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

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PUBLIC SERVICE COMMISSION

November 30, 2007

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

RE: Case No. 2004-00462

Dear Ms. O'Donnell:

Pursuant to the Commission's Order issued on March 29, 2005, in the above referenced case, Columbia Gas of Kentucky, Inc. ("Columbia") submits an original and ten (10) redacted copies of its initial gas price hedging plan report. Columbia's hedging plan was granted confidential treatment in the instant case. Columbia requests confidential treatment for its hedging plan reports in the Petition for Confidentiality attached hereto.

If you have questions, please don't hesitate to contact me at 859-288-0242 or jmcoop@nisource.com.

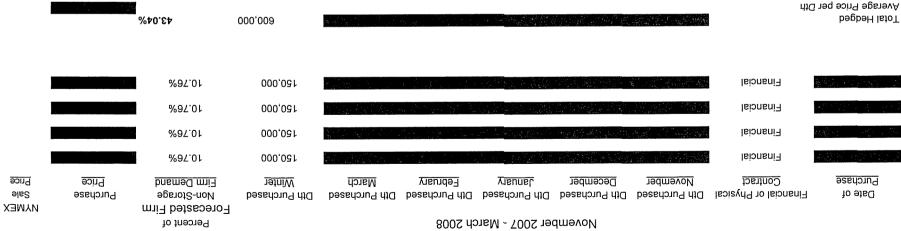
Sincerely,

Director, Regulatory Policy

COLUMBIA GAS OF KENTUCKY GAS PRICE HEDGING PLAN REPORT ANNUAL REPORT NOVEMBER 30, 2007

Confidential Columbia GAS OF KENTUCKY, INC.

Gas Price Hedging Plan Report Vovember 2007 - March 2008



Date of Purchase: The date the contracts were purchased.

Financial or Physical Contract: Whether the contract was a NYMEX Gas Futures contract or a contract for physical natural gas with one of Columbia's gas suppliers

Dith Purchased: The volume in Dith of the contract for each winter month.

Percent of Firm Non-Storage Flowing Supply: The percentage of the forecasted non-storage firm demand represented by each hedge purchase.

Purchase Price: The price paid per Dith for the NYMEX contract volumes.

NYMEX Sale Price: If the contract is a financial contract, the price at which the contract volume was sold.

Confidential Confidential COLUMBIA GAS OF KENTUCKY, INC.

Percent of

Gas Price Hedging Plan Report November 2008 - March 2009

		22.47%	390,000	M. D. Mirak	3. 20.3				Financial	
NAMEX	Purchase <u>Price</u>	Forecasted Firm Non-Storage <u>Firm Demand</u>	Dth Purchased Winter	Dth Purchased	Oth Purchased February	Oth Purchased	Dth Purchased	Oth Purchased Movember	Financial or Physical Contract	Date of Purchase

Total Hedged 390,000 A22.47% Average Price per Dth

Date of Purchase: The date the contracts were purchased, Financial or Physical natural gas with one of Columbia's gas suppliers

Dith Purchased: The volume in Dith of the contract for each winter month.

Percent of Firm Non-Storage Flowing Supply: The percentage of the forecasted non-storage firm demand represented by each hedge purchase.

Purchase Price: The price paid per Dth for the NYMEX contract volumes.

NYMEX Sale Price: If the contract is a financial contract, the price at which the contract volume was sold.