

Columbia Gas<sup>®</sup>  
of Kentucky

A NiSource Company

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

October 27, 2014

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

RECEIVED

OCT 27 2014

PUBLIC SERVICE  
COMMISSION

Re: Columbia Gas of Kentucky, Inc.  
Gas Cost Adjustment Case No. 2014 –

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 December quarterly Gas Cost Adjustment ("GCA").

Columbia proposes to increase its current rates to tariff sales customers by \$0.3072 per Mcf effective with its December 2014 billing cycle on November 26, 2014. The increase is composed of an increase of \$0.2637 per Mcf in the Average Commodity Cost of Gas and an increase of \$0.0435 per Mcf in the Average Demand Cost of Gas. Please feel free to contact me at 859-288-0242 or [jmcoop@nisource.com](mailto:jmcoop@nisource.com) if there are any questions.

Sincerely,



Judy M. Cooper  
Director, Regulatory Policy

Enclosures

BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF KENTUCKY

COLUMBIA GAS OF KENTUCKY, INC.

CASE 2014 –

GAS COST ADJUSTMENT AND REVISED RATES OF  
COLUMBIA GAS OF KENTUCKY, INC. PROPOSED TO BECOME  
EFFECTIVE DECEMBER 2014 BILLINGS

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

Line No.	September-14 <u>CURRENT</u>	December-14 <u>PROPOSED</u>	<u>DIFFERENCE</u>	
1	Commodity Cost of Gas	\$5.0760	\$5.3397	\$0.2637
2	Demand Cost of Gas	\$1.4285	\$1.4720	\$0.0435
3	Total: Expected Gas Cost (EGC)	\$6.5045	\$6.8117	\$0.3072
4	SAS Refund Adjustment	(\$0.0001)	(\$0.0001)	\$0.0000
5	Balancing Adjustment	(\$0.0051)	(\$0.0051)	\$0.0000
6	Supplier Refund Adjustment	\$0.0000	\$0.0000	\$0.0000
7	Actual Cost Adjustment	\$0.3722	\$0.3722	\$0.0000
8	Gas Cost Incentive Adjustment	\$0.0189	\$0.0189	\$0.0000
9	Cost of Gas to Tariff Customers (GCA)	\$6.8904	\$7.1976	\$0.3072
10	Transportation TOP Refund Adjustment	\$0.0000	\$0.0000	\$0.0000
11	Banking and Balancing Service	\$0.0203	\$0.0210	\$0.0007
12	Rate Schedule FI and GSO			
13	Customer Demand Charge	\$6.6361	\$6.8304	\$0.1943

Columbia Gas of Kentucky, Inc.  
Gas Cost Adjustment Clause  
Gas Cost Recovery Rate  
Dec - Feb 15

<u>Line No.</u>	<u>Description</u>		<u>Amount</u>	<u>Expires</u>
1	Expected Gas Cost (EGC)	Schedule No. 1	\$6.8117	2-28-15
2	Actual Cost Adjustment (ACA)	Schedule No. 2 Case No. 2014-00269	\$0.3722	08-31-15
3	SAS Refund Adjustment (RA)	Schedule No. 5 Case No. 2014-00269	(\$0.0001)	02-28-15
4	Balancing Adjustment (BA)	Schedule No. 3 Case No. 2014-00269	(\$0.0051)	02-28-15
5	Gas Cost Incentive Adjustment	Schedule No. 6 Case No. 2014-00028	\$0.0189	02-28-15
6	Gas Cost Adjustment			
7	Dec - Feb 15		<u>\$7.1976</u>	
8	Expected Demand Cost (EDC) per Mcf			
9	(Applicable to Rate Schedule IS/SS and GSO)	Schedule No. 1, Sheet 4	<u>\$6.8304</u>	

DATE FILED: October 27, 2014

BY: J. M. Cooper

**Columbia Gas of Kentucky, Inc.**  
**Expected Gas Cost for Sales Customers**  
Dec - Feb 15

Schedule No. 1  
Sheet 1

Line No.	Description	Reference	Volume A/		Rate		Cost (5)
			Mcf (1)	Dth. (2)	Per Mcf (3)	Per Dth (4)	
<b>Storage Supply</b>							
Includes storage activity for sales customers only							
Commodity Charge							
1	Withdrawal			(5,178,000)		\$0.0153	\$79,223
2	Injection			1,000		\$0.0153	\$15
3	Withdrawals: gas cost includes pipeline fuel and commodity charges			5,177,000		\$4.8248	\$24,977,990
Total							
4	Volume	= 3		5,177,000			
5	Cost	sum(1:3)					\$25,057,228
6	Summary	4 or 5		5,177,000			\$25,057,228
<b>Flowing Supply</b>							
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		814,000			\$3,353,680
8	Appalachian Supplies	Sch.1, Sht. 6, Ln. 4		172,000			\$755,000
9	Less Fuel Retention By Interstate Pipelines	Sch. 1,Sheet 7, Lines 21, 22		(146,000)			(\$511,506)
10	Total	7 + 8 + 9		840,000			\$3,597,174
<b>Total Supply</b>							
11	At City-Gate	Line 6 + 10		6,017,000			\$28,654,402
Lost and Unaccounted For							
12	Factor			-0.9%			
13	Volume	Line 11 * 12		(54,153)			
14	At Customer Meter	Line 11 + 13	5,542,194	5,962,847			
15	Less: Right-of-Way Contract Volume			1,526			
16	<b>Sales Volume</b>	Line 14-15		5,540,668			
<b>Unit Costs S/MCF</b>							
Commodity Cost							
17	Excluding Cost of Pipeline Retention	Line 11 / Line 16				\$5.1717	
18	Annualized Unit Cost of Retention	Sch. 1,Sheet 7, Line 24				\$0.1378	
19	Including Cost of Pipeline Retention	Line 17 + 18				\$5.3095	
20	Uncollectible Ratio	CN 2013-00167				0.00568963	
21	Gas Cost Uncollectible Charge	Line 19 * Line 20				\$0.0302	
22	Total Commodity Cost	line 19 + line 21				\$5.3397	
23	Demand Cost	Sch.1, Sht. 2, Line 10				\$1.4720	
24	Total Expected Gas Cost (EGC)	Line 22 + 23				\$6.8117	

A/ BTU Factor = 1.0759 Dth/MCF

**Columbia Gas of Kentucky, Inc.**  
**GCA Unit Demand Cost**  
**Dec - Feb 15**

Schedule No. 1  
 Sheet 2

<u>Line No.</u>	<u>Description</u>	<u>Reference</u>	
1	Expected Demand Cost: Annual December 2014 - November 2015	Sch. No.1, Sheet 3, Ln. 41	\$20,485,010
2	Less Rate Schedule IS/SS and GSO Customer Demand Charge Recovery	Sch. No.1, Sheet 4, Ln. 10	-\$358,268
3	Less Storage Service Recovery from Delivery Service Customers		-\$183,758
4	Net Demand Cost Applicable 1 + 2 + 3  Projected Annual Demand: Sales + Choice		\$19,942,984
5	At city-gate In Dth Heat content In MCF		14,712,000 Dth 1.0759 Dth/MCF 13,674,133 MCF
6	Lost and Unaccounted - For Factor		0.9%
7	Volume 5 * 6		123,067 MCF
8	Right of way Volumes		<u>2,680</u>
9	At Customer Meter 5 - 7 - 8		<u>13,548,386</u> MCF
10	Unit Demand Cost (4/ 9) To Sheet 1, line 23		\$1.4720 per MCF

**Columbia Gas of Kentucky, Inc.**  
**Annual Demand Cost of Interstate Pipeline Capacity**  
December 2014 - November 2015

Schedule No. 1  
Sheet 3

Line No.	Description	Dth	Monthly Rate \$/Dth	# Months	Expected Annual Demand Cost
<b>Columbia Gas Transmission Corporation</b>					
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	\$6.0680	12	\$1,457,339
6	Subtotal				sum(1:5) \$17,683,150
<b>Columbia Gulf Transmission Company</b>					
11	FTS - 1 (Mainline)	28,991	\$4.2917	12	\$1,493,048
<b>Tennessee Gas</b>					
21	Firm Transportation	20,506	\$4.6238	12	\$1,137,788
<b>Central Kentucky Transmission</b>					
31	Firm Transportation	28,000	\$0.5090	12	\$171,024
41	<b>Total.</b> Used on Sheet 2, line 1				\$20,485,010

Columbia Gas of Kentucky, Inc.  
 Gas Cost Adjustment Clause

Schedule No. 1  
 Sheet 4

Expected Demand Costs Recovered Annually From Rate Schedule IS/SS and GSO Customers  
 December 2014 - November 2015

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)					\$20,485,010
	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	28,000	12	336,000		
5	Total		2 + 3 + 4	3,226,728	Dth	
6	Divided by Average BTU Factor			1.076	Dth/MCF	
7	Total Capacity - Annualized		Line 5/ Line 6	2,999,097	Mcf	
	Monthly Unit Expected Demand Cost (EDC) of Daily Capacity					
8	Applicable to Rate Schedules IS/SS and GSO Line 1 / Line 7			\$6.8304	/Mcf	
9	Firm Volumes of IS/SS and GSO Customers	4,371	12	52,452	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	\$358,268



**Columbia Gas of Kentucky, Inc.**  
**Non-Appalachian Supply: Volume and Cost**  
**Dec - Feb 15**

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-14	814,000	\$3,045,000		0	814,000	
2	Jan-15	0	\$159,000		0	0	
3	Feb-15	0	\$150,000		0	0	
4	Total 1+2+3	814,000	\$3,354,000	\$4.12	0	814,000	\$3,353,680

A/ Gross, before retention.

**Columbia Gas of Kentucky, Inc.**  
**Appalachian Supply: Volume and Cost**  
Dec - Feb 15

Schedule No. 1  
Sheet 6

<u>Line</u> <u>No.</u>	<u>Month</u>	<u>Dth</u> (2)	<u>Cost</u> (3)	
1	Dec-14	53,000	\$229,000	
2	Jan-15	63,000	\$278,000	
3	Feb-15	56,000	\$248,000	
4	Total	1 + 2 + 3	172,000	\$755,000

**Columbia Gas of Kentucky, Inc.**  
**Annualized Unit Charge for Gas Retained by Upstream Pipelines**  
 Dec - Feb 15

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 15	Mar - May 15	Jun - Aug 15	Sep - Nov 15	Annual 2014 - November 2015		
Gas purchased by CKY for the remaining sales customers								
1	Volume	Dth	986,000	3,103,000	4,229,000	2,217,000	10,535,000	
2	Commodity Cost including Transportation		\$4,109,000	\$10,655,000	\$14,452,000	\$7,693,000	\$36,909,000	
3	Unit cost	\$/Dth					\$3.5035	
Consumption by the remaining sales customers								
11	At city gate	Dth	6,027,000	2,281,000	507,000	1,755,000	10,570,000	
12	Lost and unaccounted for portion		0.90%	0.90%	0.90%	0.90%		
At customer meters								
13	In Dth	(100% - 12) * 11	Dth	5,972,757	2,260,471	502,437	1,739,205	10,474,870
14	Heat content		Dth/MCF	1.0759	1.0759	1.0759	1.0759	
15	In MCF	13 / 14	MCF	5,551,405	2,101,005	466,992	1,616,512	9,735,914
16	Portion of annual	line 15, quarterly / annual		57.0%	21.6%	4.8%	16.6%	100.0%
Gas retained by upstream pipelines								
21	Volume	Dth	146,000	87,000	85,000	65,000	383,000	
Cost								
22	Quarterly. Deduct from Sheet 1	3 * 21	To Sheet 1, line 9	\$511,506	\$304,801	\$297,794	\$227,725	\$1,341,826
23	Allocated to quarters by consumption			\$764,841	\$289,834	\$64,408	\$222,743	\$1,341,826
24	Annualized unit charge	23 / 15	To Sheet 1, line 18	\$0.1378	\$0.1380	\$0.1379	\$0.1378	\$0.1378

COLUMBIA GAS OF KENTUCKY, INC.

Schedule No. 1

Sheet 8

DETERMINATION OF THE BANKING AND  
BALANCING CHARGE  
FOR THE PERIOD BEGINNING DECEMBER 2014

<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	9,407,671		
3	Contract Tolerance Level @ 5%	470,384		
4	Percent of Annual Storage Applicable			
5	to Transportation Customers		4.18%	
6	Seasonal Contract Quantity (SCQ)			
7	Rate		\$0.0289	
8	SCQ Charge - Annualized		<u>\$3,906,671</u>	
9	Amount Applicable To Transportation Customers			<u>\$163,299</u>
10	FSS Injection and Withdrawal Charge			
11	Rate		0.0306	
12	Total Cost		<u>\$344,706</u>	
13	Amount Applicable To Transportation Customers			<u>\$14,409</u>
14	SST Commodity Charge			
15	Rate		0.0164	
16	Projected Annual Storage Withdrawal, Dth		8,825,000	
17	Total Cost		<u>\$144,730</u>	
18	Amount Applicable To Transportation Customers			<u>\$6,050</u>
19	Total Cost Applicable To Transportation Customers			<u>\$183,758</u>
20	Total Transportation Volume - Mcf			17,958,001
21	Flex and Special Contract Transportation Volume - Mcf			(9,214,000)
22	Net Transportation Volume - Mcf	line 20 + line 21		8,744,001
23	Banking and Balancing Rate - Mcf.	Line 19 / line 22. To line 11 of the GCA Comparison		<u>\$0.0210</u>

**DETAIL SUPPORTING  
DEMAND/COMMODITY SPLIT**

**COLUMBIA GAS OF KENTUCKY**  
**CASE NO. 2014- Effective December 2014 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)	\$1.4720	
Demand ACA (Schedule No. 2, Sheet 1, Case No. 2014-00269)	(\$0.2779)	
Total Refund Adjustment (Schedule No. 4)	\$0.0000	
SAS Refund Adjustment (Schedule No. 5, Case No. 2014-00269)	<u>(\$0.0001)</u>	
Total Demand Rate per Mcf	\$1.1940	<--- to Att. E, line 15
Commodity Component of Gas Cost Adjustment		
Commodity Cost of Gas (Schedule No. 1, Sheet 1, Line 22)	\$5.3397	
Commodity ACA (Schedule No. 2, Sheet 1, Case No. 2014-00269)	\$0.6501	
Balancing Adjustment (Schedule No. 3, Case No. 2014-00269)	(\$0.0051)	
Gas Cost Incentive Adjustment (Schedule No. 6, Case No. 2014-00028)	<u>\$0.0189</u>	
Total Commodity Rate per Mcf	\$6.0036	
CHECK:	\$1.1940	
	<u>\$6.0036</u>	
COST OF GAS TO TARIFF CUSTOMERS (GCA)	\$7.1976	

Calculation of Rate Schedule SVGTS - Actual Gas Cost Adjustment

Commodity ACA (Schedule No. 2, Sheet 1, Case No. 2014-00269)	\$0.6501
Balancing Adjustment (Schedule No. 3, Case No. 2014-00269)	(\$0.0051)
Gas Cost Incentive Adjustment (Schedule No. 6, Case No. 2014-00028)	<u>\$0.0189</u>
Total Commodity Rate per Mcf	\$0.6639

**Columbia Gas of Kentucky, Inc.**  
**CKY Choice Program**  
**100% Load Factor Rate of Assigned FTS Capacity**  
**Balancing Charge**  
Dec - Feb 15

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	\$/MCF
<b>City gate capacity assigned to Choice marketers</b>									
1	Contract								
2	CKT FTS/SST	28,000	0.637%						
3	TCO FTS	20,014	1.917%						
4	Total	48,014							
5									
6	Assignment Proportions								
7	CKT FTS/SST	2 / 4	58.32%						
8	TCO FTS	3 / 4	41.68%						
<b>Annual demand cost of capacity assigned to choice marketers</b>									
9	CKT FTS			\$0.5090	12	0.5832	1.0000	\$3.5622	
10	TCO FTS			\$6.0680	12	0.4168	1.0000	\$30.3497	
11	Gulf FTS-1, upstream to CKT FTS			\$4.2917	12	0.5832	1.0064	\$30.2276	
12	TGP FTS-A, upstream to TCO FTS			\$4.6238	12	0.4168	1.0195	\$23.5784	
13	Total Demand Cost of Assigned FTS, per unit							\$87.7179	\$94.3757
14	100% Load Factor Rate (Line 13 / 365 days)								\$0.2586
<b>Balancing charge, paid by Choice marketers</b>									
15	Demand Cost Recovery Factor in GCA, per Mcf per CKY Tariff Sheet No. 5							\$1.1940	
16	Less credit for cost of assigned capacity							(\$0.2586)	
17	Plus storage commodity costs Incurred by CKY for the Choice marketer							\$0.0944	
18	Balancing Charge, per Mcf	sum(15:17)						\$1.0298	

**PIPELINE COMPANY TARIFF SHEETS**



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/	\$	4.830	0.280	0.059	0.336	0.393	5.898	0.1938
Commodity								
Maximum	¢	1.02	0.00	0.50	0.00	0.00	1.52	1.52
Minimum	¢	1.02	0.00	0.50	0.00	0.00	1.52	1.52
Overrun 4/								
Maximum	¢	16.90	0.92	0.69	1.10	1.29	20.90	20.90
Minimum	¢	1.02	0.00	0.50	0.00	0.00	1.52	1.52

- 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: April 1, 2014

Effective On: May 1, 2014

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

V.1,  
 Currently Effective Rates  
 FTS Rates  
 Version 25.0.0

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/	\$ 5.000	0.280	0.059	0.336	0.393	6.068	0.1994
Commodity							
Maximum	¢ 1.04	0.00	0.50	0.00	0.00	1.54	1.54
Minimum	¢ 1.04	0.00	0.50	0.00	0.00	1.54	1.54
Override							
Maximum	¢ 17.48	0.92	0.69	1.10	1.29	21.48	21.48
Minimum	¢ 1.04	0.00	0.50	0.00	0.00	1.54	1.54

- 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: April 1, 2014

Effective On: May 1, 2014

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.

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

Rate Schedule FTS-1	<u>Base Rate</u>	<u>Total Effective Rate</u>	<u>Daily Rate</u>
	(1)	(2)	(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.

Currently Effective Rates  
 Applicable to Rate Schedule FTS  
 Rate per Dth

	Base Tariff Rate 2/	Total Effective Rate 2/	Daily Rate 2/
<b>Rate Schedule FTS</b>			
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	\$5.7125		\$11.9375	\$16.0575	\$16.3417	\$17.9562	\$19.0597	\$23.9133	
L		\$5.0714							
1	\$8.5997		\$8.2435	\$10.9704	\$15.5407	\$15.3052	\$17.2607	\$21.2245	
2	\$16.0576		\$10.9045	\$5.6715	\$5.3018	\$6.7838	\$9.3303	\$12.0443	
3	\$16.3417		\$8.6375	\$5.7173	\$4.1246	\$6.3358	\$11.4587	\$13.2409	
4	\$20.7484		\$19.1282	\$7.2895	\$11.0779	\$5.4225	\$5.8643	\$8.3778	
5	\$24.7395		\$17.3840	\$7.6466	\$9.2524	\$6.0239	\$5.6505	\$7.3560	
6	\$28.6189		\$19.9668	\$13.7419	\$15.1387	\$10.6934	\$5.6256	\$4.8698	

Daily Base Reservation Rate 1/		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0	\$0.1879		\$0.3925	\$0.5279	\$0.5373	\$0.5903	\$0.6266	\$0.7862	
L		\$0.1668							
1	\$0.2827		\$0.2710	\$0.3607	\$0.5109	\$0.5032	\$0.5675	\$0.6977	
2	\$0.5279		\$0.3585	\$0.1865	\$0.1743	\$0.2230	\$0.3068	\$0.3960	
3	\$0.5373		\$0.2840	\$0.1880	\$0.1356	\$0.2083	\$0.3768	\$0.4353	
4	\$0.6821		\$0.6289	\$0.2396	\$0.3642	\$0.1782	\$0.1928	\$0.2754	
5	\$0.8133		\$0.5716	\$0.2513	\$0.3042	\$0.1981	\$0.1857	\$0.2419	
6	\$0.9409		\$0.6564	\$0.4518	\$0.4977	\$0.3515	\$0.1849	\$0.1601	

Maximum Reservation Rates 2/, 3/		DELIVERY ZONE							
RECEIPT ZONE	0	L	1	2	3	4	5	6	
0			\$11.9375						
L	\$5.7125	\$5.0714							
1	\$8.5997		\$8.2435	\$10.9704	\$15.5407	\$15.3052	\$17.2607	\$21.2245	
2	\$16.0576		\$10.9045	\$5.6715	\$5.3018	\$6.7838	\$9.3303	\$12.0443	
3	\$16.3417		\$8.6375	\$5.7173	\$4.1246	\$6.3358	\$11.4587	\$13.2409	
4	\$20.7484		\$19.1282	\$7.2895	\$11.0779	\$5.4225	\$5.8643	\$8.3778	
5	\$24.7395		\$17.3840	\$7.6466	\$9.2524	\$6.0239	\$5.6505	\$7.3560	
6	\$28.6189		\$19.9668	\$13.7419	\$15.1387	\$10.6934	\$5.6256	\$4.8698	

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	\$0.0032		\$0.0115	\$0.0177	\$0.0219	\$0.0250	\$0.0284	\$0.0346
L		\$0.0012						
1	\$0.0042		\$0.0081	\$0.0147	\$0.0179	\$0.0210	\$0.0256	\$0.0300
2	\$0.0167		\$0.0087	\$0.0012	\$0.0028	\$0.0056	\$0.0100	\$0.0143
3	\$0.0207		\$0.0169	\$0.0026	\$0.0002	\$0.0081	\$0.0118	\$0.0163
4	\$0.0250		\$0.0205	\$0.0087	\$0.0105	\$0.0028	\$0.0046	\$0.0092
5	\$0.0284		\$0.0256	\$0.0100	\$0.0118	\$0.0046	\$0.0046	\$0.0066
6	\$0.0346		\$0.0300	\$0.0143	\$0.0163	\$0.0086	\$0.0041	\$0.0020

Maximum  
 Commodity Rates 1/, 2/, 3/

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

Notes:

- 1/ Rates stated above exclude the ACA Surcharge as revised annually and posted on the FERC website at <http://www.ferc.gov> on the Annual Charges page of the Natural Gas section. The ACA Surcharge is incorporated by reference into Transporter's Tariff and shall apply to all transportation under this Rate Schedule as provided in Article XXIV of the General Terms and Conditions.
- 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.
- 3/ Includes a per Dth charge for the PS/GI-G 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	0.64%		1.69%	2.44%	2.96%	3.50%	3.93%	4.63%	
L		0.39%							
1	0.77%		1.27%	2.08%	2.47%	2.99%	3.58%	4.06%	
2	2.44%		1.94%	0.39%	0.60%	0.99%	1.57%	2.05%	
3	3.03%		2.47%	0.60%	0.27%	1.32%	1.84%	2.36%	
4	3.61%		2.79%	1.33%	1.55%	0.51%	0.86%	1.39%	
5	4.07%		3.58%	1.57%	1.84%	0.86%	0.85%	1.05%	
6	4.83%		4.21%	2.08%	2.36%	1.31%	0.71%	0.43%	

EPCR 3/, 4/

RECEIPT ZONE	DELIVERY ZONE								
	0	L	1	2	3	4	5	6	
0	\$0.0018		\$0.0070	\$0.0109	\$0.0135	\$0.0163	\$0.0186	\$0.0223	
L		\$0.0006							
1	\$0.0025		\$0.0049	\$0.0090	\$0.0110	\$0.0137	\$0.0168	\$0.0192	
2	\$0.0109		\$0.0053	\$0.0006	\$0.0016	\$0.0035	\$0.0065	\$0.0089	
3	\$0.0135		\$0.0110	\$0.0016	\$0.0000	\$0.0052	\$0.0077	\$0.0102	
4	\$0.0163		\$0.0126	\$0.0053	\$0.0064	\$0.0017	\$0.0029	\$0.0055	
5	\$0.0186		\$0.0168	\$0.0065	\$0.0077	\$0.0029	\$0.0029	\$0.0038	
6	\$0.0223		\$0.0192	\$0.0089	\$0.0102	\$0.0051	\$0.0022	\$0.0008	

- 1/ Included in the above F&LR is the Losses component of the F&LR equal to 0.20%.
- 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 0.20%.
- 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	1.917%
Gathering Retainage	0.534%
Storage Gas Loss Retainage	0.120%
Ohio Storage Gas Lost Retainage	0.150%
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.

Central Kentucky Transmission Company  
FERC Gas Tariff  
First Revised Volume No. 1

Currently Effective Rates  
Section 3. Retainage Percentage  
Version 4.0.0

RETAINAGE PERCENTAGE

Transportation Retainage      0.637%

Issued On: February 28, 2014

Effective On: April 1, 2014

**PROPOSED TARIFF SHEETS**

**CURRENTLY EFFECTIVE BILLING RATES**

<u>SALES SERVICE</u>	<u>Base Rate</u>	<u>Gas Cost Adjustment<sup>1/</sup></u>		<u>Total</u>	
	<u>Charge</u>	<u>Demand</u>	<u>Commodity</u>	<u>Billing</u>	
	\$	\$	\$	\$	
<b><u>RATE SCHEDULE GSR</u></b>					
Customer Charge per billing period	15.00			15.00	
Delivery Charge per Mcf	2.2666	1.1940	6.0036	9.4642	I
<b><u>RATE SCHEDULE GSO</u></b>					
<u>Commercial or Industrial</u>					
Customer Charge per billing period	37.50			37.50	
Delivery Charge per Mcf -					
First 50 Mcf or less per billing period	2.2666	1.1940	6.0036	9.4642	I
Next 350 Mcf per billing period	1.7520	1.1940	6.0036	8.9496	I
Next 600 Mcf per billing period	1.6659	1.1940	6.0036	8.8635	I
Over 1,000 Mcf per billing period	1.5164	1.1940	6.0036	8.7140	I
<b><u>RATE SCHEDULE IS</u></b>					
Customer Charge per billing period	1,007.05			1007.05	
Delivery Charge per Mcf					
First 30,000 Mcf per billing period	0.5443		6.0036 <sup>2/</sup>	6.5479	I
Over 30,000 Mcf per billing period	0.2890		6.0036 <sup>2/</sup>	6.2926	I
Firm Service Demand Charge					
Demand Charge times Daily Firm					
Volume (Mcf) in Customer Service Agreement		6.8304		6.8304	I
<b><u>RATE SCHEDULE IUS</u></b>					
Customer Charge per billing period	477.00			477.00	
Delivery Charge per Mcf					
For All Volumes Delivered	0.8150	1.1940	6.0036	8.0126	I

1/ The Gas Cost Adjustment, as shown, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets 48 through 51 of this Tariff. The Gas Cost Adjustment applicable to a customer who is receiving service under Rate Schedule GS or IUS and received service under Rate Schedule SVGTS shall be \$6.8117 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 27, 2014  
 DATE EFFECTIVE        November 26, 2014 (Unit 1 December)  
 ISSUED BY                *Hubert A. Miller, Jr.*  
 TITLE                      President

COLUMBIA GAS OF KENTUCKY, INC.

**CURRENTLY EFFECTIVE BILLING RATES  
(Continued)**

<u>TRANSPORTATION SERVICE</u>	<u>Base Rate Charge</u> \$	<u>Gas Cost Demand</u> \$	<u>Adjustment<sup>1/</sup> Commodity</u> \$	<u>Total Billing Rate</u> \$	
<b><u>RATE SCHEDULE SS</u></b>					
Standby Service Demand Charge per Mcf					
Demand Charge times Daily Firm Volume (Mcf) in Customer Service Agreement		6.8304		6.8304	
Standby Service Commodity Charge per Mcf			6.0036	6.0036	
<b><u>RATE SCHEDULE DS</u></b>					
Administrative Charge per account per billing period				55.90	
Customer Charge per billing period <sup>2/</sup>				1007.05	
Customer Charge per billing period (GDS only)				37.50	
Customer Charge per billing period (IUDS only)				477.00	
<u>Delivery Charge per Mcf<sup>2/</sup></u>					
First 30,000 Mcf	0.5443			0.5443	
Over 30,000 Mcf	0.2890			0.2890	
- Grandfathered Delivery Service					
First 50 Mcf or less per billing period				2.2666	
Next 350 Mcf per billing period				1.7520	
Next 600 Mcf per billing period				1.6659	
All Over 1,000 Mcf per billing period				1.5164	
- Intrastate Utility Delivery Service					
All Volumes per billing period				0.8150	
Banking and Balancing Service					
Rate per Mcf		0.0203		0.0203	
<b><u>RATE SCHEDULE MLDS</u></b>					
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		0.0210		0.0210	

1/ The Gas Cost Adjustment, as shown, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets 48 through 51 of this Tariff.

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

DATE OF ISSUE            October 27, 2014

DATE EFFECTIVE        November 26, 2014 (Unit 1 December)

ISSUED BY                *Hubert A. Miller, Jr.*

TITLE                        President

**CURRENTLY EFFECTIVE BILLING RATES**  
(Continued)

<u>RATE SCHEDULE SVGTS</u>	<u>Base Rate Charge</u>
	\$
<u>General Service Residential (SGVTS GSR)</u>	
Customer Charge per billing period	15.00
Delivery Charge per Mcf	2.2666
<u>General Service Other - Commercial or Industrial (SVGTS GSO)</u>	
Customer Charge per billing period	37.50
Delivery Charge per Mcf -	
First 50 Mcf or less per billing period	2.2666
Next 350 Mcf per billing period	1.7520
Next 600 Mcf per billing period	1.6659
Over 1,000 Mcf per billing period	1.5164
<u>Intrastate Utility Service</u>	
Customer Charge per billing period	477.00
Delivery Charge per Mcf	\$ 0.8150

Billing Rate

Actual Gas Cost Adjustment<sup>1/</sup>

For all volumes per billing period per Mcf                      \$0.6639

RATE SCHEDULE SVAS

Balancing Charge – per Mcf    \$1.0298    I

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.

DATE OF ISSUE                      October 27, 2014

DATE EFFECTIVE                      November 26, 2014 (Unit 1 December)

ISSUED BY                                      *Herbert A. Melley Jr.*

TITLE    President