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Case 2004-00494

PUBLIC SERVICE  
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Attachment 1  
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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	7.611
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	(0.001)
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.126
BALANCE ADJUSTMENT (BA)	\$/MCF	0.000
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA + BA	\$/MCF	<u>7.736</u>

GAS COST RECOVERY RATE EFFECTIVE DATES: JANUARY 3, 2005 THROUGH JANUARY 31, 2005

EXPECTED GAS COST CALCULATION

DESCRIPTION	UNIT	AMOUNT
TOTAL EXPECTED GAS COST COMPONENT (EGC)	\$/MCF	7.611

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

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

ACTUAL ADJUSTMENT SUMMARY CALCULATION

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

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	(0.013)
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.023
SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.041)
THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.031
BALANCE ADJUSTMENT (BA)	\$/MCF	0.000

DATE FILED: December 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

JANUARY 3, 2005  
OCTOBER 31, 2005

\$

**DEMAND (FIXED) COSTS:**

Columbia Gas Transmission Corp.	2,607,141
Tennessee Gas Pipeline	1,355,512
Columbia Gulf Transmission Corp.	925,578
K O Transmission Company	334,075
Gas Marketers	171,281
<b>TOTAL DEMAND COST:</b>	<u>5,393,587</u>

PROJECTED GAS SALES LESS SPECIAL CONTRACT IT PURCHASES: 11,428,284 MCF

**DEMAND (FIXED) COMPONENT OF EGC RATE: \$5,393,587 / 11,428,284 MCF \$0.472 /MCF**

**COMMODITY COSTS:**

Gas Marketers	\$5.995 /MCF
Gas Storage	
Columbia Gas Transmission	\$1.103 /MCF
Propane	\$0.041 /MCF
<b>COMMODITY COMPONENT OF EGC RATE:</b>	<u>\$7.139 /MCF</u>

**TOTAL EXPECTED GAS COST: \$7.611 /MCF**

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

**DETAILS FOR THE EGC RATE IN EFFECT AS OF : JANUARY 3, 2005**



**GAS COMMODITY RATE FOR JANUARY, 2005:**

GAS MARKETERS :

WEIGHTED AVERAGE GAS COST @ CITY GATE (\$/Dth) (1):			\$6.9728	\$/Dth
ULH&P FUEL	2.200%	\$0.1534	\$7.1262	\$/Dth
DTH TO MCF CONVERSION	1.0285	\$0.2031	\$7.3293	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.8180		\$5.9954	\$/Mcf
			<b>\$5.995</b>	<b>\$/Mcf</b>

GAS STORAGE :

COLUMBIA GAS TRANS. - STORAGE INVENTORY RATE			\$5.8331	\$/Dth
COLUMBIA GAS TRANS. FSS WITHDRAWAL FEE		\$0.0153	\$5.8484	\$/Dth
COLUMBIA GAS TRANS. SST FUEL	2.565%	\$0.1500	\$5.9984	\$/Dth
COLUMBIA GAS TRANS SST COMMODITY RATE		\$0.0168	\$6.0152	\$/Dth
KO TRANS, COMMODITY RATE		\$0.0136	\$6.0288	\$/Dth
ULH&P FUEL	2.200%	\$0.1326	\$6.1614	\$/Dth
DTH TO MCF CONVERSION	1.0285	\$0.1756	\$6.3370	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.1740		\$1.1026	\$/Mcf
			<b>\$1.103</b>	<b>\$/Mcf</b>

PROPANE :

ERLANGER PROPANE INVENTORY RATE			\$0.34268	\$/Gallon
GALLON TO MCF CONVERSION	14.84	\$4.7427	\$5.0854	\$/Mcf
ESTIMATED WEIGHTING FACTOR	0.0080		\$0.0407	\$/Mcf
			<b>\$0.041</b>	<b>\$/Mcf</b>

(1) Weighted average cost of gas based on NYMEX prices on 12/07/04 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>	
<b><u>SERVICE REGULATIONS</u></b>				
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	<u>Sheet No.</u>	<u>Billing Effective Date</u>	<u>Effective Date per Order</u>
<b><u>TRANSPORTATION TARIFF SCHEDULES (Contd.)</u></b>			
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Rate AS, Pooling Service for Interruptible Transportation.....	55	03/01/02	01/31/02
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Rate GTS, Gas Trading Service.....	57	03/01/02	01/31/02
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Rider DSMR, Demand Side Management Rate.....	62	01/02/03	01/01/03
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Issued by authority of an Order of the Kentucky Public Service Commission dated

in Case No. .

Issued:

Effective: January 3, 2005

Issued by Gregory C. Ficke, President

**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	77.36¢	Equals	100.70¢	<b>(R)</b>

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: \_\_\_\_\_ Effective: January 3, 2005

Issued by Gregory C. Ficke, President

**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	77.36¢	Equals	97.85¢	<b>(R)</b>

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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Issued:

Issued by Gregory C. Ficke, President

Effective: January 3, 2005



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

Ky.P.S.C. Gas No. 5  
Sheet No. 31.80  
Canceling and Superseding  
Sheet No. 31.79  
Page 2 of 2

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**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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