

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

A NiSource Company

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

January 28, 2005

Ms. Beth O'Donnell  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40601

RECEIVED

JAN 28 2005

PUBLIC SERVICE  
COMMISSION

**RE: Columbia Gas of Kentucky, Inc.  
Gas Cost Adjustment Case No. 2005-00051**

Dear Ms. O'Donnell:

Pursuant to the Commission's Order dated July 17, 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 decrease its current rates to tariff sales customers by \$1.0610 per Mcf effective with its March 2005 billing cycle on March 1, 2005.

This decrease is composed of a decrease of \$1.1892 per Mcf in the Average Commodity Cost of Gas, a decrease of \$0.0571 per Mcf in the Average Demand Cost of Gas, an increase of \$0.1881 per Mcf in the Balance Adjustment, and an increase of (\$0.0028) per Mcf in the Refund Adjustment.

Please feel free to contact me at (859) 288-0242 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 2005-

GAS COST ADJUSTMENT AND REVISED RATES OF  
COLUMBIA GAS OF KENTUCKY, INC. PROPOSED TO BECOME  
EFFECTIVE MARCH 2005 BILLINGS

COLUMBIA GAS OF KENTUCKY, INC.

COMPARISON OF CURRENT GCA AND PROPOSED GCA

	12/04	3/05	
	<u>CURRENT</u>	<u>PROPOSED</u>	<u>DIFFERENCE</u>
1 Average Commodity Cost of Gas	\$8.8517	\$7.6625	-1.1892
2 Average Demand Cost of Gas	\$1.1828	\$1.1257	-0.0571
3 Total Average Cost of Gas	\$10.0345	\$8.7882	-1.2463
4 SAS Refund Adjustment	-0.0002	-0.0002	0.0000
5 Balancing Adjustment	0.0349	0.2230	0.1881
6 Supplier Refund Adjustment	-0.0038	-0.0066	-0.0028
7 Actual Cost Adjustment	0.1145	0.1145	0.0000
8 Take-or-Pay Refund (TOP) Adjustment	<u>0.0000</u>	<u>0.0000</u>	<u>0.0000</u>
9 COST OF GAS TO TARIFF CUSTOMERS (GCA)	\$10.1799	\$9.1189	-1.0610
10 TRANSPORTATION TOP REFUND ADJUSTMENT	0.0000	0.0000	0.0000
11 BANKING AND BALANCING SERVICE	0.0208	0.0207	-0.0001
12 Rate Schedule FI and GSO			
13 Customer Demand Charge	\$6.6520	\$6.7242	0.0722

COLUMBIA GAS OF KENTUCKY, INC.

GAS COST ADJUSTMENT CLAUSE

Gas Cost Recovery Rate Effective March 2005

<u>Line</u> <u>No.</u>	<u>Description</u>		<u>Amount</u>	<u>Expires</u>
1	Expected Gas Cost (EGC)	Schedule No. 1	\$8.7882	
2	Actual Cost Adjustment (ACA)	Schedule No. 2	\$0.1145	8-31-05
3	SAS Refund Adjustment (RA)	Schedule No. 5	(\$0.0002)	8-31-05
4	Supplier Refund Adjustment (RA)	Schedule No. 4	(0.0049)	02-28-06
		Schedule No. 4 Case No. 2004-00428	(0.0004)	11-30-05
		Schedule No. 4 Case No. 2004-00153	(0.0010)	05-31-05
		Schedule No. 4 Case No. 2004-00299	(0.0003)	08-31-05
		Total Refunds	<u>(\$0.0066)</u>	
5	Balancing Adjustment (BA)	Schedule No. 3	\$0.2230	8-31-05
6	Take - or - Pay Refund Adjustment		\$0.0000	
7	<b>GAS COST ADJUSTMENT</b>			
8	<b>EFFECTIVE MARCH 2005</b>		<u>\$9.1189</u>	
9	Expected Demand Cost (EDC) per Mcf			
10	(Applicable to Rate Schedule IS/SS and G Schedule No. 1, Sheet 4		<u>\$6.7242</u>	

DATE FILED: January 28, 2005

BY: J. M. Cooper

**COLUMBIA GAS OF KENTUCKY, INC.**

**Expected Gas Cost**

Projected Cost of Gas Supply For Sales Customers  
March - May 2005

Line No.	Description	Reference	Volume A/		Rate		Cost (5)
			Mcf (1)	Dth. (2)	Per.Mcf (3)	Per.Dth (4)	
1	Storage Supply		1,214,421	1,280,000		0.0153	\$ 19,584
2	Withdrawal Charge		2,745,731	2,894,000		0.0153	44,278
3	Injection Charge		1,214,421	1,280,000		7.6800	9,830,400
4	Commodity Cost of Withdrawals						\$ 9,894,262
5	Total Cost of Storage Supply						
6	Flowing Supply: C/ Non-Appalachian	Sch. 1, Sht. 5, Ln. 4		6,686,000			\$ 43,860,446
7	Appalachian Supplies	Sch. 1, Sht. 6, Ln. 4		133,000			884,000
8	All Supplies	Lines 5 + 7 + 8	7,684,061	8,099,000			\$ 54,638,708
9	Less Fuel Retention By Interstate Pipelines	Sch. 1, Sheet 1A, Line 22	(168,880)	(178,000)			\$ (1,200,401)
10	All Supplies Excluding Cost of Retention						\$ 53,438,307
11	Net Supply:						
12	At City-Gate	Line 8 + 9	7,515,180	7,921,000			
13	Lost and Unaccounted For D/	Line 12 x 0.6%	(67,637)	(71,289)			
14	At Customer Meter	Line 12 + 13	7,447,544	7,849,711			
15	Sales Volumes For Sept - Nov 04	Line 14	7,447,544	7,849,711			
16a	Unit Commodity Cost Before Adjustment	Line 10 / Line 15			\$ 7.1753		
16b	Plus Annualized Unit Cost of Retention	Sch. 1, Sheet 1A, Line 24			0.4872		
16	Unit Commodity Cost Before Adjustment				7.6625		
17	Unit Demand Cost	Sch. 1, Sht. 2, Ln. 11			1.1257		
18	Total Expected Gas Cost	Line 16 + 17			\$ 8.7882		

A/ BTU Factor = 1.0540  
 B/ Projected net withdrawals for sales customers.  
 C/ Excludes volumes injected into storage.  
 D/ Lost and Unaccounted For portion on the CKY distribution system = 0.90%

Columbia Gas of Kentucky, Inc.  
Annualized Unit Charge for Gas Retained by Upstream Pipelines

	Units	Mar. - May 05	June - Aug. 05	Sept. - Nov. 05	Dec. 05 - Feb. 06	Annual Mar. 05 - Feb. 06
1	Gas purchased by CKY for the remaining sales customers					
2	Volume	3,925,000	5,013,000	2,191,000	2,643,000	13,772,000
3	Commodity Cost Including Transportation	25,765,000	33,172,000	14,509,000	19,430,000	\$92,876,000
	Unit cost per Schedule 1					\$6.7438
	Consumption by the remaining sales customers					
11	At city gate	2,535,000	604,000	1,979,000	6,158,000	
12	Lost and unaccounted for portion	0.90%	0.90%	0.90%	0.90%	
13	At customer meters					
14	In Dth	2,512,185	598,564	1,961,189	6,102,578	11,174,516
15	Heat content	1.0540	1.0540	1.0540	1.0540	
16	In MCF	2,383,477	567,898	1,860,711	5,789,922	10,602,008
	Portion of annual line 15, quarterly / annual	22.5%	5.4%	17.6%	54.6%	100.0%
	Gas retained by upstream pipelines					
21	Volume	178,000	188,000	119,000	281,000	766,000
22	Cost					
23	Quarterly. Deduct from Sheet 1 3 * 21	\$1,200,401	\$1,267,840	\$802,516	\$1,895,016	\$5,165,772
24	Allocated to quarters by consumption	\$1,161,337	\$276,705	\$906,621	\$2,821,109	\$5,165,772
	Annualized unit charge	\$0.4872	\$0.4872	\$0.4872	\$0.4872	\$0.4872

**COLUMBIA GAS OF KENTUCKY, INC.  
GCA UNIT DEMAND COST  
PROJECTED FOR MARCH - MAY 2005**

Schedule No. 1  
Sheet 2

<u>Line No.</u>	<u>Description</u>	<u>Reference</u>	
1	Total Expected Demand Cost	Sch. No.1, Sheet 3, Ln. 18	\$ 19,801,735
2	Choice Related Capacity (reflects March 2005 only) A/		2.815%
3	Portion of Capacity to Serve Sales Customers (100% - 2)		97.185%
4	Cost of Capacity to Serve Sales Customers (1 x 3)		\$ 19,244,335
5	Less Rate Schedule IS/SS and GSO Customer Demand Charge Recovery	Sch. No.1, Sheet 4, Ln. 21	(522,957)
6	Less Storage Service Recovery from Delivery Service Customers		<u>(296,373)</u>
7	Net Demand Cost Applicable to Sales Customers		\$ 18,425,005
8	Projected Sales+ Choice Deliveries Mar. 05 - Feb. 06 in Mcf : At City-Gate		16,515,655
9	Lost and Unaccounted - For		<u>(148,641)</u>
10			16,367,014
11	Unit Demand Cost (7 / 10)		\$ 1.1257

**COLUMBIA GAS OF KENTUCKY, INC.**

**DEMAND COST OF INTERSTATE PIPELINE CAPACITY  
PROJECTED FOR MARCH 2005 - FEBRUARY 2006**

<u>Line No.</u>	<u>Description</u>	<u>Dth</u>	<u>Rate</u>	<u>Expected Gas Cost</u>
1	<u>Columbia Gas Transmission Corporation</u>			
2	Firm Storage Service Billing Demand Units			
3	FSS (190,880 Dth * 1 months)	190,880	1.501	\$ 286,511
	FSS (220,880 Dth * 11 months)	2,429,680	1.501	\$ 3,646,950
4	SCQ (9,557,942 * 1 months)	9,557,942	0.0288	275,269
	SCQ (11,228,732 * 11 months)	123,516,052	0.0288	3,557,262
5	SST (110,440 Dth * 6 months summer)	662,640	4.1850	2,773,148
6	SST (190,880 Dth * 1 months winter)	190,880	4.1850	798,833
	SST (220,880 Dth * 5 months winter)	1,104,400	4.1850	4,621,914
7	Firm Transportation Service Billing Demand Units			
8	FTS Demand (30,000 Dth * 1 months)	30,000	4.1850	125,550
9	FTS Demand ( 20,014 Dth * 12 months)	240,168	5.9400	1,426,598
10	<u>Total Columbia Gas Transmission Corporation</u>			\$ 17,512,035
11	<u>Columbia Gulf Transmission Company</u>			
12	FTS - 1 (Mainline)			
13	Res Charge (28,991 Dth * 12 months)	347,892	3.1450	\$ 1,094,120
14	<u>Tennessee Gas</u>			
15	Firm Transportation Rate			
16	Reserv. Charge ( 20,506 Dth * 12 months)	246,072	4.6238	1,137,788
17	<u>Central Kentucky Transmission</u>			
	Firm Transportation (28,000 Dth * 4 months)	112,000	0.5160	57,792
	<small>executed in-service date November 1, 2005 pending FERC approval</small>			
18	<b>Total Expected Demand Cost</b>			<b>19,801,735</b>



**COLUMBIA GAS OF KENTUCKY, INC.**

**GAS COST ADJUSTMENT CLAUSE  
EXPECTED DEMAND COSTS RECOVERED ANNUALLY  
FROM RATE SCHEDULES IS/SS AND GSO CUSTOMERS**

Line No.	Description	Capacity		Annual Cost
		Daily Dth (1)	Annualized Dth (2) = (1) x 12 Mo.	
1	DEMAND COSTS TO BE RECOVERED FROM			
2	RATE SCHEDULE IS/SS AND GSO CUSTOMERS:			
3	Expected Demand Costs (Per Sheet 3)			<u>\$ 19,801,735</u>
4	City-Gate Capacity:			
5	Columbia Gas Transmission			
6	Firm Storage Service - FSS - 4 months - 8 months	190,880	763,520	
		220,880	1,767,040	
7	Firm Transportation Service - FTS (3 mo.)	30,000	90,000	
8	Firm Transportation Service - FTS (12 mo.)	20,014	240,168	
9	Tennessee Gas	<u>20,506</u>	<u>246,072</u>	
10	Mavity (FT-B)	482,280	3,106,800	
11	TOTAL		1,0550	
12	Divided by Average BTU Factor		2,944,834 Mcf	
13	Total Capacity - Annualized Mcf (Line 11/ Line 12)			
14	Expected Monthly Demand Cost (EDC) per Mcf of Daily			
15	Capacity Applicable to Rate Schedules IS/SS and GSO (Line 3 / Line 13)		\$6.7242 /Mcf	
16				
17	Multipplied by the Daily Firm Volumes of IS/SS and GSO Customers		77,772 Mcf	
18	(6,481 mcf per month * 12 months)			
19	Expected Demand Charges to be Recovered Annually			
20	from Rate Schedule IS/SS and GSO Customers (Line 16 * Line 18)			<u>\$522,957</u>
21				

**COLUMBIA GAS OF KENTUCKY, INC.**  
**COST OF NON-APPALACHIAN SUPPLIES**  
**PROJECTED FOR MARCH - MAY 2005**

Schedule No. 1  
 Sheet 5

Line No.	Description	Total Flowing Supply		Incl. Gas Inj.	Into Storage		Net Storage Injection	Net Flowing Supply For Current Consumption		
		Dth (1)	A/ Cost (2)		B/ Per Dth (3)	Cost (4)		Dth (5)	Cost (6)	
									= (1) - (4)	= (3) x (5)
1	March 2005	185,000	\$ 1,239,000		\$6.69730		(38,000)	223,000	\$ 1,493,497	
2	April	1,725,000	11,291,000		\$6.54551		(1,054,000)	2,779,000	18,189,965	
3	May	<u>1,882,000</u>	<u>12,351,000</u>		\$6.56270		(1,802,000)	3,684,000	24,176,984	
4	Total	3,792,000	\$24,881,000		\$6.56145		(2,894,000)	6,686,000	\$ 43,860,446	

A/ Gross, before retention.

B/ Includes transportation commodity costs.

COLUMBIA GAS OF KENTUCKY, INC.

Schedule No. 1  
Sheet 6

COST OF APPALACHIAN SUPPLIES  
PROJECTED FOR MARCH - MAY 2005

Line No.	Description	Flowing Supply		Cost (3)
		Mcf (1)	Dth (2)	
1	March 2005	61,716	64,000 \$	428,000
2	April	38,573	40,000	267,000
3	May	<u>27,965</u>	<u>29,000</u>	<u>189,000</u>
4	Total	128,255	133,000	\$884,000

**DETERMINATION OF THE BANKING AND  
BALANCING CHARGE  
FOR THE PERIOD BEGINNING MARCH 1, 2005**

<u>Description</u>	<u>Dth</u>	<u>Detail</u>	<u>Amount For Transportation Customers</u>
Total Storage Capacity	11,089,500		
Net Transportation Volume	15,134,599		
Contract Tolerance Level @ 5%	756,730		
Percent of Annual Storage Applicable to Transportation Customers		6.82%	
Seasonal Contract Quantity Rate		\$0.0288	
SCQ Charge - Annualized Amount Applicable To Transportation Customers		<u>\$3,832,531</u>	<b>\$261,379</b>
FSS Injection and Withdrawal Charge Rate		0.0306	
Total Cost Amount Applicable To Transportation Customers		<u>\$339,339</u>	<b>\$23,143</b>
SST Commodity Charge Rate		0.0187	
Total Cost Amount Applicable To Transportation Customers		<u>\$173,772</u>	<b>\$11,851</b>
Total Cost Applicable To Transportation Customers			<b><u>\$296,373</u></b>
Total Transportation Volume - Mcf			23,377,000
Flex and Special Contract Transportation Volume - Mcf			(9,031,409)
Net Transportation Volume - Mcf			14,345,591
Banking and Balancing Rate - Mcf			<b><u>\$0.0207</u></b>

DETAIL SUPPORTING REFUND ADJUSTMENT

**COLUMBIA GAS OF KENTUCKY, INC.**

**SUPPLIER REFUND ADJUSTMENT**

<b>Line No.</b>	<b><u>Description</u></b>	<b><u>Amount</u></b>
1	Supplier Refund from Columbia Gas Transmission (Dec. 2004) To Be Passed Back to Customers	\$50,222
2	Interest on Refund Balances	\$496
3	REFUND INCLUDING INTEREST	\$50,719
4	Divided By:	
5	Sales for the Twelve Months Ended December 31, 2004	10,390,217
6	SUPPLIER REFUND TO EXPIRE February 28, 2006	<u>(\$0.00488)</u>
7	TOTAL SUPPLIER REFUND TO EXPIRE February 28, 2006	<u><u>(\$0.0049)</u></u>

CKY RATE REFUND INTEREST CALCULATION  
 SELECTED INTEREST RATES  
 COMMERCIAL PAPER - 3-MONTH

December 20, 2004

<u>RATE</u>	<u>MONTH</u>	<u>DAYS</u>	x	<u>DAILY RATE</u>	x	<u>Columbia Gas Trans.</u>	=	<u>INTEREST</u>
1.01	JANUARY 2004	31		0.000027		50,222.24		42.04
1.01	FEBRUARY 2004	29		0.000027		50,222.24		39.32
1.00	MARCH 2004	31		0.000027		50,222.24		42.04
1.05	APRIL 2004	30		0.000027		50,222.24		40.68
1.07	MAY 2004	31		0.000027		50,222.24		42.04
1.34	JUNE 2004	30		0.000027		50,222.24		40.68
1.50	JULY 2004	31		0.000027		50,222.24		42.04
1.62	AUGUST 2004	31		0.000027		50,222.24		40.68
1.75	SEPTEMBER 2004	30		0.000027		50,222.24		42.04
1.95	OCTOBER 2004	31		0.000027		50,222.24		40.68
2.18	NOVEMBER 2004	30		0.000027		50,222.24		42.04
<u>2.34</u>	DECEMBER 2004	31		0.000027		50,222.24		42.04
17.82	TOTAL					TOTAL		496.32
0.000027	DAILY RATE							

Note: The daily rate is calculated by taking the total of the 3-month commercial paper interest rate for 12 months; divide by 12 for the annual average;  
 less 1/2 of 1% per order 8738-L, divide by 365 for the daily percentage, and divide by 100 for percentage conversion  
 October 19, 1984 is the issue date of Order 8738-L

December 20, 2004

Dear Customer:

Pursuant to the Penalty Crediting Mechanism of Section 19.6 of the General Terms and Conditions of Columbia's tariff which went into effect September 1, 2003 in compliance with Order No. 637, Columbia is crediting Penalty Revenues assessed and collected during contract year 2004 (November 1, 2003 through October 31, 2004). This section of the GT&C requires Columbia to credit Penalty Revenues assessed and collected from its customers to Non-Penalized Shippers based on each Non-Penalized Shipper's monthly throughput under their respective FTS, NTS, SST, ITS, GTS and/or OPT Service Agreements.

If you have any questions about this matter, please contact your Account Representative.

Sincerely,

Jeanne A. Adkins  
Manager, Commercial Services  
(304) 357-2865









COLUMBIA GAS TRANSMISSION CORPORATION  
 ALLOCATION OF PENALTY REFUND  
 FOR THE CONTRACT MONTHS SEPTEMBER 2003 THRU OCTOBER 2004

CUSTOMER NAME	CUST NO.	SEPT REFUND AMOUNT	OCT REFUND AMOUNT	NOV REFUND AMOUNT	DEC REFUND AMOUNT	JAN REFUND AMOUNT	FEB REFUND AMOUNT	MARCH REFUND AMOUNT	APRIL REFUND AMOUNT	MAY REFUND AMOUNT	JUNE REFUND AMOUNT	JULY REFUND AMOUNT	AUG REFUND AMOUNT	SEPT REFUND AMOUNT	OCT REFUND AMOUNT	TOTAL REFUND AMOUNT
SEMPRA ENERGY SOLUTIONS	011346	0.00	0.00	0.00	0.00	0.00	0.00	17.51	6.52	3.35	0.77	195.91	3.74	17.57	988.44	1,040.15
CONSTELLATION NEWENERGY-GAS DI	011362	0.00	0.00	0.00	0.00	0.00	0.00	51.22	30.92	28.09	26.12	17.84	366.69	1,562.31	11,034.64	13,285.90
HESS ENERGY NEW YORK COMPANY,	011376	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.03	1.84	454.37	36.87	27.37	691.75	781.70
SUNOCO POWER GENERATION L.L.C.	011385	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.75	33.38	259.04	821.92	3,721.88	6,266.19	8,144.50
ISG WERTON, INC.	011386	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	33.38	259.04	343.29	1,242.60	793,288.62	2,430,619.26
		210.83	49.97	322,543.08	33,075.63	945,897.33	92,236.97	10,066.51	6,267.24	5,181.48	3,641.98	24,467.72	38,202.24	185,499.66	793,288.62	2,430,619.26

DETAIL SUPPORTING BALANCING ADJUSTMENT

COLUMBIA GAS OF KENTUCKY, INC.

**CALCULATION OF BALANCING ADJUSTMENT  
TO BE EFFECTIVE MARCH 1, 2005**

<u>Line No.</u>	<u>Description</u>	<u>Detail</u> \$	<u>Amount</u> \$
1	<b><u>RECONCILIATION OF A PREVIOUS SAS REFUND ADJUSTMENT (a)</u></b>		
2	Total adjustment to have been distributed to		
3	customers in Case No. 2002-00293	(\$2,359)	
4	Less: actual amount distributed	<u>(\$2,165)</u>	
5	REMAINING AMOUNT		(\$194)
6	<b><u>RECONCILIATION OF A PREVIOUS BALANCING ADJUSTMENT (a)</u></b>		
7	Total adjustment to have been collected from		
7	customers in Case No. 2004-00033	\$247,306	
8	Less: actual amount collected	<u>\$229,408</u>	
9	REMAINING AMOUNT		\$17,898
10	<b><u>RECONCILIATION OF PREVIOUS ACTUAL COST ADJUSTMENT (a)</u></b>		
11	Total adjustment to have been collected from		
12	customers in Case No. 2003-00295	\$23,889,527	
13	Less: actual amount collected	<u>\$23,095,162</u>	
14	REMAINING AMOUNT TO BE COLLECTED		<u>\$794,365</u>
15	<b>TOTAL BALANCING ADJUSTMENT AMOUNT</b>		<b><u><u>\$812,069</u></u></b>
16	Divided by: actual sales volumes for the six months		
17	ended August 31, 2004		3,641,145 Mcf
18	<b>BALANCING ADJUSTMENT (BA) TO</b>		
19	<b>EXPIRE AUGUST 31, 2005</b>		<b><u><u>\$ 0.2230</u></u></b>

**Columbia Gas of Kentucky, Inc.**  
**SAS Refund Adjustment**  
**Supporting Data**

2003-00295

Expires August 31, 2004

	<u>Volume</u>	<u>Refund Rate</u>	<u>Refund Amount</u>	<u>Refund Balance</u>
				(\$2,358.85)
September 2003	186,098	(\$0.0002)	(\$37.22)	(\$2,321.63)
October 2003	380,304	(\$0.0002)	(\$76.06)	(\$2,245.57)
November 2003	621,110	(\$0.0002)	(\$124.22)	(\$2,121.35)
December 2003	1,459,260	(\$0.0002)	(\$291.85)	(\$1,829.50)
January 2004	2,211,420	(\$0.0002)	(\$442.28)	(\$1,387.21)
February 2004	2,324,994	(\$0.0002)	(\$465.00)	(\$922.21)
March 2004	1,551,795	(\$0.0002)	(\$310.36)	(\$611.85)
April 2004	1,031,542	(\$0.0002)	(\$206.31)	(\$405.55)
May 2004	460,792	(\$0.0002)	(\$92.16)	(\$313.39)
June 2004	221,579	(\$0.0002)	(\$44.32)	(\$269.07)
July 2004	180,804	(\$0.0002)	(\$36.16)	(\$232.91)
August 2004	194,633	(\$0.0002)	(\$38.93)	(\$193.98)
September 2004	173	(\$0.0002)	(\$0.03)	(\$193.95)
			(\$2,164.90)	

SUMMARY:

REFUND AMOUNT (\$2,358.85)

AMOUNT ACTUALLY REFUNDED (\$2,164.90)

TOTAL REMAINING TO BE  
REFUNDED (\$193.95)

**Columbia Gas of Kentucky, Inc.  
Balancing Adjustment  
Supporting Data**

Case No. 2004-00033

	<u>Volume</u>	<u>Surcharge Rate</u>	<u>Surcharge Amount</u>	<u>Surcharge Balance</u>
Expires 08/31/04				\$247,306.00
Beginning Balance				\$151,631.32
March 2004	1,494,875	\$0.0640	\$95,674.68	\$85,610.78
April 2004	1,031,542	\$0.0640	\$66,020.54	\$56,119.27
May 2004	460,792	\$0.0640	\$29,491.51	\$41,937.81
June 2004	221,579	\$0.0640	\$14,181.45	\$30,366.03
July 2004	180,804	\$0.0640	\$11,571.78	\$17,909.17
August 2004	194,633	\$0.0640	\$12,456.86	\$17,898.10
September 2004	173	\$0.0640	\$11.07	
<b>TOTAL SURCHARGE COLLECTED</b>			<b>\$229,407.90</b>	

SUMMARY:

SURCHARGE AMOUNT	\$247,306.00
AMOUNT ACTUALLY COLLECTED	<u>\$229,407.90</u>
AMOUNT TO BE COLLECTED	<u><u>\$17,898.10</u></u>



**Columbia Gas of Kentucky, Inc.  
Actual Cost Adjustment YR2003  
Supporting Data**

2003-00295

Expires August 31, 2004

	<u>Volume</u>	<u>Surcharge Rate</u>	<u>Surcharge Amount</u>	<u>Surcharge Balance</u>
				\$23,889,527
September 2003	186,098	\$2.1336	\$397,059	\$23,492,468
October 2003	380,304	\$2.1336	\$811,417	\$22,681,052
November 2003	621,110	\$2.1336	\$1,325,200	\$21,355,851
December 2003	1,459,260	\$2.1336	\$3,113,477	\$18,242,374
January 2004	2,211,420	\$2.1336	\$4,718,286	\$13,524,089
February 2004	2,324,994	\$2.1336	\$4,960,607	\$8,563,481
March 2004	1,551,795	\$2.1336	\$3,310,910	\$5,252,572
April 2004	1,031,542	\$2.1336	\$2,200,898	\$3,051,674
May 2004	460,792	\$2.1336	\$983,146	\$2,068,528
June 2004	221,579	\$2.1336	\$472,761	\$1,595,767
July 2004	180,804	\$2.1336	\$385,763	\$1,210,003
August 2004	194,633	\$2.1336	\$415,269	\$794,734
September 2004	173	\$2.1336	\$369	\$794,365
			\$23,095,162	

SUMMARY:

SURCHARGE AMOUNT

\$23,889,527

AMOUNT ACTUALLY COLLECTED

\$23,095,162

TOTAL REMAINING TO BE COLLECTED

\$794,365

DETAIL SUPPORTING  
DEMAND/COMMODITY SPLIT

**COLUMBIA GAS OF KENTUCKY**  
**CASE NO. 2005 -**

**CALCULATION OF DEMAND/COMMODITY SPLIT OF GAS COST ADJUSTMENT FOR TARIFFS**

Demand Component of Gas Cost Adjustment

Demand Cost of Gas (Schedule No. 1, Sheet 1, Line 17)	\$1.1257
Demand ACA (Schedule No. 2, Sheet 1, Line 23)	0.0342
Refund Adjustment (Schedule No. 4)	-0.0066
SAS Refund Adjustment (Schedule No. 5)	<u>-0.0002</u>
Total Demand Rate per Mcf	\$1.1531

Commodity Component of Gas Cost Adjustment

Commodity Cost of Gas (Schedule No. 1, Sheet 1, Line 16)	\$7.6625
Commodity ACA (Schedule No. 2, Sheet 1, Line 28)	\$0.0803
Balancing Adjustment (Schedule No. 3, Sheet 1, Line 21)	<u>\$0.2230</u>
Total Commodity Rate per Mcf	\$7.9658

CHECK:	\$1.1531
	<u>\$7.9658</u>
COST OF GAS TO TARIFF CUSTOMERS (GCA)	\$9.1189

PIPELINE COMPANY TARIFF SHEETS

Seventy-third Revised Sheet No. 25  
Superseding  
Seventy-second Revised Sheet No. 25

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

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

	Base Tariff Rate 1/	Transportation Cost Rate Adjustment Current	Electric Power Costs Adjustment Current	Annual Change Adjustment 2/	Total Effective Rate	Daily Rate
Rate Schedule FTS	\$ 5.575	0.336	0.022	-	5.940	0.195
Reservation Charge 3/		0.011	-0.004			
Commodity	\$ 1.04	0.37	0.02	0.19	1.89	1.89
Maximum	\$ 1.04	0.37	0.02	0.19	1.89	1.89
Minimum	\$ 19.37	1.47	0.01	0.19	21.42	21.42
Overrun						
Rate Schedule RTS	\$ 7.085	0.336	0.022	-	7.450	0.245
Reservation Charge 3/		0.011	-0.004			
Commodity	\$ 1.04	0.37	0.02	0.19	1.89	1.89
Maximum	\$ 1.04	0.37	0.02	0.19	1.89	1.89
Minimum	\$ 24.33	1.47	0.01	0.19	26.38	26.38
Overrun						

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 134.402 of the Commission's regulations.  
3/ Minimum reservation charge is \$0.00.

Effective: February 1, 2005

Issued by: Carl W. Levander, Vice President  
Issued on: December 30, 2004

Seventy-third Revised Sheet No. 26  
 Superseeding  
 Seventy-second Revised Sheet No. 26

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

Currently Effective Rates  
 Applicable to Rate Schedule SST and GTS  
 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 SST	\$ 5.405	0.336	0.011	0.022	-0.004	-	5.770	0.190
Reservation Charge 3/								
Commodity								
Maximum	¢ 1.02	0.37	0.05	0.22	0.02	0.19	1.87	1.87
Minimum	¢ 1.02	0.37	0.05	0.22	0.02	0.19	1.87	1.87
Overrun	¢ 18.79	1.47	0.09	0.29	0.01	0.19	20.84	20.84
Rate Schedule GTS								
Commodity	¢ 74.24	2.58	0.12	0.36	-0.01	0.19	77.48	77.48
Maximum	¢ 3.08	0.37	0.12	0.22	-0.01	0.19	3.97	3.97
Minimum	¢ 71.16	2.21	0.00	0.14	0.00	-	73.51	73.51
MFCC								

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/ ACR assessed where applicable pursuant to Section 154.402 of the Commission's Regulations.  
 3/ Minimum reservation charge is \$0.00.

Effective: February 1, 2005

Issued by: Carl W. Levander, Vice President  
 Issued on: December 30, 2004

Twentieth Revised Sheet No. 29  
Superseding  
Nineteenth Revised Sheet No. 29

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

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

	Base Tariff Rate	Transportation Cost Rate Adjustment	Electric Power Costs Adjustment Current	Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
Rate Schedule FSS						
Reservation Charge	1-501	-	-	-	1.501	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	5.92	-	-	-	5.92	5.92
Maximum	0.00	-	-	-	0.00	0.00
Minimum	1.53	-	-	-	1.53	1.53
Injection	1.53	-	-	-	1.53	1.53
Withdrawal	1.53	-	-	-	1.53	1.53
Rate Schedule SIT						
Commodity	4.11	-	-	-	4.11	4.11
Maximum	1.53	-	-	-	1.53	1.53
Minimum	-	-	-	-	-	-

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.

Effective: February 1, 2005

Issued by: Carl W. Levander, Vice President  
Issued on: December 30, 2004

Thirty-Fifth Revised Sheet No. 18  
Currently Effective

Superseding Thirty-Fourth Revised Sheet No. 18

Columbia Gulf Transmission Company  
FERC Gas Tariff  
Second Revised Volume No. 1

Currently Effective Rates  
Applicable to Rate Schedule FTS-1  
Rates per 10th

Base Rate (1)	Annual Charge Adjustment (2)	Subtotal (3)	Total Effective Rate (4)	Daily Rate (5)	Company Use and Unaccounted For (6)
\$	\$	\$	\$	\$	\$
3.1450	-	3.1450	3.1450	0.1034	-
0.0170	0.0019	0.0189	0.0189	0.0189	2.837
0.0170	0.0019	0.0189	0.0189	0.0189	2.837
0.1204	0.0019	0.1223	0.1223	0.1223	2.837

Rate Schedule FTS-1  
Rayne, LA to Points North  
Reservation Charge 2/

Commodity  
Maximum  
Minimum  
Overran

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.

- 1/ Pursuant to Section 154.402 of the Commission's Regulations.
- 2/ The Minimum Rate under Reservation Charge is zero (0).

Effective: October 1, 2004

Issued by: Carl W. Levander, Vice President  
Issued on: August 31, 2004



PROPOSED TARIFF SHEETS

**CURRENTLY EFFECTIVE BILLING RATES**

	<u>Base Rate</u> <u>Charge</u> \$	<u>Gas Cost Adjustment</u> <sup>1/</sup> <u>Demand</u> <u>Commodity</u> \$                    \$		<u>Total</u> <u>Billing</u> <u>Rate</u> \$
<b><u>RATE SCHEDULE GSR</u></b>				
First 1 Mcf or less per Mo.	6.95	1.1531	7.9658	16.0689
Over 1 Mcf per Mo.	1.8715	1.1531	7.9658	10.9904
<b><u>RATE SCHEDULE GSO</u></b>				
<u>Commercial or Industrial</u>				
First 1 Mcf or less per Mo.	18.88	1.1531	7.9658	27.9989
Next 49 Mcf per Mo.	1.8715	1.1531	7.9658	10.9904
Next 350 Mcf per Mo.	1.8153	1.1531	7.9658	10.9342
Next 600 Mcf per Mo.	1.7296	1.1531	7.9658	10.8485
Over 1000 Mcf per Mo.	1.5802	1.1531	7.9658	10.6991
<u>Delivery Service</u>				
Administrative Charge	55.90			55.90
<u>Standby Service Demand Charge</u>				
Demand Charge times Daily Firm Vol. (Mcf) in Cust. Serv. Agrmt.		6.7242		6.7242
<u>Delivery Rate Per Mcf</u>				
First 400 Mcf per Mo.	1.8153			1.8153
Next 600 Mcf per Mo.	1.7296			1.7296
All Over 1000 Mcf per Mo.	1.5802			1.5802
Former IN8 Rate Per Mcf	1.0575			1.0575
Banking and Balancing Service		0.0207		0.0207

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(continued on following sheet)

<sup>1/</sup> 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.

( I) Increase  
( R) Reduction

DATE OF ISSUE;

DATE EFFECTIVE: March 2005 Billing Cycle  
March 1, 2005

ISSUED BY: Joseph W. Kelly

President

**CURRENTLY EFFECTIVE BILLING RATES**

(Continued)

	<u>Base Rate Charge</u> \$	<u>Gas Cost Adjustment<sup>1/</sup></u> <u>Demand</u> <u>Commodity</u> \$                    \$		<u>Total Billing Rate</u> \$	
<b><u>RATE SCHEDULE GPR<sup>3/</sup></u></b>					
First 1 Mcf or less per Mo.	6.95	N/A	N/A	N/A	
Over 1 Mcf per Mo.	1.8715	N/A	N/A	N/A	
<b><u>RATE SCHEDULE GPO<sup>3/</sup></u></b>					
<u>Commercial or Industrial</u>					
First 1 Mcf or less per Mo.	18.88	N/A	N/A	N/A	
Next 49 Mcf per Mo.	1.8715	N/A	N/A	N/A	
Next 350 Mcf per Mo.	1.8153	N/A	N/A	N/A	
Next 600 Mcf per Mo.	1.7296	N/A	N/A	N/A	
Over 1000 Mcf per Mo.	1.5802	N/A	N/A	N/A	
<b><u>RATE SCHEDULE IS</u></b>					
<u>Customer Charge per Mo.</u>	116.55			116.55	
First 30,000 Mcf	0.5467		7.9658 <sup>2/</sup>	8.5125	R
Over 30,000 Mcf	0.2905		7.9658 <sup>2/</sup>	8.2563	R
<u>Standby Service Demand Charge</u>					
Demand Charge times Daily Firm Volume (Mcf) in Customer Service Agreement		6.7242		6.7242	I
<u>Delivery Service<sup>1</sup></u>					
Administrative Charge	55.90			55.90	
First 30,000 Mcf	0.5467				
Over 30,000 Mcf	0.2905			0.2905	R
Banking and Balancing Service (continued on following sheet)		0.0207		0.0207	

<sup>1/</sup> 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.  
<sup>2/</sup> IS Customers may be subject to the Demand Gas Cost, under the conditions set forth on Sheets 14 and 15 of this tariff.  
<sup>3/</sup> Currently, there are no customers on this rate schedule.

(I) Increase  
(R) Reduction

DATE OF ISSUE;

DATE EFFECTIVE: March 2005 Billing Cycle  
March 1, 2005

Issued by: Joseph W. Kelly

President

**CURRENTLY EFFECTIVE BILLING RATES**

(Continued)

	<u>Base Rate Charge</u> \$	<u>Gas Cost Adjustment<sup>1/</sup></u> <u>Demand</u> \$	<u>Commodity</u> \$	<u>Total Billing Rate</u> \$	
<b><u>RATE SCHEDULE IUS</u></b>					
For All Volumes Delivered Per Mcf	0.3038	1.1531	7.9658	9.4227	R
<b><u>Delivery Service</u></b>					
Administrative Charge	55.90			55.90	
Delivery Rate Per Mcf	0.3038	1.1531		1.4569	R
Banking and Balancing Service		0.0207		0.0207	R
<b><u>MAINLINE DELIVERY SERVICE</u></b>					
Administrative Charge	55.90			55.90	
Delivery Rate Per Mcf	0.0858			0.0858	
Banking and Balancing Service		0.0207		0.0207	R

(I) Increase

(R) Reduction

<sup>1/</sup> 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.

DATE OF ISSUE;

DATE EFFECTIVE: March 2005 Billing Cycle  
March 1, 2005

Issued by: Joseph W. Kelly

President

COLUMBIA GAS OF KENTUCKY, INC.

**CURRENTLY EFFECTIVE BILLING RATES**RATE SCHEDULE SVGTSDelivery Charge per McfGeneral Service Residential

First 1 Mcf or less per month  
Over 1 Mcf per month

\$ 6.95 (Minimum Bill)  
1.8715

General Service Other

First 1 Mcf or less per month  
Next 49 Mcf per month  
Next 350 Mcf per month  
Next 600 Mcf per month  
Over 1000 Mcf per month

\$18.88 (Minimum Bill)  
1.8715  
1.8153  
1.7296  
1.5802

Intrastate Utility Service

For all volumes per month

\$ 0.038

Actual Gas Cost Adjustment

For all volumes per month

\$ 0.3307

DATE OF ISSUE;

DATE EFFECTIVE: March 2005 Billing Cycle  
March 1, 2005

ISSUED BY: Joseph W. Kelly

President