

Columbia Gas[®]
of Kentucky

A NiSource Company

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

October 25, 2013

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

RECEIVED

OCT 25 2013

**PUBLIC SERVICE
COMMISSION**

Re: Columbia Gas of Kentucky, Inc.
Gas Cost Adjustment Case No. 2013 –

Dear Mr. Derouen:

Pursuant to the Commission's Order dated January 30, 2001 in Administrative Case No. 384, Columbia Gas of Kentucky, Inc. ("Columbia") hereby encloses, for filing with the Commission, an original and six (6) copies of data submitted pursuant to the requirements of the Gas Cost Adjustment Provision contained in Columbia's tariff for its September quarterly Gas Cost Adjustment ("GCA").

Columbia proposes to decrease its current rates to tariff sales customers by (\$0.1596) per Mcf effective with its December 2013 billing cycle on November 26, 2013. The decrease is composed of a decrease of (\$0.1609) per Mcf in the Average Commodity Cost of Gas and an increase of \$0.0013 per Mcf in the Average Demand Cost of Gas. Please feel free to contact me at 859-288-0242 or jmcoop@nisource.com if there are any questions.

Sincerely,



Judy M. Cooper
Director, Regulatory Policy

Enclosures

Columbia Gas of Kentucky, Inc.
Comparison of Current and Proposed GCAs

Line No.	September-13 <u>CURRENT</u>	December-13 <u>PROPOSED</u>	<u>DIFFERENCE</u>	
1	Commodity Cost of Gas	\$4.7562	\$4.5953	(\$0.1609)
2	Demand Cost of Gas	\$1.4465	\$1.4478	\$0.0013
3	Total: Expected Gas Cost (EGC)	\$6.2027	\$6.0431	(\$0.1596)
4	SAS Refund Adjustment	(\$0.0003)	(\$0.0003)	\$0.0000
5	Balancing Adjustment	(\$0.0175)	(\$0.0175)	\$0.0000
6	Supplier Refund Adjustment	(\$0.0081)	(\$0.0081)	\$0.0000
7	Actual Cost Adjustment	\$0.4847	\$0.4847	\$0.0000
8	Gas Cost Incentive Adjustment	\$0.0108	\$0.0108	\$0.0000
9	Cost of Gas to Tariff Customers (GCA)	\$6.6723	\$6.5127	(\$0.1596)
10	Transportation TOP Refund Adjustment	\$0.0000	\$0.0000	\$0.0000
11	Banking and Balancing Service	\$0.0205	\$0.0205	\$0.0000
12	Rate Schedule FI and GSO			
13	Customer Demand Charge	\$6.6097	\$6.6097	\$0.0000

Columbia Gas of Kentucky, Inc.
Gas Cost Adjustment Clause
Gas Cost Recovery Rate
Dec - Feb 14

<u>Line No.</u>	<u>Description</u>		<u>Amount</u>	<u>Expires</u>
1	Expected Gas Cost (EGC)	Schedule No. 1	\$6.0431	11-30-13
2	Actual Cost Adjustment (ACA)	Schedule No. 2 Case No. 2013-00303	\$0.4847	08-31-14
3	SAS Refund Adjustment (RA)	Schedule No. 5 Case No. 2013-00303	(\$0.0003)	08-31-14
4	Supplier Refund Adjustment (RA)	Schedule No. 4 Case No. 2013-00173	(\$0.0081)	05-31-14
		Total Refunds	(\$0.0081)	
5	Balancing Adjustment (BA)	Schedule No. 3 Case No. 2013-00303	(\$0.0175)	02-28-14
6	Gas Cost Incentive Adjustment	Schedule No. 6 Case No. 2013-00039	\$0.0108	02-28-14
7	Gas Cost Adjustment			
8	Dec - Feb 14		<u>\$6.5127</u>	
9	Expected Demand Cost (EDC) per Mcf			
10	(Applicable to Rate Schedule IS/SS and GSO)	Schedule No. 1, Sheet 4	<u>\$6.6097</u>	

DATE FILED: October 25, 2013

BY: J. M. Cooper

Columbia Gas of Kentucky, Inc.
Expected Gas Cost for Sales Customers
Dec - Feb 14

Schedule No. 1
Sheet 1

Line No.	Description	Reference	Volume A/		Rate		Cost (5)
			Mcf (1)	Dth. (2)	Per Mcf (3)	Per Dth (4)	
Storage Supply							
Includes storage activity for sales customers only							
Commodity Charge							
1	Withdrawal			(4,938,000)		\$0.0153	\$75,551
2	Injection			4,000		\$0.0153	\$61
3	Withdrawals: gas cost. Includes pipeline fuel and commodity charges			4,934,000		\$3.9788	\$19,631,399
Total							
4	Volume	= 3		4,934,000			
5	Cost	sum(1:3)					\$19,707,011
6	Summary	4 or 5		4,934,000			\$19,707,011
Flowing Supply							
Excludes volumes injected into or withdrawn from storage.							
Net of pipeline retention volumes and cost. Add unit retention cost on line 18							
7	Non-Appalachian	Sch.1, Sht. 5, Ln. 4		1,086,000			\$5,028,180
8	Appalachian Supplies	Sch.1, Sht. 6, Ln. 4		172,000			\$781,000
9	Less Fuel Retention By Interstate Pipelines	Sch. 1,Sheet 7, Lines 21, 22		(160,000)			(\$664,455)
10	Total	7 + 8 + 9		1,098,000			\$5,144,725
Total Supply							
11	At City-Gate	Line 6 + 10		6,032,000			\$24,851,736
Lost and Unaccounted For							
12	Factor			-0.9%			
13	Volume	Line 11 * 12		(54,288)			
14	At Customer Meter	Line 11 + 13	5,718,657	5,977,712			
15	Less: Right-of-Way Contract Volume			1,586			
16	Sales Volume	Line 14-15	5,717,071				
Unit Costs \$/MCF							
Commodity Cost							
17	Excluding Cost of Pipeline Retention	Line 11 / Line 16				\$4.3469	
18	Annualized Unit Cost of Retention	Sch. 1,Sheet 7, Line 24				\$0.1845	
19	Including Cost of Pipeline Retention	Line 17 + 18				\$4.5314	
20	Uncollectible Ratio	CN 2009-00141				0.01410552	
21	Gas Cost Uncollectible Charge	Line 19 * Line 20				\$0.0639	
22	Total Commodity Cost	line 19 + line 21				\$4.5953	
23	Demand Cost	Sch.1, Sht. 2, Line 10				\$1.4478	
24	Total Expected Gas Cost (EGC)	Line 22 + 23				\$6.0431	

A/ BTU Factor = 1.0453 Dth/MCF

Columbia Gas of Kentucky, Inc.
GCA Unit Demand Cost
Dec - Feb 14

Schedule No. 1
 Sheet 2

<u>Line No.</u>	<u>Description</u>	<u>Reference</u>	
1	Expected Demand Cost: Annual December 2013 - November 2014	Sch. No.1, Sheet 3, Ln. 41	\$20,403,353
2	Less Rate Schedule IS/SS and GSO Customer Demand Charge Recovery	Sch. No.1, Sheet 4, Ln. 10	-\$356,607
3	Less Storage Service Recovery from Delivery Service Customers		-\$180,203
4	Net Demand Cost Applicable 1 + 2 + 3		\$19,866,543
	Projected Annual Demand: Sales + Choice		
	At city-gate		
	In Dth		14,477,000 Dth
	Heat content		1.0453 Dth/MCF
5	In MCF		13,849,613 MCF
	Lost and Unaccounted - For		
6	Factor		0.9%
7	Volume	5 * 6	124,647 MCF
8	Right of way Volumes		<u>2,862</u>
9	At Customer Meter	5 - 7- 8	13,722,104 MCF
10	Unit Demand Cost (4/ 9)	To Sheet 1, line 23	\$1.4478 per MCF

Columbia Gas of Kentucky, Inc.
Annual Demand Cost of Interstate Pipeline Capacity
 December 2013 - November 2014

Schedule No. 1
 Sheet 3

Line No.	Description	Dth	Monthly Rate \$/Dth	# Months	Expected Annual Demand Cost
Columbia Gas Transmission Corporation					
Firm Storage Service (FSS)					
1	FSS Max Daily Storage Quantity (MDSQ)	220,880	\$1.5090	12	\$3,999,695
2	FSS Seasonal Contract Quantity (SCQ)	11,264,911	\$0.0289	12	\$3,906,671
Storage Service Transportation (SST)					
3	Summer	110,440	\$4.1850	6	\$2,773,148
4	Winter	220,880	\$4.1850	6	\$5,546,297
5	Firm Transportation Service (FTS)	20,014	\$5.7280	12	\$1,375,682
6	Subtotal			sum(1:5)	\$17,601,493
Columbia Gulf Transmission Company					
11	FTS - 1 (Mainline)	28,991	\$4.2917	12	\$1,493,048
Tennessee Gas					
21	Firm Transportation	20,506	\$4.6238	12	\$1,137,788
Central Kentucky Transmission					
31	Firm Transportation	28,000	\$0.5090	12	\$171,024
41	Total. Used on Sheet 2, line 1				\$20,403,353

Columbia Gas of Kentucky, Inc.

Schedule No. 1

Gas Cost Adjustment Clause

Sheet 4

Expected Demand Costs Recovered Annually From Rate Schedule IS/SS and GSO Customers

December 2013 - November 2014

Line No.	Description	Capacity			Units	Annual Cost
		Daily Dth (1)	# Months (2)	Annualized Dth (3) = (1) x (2)		
1	Expected Demand Costs (Per Sheet 3)					\$20,403,353
	City-Gate Capacity:					
2	Columbia Gas Transmission Firm Storage Service - FSS	220,880	12	2,650,560		
3	Firm Transportation Service - FTS	20,014	12	240,168		
4	Central Kentucky Transportation	28,000	12	336,000		
5	Total		2 + 3 + 4	3,226,728	Dth	
6	Divided by Average BTU Factor			1.045	Dth/MCF	
7	Total Capacity - Annualized		Line 5/ Line 6	3,086,892	Mcf	
	Monthly Unit Expected Demand Cost (EDC) of Daily Capacity					
8	Applicable to Rate Schedules IS/SS and GSO Line 1 / Line 7			\$6.6097	/Mcf	
9	Firm Volumes of IS/SS and GSO Customers	4,496	12	53,952	Mcf	
10	Expected Demand Charges to be Recovered Annually from Rate Schedule IS/SS and GSO Customers Line 8 * Line 9				to Sheet 2, line 2	\$356,607

Columbia Gas of Kentucky, Inc.
Non-Appalachian Supply: Volume and Cost
Dec - Feb 14

Schedule No. 1
 Sheet 5

Cost includes transportation commodity cost and retention by the interstate pipelines,
 but excludes pipeline demand costs.
 The volumes and costs shown are for sales customers only.

Line No.	Month	Total Flowing Supply Including Gas Injected Into Storage			Net Storage Injection Dth (4)	Net Flowing Supply for Current Consumption	
		Volume A/ Dth (1)	Cost (2)	Unit Cost \$/Dth (3) = (2) / (1)		Volume Dth (5) = (1) + (4)	Cost (6) = (3) x (5)
1	Dec-13	820,000	\$3,452,000		0	820,000	
2	Jan-14	256,000	\$1,280,000		0	256,000	
3	Feb-14	10,000	\$296,000		0	10,000	
4	Total 1+2+3	1,086,000	\$5,028,000	\$4.63	0	1,086,000	\$5,028,180

A/ Gross, before retention.

Columbia Gas of Kentucky, Inc.
Appalachian Supply: Volume and Cost
Dec - Feb 14

Schedule No. 1
Sheet 6

<u>Line</u> <u>No.</u>	<u>Month</u>	<u>Dth</u> (2)	<u>Cost</u> (3)
1	Dec-13	53,000	\$237,000
2	Jan-14	63,000	\$287,000
3	Feb-14	56,000	\$257,000
4	Total 1 + 2 + 3	172,000	\$781,000

Columbia Gas of Kentucky, Inc.
Annualized Unit Charge for Gas Retained by Upstream Pipelines
 Dec - Feb 14

Schedule No. 1
 Sheet 7

Retention costs are incurred proportionally to the volumes purchased, but recovery of the costs is allocated to quarter by volume consumed.

		<u>Units</u>	Dec - Feb 14	Mar - May 14	Jun - Aug 14	Sep - Nov 14	Annual 2013 - November 2014
Gas purchased by CKY for the remaining sales customers							
1	Volume	Dth	1,258,000	3,065,000	4,343,000	2,280,000	10,946,000
2	Commodity Cost Including Transportation		\$5,809,000	\$12,605,000	\$17,690,000	\$9,353,000	\$45,457,000
3	Unit cost	\$/Dth					\$4.1528
Consumption by the remaining sales customers							
11	At city gate	Dth	6,046,000	2,192,000	572,000	1,771,000	10,581,000
12	Lost and unaccounted for portion		0.90%	0.90%	0.90%	0.90%	
At customer meters							
13	In Dth (100% - 12) * 11	Dth	5,991,586	2,172,272	566,852	1,755,061	10,485,771
14	Heat content	Dth/MCF	1.0453	1.0453	1.0453	1.0453	
15	In MCF 13 / 14	MCF	5,731,930	2,078,133	542,286	1,679,002	10,031,351
16	Portion of annual line 15, quarterly / annual		57.1%	20.7%	5.4%	16.7%	100.0%
Gas retained by upstream pipelines							
21	Volume	Dth	160,000	99,000	108,000	79,000	446,000
Cost							
22	Quarterly. Deduct from Sheet 1 3 * 21		To Sheet 1, line 9 \$664,455	\$411,131	\$448,507	\$328,074	\$1,852,167
23	Allocated to quarters by consumption		\$1,057,587	\$383,399	\$100,017	\$309,312	\$1,850,315
24	Annualized unit charge 23 / 15	\$/MCF	To Sheet 1, line 18 \$0.1845	\$0.1845	\$0.1844	\$0.1842	\$0.1845

COLUMBIA GAS OF KENTUCKY, INC.

Schedule No. 1

Sheet 8

**DETERMINATION OF THE BANKING AND
BALANCING CHARGE
FOR THE PERIOD BEGINNING DECEMBER 2013**

<u>Line No.</u>	<u>Description</u>	<u>Dth</u>	<u>Detail</u>	<u>Amount For Transportation Customers</u>
1	Total Storage Capacity. Sheet 3, line 2	11,264,911		
2	Net Transportation Volume	9,204,959		
3	Contract Tolerance Level @ 5%	460,248		
4	Percent of Annual Storage Applicable to Transportation Customers		4.09%	
6	Seasonal Contract Quantity (SCQ)			
7	Rate		\$0.0289	
8	SCQ Charge - Annualized		<u>\$3,906,671</u>	
9	Amount Applicable To Transportation Customers			\$159,783
10	FSS Injection and Withdrawal Charge			
11	Rate		0.0306	
12	Total Cost		<u>\$344,706</u>	
13	Amount Applicable To Transportation Customers			\$14,098
14	SST Commodity Charge			
15	Rate		0.0182	
16	Projected Annual Storage Withdrawal, Dth		8,493,000	
17	Total Cost		<u>\$154,573</u>	
18	Amount Applicable To Transportation Customers			<u>\$6,322</u>
19	Total Cost Applicable To Transportation Customers			<u>\$180,203</u>
20	Total Transportation Volume - Mcf			17,646,001
21	Flex and Special Contract Transportation Volume - Mcf			(8,839,956)
22	Net Transportation Volume - Mcf	line 20 + line 21		8,806,045
23	Banking and Balancing Rate - Mcf.	Line 19 / line 22. To line 11 of the GCA Comparison		<u>\$0,0205</u>

DETAIL SUPPORTING
DEMAND/COMMODITY SPLIT

COLUMBIA GAS OF KENTUCKY
CASE NO. 2013- Effective December 2013 Billing Cycle

CALCULATION OF DEMAND/COMMODITY SPLIT OF GAS COST ADJUSTMENT FOR TARIFFS

	\$/MCF	
Demand Component of Gas Cost Adjustment		
Demand Cost of Gas (Schedule No. 1, Sheet 1, Line 23)	\$1.4478	
Demand ACA (Schedule No. 2)	(\$0.3007)	
Total Refund Adjustment (Schedule No. 4)	(\$0.0081)	
SAS Refund Adjustment (Schedule No. 5)	<u>(\$0.0003)</u>	
Total Demand Rate per Mcf	\$1.1387	<--- to Att. E, line 15

Commodity Component of Gas Cost Adjustment

Commodity Cost of Gas (Schedule No. 1, Sheet 1, Line 22)	\$4.5953
Commodity ACA (Schedule No. 2)	\$0.7854
Balancing Adjustment (Schedule No. 3)	(\$0.0175)
Gas Cost Incentive Adjustment (Schedule No. 6)	<u>\$0.0108</u>
Total Commodity Rate per Mcf	\$5.3740

CHECK:	\$1.1387
	<u>\$5.3740</u>
COST OF GAS TO TARIFF CUSTOMERS (GCA)	\$6.5127

Calculation of Rate Schedule SVGTS - Actual Gas Cost Adjustment

Commodity ACA (Schedule No. 2)	\$0.7854
Balancing Adjustment (Schedule No. 3)	(\$0.0175)
Gas Cost Incentive Adjustment (Schedule No. 6)	<u>\$0.0108</u>
Total Commodity Rate per Mcf	\$0.7787

PIPELINE COMPANY TARIFF SHEETS

Columbia Gas Transmission, LLC
 FERC Tariff
 Fourth Revised Volume No. 1

V.8.
 Currently Effective Rates
 SST Rates
 Version 18.0.0

Currently Effective Rates
 Applicable to Rate Schedule SST
 Rate Per Dth

	Base Tariff Rate 1/ 2/	TCRA Rates	EPCA Rates	OTRA Rates	CCRM Rates	Total Effective Rate 2/	Daily Rate 2/
Rate Schedule SST							
Reservation Charge 3/4/	\$ 5.092	0.335	0.065	0.066		5.558	0,1827
Commodity							
Maximum	¢ 1.02	0.00	0.68	0.00		1.70	1.70
Minimum	¢ 1.02	0.00	0.68	0.00		1.70	1.70
Overrun 4/							
Maximum	¢ 17.76	1.10	0.89	0.22		19.97	19,97
Minimum	¢ 1.02	0.00	0.68	0.00		1.70	1.70

- 1/ Excludes Account 858 expenses and Electric Power Costs which are recovered through Columbia's Transportation Costs Rate Adjustment (TCRA) and Electric Power Costs Adjustment (EPCA), respectively.
- 2/ Excludes the Annual Charge Adjustment (ACA) Surcharge. An ACA Commodity surcharge per Dth shall be assessed where applicable pursuant to Section 154.402 of the Commission's Regulations and in accordance with Section 34 of the GTC of Transporter's FERC Gas Tariff. The ACA unit charge authorized for each fiscal year (commencing October 1) by the Commission and posted on its website (<http://www.ferc.gov>) is incorporated herein by reference.
- 3/ Minimum reservation charge is \$0.00.
- 4/ Shippers utilizing the Eastern Market Expansion (EME) facilities for Rate Schedule SST service will pay a total SST reservation charge of \$17.625. If EME customers incur an overrun for SST services that is provided under their EME Project service agreements, they will pay a total overrun rate of 58.97 cents. The applicable EME demand charge and EME overrun charge can be added to the applicable surcharges above to calculate the EME Total Effective Rates.

Issued On: August 1, 2013

Effective On: October 1, 2013

Columbia Gas Transmission, LLC
 FERC Tariff
 Fourth Revised Volume No. 1

V.1.
 Currently Effective Rates
 FTS Rates
 Version 18.0.1

Currently Effective Rates
 Applicable to Rate Schedule FTS
 Rate Per Dth

		Base Tariff Rate 1/ 2/	TCRA Rates	EPCA Rates	OTRA Rates	CCRM Rates	Total Effective Rate 2/	Daily Rate 2/
Rate Schedule FTS								
Reservation Charge 3/	\$	5.262	0.335	0.065	0.066	-	5.728	0.1883
Commodity								
Maximum	¢	1.04	0.00	0.68	0.00	-	1.72	1.72
Minimum	¢	1.04	0.00	0.68	0.00	-	1.72	1.72
Overrun								
Maximum	¢	18.34	1.10	0.89	0.22	-	20.55	20.55
Minimum	¢	1.04	0.00	0.68	0.00	-	1.72	1.72

1/ Excludes Account 858 expenses and Electric Power Costs which are recovered through Columbia's Transportation Costs Rate Adjustment (TCRA) and Electric Power Costs Adjustment (EPCA), respectively.

2/ Excludes the Annual Charge Adjustment (ACA) Surcharge. An ACA Commodity surcharge per Dth shall be assessed where applicable pursuant to Section 154.402 of the Commission's Regulations and in accordance with Section 34 of the GTC of Transporter's FERC Gas Tariff. The ACA unit charge authorized for each fiscal year (commencing October 1) by the Commission and posted on its website (<http://www.ferc.gov>) is incorporated herein by reference.

3/ Minimum reservation charge is \$0.00.

Issued On: August 7, 2013

Effective On: October 1, 2013

Columbia Gas Transmission, LLC
 FERC Tariff
 Fourth Revised Volume No. 1

V.9,
 Currently Effective Rates
 FSS Rates
 Version 3.0.0

Currently Effective Rates
 Applicable to Rate Schedule FSS
 Rate Per Dth

	Base Tariff Rate 1/	Transportation Cost Rate Adjustment Current Surcharge	Electric Power Costs Adjustment Current Surcharge	Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
Rate Schedule FSS						
Reservation Charge 3/ \$	1,509	-	-	-	1,509	0,0496
Capacity 3/ ¢	2,89	-	-	-	2,89	2,89
Injection ¢	1,53	-	-	-	1,53	1,53
Withdrawal ¢	1,53	-	-	-	1,53	1,53
Overrun 3/ ¢	10,91	-	-	-	10,91	10,91

- 1/ Excludes Account 858 expenses and Electric Power Costs which are recovered through Columbia's Transportation Costs Rate Adjustment (TCRA) and Electric Power Costs Adjustment (EPCA), respectively.
- 2/ ACA assessed where applicable pursuant to Section 154.402 of the Commission's Regulations.
- 3/ Shippers utilizing the Eastern Market Expansion (EME) facilities for FSS service will pay a total FSS MDSQ reservation charge of \$4.130 and a total FSS SCQ capacity rate of 6.80 cents. If EME customers incur an overrun for FSS services that is provided under their EME Project service agreements, they will pay a total FSS overrun rate of 23.44 cents. The additional EME demand charges and EME overrun charges can be added to the applicable surcharges above to develop the EME Total Effective Rate.

Issued On: December 28, 2012

Effective On: February 1, 2013

Columbia Gulf Transmission, LLC
 FERC Tariff
 Third Revised Volume No. 1

V.1.
 Currently Effective Rates
 FTS-1 Rates
 Version 11.0.0

Currently Effective Rates
 Applicable to Rate Schedule FTS-1
 Rates in Dollars per Dth

Rate Schedule FTS-1	Base Rate	Total Effective	Daily Rate
	(1)	Rate	(3)
	1/	1/	1/
<u>Market Zone</u>			
Reservation Charge			
Maximum	4.2917	4.2917	0.1411
Minimum	0.000	0.000	0.000
Commodity			
Maximum	0.0109	0.0109	0.0109
Minimum	0.0109	0.0109	0.0109
Overrun			
Maximum	0.1520	0.1520	0.1520
Minimum	0.0109	0.0109	0.0109

1/ Excludes the Annual Charge Adjustment (ACA) Surcharge. An ACA Commodity surcharge per Dth shall be assessed where applicable pursuant to Section 154.402 of the Commission's Regulations and in accordance with Section 31 of the GTC of Transporter's FERC Gas Tariff. The ACA unit charge authorized for each fiscal year (commencing October 1) by the Commission and posted on its website (<http://www.ferc.gov>) is incorporated herein by reference.

Issued On: August 1, 2013

Effective On: October 1, 2013

Currently Effective Rates
 Applicable to Rate Schedule FTS
 Rate per Dth

Rate Schedule FTS	Base Tariff Rate 2/	Total Effective Rate 2/	Daily Rate 2/
Reservation Charge 1/ Commodity	\$ 0.509	0.509	0.0167
Maximum	¢ 0.00	0.00	0.00
Minimum	¢ 0.00	0.00	0.00
Overrun	¢ 1.67	1.67	1.67

1/ Minimum reservation charge is \$0.00.

2/ Excludes the Annual Charge Adjustment (ACA) Surcharge. An ACA Commodity surcharge per Dth shall be assessed where applicable pursuant to Section 154.402 of the Commission's Regulations and in accordance with Section 31 of the GTC of Transporter's FERC Gas Tariff. The ACA unit charge authorized for each fiscal year (commencing October 1) by the Commission and posted on its website (<http://www.ferc.gov>) is incorporated herein by reference.

RATES PER DEKATHERM

FIRM TRANSPORTATION RATES
 RATE SCHEDULE FOR FT-A

Base Reservation Rates		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$5.7504		\$12.1229	\$16.3405	\$16.6314	\$18.3503	\$19.4843	\$24.4547	
L		\$5.0941							
1	\$8.7060		\$8.3414	\$11.1329	\$15.8114	\$15.6260	\$17.6356	\$21.6916	
2	\$16.3406		\$11.0654	\$5.7084	\$5.3300	\$6.8689	\$9.4859	\$12.2575	
3	\$16.6314		\$8.7447	\$5.7553	\$4.1249	\$6.4085	\$11.6731	\$13.4872	
4	\$21.1425		\$19.4839	\$7.3648	\$11.2429	\$5.4700	\$5.9240	\$8.4896	
5	\$25.2282		\$17.6984	\$7.7303	\$9.3742	\$6.0880	\$5.7043	\$7.4396	
6	\$29.1846		\$20.3275	\$13.9551	\$15.3850	\$10.8692	\$5.6613	\$4.8846	

Daily Base Reservation Rate 1/		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$0.1891		\$0.3986	\$0.5372	\$0.5468	\$0.6033	\$0.6406	\$0.8040	
L		\$0.1675							
1	\$0.2862		\$0.2742	\$0.3660	\$0.5198	\$0.5137	\$0.5798	\$0.7131	
2	\$0.5372		\$0.3638	\$0.1877	\$0.1752	\$0.2258	\$0.3119	\$0.4030	
3	\$0.5468		\$0.2875	\$0.1892	\$0.1356	\$0.2107	\$0.3838	\$0.4434	
4	\$0.6951		\$0.6406	\$0.2421	\$0.3696	\$0.1798	\$0.1948	\$0.2791	
5	\$0.8294		\$0.5819	\$0.2541	\$0.3082	\$0.2002	\$0.1875	\$0.2446	
6	\$0.9595		\$0.6583	\$0.4588	\$0.5058	\$0.3573	\$0.1861	\$0.1606	

Maximum Reservation Rates 2/, 3/		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$5.7504		\$12.1229	\$16.3405	\$16.6314	\$18.3503	\$19.4843	\$24.4547	
L		\$5.0941							
1	\$8.7060		\$8.3414	\$11.1329	\$15.8114	\$15.6260	\$17.6356	\$21.6916	
2	\$16.3406		\$11.0654	\$5.7084	\$5.3300	\$6.8689	\$9.4859	\$12.2575	
3	\$16.6314		\$8.7447	\$5.7553	\$4.1249	\$6.4085	\$11.6731	\$13.4872	
4	\$21.1425		\$19.4839	\$7.3648	\$11.2429	\$5.4700	\$5.9240	\$8.4896	
5	\$25.2282		\$17.6984	\$7.7303	\$9.3742	\$6.0880	\$5.7043	\$7.4396	
6	\$29.1846		\$20.3275	\$13.9551	\$15.3850	\$10.8692	\$5.6613	\$4.8846	

Notes:

- 1/ Applicable to demand charge credits and secondary points under discounted rate agreements.
- 2/ Includes a per Dth charge for the PCB Surcharge Adjustment per Article XXXII of the General Terms and Conditions of \$0.0000.
- 3/ Includes a per Dth charge for the PS/GHG Surcharge Adjustment per Article XXXVIII of the General Terms and Conditions of \$0.0000.

RATES PER DEKATHERM

COMMODITY RATES
 RATE SCHEDULE FOR FT-A

Base Commodity Rates

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0032		\$0.0115	\$0.0177	\$0.0219	\$0.2751	\$0.2625	\$0.3124
L		\$0.0012						
1	\$0.0042		\$0.0081	\$0.0147	\$0.0179	\$0.2339	\$0.2385	\$0.2723
2	\$0.0167		\$0.0087	\$0.0012	\$0.0028	\$0.0757	\$0.1214	\$0.1345
3	\$0.0207		\$0.0169	\$0.0026	\$0.0002	\$0.1012	\$0.1400	\$0.1528
4	\$0.0250		\$0.0205	\$0.0087	\$0.0105	\$0.0468	\$0.0662	\$0.1073
5	\$0.0284		\$0.0256	\$0.0100	\$0.0118	\$0.0659	\$0.0653	\$0.0811
6	\$0.0346		\$0.0300	\$0.0143	\$0.0163	\$0.1014	\$0.0549	\$0.0334

Minimum
 Commodity Rates 1/, 2/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0050		\$0.0133	\$0.0195	\$0.0237	\$0.0268	\$0.0302	\$0.0364
L		\$0.0030						
1	\$0.0060		\$0.0099	\$0.0165	\$0.0197	\$0.0228	\$0.0274	\$0.0318
2	\$0.0185		\$0.0105	\$0.0030	\$0.0046	\$0.0074	\$0.0118	\$0.0161
3	\$0.0225		\$0.0187	\$0.0044	\$0.0020	\$0.0099	\$0.0136	\$0.0181
4	\$0.0268		\$0.0223	\$0.0105	\$0.0123	\$0.0046	\$0.0064	\$0.0110
5	\$0.0302		\$0.0274	\$0.0118	\$0.0136	\$0.0064	\$0.0064	\$0.0084
6	\$0.0364		\$0.0318	\$0.0161	\$0.0181	\$0.0104	\$0.0059	\$0.0038

Maximum
 Commodity Rates 1/, 2/, 3/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0050		\$0.0133	\$0.0195	\$0.0237	\$0.2769	\$0.2643	\$0.3142
L		\$0.0030						
1	\$0.0060		\$0.0099	\$0.0165	\$0.0197	\$0.2357	\$0.2403	\$0.2741
2	\$0.0185		\$0.0105	\$0.0030	\$0.0046	\$0.0775	\$0.1232	\$0.1363
3	\$0.0225		\$0.0187	\$0.0044	\$0.0020	\$0.1030	\$0.1418	\$0.1546
4	\$0.0268		\$0.0223	\$0.0105	\$0.0123	\$0.0486	\$0.0680	\$0.1091
5	\$0.0302		\$0.0274	\$0.0118	\$0.0136	\$0.0677	\$0.0671	\$0.0829
6	\$0.0364		\$0.0318	\$0.0161	\$0.0181	\$0.1032	\$0.0567	\$0.0352

Notes:

- 1/ Includes a per Dth charge for (ACA) Annual Charge Adjustment of \$0.0018
- 2/ The applicable F&LR's and EPCR's, determined pursuant to Article XXXVII of the General Terms and Conditions, are listed on Sheet No. 32. For service that is rendered entirely by displacement and for gas scheduled and allocated for receipt at the Dracut, Massachusetts receipt point, Shipper shall render only the quantity of gas associated with Losses of 0.21%.
- 3/ Includes a per Dth charge for the PS/GHG Surcharge Adjustment per Article XXXVIII of the General Terms and Conditions of \$0.0000.

FUEL AND EPCR

F&LR 1/, 2/, 3/, 4/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	0.67%		1.67%	2.40%	2.89%	3.41%	3.82%	4.49%
L		0.43%						
1	0.79%		1.27%	2.05%	2.42%	2.92%	3.49%	3.95%
2	2.44%		1.34%	0.42%	0.62%	1.00%	1.56%	2.02%
3	2.96%		2.47%	0.62%	0.31%	1.31%	1.79%	2.32%
4	3.51%		2.73%	1.33%	1.55%	0.64%	0.88%	1.38%
5	3.95%		3.49%	1.56%	1.81%	0.88%	0.87%	1.06%
6	4.68%		4.08%	2.05%	2.32%	1.31%	0.73%	0.46%

EPCR 3/, 4/

RECEIPT ZONE	DELIVERY ZONE							
	0	L	1	2	3	4	5	6
0	\$0.0032		\$0.0123	\$0.0190	\$0.0237	\$0.0286	\$0.0325	\$0.0390
L		\$0.0011						
1	\$0.0043		\$0.0086	\$0.0158	\$0.0193	\$0.0240	\$0.0293	\$0.0337
2	\$0.0190		\$0.0093	\$0.0010	\$0.0028	\$0.0062	\$0.0113	\$0.0155
3	\$0.0237		\$0.0193	\$0.0028	\$0.0000	\$0.0091	\$0.0134	\$0.0179
4	\$0.0286		\$0.0221	\$0.0092	\$0.0112	\$0.0029	\$0.0051	\$0.0097
5	\$0.0325		\$0.0293	\$0.0113	\$0.0134	\$0.0051	\$0.0050	\$0.0067
6	\$0.0390		\$0.0337	\$0.0155	\$0.0179	\$0.0090	\$0.0038	\$0.0014

- 1/ Included in the above F&LR is the Losses component of the F&LR equal to 0.21%.
- 2/ For service that is rendered entirely by displacement and for gas scheduled and allocated for receipt at the Dracut, Massachusetts receipt point, Shipper shall render only the quantity of gas associated with Losses of 0.21%.
- 3/ The F&LR's and EPCR's listed above are applicable to FT-A, FT-BH, FT-G, FT-GS, NET, NET-284 and IT.
- 4/ The F&LR's and EPCR's determined pursuant to Article XXXVII of the General Terms and Conditions.

RETAINAGE PERCENTAGES

Transportation Retainage	1.957%
Gathering Retainage	1.234%
Storage Gas Loss Retainage	0.120%
Ohio Storage Gas Lost Retainage	0.110%
Columbia Processing Retainage/1	0.000%

1/ The Columbia Processing Retainage shall be assessed separately from the processing retainage applicable to third party processing plants set forth in Section 25.3 (f) of the General Terms and Conditions.

RETAINAGE PERCENTAGE

Transportation Retainage 0.796%

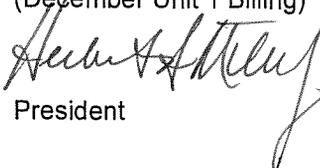
PROPOSED TARIFF SHEETS

CURRENTLY EFFECTIVE BILLING RATES

<u>SALES SERVICE</u>	<u>Base Rate</u> Charge \$	<u>Gas Cost Adjustment</u> ^{1/} <u>Demand</u> <u>Commodity</u> \$ \$		<u>Total</u> <u>Billing</u> <u>Rate</u> \$	
<u>RATE SCHEDULE GSR</u>					
Customer Charge per billing period	12.35			12.35	
Delivery Charge per Mcf	1.8715	1.1387	5.3740	8.3842	R
<u>RATE SCHEDULE GSO</u>					
<u>Commercial or Industrial</u>					
Customer Charge per billing period	25.13			25.13	
Delivery Charge per Mcf -					
First 50 Mcf or less per billing period	1.8715	1.1387	5.3740	8.3842	R
Next 350 Mcf per billing period	1.8153	1.1387	5.3740	8.3280	R
Next 600 Mcf per billing period	1.7296	1.1387	5.3740	8.2423	R
Over 1,000 Mcf per billing period	1.5802	1.1387	5.3740	8.0929	R
<u>RATE SCHEDULE IS</u>					
Customer Charge per billing period	583.39			583.39	
Delivery Charge per Mcf					
First 30,000 Mcf per billing period	0.5467		5.3740 ^{2/}	5.9207	R
Over 30,000 Mcf per billing period	0.2905		5.3740 ^{2/}	5.6645	R
Firm Service Demand Charge					
Demand Charge times Daily Firm					
Volume (Mcf) in Customer Service Agreement		6.6097		6.6097	
<u>RATE SCHEDULE IUS</u>					
Customer Charge per billing period	331.50			331.50	
Delivery Charge per Mcf					
For All Volumes Delivered	0.7750	1.1387	5.3740	7.2877	R

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 \$6.0431 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 25, 2013
 DATE EFFECTIVE November 26, 2013
 (December Unit 1 Billing)
 ISSUED BY 
 TITLE President

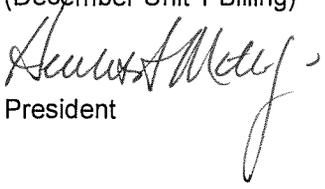
COLUMBIA GAS OF KENTUCKY, INC.

CURRENTLY EFFECTIVE BILLING RATES
(Continued)

<u>TRANSPORTATION SERVICE</u>	<u>Base Rate Charge</u> \$	<u>Gas Cost Adjustment^{1/}</u> <u>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		6.6097		6.6097	
Standby Service Commodity Charge per Mcf			5.3740	5.3740	R
<u>RATE SCHEDULE DS</u>					
Administrative Charge per account per billing period				55.90	
Customer Charge per billing period ^{2/}				583.39	
Customer Charge per billing period (GDS only)				25.13	
Customer Charge per billing period (IUDS only)				331.50	
<u>Delivery Charge per Mcf^{2/}</u>					
First 30,000 Mcf	0.5467			0.5467	
Over 30,000 Mcf	0.2905			0.2905	
- Grandfathered Delivery Service					
First 50 Mcf or less per billing period				1.8715	
Next 350 Mcf per billing period				1.8153	
Next 600 Mcf per billing period				1.7296	
All Over 1,000 Mcf per billing period				1.5802	
- Intrastate Utility Delivery Service					
All Volumes per billing period				0.7750	
Banking and Balancing Service					
Rate per Mcf		0.0205		0.0205	
<u>RATE SCHEDULE MLDS</u>					
Administrative Charge per account each billing period				55.90	
Customer Charge per billing period				200.00	
Delivery Charge per Mcf				0.0858	
Banking and Balancing Service					
Rate per Mcf		0.0205		0.0205	

^{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.

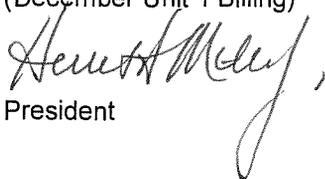
^{2/} Applicable to all Rate Schedule DS customers except those served under Grandfathered Delivery Service or Intrastate Utility Delivery Service.

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TITLE President

CURRENTLY EFFECTIVE BILLING RATES
 (Continued)

<u>RATE SCHEDULE SVGTS</u>	<u>Billing Rate</u>	
	\$	
<u>General Service Residential</u>		
Customer Charge per billing period	12.35	
Delivery Charge per Mcf	1.8715	
<u>General Service Other - Commercial or Industrial</u>		
Customer Charge per billing period	25.13	
Delivery Charge per Mcf -		
First 50 Mcf or less per billing period	1.8715	
Next 350 Mcf per billing period	1.8153	
Next 600 Mcf per billing period	1.7296	
Over 1,000 Mcf per billing period	1.5802	
<u>Intrastate Utility Service</u>		
Customer Charge per billing period	331.50	
Delivery Charge per Mcf	\$ 0.7750	
<u>Actual Gas Cost Adjustment ^{1/}</u>		
For all volumes per billing period per Mcf	\$0.7787	
<u>RATE SCHEDULE SVAS</u>		
Balancing Charge – per Mcf	\$0.9733	R

1/ The Gas Cost Adjustment is applicable to a customer who is receiving service under Rate Schedule SVGTS and received service under Rate Schedule GS, IS, or IUS for only those months of the prior twelve months during which they were served under Rate Schedule GS, IS or IUS.

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