exclude bad check and late payment revenues. Columbia had proposed instead to credit these revenues to its bad debt rider to the extent that the revenues are collected. Staff eliminated the adjustment to revenues, thereby setting the revenue adjustment to zero (Staff Schedule C-3.3).

Q. Does Columbia agree with Staff's proposed change?

A. No. Columbia does not concur with Staff's reinstatement of $763,000 of bad check and late payment revenue. The bad check and late payment revenue, which Columbia adjusted out of revenues, is based on the test year level of miscellaneous revenues. Test year miscellaneous revenues have not been adjusted to take into account the impact of

Columbia's proposed tariff changes, on the bad debt check charge and late payment charge revenues. The proposed tariff changes are described in Columbia witness Suzanne Surface's direct testimony. Reinstating these revenues does not properly reflect future bad check revenue or late payment charge revenue.

Q. Does Columbia have a better estimate of what the bad check and late payment revenues should be?

A. No. This is why Columbia proposed crediting the actual revenues against the bad debt tracker. Crediting all bad check charge and late payment charge revenue against amounts to be recovered through the bad debt rider resolves all issues related to the uncertainty of such revenues and ensures that customers receive the full benefit resulting from the proposed tariff changes.

COLUMBIA OBJECTION NO. 31 – Schedule C-3.17

Q. Do you agree with Staff's recommended adjustment to "Taxes Other than Income Taxes" as reported on Staff's Schedule C-3.17?

A. No. Although I do agree with the amounts reported on lines 1 through 9 of Staff's Schedule C-3.17, the Total as reported on line 10, does not mathematically include the amount described as "Other Taxes" shown on Line 9. Total Taxes Other than Income Taxes should mathematically result in the sum of all numbers shown in lines 1 through 9, which equals $117,680. The correct total has been reported on Line 9 of attached Schedule SDN-5/C-2 Adjusted Taxes, Other than Income.

COLUMBIA OBJECTION NO. 32 – Schedule C-4

Q. Why is the Adjustment to Income Tax different on Staff's Schedule C-3 from attached Schedule SDN-6/C-3 and supporting Staff Schedule C-4 from supporting attached Schedule SDN-7/C-4?

A. Staff's estimate of federal income tax expense differs from Columbia's filed amount due to the differences in test year adjusted operating income and interest on rate base, which is treated as a reconciling item in the calculation of Federal Income Tax expense. As indicated in this testimony and that of Columbia witness Martin, Staff has incorrectly stated adjusted test year operating income and rate base and, as a result, has also misstated Federal Income Tax expense. Attached Schedule SDN-7/C-4 illustrates the impact of these changes on the Income Tax Expense Calculation.

Q. Do you accept the remaining adjustments reported on Staff Schedule C-3?

A. Although I do not necessarily agree with the remainder of the adjustments Staff has proposed on Schedule C-3, Columbia is not objecting to the remaining adjustments due to their immateriality or overall lack of impact on this case.

Q. Please describe the differences between Staff's Schedule C-2 and attached Schedule SDN-5/C-2.

A. Schedule C-2 summarizes the impact of the adjustments reported on Schedule C-3 to Operating Revenues and Expenses. Therefore, the only differences between Staff's Schedule C-2 and attached Schedule SDN-5/C-2 have already been discussed in this testimony.

Q. Are there schedules that you have attached but not yet addressed?

A. Yes. Columbia witness Larry W. Martin supports the differences between Staff's Schedules A-1, B-1, B-5 and B-6 and attached Schedules SDN-1 through 4.

Q. Does this complete your Prepared Supplemental Direct Testimony?

A. Yes.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Prepared Supplemental Direct Testimony of Stephanie D. Noel was served upon all parties of record by electronic mail and regular U. S. mail this 25th day of September, 2008.

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COLUMBIA GAS OF OHIO, INC.
CASE NO. 08-0072-GA-AIR
OVERALL FINANCIAL SUMMARY
FOR THE TWELVE MONTHS ENDED 9/30/08

DATA: 3 MOS. ACTUAL & 9 MOS. ESTIMATED
TYPE OF FILING: ORIGINAL
WORK PAPER REFERENCE NO(S):

SCHEDULE SDN-1/A-1

WITNESS RESPONSIBLE:
L. W. MARTIN

LINE NO.	DESCRIPTION	SUPPORTING SCHEDULE REFERENCE	JURISDICTIONAL PROPOSED TEST YEAR $000
1	RATE BASE AS OF DATE CERTAIN	B-1	1,124,944
2	CURRENT OPERATING INCOME	C-2	55,357
3	EARNED RATE OF RETURN (2) / (1)		4.92%
4	REQUESTED RATE OF RETURN	D-1	9.12%
5	REQUIRED OPERATING INCOME (1) x (4)		102,595
6	OPERATING INCOME DEFICIENCY (5) - (2)		47,238
7	GROSS REVENUE CONVERSION FACTOR	C-10	1.615090
8	REVENUE DEFICIENCY (6) x (7)		76,293
9	REVENUE INCREASE REQUESTED BEFORE MIRRORED REVENUE OFFSET		87,805
10	ADJUSTED OPERATING REVENUES	C-1	1,439,145
11	REVENUE REQUIREMENTS (9) + (10)		1,526,950
12	INCREASE OVER CURRENT REVENUE (8)/(10)		5.30%

COLUMBIA GAS OF OHIO, INC.
CASE NO. 08-0072-GA-AIR
JURISDICTIONAL RATE BASE SUMMARY
FOR THE TWELVE MONTHS ENDED 9/30/08

DATA: 3 MOS. ACTUAL & 9 MOS. ESTIMATED
TYPE OF FILING: ORIGINAL
WORK PAPER REFERENCE NO(S):

SCHEDULE SDN-2/B-1
PAGE 1 of 1
WITNESS RESPONSIBLE:
L. W. MARTIN

LINE NO.	RATE BASE COMPONENT	SUPPORTING SCHEDULE REFERENCE	COMPANY PROPOSED AMOUNT
			$000
1	PLANT IN SERVICE	B-2	1,834,480
2	LESS: RESERVE FOR ACCUMULATED DEPRECIATION	B-3	672,347
3	NET PLANT IN SERVICE (1) - (2)		1,162,133
4	CONSTRUCTION WORK IN PROGRESS 75% COMPLETE	B-4	0
5	WORKING CAPITAL ALLOWANCE	B-5	203,826
7	OTHER RATE BASE ITEMS	B-6	(241,015)
8	JURISDICTIONAL RATE BASE (3) THRU (7)		1,124,944

COLUMBIA GAS OF OHIO, INC.
CASE NO. 08-0072-GA-AIR
ALLOWANCE FOR WORKING CAPITAL
FOR THE TWELVE MONTHS ENDED 9/30/08

DATA: 3 MOS. ACTUAL & 9 MOS. ESTIMATED
TYPE OF FILING: ORIGINAL
WORK PAPER REFERENCE NO(S): WPB-5a - WPB-5p

SCHEDULE SDN-3/B-5
PAGE 1 OF 19
WITNESS RESPONSIBLE:
J.E. SKIRTICH

LINE NO.	DESCRIPTION	ADJUSTED REVENUES & EXPENSES $000	DAYS LAG	WEIGHTED DOLLAR DAYS $000	WORKING CAPITAL REQUIREMENTS $000
1	**TOTAL OPERATING REVENUES**	**1,439,145**	**42.98**	**61,854,452**	**169,464**
2	EXPENSES:				
3	OPERATION & MAINTENANCE:				
4	PURCHASED GAS	898,716	40.17	36,101,422	98,908
5	LABOR	54,480	44.87	2,444,518	6,697
6	OPEB	4,622	44.00	203,368	557
7	CORPORATE INSURANCE	5,843	(152.34)	(890,123)	(2,439)
8	OTHER BENEFITS COSTS	1,809	12.70	22,974	63
9	UNCOLLECTIBLES	27,795	42.98	1,194,629	3,273
10	PIPP UNCOLLECTIBLES	68,000	42.98	2,922,640	8,007
11	CORPORATE SYSTEM SERVICES	78,719	43.12	3,394,363	9,300
12	OTHER COSTS	62,687	23.25	1,457,481	3,993
13	TOTAL OPERATION & MAINTENANCE	1,202,671	38.96	46,851,272	128,360
14	DEPRECIATION:	49,905	0.00	0	0
15	FEDERAL INCOME TAX:				
16	CURRENT FEDERAL INCOME TAX	(31,735)	37.50	(1,190,063)	(3,260)
17	NET INVESTMENT TAX CREDIT	(689)	0.00	0	0
18	DEFERRED FEDERAL INCOME TAX	45,992	0.00	0	0
19	TOTAL FEDERAL INCOME TAX	13,568	(87.71)	(1,190,063)	(3,260)
20	TAXES OTHER THAN INCOME TAX:				
21	EXCISE TAX	63,733	90.90	5,793,288	15,872
22	PROPERTY TAX	19,674	296.30	5,829,406	15,971
23	DISTRIBUTION TAX	26,885	96.50	2,594,403	7,108
24	PAYROLL TAX	4,215	8.63	36,375	100
25	PUCO & OCC MAINTENANCE TAX	2,333	48.02	112,031	307
26	DOE ASSESSMENT	111	61.06	6,781	19
27	SALES & USE TAX	693	36.22	25,100	69
28	TOTAL TAXES OTHER	117,644	122.38	14,397,384	39,445
29	INTEREST ON LONG TERM DEBT:	38,566	91.25	3,519,148	9,642
30	RETURN ON COMMON EQUITY:	16,791	0.00	0	0
31	**TOTAL EXPENSES**	**1,439,145**	**44.18**	**63,577,741**	**174,186**
32	PIP UNCOLLECTIBLES				112,717
33	GAS STORED UNDERGROUND				95,830
34	**CALCULATED WORKING CAPITAL**				**203,826**

COLUMBIA GAS OF OHIO, INC.
CASE NO. 08-0072-GA-AIR
OTHER RATE BASE ITEMS SUMMARY
AS OF DECEMBER 31, 2007

DATA: 3 MOS. ACTUAL & 9 MOS. ESTIMATED
TYPE OF FILING: ORIGINAL
WORK PAPER REFERENCE NO(S).:

SCHEDULE SDN-4/B-6
PAGE 1 OF 1
WITNESS RESPONSIBLE:
L. W. MARTIN

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	TOTAL COMPANY (A)	ADJUSTMENTS	ADJUSTED JURISDICTION
			$000	$000	$000
		Other Items			
1	182-12408	PISCC Property Tax	4,025	0	4,025
2	182-12108	PISCC Depreciation Expense	9,773	0	9,773
3	182-12745	PISCC	474	0	474
4	186-15561	Customers' Advances for Construction	20,778	0	20,778
5	252	Customers' Advances for Construction	(22,742)	0	(22,742)
6					
7		TOTAL OTHER	12,308	0	12,308
8					
9		Deferred Income Taxes			
10	1902851	Customer Advances for Construction	7,960	0	7,960
11	1901938	LIFO Inventory Evaluation	5,006	0	5,006
12	1901947	Inventory CAP Costs	914	0	914
13					
14		TOTAL ACCOUNT 190	13,880	0	13,880
15					
16		Deferred Income Taxes			
17	2821239	Post In-service Carrying Costs	(8,007)	0	(8,007)
18	2822205	Liberalized Depreciation	(195,704)	0	(195,704)
19	2822211	Loss ACRS Retirement Property	(16,266)	0	(16,266)
20	2822216	Payroll Taxes Capitalized	(886)	0	(886)
21	2822231	Property Removal Costs	(117)	0	(117)
22	2822232	Customer Advances for Construction	4,955	0	4,955
23	2822234	Builder Incentives	1,493	0	1,493
24					0
25		TOTAL ACCOUNT 282	(214,532)	0	(214,532)
26					
27	2832905	Post In-service Carrying Costs-Federal Taxes	(181)	0	(181)
28	2832951	Headquarters Building	(1,567)	0	(1,567)
29	2832983	Post In-service Carrying Costs-Depreciation	(3,421)	0	(3,421)
30	2832984	Post In-service Carrying Costs-Property Taxes	(1,409)	0	(1,409)
31	2836961	Headquarters Building	672	0	672
32	2831920	PIPP	(38,791)	0	(38,791)
33					
34		TOTAL ACCOUNT 283	(44,697)	0	(44,697)
35					
36		CUSTOMER DEPOSITS	(14,108)	0	(14,108)
37		UNCLAIMED FUNDS	(1,159)	0	(1,159)
38		DEFERRED BAD DEBT UNAMORTIZED 2001 BALAN	7,293	0	7,293
39		TOTAL OTHER ITEMS	(7,974)	0	(7,974)
40		TOTAL OTHER RATE BASE	(241,015)	0	(241,015)

(A) Total Company is 100% Jurisdictional.

COLUMBIA GAS OF OHIO, INC.
CASE NO. 08-0072-GA-AIR
ADJUSTED TEST YEAR OPERATING INCOME
FOR THE TWELVE MONTHS ENDED 9/30/08

DATA: 3 MOS. ACTUAL & 9 MOS. ESTIMATED
TYPE OF FILING: ORIGINAL
WORK PAPER REFERENCE NO(S):

SCHEDULE SDN-5/C-2

WITNESS RESPONSIBLE:
S.D.NOEL

LINE NO.	DESCRIPTION	UNADJUSTED REVENUE & EXPENSES	ADJUSTMENTS	ADJUSTED REVENUE & EXPENSES
		$000	$000	$000
	OPERATING REVENUES			
1	BASE REVENUES	541,023	(3,482)	537,541
2	UNBILLED REVENUE	(10,223)	10,223	0
3	GAS COST REVENUES	832,693	66,023	898,716
3	OTHER OPERATING REVENUES	194,447	(191,559)	2,888
4	TOTAL OPERATING REVENUES	1,557,940	(118,795)	1,439,145
	OPERATING EXPENSES			
5	COST OF GAS PURCHASED	981,903	(83,187)	898,716
6	OPERATION AND MAINTENANCE	308,734	(4,779)	303,955
7	TOTAL OPERATION AND MAINTENANCE	1,290,637	(87,966)	1,202,671
8	DEPRECIATION EXPENSE	40,639	9,266	49,905
9	TAXES, OTHER THAN INCOME	115,679	1,965	117,644
10	INCOME TAXES-STATE	1,778	(1,778)	0
11	INCOME TAXES-FEDERAL	36,423	(22,855)	13,568
11	TOTAL OPERATING EXPENSES	1,485,156	(101,368)	1,383,788
12	NET OPERATING INCOME	72,784	(17,427)	55,357

COLUMBIA GAS OF OHIO, INC.
CASE NO. 08-0072-GA-AIR
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING INCOME
FOR THE TWELVE MONTHS ENDED 9/30/08

DATA: 3 MOS. ACTUAL & 9 MOS. ESTIMATED
TYPE OF FILING: ORIGINAL
WORK PAPER REFERENCE NO(S):

SCHEDULE SDN-6/C-3

WITNESS RESPONSIBLE:
S.D.NOEL

LINE NO.	TITLE OF ACCOUNT	TOTAL SCHEDULE	BASE REVENUE ANNUALIZATIO N	GAS COST REVENUE ANNUALIZATION ADJUSTMENT	OTHER REVENUE ANNUALIZATION ADJUSTMENT	ELIMINATION OF UNBILLED REVENUE	ELIMINATION OF NON-TRADITIONAL REVENUE
		C-3	C-3.1	C-3.2	C-3.3	C-3.4	C-3.5
		$000	$000	$000	$000	$000	$000
1	**OPERATING REVENUES**						
2	BASE REVENUE	6,741	(3,482)			10,223	
3	GAS COST REVENUE	66,023		66,023			
4	OTHER REVENUE ADJUSTMENTS	(191,559)			(763)		(190,796)
5	TOTAL OPERATING REVENUES	(118,795)	(3,482)	66,023	(763)	10,223	(190,796)
6	**OPERATING EXPENSES**						
7	COST OF GAS PURCHASED	(83,187)					
8	OPERATION AND MAINTENANCE EXPENSE	(4,779)					
9	TOTAL OPERATION AND MAINTENANCE	(87,966)	0	0	0	0	0
10	DEPRECIATION EXPENSE	9,266	0	0	0	0	0
11	TAXES, OTHER THAN INCOME						
12	PAYROLL	606	0	0	0	0	0
13	OTHER TAXES	1,359	0	0	0	0	0
14	TOTAL TAXES OTHER THAN INCOME TAXES	1,965	0	0	0	0	0
15	INCOME TAXES						
16	FEDERAL INCOME TAX	(22,855)	(1,219)	23,108	(267)	3,578	(66,779)
17	STATE INCOME TAX	(1,778)	0	0	0	0	0
18	TOTAL INCOME TAX	(24,633)	(1,219)	23,108	(267)	3,578	(66,779)
19	TOTAL OPER. EXPENSE AND TAXES	(101,368)	(1,219)	23,108	(267)	3,578	(66,779)
20	NET OPERATING INCOME	(17,427)	(2,263)	42,915	(496)	6,645	(124,017)

COLUMBIA GAS OF OHIO, INC.
CASE NO. 08-0072-GA-AIR
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING INCOME
FOR THE TWELVE MONTHS ENDED 9/30/08

DATA: 3 MOS. ACTUAL & 9 MOS. ESTIMATED
TYPE OF FILING: ORIGINAL
WORK PAPER REFERENCE NO(S):

WITNESS RESPONSIBLE:
S.D.NOEL

LINE NO.	TITLE OF ACCOUNT	GAS COST EXPENSE ANNUALIZATION ADJUSTMENT	UNCOLLECTIBLE EXPENSE ADJUSTMENT	ANNUALIZED TEST YEAR WAGES	ANNUALIZED INCENTIVE COMPENSATION	PENSION AND BENEFITS EXPENSE ADJUSTMENT	POST IN SERVICE CARRYING CHARGES
		C-3.6	C-3.7	C-3.8	C-3.9	C-3.10	C-3.11
		$000	$000	$000	$000	$000	$000
1	**OPERATING REVENUES**						
2	BASE REVENUE						
3	GAS COST REVENUE						
4	OTHER REVENUE ADJUSTMENTS						
5	TOTAL OPERATING REVENUES	0	0	0	0	0	0
6	**OPERATING EXPENSES**						
7	COST OF GAS PURCHASED	(83,187)					
8	OPERATION AND MAINTENANCE EXPENSE		(95)	3,170	(657)	(654)	359
9	TOTAL OPERATION AND MAINTENANCE	(83,187)	(95)	3,170	(657)	(654)	359
10	DEPRECIATION EXPENSE	0	0	0	0	0	0
11	TAXES, OTHER THAN INCOME						
12	PAYROLL	0	0	0	0	0	0
13	OTHER TAXES	0	0	0	0	0	0
14	TOTAL TAXES OTHER THAN INCOME TAXI	0	0	0	0	0	0
15	INCOME TAXES						
16	FEDERAL INCOME TAX	29,115	33	(1,110)	230	229	(126)
17	STATE INCOME TAX	0	0	0	0	0	0
18	TOTAL INCOME TAX	29,115	33	(1,110)	230	229	(126)
19	TOTAL OPER. EXPENSE AND TAXES	(54,072)	(62)	2,061	(427)	(425)	233
20	NET OPERATING INCOME	54,072	62	(2,061)	427	425	(233)

COLUMBIA GAS OF OHIO, INC.
CASE NO. 08-0072-GA-AIR
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING INCOME
FOR THE TWELVE MONTHS ENDED 9/30/08

DATA: 3 MOS. ACTUAL & 9 MOS. ESTIMATED
TYPE OF FILING: ORIGINAL
WORK PAPER REFERENCE NO(S):

WITNESS RESPONSIBLE:
S.D.NOEL

LINE NO.	TITLE OF ACCOUNT	TO ELIMINATE NON-JURISDICTIONAL EXPENSES	INTEREST ON CUSTOMERS' DEPOSITS EXPENSE ADJUSTMENT	RATE CASE EXPENSE ADJUSTMENT	WARM CHOICE PROGRAM ADJUSTMENT	O&M EXPENSE ADJUSTMENT	DEPRECIATION EXPENSE ADJUSTMENT
		C-3.12	C-3.13	C-3.14	C-3.15	C-3.16	C-3.17
		$000	$000	$000	$000	$000	$000
1	**OPERATING REVENUES**						
2	BASE REVENUE						
3	GAS COST REVENUE						
4	OTHER REVENUE ADJUSTMENTS						
5	TOTAL OPERATING REVENUES	0	0	0	0	0	0
6	**OPERATING EXPENSES**						
7	COST OF GAS PURCHASED						
8	OPERATION AND MAINTENANCE EXPENSE	(3,081)	423	143	4,057	(8,444)	0
9	TOTAL OPERATION AND MAINTENANCE	(3,081)	423	143	4,057	(8,444)	0
10	DEPRECIATION EXPENSE	0	0	0	0	0	9,266
11	TAXES, OTHER THAN INCOME						
12	PAYROLL	0	0	0	0	0	0
13	OTHER TAXES	0	0	0	0	0	0
14	TOTAL TAXES OTHER THAN INCOME TAXES	0	0	0	0	0	0
15	INCOME TAXES						
16	FEDERAL INCOME TAX	1,078	(148)	(50)	(1,420)	2,955	(3,243)
17	STATE INCOME TAX	0	0	0	0	0	0
18	TOTAL INCOME TAX	1,078	(148)	(50)	(1,420)	2,955	(3,243)
19	TOTAL OPER. EXPENSE AND TAXES	(2,003)	275	93	2,637	(5,489)	6,023
20	NET OPERATING INCOME	2,003	(275)	(93)	(2,637)	5,489	(6,023)

COLUMBIA GAS OF OHIO, INC.
CASE NO. 08-0072-GA-AIR
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING INCOME
FOR THE TWELVE MONTHS ENDED 9/30/08

DATA: 3 MOS. ACTUAL & 9 MOS. ESTIMATED
TYPE OF FILING: ORIGINAL
WORK PAPER REFERENCE NO(S):

WITNESS RESPONSIBLE:
S.D.NOEL

LINE NO.	TITLE OF ACCOUNT	PAYROLL TAXES ADJUSTMENT	OHIO EXCISE TAX	PUCO & OCC TAX ADJUSTMENT	DISTRIBUTION TAX ADJUSTMENT	PROPERTY TAX ADJUSTMENT	OTHER TAX ADJUSTMENT
		C-3.18	C-3.19	C-3.20	C-3.21	C-3.22	C-3.23
		$000	$000	$000	$000	$000	$000
1	**OPERATING REVENUES**						
2	BASE REVENUE						
3	GAS COST REVENUE						
4	OTHER REVENUE ADJUSTMENTS						
5	TOTAL OPERATING REVENUES	0	0	0	0	0	0
6	**OPERATING EXPENSES**						
7	COST OF GAS PURCHASED						
8	OPERATION AND MAINTENANCE EXPENSE	0	0	0	0	0	0
9	TOTAL OPERATION AND MAINTENANCE	0	0	0	0	0	0
10	DEPRECIATION EXPENSE	0	0	0	0	0	0
11	TAXES, OTHER THAN INCOME						
12	PAYROLL	606	0	0	0	0	0
13	OTHER TAXES	0	(631)	(301)	(616)	2,916	(9)
14	TOTAL TAXES OTHER THAN INCOME TAX	606	(631)	(301)	(616)	2,916	(9)
15	INCOME TAXES						
16	FEDERAL INCOME TAX	(212)	221	105	216	(1,021)	3
17	STATE INCOME TAX	0	0	0	0	0	0
18	TOTAL INCOME TAX	(212)	221	105	216	(1,021)	3
19	TOTAL OPER. EXPENSE AND TAXES	394	(410)	(196)	(400)	1,895	(6)
20	NET OPERATING INCOME	(394)	410	196	400	(1,895)	6

COLUMBIA GAS OF OHIO, INC.
CASE NO. 08-0072-GA-AIR
SUMMARY OF JURISDICTIONAL ADJUSTMENTS TO OPERATING INCOME
FOR THE TWELVE MONTHS ENDED 9/30/08

DATA: 3 MOS. ACTUAL & 9 MOS. ESTIMATED
TYPE OF FILING: ORIGINAL
WORK PAPER REFERENCE NO(S):

WITNESS RESPONSIBLE:
S.D.NOEL

LINE NO.	TITLE OF ACCOUNT	FEDERAL STATUTORY DEDUCTIONS ADJUSTMENT C-3.24 $000	DEFERRED INCOME TAX ADJUSTMENTS C-3.25 $000	ELIMINATION OF STATE INCOME TAX C-3.26 $000			
1	**OPERATING REVENUES**						
2	BASE REVENUE						
3	GAS COST REVENUE						
4	OTHER REVENUE ADJUSTMENTS						
5	TOTAL OPERATING REVENUES	0	0	0	0	0	0
6	**OPERATING EXPENSES**						
7	COST OF GAS PURCHASED						
8	OPERATION AND MAINTENANCE EXPENSE	0	0	0	0	0	0
9	TOTAL OPERATION AND MAINTENANCE	0	0	0	0	0	0
10	DEPRECIATION EXPENSE	0	0	0	0	0	0
11	TAXES, OTHER THAN INCOME						
12	PAYROLL	0	0	0	0	0	0
13	OTHER TAXES	0	0	0	0	0	0
14	TOTAL TAXES OTHER THAN INCOME TAXES	0	0	0	0	0	0
15	INCOME TAXES						
16	FEDERAL INCOME TAX	(9,319)	562	622	0	0	0
17	STATE INCOME TAX	0	0	(1,778)	0	0	0
18	TOTAL INCOME TAX	(9,319)	562	(1,156)	0	0	0
19	TOTAL OPER. EXPENSE AND TAXES	(9,319)	562	(1,156)	0	0	0
20	NET OPERATING INCOME	9,319	(562)	1,156	0	0	0