Columbia Gas of Kentucky
A NiSource Company

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

October 30, 2006

Ms. Beth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

RECEIVED

OCT 3 0 2006

PUBLIC SERVICE
COMMISSION

Re: Columbia Gas of Kentucky, Inc.
Gas Cost Adjustment Case No. 2006 - 00459

Dear Ms. O'Donnell:

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 December quarterly Gas Cost Adjustment ("GCA").

Columbia proposes to increase its current rates to tariff sales customers by $0.0684 per Mcf effective with its December 2006 billing cycle on November 29, 2006. The increase is composed of an increase of $0.2641 per Mcf in the Average Commodity Cost of Gas, an increase of $0.1132 per Mcf in the Average Demand Cost of Gas, a decrease of $0.0001 per Mcf in the Refund Adjustment, and a decrease of ($0.3090) per Mcf in the Actual Cost Adjustment. The Actual Cost Adjustment is revised pursuant to the Commission's Order dated May 10, 2006, in Case No. 2005-00446. The excess revenues in Columbia's stranded cost/recovery pool were inadvertently omitted from Columbia's previous quarterly filing and are therefore included herein. The approximately $3.6 million is returned to sales and Choice customers over nine months so that the refund is accomplished by August 31, 2007 as if it had been included in the prior filing.

Please feel free to contact me at 859-288-0242 if there are any questions.

Sincerely,

Judy Cooper

Judy M. Cooper
Director, Regulatory Policy

Enclosures

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PUBLIC SERVICE
COMMISSION

BEFORE THE
PUBLIC SERVICE COMMISSION
OF KENTUCKY

COLUMBIA GAS OF KENTUCKY, INC.

CASE 2006-00459

GAS COST ADJUSTMENT AND REVISED RATES OF
COLUMBIA GAS OF KENTUCKY, INC. PROPOSED TO BECOME
EFFECTIVE DECEMBER 2006 BILLINGS

nbia Gas of Kentucky, Inc.
parison of Current and Proposed GCAs

		September-06 CURRENT	December-06 PROPOSED	DIFFERENCE
	Commodity Cost of Gas	$8.7472	$9.0113	$0.2641
	Demand Cost of Gas	$1.2767	$1.3899	$0.1132
	Total: Expected Gas Cost (EGC)	$10.0239	$10.4012	$0.3773
	SAS Refund Adjustment	($0.0002)	($0.0002)	$0.0000
	Balancing Adjustment	$0.0006	$0.0006	$0.0000
	Supplier Refund Adjustment	($0.0132)	($0.0131)	$0.0001
	Actual Cost Adjustment	($1.6671)	($1.9761)	($0.3090)
3	Gas Cost Incentive Adjustment	$0.0230	$0.0230	$0.0000
9	Cost of Gas to Tariff Customers (GCA)	$8.3670	$8.4354	$0.0684
0	Transportation TOP Refund Adjustment	$0.0000	$0.0000	$0.0000
1	Banking and Balancing Service	$0.0205	$0.0206	$0.0001
12 13	Rate Schedule FI and GSO Customer Demand Charge	$6.5482	$6.5482	($0.0000)

.bia Gas of Kentucky, Inc.
ost Adjustment Clause
ost Recovery Rate
- Feb 07

Description		Amount	Expires
Expected Gas Cost (EGC)	Schedule No. 1	$10.4012	
Actual Cost Adjustment (ACA)	Schedule No. 2	($1.9761)	8-31-07
SAS Refund Adjustment (RA)	Schedule No. 5	($0.0002)	8-31-07
Supplier Refund Adjustment (RA)	Schedule No. 4	($0.0007)	05-31-07
	Schedule No. 4 Case No. 2006-	($0.0124)	02-28-07
	Total Refunds	($0.0131)	
Balancing Adjustment (BA)	Schedule No. 3	$0.0006	8-31-07
Gas Cost Incentive Adjustment	Schedule No. 6	$0.0230	5-31-07
Gas Cost Adjustment Dec 06 - Feb 07		$8.4354	
Expected Demand Cost (EDC) per Mcf (Applicable to Rate Schedule IS/SS and GSO)	Schedule No. 1, Sheet 4	$6.5482	

ATE FILED: October 30, 2006 **BY: J. M. Cooper**

Schedule No. 1
Sheet 1

Columbia Gas of Kentucky, Inc.
Expected Gas Cost for Sales Customers
Dec 06 - Feb 07

Line No.	Description		Reference	Volume A/ Mcf (1)	Dth. (2)	Rate Per Mcf (3)	Per Dth (4)	Cost (5)
	Storage Supply							
	Includes storage activity for sales customers only							
	Commodity Charge							
1	Withdrawal				(4,737,000)		$0.0153	$72,476
2	Injection				13,000		$0.0153	$199
3	Withdrawals: gas cost includes pipeline fuel and commodity charges				4,724,000		$7.7896	$36,797,968
	Total							
4	Volume	= 3			4,724,000			
5	Cost	sum(1:3)						$36,870,643
6	Summary	4 or 5			4,724,000			$36,870,643
	Flowing Supply							
	Excludes volumes injected into or withdrawn from storage.							
	Net of pipeline retention volumes and cost. Add unit retention cost on line 17							
7	Non-Appalachian		Sch.1, Sht. 5, Ln. 4		1,336,000			$12,165,000
8	Appalachian Supplies		Sch.1, Sht. 6, Ln. 4		199,000			$1,669,000
9	Less Fuel Retention By Interstate Pipelines		Sch. 1,Sheet 7, Lines 21, 22		(186,000)			($1,534,166)
10	Total	7 + 8 + 9			1,349,000			$12,299,834
	Total Supply							
11	At City-Gate		Line 6 + 10		6,073,000			$49,170,477
	Lost and Unaccounted For							
12	Factor				-0.9%			
13	Volume		Line 11 * 12		(54,657)			
14	At Customer Meter		Line 11 + 13		6,018,343			
15	**Sales Volume**		Line 14	5,701,888	6,018,343			
	Unit Costs $/MCF							
	Commodity Cost							
16	Excluding Cost of Pipeline Retention		Line 11 / Line 15			$8.6235		
17	Annualized Unit Cost of Retention		Sch. 1,Sheet 7, Line 24			$0.3878		
18	Including Cost of Pipeline Retention		Line 16 + 17			$9.0113		
19	Demand Cost		Sch.1, Sht. 2, Line 9			$1.3899		
20	Total Expected Gas Cost (EGC)		Line 18 + 19			$10.4012		

A/ BTU Factor = 1.0555 Dth/MCF

Columbia Gas of Kentucky, Inc.
GCA Unit Demand Cost
Dec 06 - Feb 07

Schedule No. 1
Sheet 2

Line No.	Description		Reference		
1	Expected Demand Cost: Annual Dec 2006 - Nov 2007		Sch. No.1, Sheet 3, Ln. 41	$20,018,209	
2	Less Rate Schedule IS/SS and GSO Customer Demand Charge Recovery		Sch. No.1, Sheet 4, Ln. 10	-$449,310	
3	Less Storage Service Recovery from Delivery Service Customers			-$224,887	
4	Net Demand Cost Applicable	1 + 2 + 3		$19,344,012	
	Projected Annual Demand: Sales + Choice Dec 2006 -Nov 2007				
	At city-gate				
	In Dth			14,823,000	Dth
	Heat content			1.0555	Dth/MCF
5	In MCF			14,043,581	MCF
	Lost and Unaccounted - For				
6	Factor			0.9%	
7	Volume	5 * 6		126,392	MCF
8	At Customer Meter	5 - 7		13,917,189	MCF
9	Unit Demand Cost (7 / 10)	To Sheet 1, line 19		$1.3899	per MCF

Columbia Gas of Kentucky, Inc.
Annual Demand Cost of Interstate Pipeline Capacity
Dec 2006 - Nov 2007

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	$1.5000	12	$3,975,840
2	FSS Seasonal Contract Quantity (SCQ)		11,264,911	$0.0288	12	$3,893,153
	Storage Service Transportation (SST)					
3	Summer	Apr. - Sept. 07	110,440	$4.1850	6	$2,773,148
4	Winter	Dec. 06 - Mar. 07, Oct - Nov. 07	220,880	$4.1850	6	$5,546,297
5	Firm Transportation Service (FTS)		20,014	$5.9410	12	$1,426,838
6	Subtotal	sum(1:5)				$17,615,277
	Columbia Gulf Transmission Company					
11	FTS - 1 (Mainline)		28,991	$3.1450	12	$1,094,120
	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					$20,018,209

Columbia Gas of Kentucky, Inc.
Gas Cost Adjustment Clause
Expected Demand Costs Recovered Annually From Rate Schedule IS/SS and GSO Customers
Dec 06 - Feb 07

Line No.	Description		Capacity Daily Dth (1)	# Months (2)	Annualized Dth (3) = (1) x (2)	Units	Annual Cost (3)
1	Expected Demand Costs (Per Sheet 3)						$20,018,209
	City-Gate Capacity:						
	Columbia Gas Transmission						
2	Firm Storage Service - FSS		220,880	12	2,650,560		
3	Firm Transportation Service - FTS		20,014	12	240,168		
4	Central Kentucky Transportation	June 06 - May 07	28,000	12	336,000		
5	Total	2 + 3 + 4			3,226,728	Dth	
6	Divided by Average BTU Factor				1.0555	Dth/MCF	
7	Total Capacity - Annualized	Line 5/ Line 6			3,057,061	Mcf	
8	Monthly Unit Expected Demand Cost (EDC) of Daily Capacity Applicable to Rate Schedules IS/SS and GSO Line 1 / Line 7				$6.5482	/Mcf	
9	Firm Volumes of IS/SS and GSO Customers		5,718	12	68,616	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		$449,310

Columbia Gas of Kentucky, Inc.
Non-Appalachian Supply: Volume and Cost
Dec 06 - Feb 07

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.

		Total Flowing Supply Including Gas Injected Into Storage				Net Flowing Supply for Current Consumption	
Line No.	Month	Volume A/ Dth (1)	Cost (2)	Unit Cost \$/Dth (3) = (2) / (1)	Net Storage Injection Dth (4)	Volume Dth (5) = (1) + (4)	Cost (6) = (3) x (5)
1	Dec-06	543,000	\$4,747,000	\$8.74	0	543,000	\$4,747,000
2	Jan-07	554,000	\$5,073,000	\$9.16	0	554,000	\$5,073,000
3	Feb-07	239,000	\$2,345,000	\$9.81	0	239,000	\$2,345,000
4	Total 1+2+3	1,336,000	\$12,165,000	\$9.11	0	1,336,000	\$12,165,000

A/ Gross, before retention.

Columbia Gas of Kentucky, Inc.
Appalachian Supply: Volume and Cost
Dec 06 - Feb 07

Schedule No. 1
Sheet 6

Line No.	Month		Dth (2)	Cost (3)
1	Dec-06		70,000	$571,000
2	Jan-07		66,000	$560,000
3	Feb-07		63,000	$538,000
4	Total	1 + 2 + 3	199,000	$1,669,000

Columbia Gas of Kentucky, Inc.
Annualized Unit Charge for Gas Retained by Upstream Pipelines
Dec 06 - Feb 07

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.

			Units	Dec 06 - Feb 07	Mar - May 07	June - Aug 07	Sept - Nov 07	Annual Dec 2006 - Nov 2007
	Gas purchased by CKY for the remaining sales customers							
1	Volume		Dth	1,535,000	3,394,000	4,505,000	2,415,000	11,849,000
2	Commodity Cost Including Transportation			$13,834,000	$27,408,000	$36,529,000	$19,962,000	$97,733,000
3	Unit cost		$/Dth					$8.2482
	Consumption by the remaining sales customers							
11	At city gate		Dth	6,066,000	2,610,000	697,000	1,931,000	11,304,000
12	Lost and unaccounted for portion			0.90%	0.90%	0.90%	0.90%	
	At customer meters							
13	In Dth	(100% - 12) * 11	Dth	6,011,406	2,586,510	690,727	1,913,621	11,202,264
14	Heat content		Dth/MCF	1.0555	1.0555	1.0555	1.0555	
15	In MCF	13 / 14	MCF	5,695,316	2,450,507	654,407	1,813,000	10,613,230
16	Portion of annual	line 15, quarterly / annual		53.7%	23.1%	6.2%	17.1%	100.0%
	Gas retained by upstream pipelines							
21	Volume		Dth	186,000	113,000	114,000	86,000	499,000
	Cost			To Sheet 1, line 9				
22	Quarterly. Deduct from Sheet 1	3 * 21		$1,534,166	$932,047	$940,296	$709,346	$4,115,855
23	Allocated to quarters by consumption			$2,208,667	$950,317	$253,782	$703,089	$4,115,855
				To Sheet 1, line 17				
24	Annualized unit charge	23 / 15	$/MCF	$0.3878	$0.3878	$0.3878	$0.3878	$0.3878

COLUMBIA GAS OF KENTUCKY, INC.

Schedule No. 1
Sheet 8

DETERMINATION OF THE BANKING AND
BALANCING CHARGE
FOR THE PERIOD BEGINNING DECEMBER 2006

Line No.	Description	Dth	Detail	Amount For Transportation Customers
1	Total Storage Capacity. Sheet 3, line 4	11,264,911		
2	Net Transportation Volume	11,547,967		
3	Contract Tolerance Level @ 5%	577,398		
4	Percent of Annual Storage Applicable			
5	to Transportation Customers		5.13%	
6	Seasonal Contract Quantity (SCQ)			
7	Rate		$0.0288	
8	SCQ Charge - Annualized		$3,893,153	
9	Amount Applicable To Transportation Customers			**$199,719**
10	FSS Injection and Withdrawal Charge			
11	Rate		0.0306	
12	Total Cost		$344,706	
13	Amount Applicable To Transportation Customers			**$17,683**
14	SST Commodity Charge			
15	Rate		0.0157	
16	*Total Cost*		$145,894	
17	Amount Applicable To Transportation Customers			**$7,484**
18	Total Cost Applicable To Transportation Customers			**$224,887**
19	Total Transportation Volume - Mcf			18,658,484
20	Flex and Special Contract Transportation Volume - Mcf			(7,717,729)
21	Net Transportation Volume - Mcf	line 19 + line 20		10,940,755
22	Banking and Balancing Rate - Mcf.	Line 18 / line 21. To line 11 of the GCA Comparison		**$0.0206**

ACTUAL ADJUSTMENT

STATEMENT SHOWING COMPUTATION OF
ACTUAL GAS COST ADJUSTMENT (ACA)
BASED ON THE TWELVE MONTHS ENDED JUNE 30, 2006

LINE NO.	MONTH	Total Sales Volumes Per Books Mcf (1)	Standby Service Sales Volumes Mcf (2)	Net Applicable Sales Volumes Mcf (3)=(1)-(2)	Average Expected Gas Cost Rate $/Mcf (4)	Gas Cost Recovery $ (5)	Standby Service Recovery $ (6)	Total Gas Cost Recovery $ (7)=(5)+(6)	Cost of Gas Purchased $ (8)	(OVER)/ UNDER RECOVERY $ (9)=(8)-(7)
1	July 2005	186,257	1,197	185,060	$9.4578	$1,750,252	$53,570	$1,803,822	($1,278,002)	($3,081,824)
2	August 2005	182,307	3,161	179,146	$9.4577	$1,694,301	$67,800	$1,762,101	$1,426,238	($335,863)
3	September 2005	236,055	2,344	233,711	$9.9800	$2,332,426	$60,775	$2,393,201	$10,938	($2,382,263)
4	October 2005	278,865	2,519	276,346	$10.1188	$2,796,286	$60,374	$2,856,660	$8,978,735	$6,122,075
5	November 2005	772,969	6,149	766,820	$12.9657	$9,942,341	$87,348	$10,029,689	$16,664,340	$6,634,651
6	December 2005	1,733,771	2,428	1,731,343	$15.3223	$26,528,157	$78,328	$26,606,484	$30,352,882	$3,746,398
7	January 2006	2,107,138	5,477	2,101,661	$15.3548	$32,270,581	$124,428	$32,395,009	$21,916,422	($10,478,587)
8	February 2006	1,715,692	2,301	1,713,391	$12.3406	$21,144,303	$70,243	$21,214,546	$19,646,500	($1,568,046)
9	March 2006	1,592,272	5,433	1,586,839	$11.7832	$18,698,092	$75,493	$18,773,584	$11,738,087	($7,035,497)
10	April 2006	1,018,897	3,599	1,015,298	$11.7716	$11,951,693	$74,067	$12,025,759	$4,252,038	($7,773,722)
11	May 2006	480,311	1,849	478,462	$11.7716	$5,632,266	$49,848	$5,682,113	$4,096,172	($1,585,942)
12	June 2006	294,462	(1,588)	296,050	$10.7242	$3,174,910	$19,779	$3,194,689	($3,386,593)	($6,581,282)
13	TOTAL	10,598,996	34,869	10,564,127		$137,915,606	$822,052	$138,737,658	$114,417,757	($24,319,902)
14	Off-System Sales									($740,813)
15	Capacity Release									($217,235)
16	Gas Cost Audit									$0
17	TOTAL (OVER)/UNDER-RECOVERY									($25,277,950)
18	Demand Revenues Received									$13,223,300
19	Demand Cost of Gas									$18,670,400
20	Demand Under Recovery									$5,447,100
21	Expected Sales + Choice Volumes for the Twelve Months End Aug. 30, 2007									15,162,300
22	DEMAND ACA Per Case No. 2006-00366									$0.3593
23	Stranded Cost Pool Balance per Case No. 2005-00446									($3,595,743)
24	Expected Sales + Choice Volumes for the Nine Months End Aug. 30, 2007									11,638,000
25	Addition to Demand ACA per Case No. 2005-00446									($0.3090)
26	DEMAND ACA TO EXPIRE AUGUST 31, 2007				Line 22 + Line 25					$0.0503
27	Commodity Revenues Received									$125,514,365
28	Commodity Cost of Gas									$94,789,308
29	Commodity Under Recovery									($30,725,056)
30	Expected Sales + Choice Volumes for the Twelve Months End Aug. 30, 2007									15,162,300
31	COMMODITY ACA TO EXPIRE AUGUST 31, 2007									($2.0264)
32	TOTAL ACA TO EXPIRE AUGUST 31, 2007									($1.9761)

DETAIL SUPPORTING

DEMAND/COMMODITY SPLIT

COLUMBIA GAS OF KENTUCKY
CASE NO. Effective December 2006 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 19)	$1.3899	
Demand ACA (Schedule No. 2, Sheet 1, Line 26)	0.0503	
Refund Adjustment (Schedule No. 4)	-0.0131	
SAS Refund Adjustment (Schedule No. 5)	-0.0002	
Total Demand Rate per Mcf	$1.4269	<--- to Att. E, line 21
Commodity Component of Gas Cost Adjustment		
Commodity Cost of Gas (Schedule No. 1, Sheet 1, Line 18)	$9.0113	
Commodity ACA (Schedule No. 2, Sheet 1, Line 28)	-$2.0264	
Balancing Adjustment (Schedule No. 3, Sheet 1, Line 21)	$0.0006	
Gas Cost Incentive Adjustment (Schedule No. 6)	$0.0230	
Total Commodity Rate per Mcf	$7.0085	
CHECK:	$1.4269	
	$7.0085	
COST OF GAS TO TARIFF CUSTOMERS (GCA)	$8.4354	
Calculation of Rate Schedule SVGTS - Actual Gas Cost Adjustment		
Commodity ACA (Schedule No. 2, Sheet 1, Line 28)	-$2.0264	
Balancing Adjustment (Schedule No. 3, Sheet 1, Line 21)	$0.0006	
Gas Cost Incentive Adjustment (Schedule No. 6)	$0.0230	
Total Commodity Rate per Mcf	-$2.0028	

Columbia Gas of Kentucky, Inc.
CKY Choice Program
100% Load Factor Rate of Assigned FTS Capacity
Balancing Charge
Dec 06 - Feb 07

Line No.	Description		Contract Volume Dth Sheet 3 (1)	Retention (2)	Monthly demand charges $/Dth Sheet 3 (3)	# months A/ (4)	Assignment proportions lines 4, 5 (5)	Adjustment for retention on downstream pipe, if any (6) = 1 / (100%- col2)	Annual costs $/Dth (7) = 3 * 4 * 5 * 6	Annual costs $/MCF
	City gate capacity assigned to Choice marketers									
	Contract									
1	CKT FTS/SST		28,000	0.644%						
2	TCO FTS		20,014	2.007%						
3	Total		48,014							
	Assignment Proportions									
4	CKT FTS/SST	1 / 3	58.32%							
5	TCO FTS	2 / 3	41.68%							
	Annual demand cost of capacity assigned to choice marketers									
6	CKT FTS				$0.5090	12	0.5832	1.0000	$3.5620	
7	TCO FTS				$5.9410	12	0.4168	1.0000	$29.7171	
8	Gulf FTS-1, upstream to CKT FTS				$3.1450	12	0.5832	1.0065	$22.1512	
9	TGP FTS-A, upstream to TCO FTS				$4.6238	12	0.4168	1.0205	$23.6021	
10	Total Demand Cost of Assigned FTS, per unit								$79.0325	$83.4188
11	100% Load Factor Rate (10 / 365 days)									$0.2285
	Balancing charge, paid by Choice marketers									
12	Demand Cost Recovery Factor in GCA, per Mcf per CKY Tariff Sheet No. 5									$1.4269
13	Less credit for cost of assigned capacity									($0.2285)
14	Plus storage commodity costs incurred by CKY for the Choice marketer									$0.1299
15	Balancing Charge, per Mcf sum(12:14)									$1.3283

PIPELINE COMPANY TARIFF SHEETS

Currently Effective Rates
Applicable to Rate Schedule FTS and NTS
Rate Per Dth

		Base Tariff Rate 1/	Transportation Cost Rate Adjustment Current	Transportation Cost Rate Adjustment Surcharge	Electric Power Costs Adjustment Current	Electric Power Costs Adjustment Surcharge	Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
Rate Schedule FTS									
Reservation Charge 3/	$	5.575	0.354	-0.017	0.029	0.000	-	5.941	0.195
Commodity									
Maximum	¢	1.04	0.25	0.00	0.26	0.01	0.16	1.72	1.72
Minimum	¢	1.04	0.25	0.00	0.26	0.01	0.16	1.72	1.72
Overrun	¢	19.37	1.41	-0.06	0.36	0.01	0.16	21.25	21.25
Rate Schedule NTS									
Reservation Charge 3/	$	7.084	0.354	-0.017	0.029	0.000	-	7.450	0.245
Commodity									
Maximum	¢	1.04	0.25	0.00	0.26	0.01	0.16	1.72	1.72
Minimum	¢	1.04	0.25	0.00	0.26	0.01	0.16	1.72	1.72
Overrun	¢	24.33	1.41	-0.06	0.36	0.01	0.16	26.21	26.21

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. For rates by function, see Sheet No. 30A.
2/ ACA assessed where applicable pursuant to Section 154.402 of the Commission's Regulations.
3/ Minimum reservation charge is $0.00.

Columbia Gas Transmission Corporation
FERC Gas Tariff
Second Revised Volume No. 1

Eightieth Revised Sheet No. 26
Superseding
Seventy-ninth Revised Sheet No. 26

Currently Effective Rates
Applicable to Rate Schedule SST and GTS
Rate Per Dth

		Base Tariff Rate 1/	Transportation Cost Rate Adjustment Current	Transportation Cost Rate Adjustment Surcharge	Electric Power Costs Adjustment Current	Electric Power Costs Adjustment Surcharge	Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
Rate Schedule SST									
Reservation Charge 3/	$	5.405	0.354	-0.017	0.029	0.000	-	5.771	0.190
Commodity									
Maximum	¢	1.02	0.25	0.00	0.26	0.01	0.16	1.70	1.70
Minimum	¢	1.02	0.25	0.00	0.26	0.01	0.16	1.70	1.70
Overrun	¢	18.79	1.41	-0.06	0.36	0.01	0.16	20.67	20.67
Rate Schedule GTS									
Commodity									
Maximum	¢	74.23	2.58	-0.11	0.45	0.01	0.16	77.32	77.32
Minimum	¢	3.08	0.25	-0.11	0.26	0.01	0.16	3.65	3.65
MFCC	¢	71.15	2.33	0.00	0.19	0.00	-	73.67	73.67

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. For rates by function, see Sheet No. 30A.
2/ ACA assessed where applicable pursuant to Section 154.402 of the Commission's Regulations.
3/ Minimum reservation charge is $0.00.

Issued by: Thomas D. Stone, Manager
Issued on: August 31, 2006

Effective: October 1, 2006

Currently Effective Rates
Applicable to Rate Schedule FSS, ISS, and SIT
Rate Per Dth

	Base Tariff Rate 1/	Transportation Cost Rate Adjustment Current	Transportation Cost Rate Adjustment Surcharge	Electric Power Costs Adjustment Current	Electric Power Costs Adjustment Surcharge	Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
Rate Schedule FSS								
Reservation Charge	$ 1.500	-	-	-	-	-	1.500	0.049
Capacity	¢ 2.88	-	-	-	-	-	2.88	2.88
Injection	¢ 1.53	-	-	-	-	-	1.53	1.53
Withdrawal	¢ 1.53	-	-	-	-	-	1.53	1.53
Overrun	¢ 10.87	-	-	-	-	-	10.87	10.87
Rate Schedule ISS								
Commodity								
Maximum	¢ 5.92	-	-	-	-	-	5.92	5.92
Minimum	¢ 0.00	-	-	-	-	-	0.00	0.00
Injection	¢ 1.53	-	-	-	-	-	1.53	1.53
Withdrawal	¢ 1.53	-	-	-	-	-	1.53	1.53
Rate Schedule SIT								
Commodity								
Maximum	¢ 4.11	-	-	-	-	-	4.11	4.11
Minimum	¢ 1.53	-	-	-	-	-	1.53	1.53

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.

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

	Base Rate (1) $	Annual Charge Adjustment (2) $ 1/	Subtotal (3) $	Total Effective Rate (4) $	Daily Rate (5) $	Company Use and Unaccounted For (6) %
Rate Schedule FTS-1						
Rayne, LA To Points North						
Reservation Charge 2/	3.1450	-	3.1450	3.1450	0.1034	-
Commodity						
Maximum	0.0170	0.0016	0.0186	0.0186	0.0186	2.265
Minimum	0.0170	0.0016	0.0186	0.0186	0.0186	2.265
Overrun	0.1204	0.0016	0.1220	0.1220	0.1220	2.265

1/ Pursuant to Section 154.402 of the Commission's Regulations. Rate applies to all Gas Delivered and is non-cumulative, i.e., when transportation involves more than one zone, rate will be applied only one time.

2/ The Minimum Rate under Reservation Charge is zero (0).

Currently Effective Rates
Applicable to Rate Schedules FTS and ITS
Rate per Dth

		Base Tariff Rate	Annual Charge Adjustment	Total Effective Rate	Daily Rate
Rate Schedule FTS					
Reservation Charge					
Maximum	$	0.509	-	0.509	0.0167
Minimum	$	0.509	-	0.509	0.0167
Commodity Charge					
Maximum	¢	0.00	0.00	0.00	0.00
Minimum	¢	0.00	0.00	0.00	0.00
Overrun	¢	1.67	0.00	1.67	1.67
Rate Schedule ITS					
Commodity Charge					
Maximum	¢	1.67	0.00	1.67	1.67
Minimum	¢	1.67	0.00	1.67	1.67

RETAINAGE PERCENTAGE
Transportation Retainage 0.644%

PROPOSED TARIFF SHEETS

CURRENTLY EFFECTIVE BILLING RATES

	Base Rate Charge $	Gas Cost Adjustment[1/] Demand $	Gas Cost Adjustment[1/] Commodity $	Total Billing Rate $	
RATE SCHEDULE GSR					
First 1 Mcf or less per billing period	6.95	1.4269	7.0085	15.3854	I
Over 1 Mcf per billing period	1.8715	1.4269	7.0085	10.3069	I
RATE SCHEDULE GSO					
Commercial or Industrial					
First 1 Mcf or less per billing period	18.88	1.4269	7.0085	27.3154	I
Next 49 Mcf per billing period	1.8715	1.4269	7.0085	10.3069	I
Next 350 Mcf per billing period	1.8153	1.4269	7.0085	10.2507	I
Next 600 Mcf per billing period	1.7296	1.4269	7.0085	10.1650	I
Over 1000 Mcf per billing period	1.5802	1.4269	7.0085	10.0156	I
Delivery Service					
Administrative Charge	55.90			55.90	
Standby Service Demand Charge					
Demand Charge times Daily Firm Vol. (Mcf) in Cust. Serv. Agrmt.		6.5482		6.5482	
Delivery Rate Per Mcf					
First 400 Mcf per billing period	1.8153			1.8153	
Next 600 Mcf per billing period	1.7296			1.7296	
All Over 1000 Mcf per billing period	1.5802			1.5802	
Former IN8 Rate Per Mcf	1.0575			1.0575	
Banking and Balancing Service		0.0206		0.0206	I

(continued on following sheet)

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, IN6, or IUS and received service under Rate Schedule SVGTS shall be $10.4012 per Mcf only for those months of the prior twelve months during which they were served under Rate Schedule SVGTS I

(I) Increase

DATE OF ISSUE: October 30, 2006 **DATE EFFECTIVE:** December 2006 Billing Cycle (November 29, 2006)

ISSUED BY: Herbert A. Miller, Jr. President

CURRENTLY EFFECTIVE BILLING RATES

(Continued)

	Base Rate Charge $	Gas Cost Adjustment[1/] Demand $	Gas Cost Adjustment[1/] Commodity $	Total Billing Rate $	
RATE SCHEDULE GPR[3/]					
First 1 Mcf or less per billing period	6.95	N/A	N/A	N/A	
Over 1 Mcf per billing period	1.8715	N/A	N/A	N/A	
RATE SCHEDULE GPO[3/]					
Commercial or Industrial					
First 1 Mcf or less per billing period	18.88	N/A	N/A	N/A	
Next 49 Mcf per billing period	1.8715	N/A	N/A	N/A	
Next 350 Mcf per billing period	1.8153	N/A	N/A	N/A	
Next 600 Mcf per billing period	1.7296	N/A	N/A	N/A	
Over 1000 Mcf per billing period	1.5802	N/A	N/A	N/A	
RATE SCHEDULE IS					
Customer Charge per billing period	116.55			116.55	
First 30,000 Mcf	0.5467		7.0085 [2/]	7.5552	I
Over 30,000 Mcf	0.2905		7.0085 [2/]	7.2990	I
Standby Service Demand Charge					
Demand Charge times Daily Firm Volume (Mcf) in Customer Service Agreement		6.5482		6.5482	
Delivery Service1					
Administrative Charge	55.90			55.90	
First 30,000 Mcf	0.5467				
Over 30,000 Mcf	0.2905			0.2905	
Banking and Balancing Service	0.0206			0.0206	I

(continued on following sheet)

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/ IS Customers may be subject to the Demand Gas Cost, under the conditions set forth on Sheets 14 and 15 of this tariff.

3/ Currently, there are no customers on this rate schedule.

(I) – Increase

CURRENTLY EFFECTIVE BILLING RATES

(Continued)

	Base Rate Charge $	Gas Cost Adjustment[1/] Demand $	Gas Cost Adjustment[1/] Commodity $	Total Billing Rate $	
RATE SCHEDULE IUS					
For All Volumes Delivered Per Mcf	0.3038	1.4269	7.0085	8.7392	I
Delivery Service					
Administrative Charge	55.90			55.90	
Delivery Rate Per Mcf	0.3038	1.4269		1.7307	R
Banking and Balancing Service		0.0206		0.0206	I
MAINLINE DELIVERY SERVICE					
Administrative Charge	55.90			55.90	
Delivery Rate Per Mcf	0.0858			0.0858	
Banking and Balancing Service		0.0206		0.0206	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.

R – Reduction I- Increase

DATE OF ISSUE: October 30, 2006 **DATE EFFECTIVE:** December 2006 Billing Cycle (November 29, 2006)

ISSUED BY: Herbert A. Miller, Jr. President

CURRENTLY EFFECTIVE BILLING RATES

RATE SCHEDULE SVGTS	Delivery Charge per Mcf
General Service Residential	
First 1 Mcf or less per billing period	$ 6.95 (Minimum Bill)
Over 1 Mcf per billing period	1.8715
General Service Other	
First 1 Mcf or less per billing period	$18.88 (Minimum Bill)
Next 49 Mcf per billing period	1.8715
Next 350 Mcf per billing period	1.8153
Next 600 Mcf per billing period	1.7296
Over 1000 Mcf per billing period	1.5802
Intrastate Utility Service	
For all volumes per billing period	$ 0.038
Actual Gas Cost Adjustment	
For all volumes per billing period	$ (2.0028)
Rate Schedule SVAS	
Balancing Charge – per Mcf	$ 1.3283 R

(R) Reduction

DATE OF ISSUE: October 30, 2006

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ISSUED BY: Herbert A. Miller, Jr. President