

March 17, 2009

Sent via FAX and
UPS Next Day

Stephanie Stumbo
Executive Director
Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, KY 40602-0615

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MAR 18 2009
PUBLIC SERVICE
COMMISSION

Re: Columbia Gas of Kentucky's Motion for Continuance
Case No. 2008-00433

Dear Ms. Stumbo:

Enclosed please find Columbia Gas of Kentucky, Inc.'s Motion for Continuance to be filed in Case No. 2008-00433. Should you have any questions, please give me a call at 614.460.4680.

Sincerely,



Daniel A. Creekmur
Attorney

Attachment
cc: Parties of Record

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:)

)
THE APPLICATION OF COLUMBIA GAS)
OF KENTUCKY, INC. TO EXTEND ITS) CASE NO. 2008-00433
GAS COST INCENTIVE PROGRAM AND)
ITS OFF-SYSTEM SALES AND CAPACITY)
RELEASE REVENUE SHARING MECHA-)
NISM)

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PUBLIC SERVICE
COMMISSION

MOTION FOR CONTINUANCE
OF COLUMBIA GAS OF KENTUCKY, INC.

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March 18, 2009

Attorneys for
COLUMBIA GAS OF KENTUCKY, INC.

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

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COMMISSION

**MOTION FOR CONTINUANCE
OF COLUMBIA GAS OF KENTUCKY, INC.**

Now comes Columbia Gas of Kentucky, Inc. ("Columbia") and respectfully moves that the Kentucky Public Service Commission ("Commission") grant a continuance of the hearing scheduled for March 19, 2009 to allow the parties to this proceeding an opportunity to engage in settlement discussions. The details and reasons for this request are set forth in the attached Memorandum in Support.

Respectfully submitted,

COLUMBIA GAS OF KENTUCKY, INC.



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MEMORANDUM IN SUPPORT

On October 3, 2008, Columbia Gas of Kentucky, Inc. (“Columbia”) filed its Application in this case, requesting authority to extend its gas cost incentive mechanism (“GCIM”) and its off-system sales and capacity release revenue sharing mechanism (“OSS/CR RSM”). Interstate Gas Supply, Inc. (“IGS”) moved to intervene on November 6, 2008, and on January 9, 2009, IGS filed Comments in this docket. By Order dated March 10, 2009, the Kentucky Public Service Commission (“Commission”) entered a finding that a hearing should be held on March 19, 2009.

Pursuant to multiple telephone conversations held between Columbia and IGS on the evening of March 17, 2009, both parties agree that a continuance is appropriate to allow the parties an opportunity to engage in settlement discussions that may alleviate the need to hold a hearing. Columbia and IGS further agree that Columbia’s gas cost incentive mechanism (“GCIM”) and off-system sales and capacity release revenue sharing mechanism (“OSS/CR RSM”) should continue temporarily from the current expiration date of March 31, 2009 through April 30, 2009 while the parties engage in the aforementioned discussions.

In order to ensure timely implementation of Columbia's Application, as filed on October 3, 2008, Columbia and IGS respectfully request the Commission enter a hearing date for the week of April 13, 2009 in the event that the parties are unable to come to a mutual agreement on the issues presented in this docket.

WHEREFORE, Columbia and IGS respectfully request that the Commission grant a temporary extension of the GCIM and OSS/CR RSM programs through April 30, 2009, and continue the March 19, 2009 hearing until April 14, 2009 to allow the parties an opportunity to engage in settlement discussions.

Dated this 18th day of March 2009.

Respectfully submitted,

COLUMBIA GAS OF OHIO, INC.



Daniel A. Creekmur

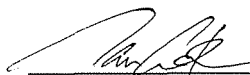
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Attorneys for
COLUMBIA GAS OF KENTUCKY, INC.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Motion of Columbia Gas of Kentucky, Inc. was served upon all parties of record by regular U. S. mail this 18th day of March, 2009.



Daniel A. Creekmur
Attorney for
COLUMBIA GAS OF KENTUCKY INC.

SERVICE LIST

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