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PUBLIC SERVICE
COMMISSION

January 28, 2011

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

**RE: Columbia Gas of Kentucky, Inc.
Case No. 2002-00145**

Dear Mr. Derouen:

Pursuant to the Commission's Order of December 13, 2002 enclosed are an original and three copies of Columbia's revised tariff sheets to become effective March 1, 2011. The annual revisions ordered by the Commission to Tariff Sheets 51b – Energy Assistance Program Rider, 51c – Rider for Natural Gas Research and Development are attached along with supporting documentation.

Columbia respectfully requests that the Commission accept the attached revisions to be effective March 1, 2011.

Please contact me at jmcoop@nisource.com or 859-288-0242 if you have questions regarding this material.

Sincerely,



Judy M. Cooper
Director, Regulatory Policy

COLUMBIA GAS OF KENTUCKY, INC.

**ENERGY ASSISTANCE PROGRAM RIDER
APPLICABLE TO GSR RATE SCHEDULE**

Energy Assistance Program

The Energy Assistance Program ("EAP") provides a bill credit to enrolled customers during the five heating season months of November through March. It is available to eligible residential customers in Company's service territory subject to enrollment by the Program Administrator. The surcharge is applicable to all residential customers under the General Service and Small Volume Gas Transportation Service Rate Schedules. The EAP surcharge will be a separate line item on customers' bills.

Rate:

The surcharge shall be \$0.0592 per Mcf.

DATE OF ISSUE: January 28, 2011

DATE EFFECTIVE: March 1, 2011

Issued by:

Herbert A. McLean

President

Issued by authority of an Order of the Public Service Commission in Case No. 2002-00145 dated December 13, 2002

COLUMBIA GAS OF KENTUCKY, INC.

Rider for Natural Gas Research & Development

Applicable

Applicable to Rate Schedules GS, IS, SS, IUS, SVGTS, MLDS, and DS except customers served under the Flex Provision.

Purpose

The purpose of this rider is to replace funding of natural gas research and development that previously was included in purchased gas cost pursuant to the authority of the Federal Energy Regulatory Commission. The rider will be calculated annually to produce \$300,000 annually to fund natural gas research and development.

Unit Charge

The Unit Charge shall be \$0.0151 per Mcf. This amount will be recalculated annually and will include a true-up for the prior year .

Remittance of Funds

Funds collected up to the amount of \$300,000 per annum under this rider will be remitted to the Gas Technology Institute on an annual basis. The amounts so remitted shall be reported to the Commission along with a statement setting forth the manner in which the remitted funds have been invested in research and development.

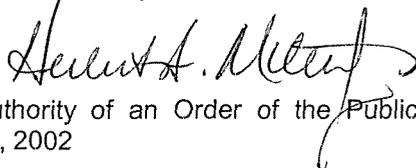
Termination of Rider

Participation in the Natural Gas Research and Development funding program is voluntary on the part of the Company. This rider may be terminated at any time by the Company on filing a notice of rescission with the Commission.

DATE OF ISSUE: January 28, 2011

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President

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COLUMBIA GAS OF KENTUCKY, INC.

**ENERGY ASSISTANCE PROGRAM RIDER
APPLICABLE TO GSR RATE SCHEDULE**

Energy Assistance Program

The Energy Assistance Program ("EAP") provides a bill credit to enrolled customers during the five heating season months of November through March. It is available to eligible residential customers in Company's service territory subject to enrollment by the Program Administrator. The surcharge is applicable to all residential customers under the General Service and Small Volume Gas Transportation Service Rate Schedules. The EAP surcharge will be a separate line item on customers' bills.

Rate:

The surcharge shall be \$0.0574-0592 per Mcf.

DATE OF ISSUE: January 28, 2010 ~~2011~~

DATE EFFECTIVE: March 1, 2010 ~~2011~~

Issued by: Herbert A. Miller, Jr.

President

Issued by authority of an Order of the Public Service Commission in Case No. 2002-00145 dated December 13, 2002

COLUMBIA GAS OF KENTUCKY, INC.

Rider for Natural Gas Research & Development

Applicable

Applicable to Rate Schedules GS, IS, SS, IUS, SVGTS, MLDS, and DS except customers served under the Flex Provision.

Purpose

The purpose of this rider is to replace funding of natural gas research and development that previously was included in purchased gas cost pursuant to the authority of the Federal Energy Regulatory Commission. The rider will be calculated annually to produce \$300,000 annually to fund natural gas research and development.

Unit Charge

The Unit Charge shall be \$0.0440-0151 per Mcf. This amount will be recalculated annually and will include a true-up for the prior year .

Remittance of Funds

Funds collected up to the amount of \$300,000 per annum under this rider will be remitted to the Gas Technology Institute on an annual basis. The amounts so remitted shall be reported to the Commission along with a statement setting forth the manner in which the remitted funds have been invested in research and development.

Termination of Rider

Participation in the Natural Gas Research and Development funding program is voluntary on the part of the Company. This rider may be terminated at any time by the Company on filing a notice of rescission with the Commission.

DATE OF ISSUE: January 28⁹, 2010²⁰¹¹

DATE EFFECTIVE: March 1, 2010²⁰¹¹

Issued by: Herbert A. Miller, Jr.

President

Issued by authority of an Order of the Public Service Commission in Case No. 2002-00145 dated December 13, 2002

**COLUMBIA GAS OF KENTUCKY, INC.
CALCULATION OF EAP SURCHARGE
FOR TWELVE MONTHS BEGINNING MARCH 1, 2011**

Line No.			
1	EAP Customer Amount		\$ 500,000
2	True-Up for Prior Year		
3	Previous amount for surcharge	\$ 505,223	
4	Less estimated recoveries (3/2010 - 2/2011)	\$ 506,889	
5	(line 3 minus line 4)		\$ (1,666)
6	Total Surcharge		\$498,334
7	(line 1+ line 5)		
8	Expected residential Mcf (3/2011 - 2/2012)		8,412,068.1
9	Surcharge per Mcf		\$0.0592
10	(line 6 divided by line 8)		
11	(Expires February 29, 2012)		

COLUMBIA GAS OF KENTUCKY, INC.
Research and Development Unit Surcharge
FOR TWELVE MONTHS BEGINNING MARCH 1, 2011

Line No.			
1	R&D Annual Customer Amount		\$300,000
2	True-Up for Prior Year		
3	Previous Amount for unit charge	\$322,847	
4	Less estimated recoveries (3/2010 - 2/2011)	\$301,419	
5	(line 3 minus line 4)		\$21,428
6	Total Amount for unit charge		\$321,428
7	(line 1 plus line 5)		
8	Expected Mcf (3/2011 - 2/2012)		21,285,535
9	Surcharge per Mcf		\$0.0151
10	(line 6 divided by line 8)		
11	(Expires February 28, 2012)		