



Cinergy ULH&P
129 East Fourth Street
PO Box 960
Cincinnati, OH 45201-0960

September 9, 2004

Ms. Beth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

Case 2004-00360

RECEIVED

SEP 09 2004

**PUBLIC SERVICE
COMMISSION**

Dear Ms. O'Donnell:

Enclosed for filing are an original and four (4) conformed copies of The Union Light, Heat and Power Company's (Union Light) "Monthly Report of Gas Cost Calculations and Tariff Schedules," for the month commencing with the October 2004 revenue month in accordance with KPSC order dated November 6, 2003 in Case No. 2003-00386. This filing is based on supplier tariff rates expected to be in effect on September 29, 2004 and the NYMEX on September 7, 2004 for the month of October 2004.

The above described schedules and GCA are effective with the final meter readings of District 1, October 2004, revenue month (i.e., final meter readings on and after September 29, 2004).

Union Light's proposed GCA is \$6.035 per Mcf. This rate represents a decrease of **\$0.734** per Mcf from the rate currently in effect for September 2004.

Please stamp "FILED" on the additional enclosed copy and return for our file. Thank you.

Very truly yours,

Robert P. Butts, Jr.

RPB:ga

Enclosure

COMPANY NAME: THE UNION LIGHT, HEAT & POWER COMPANY
GAS COST ADJUSTMENT CLAUSE RATE CALCULATIONS
SUPPLEMENTAL MONTHLY REPORT

PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	5.919
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	(0.001)
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.126
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>(0.009)</u>
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA + BA	\$/MCF	<u>6.035</u>

GAS COST RECOVERY RATE EFFECTIVE DATES: SEPTEMBER 29, 2004 THROUGH OCTOBER 27, 2004

EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	5.919

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	(0.001)
PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000
SECOND PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.000
THIRD PREVIOUS QUARTERLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	<u>0.000</u>
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	(0.001)

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	(0.320)
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.144
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.347
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	<u>(0.045)</u>
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.126

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	0.023
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.041)
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.031
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	<u>(0.022)</u>
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.009)

THIS MONTHLY REPORT FILED PURSUANT TO ORDER NO. 75-515-GA-ORD
OF THE PUBLIC UTILITIES COMMISSION OF OHIO, DATED OCTOBER 18, 1979.

DATE FILED: September 9, 2004

BY: JOHN P. STEFFEN

TITLE: VICE-PRESIDENT, RATES

PURCHASED GAS ADJUSTMENT
COMPANY NAME: THE UNION LIGHT, HEAT & POWER COMPANY
SUPPLEMENTAL MONTHLY REPORT
EXPECTED GAS COST RATE CALCULATION

DETAILS FOR THE EGC RATE IN EFFECT AS OF
PROJECTED VOLUME FOR THE TWELVE MONTH PERIOD ENDED

SEPTEMBER 29, 2004
AUGUST 31, 2005

	<u>\$</u>
<u>DEMAND (FIXED) COSTS:</u>	
Columbia Gas Transmission Corp.	3,273,656
Tennessee Gas Pipeline	919,620
Columbia Gulf Transmission Corp.	916,803
K O Transmission Company	291,880
Gas Marketers	188,552
TOTAL DEMAND COST:	<u>5,590,511</u>
PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES:	11,434,197 MCF
DEMAND (FIXED) COMPONENT OF EGC RAT	\$5,590,511 / 11,434,197 MCF \$0.489 /MCF
<u>COMMODITY COSTS:</u>	
Gas Marketers	\$5.430 /MCF
Gas Storage	
Columbia Gas Transmission	\$0.000 /MCF
Propane	\$0.000 /MCF
COMMODITY COMPONENT OF EGC RATE:	<u>\$5.430 /MCF</u>
TOTAL EXPECTED GAS COST:	<u><u>\$5.919 /MCF</u></u>

**GAS COST ADJUSTMENT
THE UNION LIGHT, HEAT & POWER COMPANY**

DETAILS FOR THE EGC RATE IN EFFECT AS OF : SEPTEMBER 29, 2004



GAS COMMODITY RATE FOR OCTOBER, 2004:

GAS MARKETERS :

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):			\$5.1649	\$/Dth
ULH&P FUEL	2.200%	\$0.1136	\$5.2785	\$/Dth
DTH TO MCF CONVERSION	1.0287	\$0.1515	\$5.4300	\$/Mcf
ESTIMATED WEIGHTING FACT	1.0000		\$5.4300	\$/Mcf
GAS MARKETERS COMMODITY RATE			\$5.430	\$/Mcf

GAS STORAGE :

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			\$5.8086	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$5.8239	\$/Dth
COLUMBIA GAS TRANS. SST F	2.565%	\$0.1494	\$5.9733	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0168	\$5.9901	\$/Dth
KO TRANS, COMMODITY RATE		\$0.0138	\$6.0039	\$/Dth
ULH&P FUEL	2.200%	\$0.1321	\$6.1360	\$/Dth
DTH TO MCF CONVERSION	1.0287	\$0.1761	\$6.3121	\$/Mcf
ESTIMATED WEIGHTING FACT	0.0000		\$0.0000	\$/Mcf
GAS STORAGE COMMODITY RATE - COLUMBIA GAS			\$0.000	\$/Mcf

PROPANE :

ERLANGER PROPANE INVENTORY RATE			\$0.34268	\$/Gallon
GALLON TO MCF CONVERSION	14.84	\$4.7427	\$5.0854	\$/Mcf
ESTIMATED WEIGHTING FACT	0.0000		\$0.0000	\$/Mcf
PROPANE COMMODITY RATE			\$0.000	\$/Mcf

(1) Weighted average cost of gas based on NYMEX prices on 9/07/04 and contracted hedging prices.

Revised Tariff Schedules

INDEX TO APPLICABLE GAS TARIFF SCHEDULES AND COMMUNITIES SERVED

	<u>Sheet No.</u>	<u>Billing Effective Date</u>	<u>Effective Date per Order</u>
<u>SERVICE REGULATIONS</u>			
Service Agreements.....	20	05/24/92	02/26/92
Supplying and Taking of Service.....	21	05/24/92	02/26/92
Customer's Installation.....	22	05/24/92	02/26/92
Company's Installation.....	23	05/24/92	02/26/92
Metering.....	24	09/10/93	09/10/93
Billing and Payment.....	25	02/02/01	02/02/01
Deposits.....	26	09/10/93	09/10/93
Application.....	27	05/24/92	02/26/92
Gas Space Heating Regulations.....	28	05/24/92	02/26/92
Availability of Gas Service.....	29	05/24/92	02/26/92
<u>FIRM SERVICE TARIFF SCHEDULES</u>			
Rate RS, Residential Service.....	30	09/29/04	09/29/04
Rate GS, General Service.....	31	09/29/04	09/29/04
Reserved for Future Use.....	32		
Reserved for Future Use.....	33		
Reserved for Future Use.....	34		
Reserved for Future Use.....	35		
Reserved for Future Use.....	36		
Reserved for Future Use.....	37		
Reserved for Future Use.....	38		
Reserved for Future Use.....	39		
Reserved for Future Use.....	40		
Reserved for Future Use.....	41		
Reserved for Future Use.....	42		
Reserved for Future Use.....	43		
Rate FRAS, Full Requirements Aggregation Service.....	44	03/01/02	01/31/02
Reserved for Future Use.....	45		
Reserved for Future Use.....	46		
Reserved for Future Use.....	47		
Reserved for Future Use.....	48		
Reserved for Future use.....	49		
<u>TRANSPORTATION TARIFF SCHEDULE</u>			
Rate IT, Interruptible Transportation Service.....	50	03/01/02	01/31/02
Purchased Service.....	50	03/01/02	01/31/02
Summer Minimum Service.....	50	03/01/02	01/31/02
Unauthorized Delivery.....	50	03/01/02	01/31/02
Rate FT-L, Firm Transportation Service.....	51	04/07/02	04/08/02
FT Bills – No GCRT.....	51	04/07/02	04/08/02
FT Bills – With GCRT.....	51	04/07/02	04/08/02
FT - Interruptible Bills – No GCRT on FT over 1 Year.....	51	04/07/02	04/08/02
FT - Interruptible Bills – GCRT on FT Under 1 Year.....	51	04/07/02	04/08/02
Reserved for Future Use.....	52		

(C)

Issued by authority of an Order of the Kentucky Public Service Commission dated

in Case No.

Issued:

Effective: September 29, 2004

Issued by Gregory C. Ficke, President

The Union Light, Heat and Power Company
107 Brent Spence Square
Covington, Kentucky 41011

Ky. P.S.C. Gas No. 5
Sheet No. 30.75
Canceling and Superseding
Sheet No. 30.74
Page 1 of 1

RATE RS

RESIDENTIAL SERVICE

APPLICABILITY

Applicable to firm natural gas service, which is comprised of commodity gas supply and local delivery service, required for all domestic purposes in private residences, single occupancy apartments, and common use areas of multi-occupancy buildings, when supplied at one point of delivery where distribution mains are adjacent to the premises to be served.

NET MONTHLY BILL

The Net Monthly Bill is determined as follows:
All gas is billed in units of 100 cubic feet (CCF).

Customer Charge per month: \$8.30
Plus the applicable charge per month as set forth on Sheet No. 63,
Rider AMRP, Accelerated Main Replacement Program

	<u>Delivery Rate</u>		<u>Gas Cost Adjustment</u>		<u>Total Rate</u>	
Plus a commodity Charge for all CCF at	23.34¢	plus	60.35¢	Equals	83.69¢	(R)

Plus, all delivered gas shall be subject to an adjustment per CCF as set forth on:
Sheet No. 62, Rider DSMR, Demand Side Management Rate

The "Customer Charge" shown above plus Rider AMRP shall be the minimum amount billed each month.

The "Gas Cost Adjustment" as shown above, is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 70 of this tariff.

When bills are rendered less frequently than monthly the time related units such as cubic feet blocks, minimum or other charges, will be billed in accordance with the number of billing months in the meter reading interval.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.

Issued by authority of an Order of the Kentucky Public Service Commission, dated _____ in Case No. _____

Issued:

Issued by Gregory C. Ficke, President

Effective: September 29, 2004

RATE GS

GENERAL SERVICE

APPLICABILITY

Applicable to firm natural gas service, which is comprised of commodity gas supply and local delivery service, required for any purpose by an individual non-residential customer at one location when supplied at one point of delivery where distribution mains are adjacent to the premises to be served. This schedule is also applicable to non-metered natural gas commodity supplies and local delivery service for street lighting to such entities as certificated homeowners associations, businesses, and federal, state, and local governments. The Company may decline requests for service under this tariff due to gas supply limitations.

NET MONTHLY BILL

The Net Monthly Bill is determined as follows:
All gas is billed in units of 100 cubic feet (CCF)

Customer Charge per month: \$15.35
Plus the applicable charge per month as set forth on Sheet No. 63,
Rider AMRP, Accelerated Main Replacement Program

	<u>Delivery Rate</u>		<u>Gas Cost Adjustment</u>		<u>Total Rate</u>	
Plus a Commodity Charge for all CCF at	20.49¢	plus	60.35¢	Equals	80.84¢	(R)

Plus all delivered gas shall be subject to an adjustment per CCF as set forth on:
Sheet No. 62, Rider DSMR, Demand Side Management Rate for non-residential service

The "Customer Charge" shown above plus Rider AMRP shall be the minimum amount billed per month.

The "Gas Cost Adjustment," as shown above, is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 70 of this tariff.

When bills are rendered less frequently than monthly the time related units such as cubic feet blocks, minimum bills or other charges, will be billed in accordance with the number of billing months in the meter reading interval.

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

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Effective: September 29, 2004

The Union Light, Heat and Power Company
107 Brent Spence Square
Covington, Kentucky 41011

Ky.P.S.C. Gas No. 5
Sheet No. 31.77
Canceling and Superseding
Sheet No. 31.76
Page 2 of 2

TERM OF SERVICE

One year, terminable thereafter on ten (10) days written notice by either customer or Company.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Service Regulations currently in effect, as filed with the Kentucky Public Service Commission as provided by law.

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