COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF COLUMBIA GAS OF KENTUCKY, INC. TO IMPLEMENT A SMALL VOLUME GAS TRANSPORTATION SERVICE, TO CONTINUE ITS GAS COST INCENTIVE MECHANISMS, AND TO CONTINUE ITS CUSTOMER ASSISTANCE PROGRAM

CASE NO. 1999-00165

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On September 20, 2004, in response to the Commission's July 20, 2004 Order in this matter, Columbia Gas of Kentucky, Inc. ("Columbia") filed a report on the status of its Customer Choice Program ("Choice Program"). The report states that Columbia, working with various stakeholders, has attempted to develop a revised Choice Program. It also states that Columbia hopes to file an application setting forth the proposal for the revised Choice Program by October 31, 2004. Columbia states that an evaluation of the current program may be unnecessary due to proposed changes thereto; therefore, it requests that the postponement of such an evaluation, which was granted in our July 20, 2004 Order, be continued pending development of the revised program.

Based on Columbia's request, and being otherwise sufficiently advised, we find that the request should be granted. However, as stated in our July 20, 2004 Order, a decision in this matter cannot be postponed indefinitely. It is possible that an evaluation may be required and that the March 31, 2005 end date of the pilot Choice Program could impact the ability to perform that evaluation. Therefore, if a proposal for a revised Choice Program is to be filed, it should be filed not later than November 30, 2004. IT IS THEREFORE ORDERED that:

1. Columbia's request that the Commission extend the postponement of its planned evaluation of Columbia's pilot Choice Program is granted.

2. Columbia shall file its application for approval of a revised Choice Program by November 30, 2004.

3. The postponement granted herein shall run through November 30, 2004, or until Columbia files an application for a revised Choice Program, whichever is earlier.

Done at Frankfort, Kentucky, this 8th day of October, 2004.

By the Commission

ATTEST:

Executive Director