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**PUBLIC SERVICE
COMMISSION**

Columbia Gas[®]
of Kentucky

A NiSource Company

2001 Mercer Road
Lexington, KY 40511

November 25, 2008

Ms Stephanie Stumbo
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

RE: Case No. 2004-00462

Dear Ms. Stumbo:

Pursuant to the Commission's Order issued on March 29, 2005, in the above referenced case, Columbia Gas of Kentucky, Inc. ("Columbia") submits its 2008 GCIM Annual Report.

If you have questions, please don't hesitate to contact me at 859-288-0242 or jmcoop@nisource.com.

Sincerely,



Judy M. Cooper
Director, Regulatory Policy

COLUMBIA GAS OF KENTUCKY
GAS COST INCENTIVE MECHANISM
ANNUAL REPORT
NOVEMBER 25, 2008

**COLUMBIA GAS OF KENTUCKY
GCIM CALCULATION
April-08**

BENCHMARK CALCULATION	PURCHASE COST
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PIPE (1)	REC POINT (2)	TOTAL VOLUME (3)	NYMEX SETTLE (4)	INSIDE FERC HENRY HUB (5)	INSIDE FERC INDEX (6)	MARKET STANDARD PRICE (7=4+(6-5))	BENCHMARK COST (8=3 X 7)	PURCH RATE (9)	PURCH COST (10=3 X 9)	SAVINGS / (LOSS) (11=8 - 10)
TCO	SPP	600,000	\$9.5780	\$9.5900	\$10.0700	\$10.0580	\$6,034,800.00	\$10.0450	\$6,027,000.00	\$7,800.00
CGT MAIN	P2039283	330,000	\$9.5780	\$9.5900	\$9.6056	\$9.5936	\$3,165,888.00	\$9.5505	\$3,151,665.00	\$14,223.00
TENN	DB EN SA	149,732	\$9.5780	\$9.5900	\$9.5300	\$9.5180	\$1,425,149.18	\$9.5280	\$1,426,646.50	-\$1,497.32
TCO	P1095251	300,000	\$9.5780	\$9.5900	\$10.0700	\$10.0580	\$3,017,400.00	\$10.0700	\$3,021,000.00	-\$3,600.00
TENN	80364	180,000	\$9.5780	\$9.5900	\$9.5300	\$9.5180	\$1,713,240.00	\$9.5280	\$1,715,040.00	-\$1,800.00
		1,559,732					\$15,356,477.18		\$15,341,351.50	\$15,125.68
50% SHARE										\$7,562.84

INSIDE FERC APRIL 2008

CGT MAIN IS NOT REPORTED IN INSIDE FERC CGT ONSHORE IS THE NEXT INDEX UPSTREAM (ADD 100% LOAD FACTOR)

TCO	\$10.07	
CGT ONSHORE	\$9.53	\$9.5300 INSIDE FERC CGT ONSHORE
TENN 500 LEG	\$9.53	0.99612 CGT LAT SHRINK
		\$9.5671
		\$0.0385 CGT LAT ITS-2 TRANSPORT (THIS RATE IS 100% LOAD FACTOR)
		\$9.6056 ADJUSTED INDEX

**COLUMBIA GAS OF KENTUCKY
GCIM CALCULATION
May-08**

BENCHMARK CALCULATION							PURCHASE COST			
PIPE (1)	REC POINT (2)	TOTAL VOLUME (3)	NYMEX SETTLE (4)	INSIDE FERC HENRY HUB (5)	INSIDE FERC INDEX (6)	MARKET STANDARD PRICE (7=4+(6-5))	BENCHMARK COST (8=3 X 7)	PURCH RATE (9)	PURCH COST (10=3 X 9)	SAVINGS / (LOSS) (11=8 - 10)
TCO	SPP	161,198	\$11.2800	\$11.2900	\$11.8000	\$11.7900	\$1,900,524.42	\$11.7800	\$1,898,912.44	\$1,611.98
TCO	P1039484	120,000	\$11.2800	\$11.2900	\$11.8000	\$11.7900	\$1,414,800.00	\$11.8000	\$1,416,000.00	-\$1,200.00
TCO	P1039484	620,000	\$11.2800	\$11.2900	\$11.8000	\$11.7900	\$7,309,800.00	\$11.8025	\$7,317,550.00	-\$7,750.00
CGT MAIN	P2067254	341,000	\$11.2800	\$11.2900	\$11.3122	\$11.3022	\$3,854,050.20	\$11.2475	\$3,835,397.50	\$18,652.70
TCO	P1095236	47,500	\$11.2800	\$11.2900	\$11.8000	\$11.7900	\$560,025.00	\$11.6200	\$551,950.00	\$8,075.00
TCO	P1095236	40,000	\$11.2800	\$11.2900	\$11.8000	\$11.7900	\$471,600.00	\$11.3000	\$452,000.00	\$19,600.00
TCO	SPP	310,000	\$11.2800	\$11.2900	\$11.8000	\$11.7900	\$3,654,900.00	\$11.7750	\$3,650,250.00	\$4,650.00
TCO	SPP	248,000	\$11.2800	\$11.2900	\$11.8000	\$11.7900	\$2,923,920.00	\$11.7800	\$2,921,440.00	\$2,480.00
TCO	SPP	148,800	\$11.2800	\$11.2900	\$11.8000	\$11.7900	\$1,754,352.00	\$11.7900	\$1,754,352.00	\$0.00
TCO	SPP	310,000	\$11.2800	\$11.2900	\$11.8000	\$11.7900	\$3,654,900.00	\$11.7400	\$3,639,400.00	\$15,500.00
		2,346,498					\$27,498,871.62		\$27,437,251.94	\$61,619.68
50% SHARE										\$30,809.84

INSIDE FERC MAY 2008

TCO \$11.80
CGT ONSHORE \$11.23

CGT MAIN IS NOT REPORTED IN INSIDE FERC CGT ONSHORE IS THE NEXT INDEX UPSTREAM (ADD 100% LOAD FACTOR)

\$11.2300 INSIDE FERC CGT ONSHORE
0.99612 CGT LAT SHRINK
\$11.2737
\$0.0385 CGT LAT ITS-2 TRANSPORT (THIS RATE IS 100% LOAD FACTOR)
\$11.3122 ADJUSTED INDEX

**COLUMBIA GAS OF KENTUCKY
GCIM CALCULATION
June-08**

BENCHMARK CALCULATION							PURCHASE COST			
PIPE (1)	REC POINT (2)	TOTAL VOLUME (3)	NYMEX SETTLE (4)	INSIDE FERC HENRY HUB (5)	INSIDE FERC INDEX (6)	MARKET STANDARD PRICE (7=4+(6-5))	BENCHMARK COST (8=3 X 7)	PURCH RATE (9)	PURCH COST (10=3 X 9)	SAVINGS / (LOSS) (11=8 - 10)
TCO	SPP	45,000	\$11.9160	\$11.9300	\$12.3600	\$12.3460	\$555,570.00	\$12.3500	\$555,750.00	-\$180.00
TCO	SPP	262,140	\$11.9160	\$11.9300	\$12.3600	\$12.3460	\$3,236,380.44	\$12.3400	\$3,234,807.60	\$1,572.84
TCO	P1039484	22,500	\$11.9160	\$11.9300	\$12.3600	\$12.3460	\$277,785.00	\$12.3600	\$278,100.00	-\$315.00
TCO	P1067231	20,000	\$11.9160	\$11.9300	\$12.3600	\$12.3460	\$246,920.00	\$11.8250	\$236,500.00	\$10,420.00
CGT MAIN	P2095249	360,000	\$11.9160	\$11.9300	\$11.9599	\$11.9459	\$4,300,524.00	\$11.8960	\$4,282,560.00	\$17,964.00
TCO	P1056903	2,000	\$11.9160	\$11.9300	\$12.3600	\$12.3460	\$24,692.00	\$11.7750	\$23,550.00	\$1,142.00
TCO	SPP	570,000	\$11.9160	\$11.9300	\$12.3600	\$12.3460	\$7,037,220.00	\$12.3400	\$7,033,800.00	\$3,420.00
TCO	P1078372	20,000	\$11.9160	\$11.9300	\$12.3600	\$12.3460	\$246,920.00	\$11.8250	\$236,500.00	\$10,420.00
CKT	801	300,000	\$11.9160	\$11.9300	\$12.3600	\$12.3460	\$3,703,800.00	\$12.3300	\$3,699,000.00	\$4,800.00
TCO	P1071797	20,000	\$11.9160	\$11.9300	\$12.3600	\$12.3460	\$246,920.00	\$11.8250	\$236,500.00	\$10,420.00
TCO	P1072327	300,000	\$11.9160	\$11.9300	\$12.3600	\$12.3460	\$3,703,800.00	\$12.3600	\$3,708,000.00	-\$4,200.00
TCO	P1072327	38,000	\$11.9160	\$11.9300	\$12.3600	\$12.3460	\$469,148.00	\$11.8000	\$448,400.00	\$20,748.00
		1,959,640					\$24,049,679.44		\$23,973,467.60	\$76,211.84
50% SHARE										\$38,105.92

INSIDE FERC JUNE 2008

TCO \$12.36
CGT ONSHORE \$11.85

CGT MAIN IS NOT REPORTED IN INSIDE FERC CGT ONSHORE IS THE NEXT INDEX UPSTREAM (ADD 100% LOAD FACTOR)

\$11.8500 INSIDE FERC CGT ONSHORE
0.99401 CGT LAT SHRINK
\$11.9214
\$0.0385 CGT LAT ITS-2 TRANSPORT (THIS RATE IS 100% LOAD FACTOR)
\$11.9599 ADJUSTED INDEX

COLUMBIA GAS OF KENTUCKY
GCIM CALCULATION
July-08

BENCHMARK CALCULATION							PURCHASE COST			
PIPE (1)	REC POINT (2)	TOTAL VOLUME (3)	NYMEX SETTLE (4)	INSIDE FERC HENRY HUB (5)	INSIDE FERC INDEX (6)	MARKET STANDARD PRICE (7=4+(6-5))	BENCHMARK COST (8=3 X 7)	PURCH RATE (9)	PURCH COST (10=3 X 9)	SAVINGS / (LOSS) (11=8 - 10)
TCO	P1074621	15,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$203,025.00	\$9.6800	\$145,200.00	\$57,825.00
TCO	P1039484	120,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$1,624,200.00	\$13.5400	\$1,624,800.00	-\$600.00
TCO	SPP	270,878	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$3,666,333.73	\$13.5100	\$3,659,561.78	\$6,771.95
TCO	P1039484	1,300	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$17,595.50	\$9.9700	\$12,961.00	\$4,634.50
CGT MAIN	P2039310	6,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$78,390.00	\$10.4800	\$62,880.00	\$15,510.00
TCO	SPP	5,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$67,675.00	\$12.4400	\$62,200.00	\$5,475.00
TCO	SPP	3,500	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$47,372.50	\$12.4200	\$43,470.00	\$3,902.50
CGT MAIN	P2067254	2,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$26,130.00	\$12.0825	\$24,165.00	\$1,965.00
CGT MAIN	P2067254	2,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$26,130.00	\$11.3800	\$22,760.00	\$3,370.00
CGT MAIN	P2067254	2,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$26,130.00	\$10.5650	\$21,130.00	\$5,000.00
CGT MAIN	P2067254	6,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$78,390.00	\$9.2850	\$55,710.00	\$22,680.00
TCO	P1067231	5,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$67,675.00	\$9.4900	\$47,450.00	\$20,225.00
CGT MAIN	P2095249	310,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$4,050,150.00	\$13.0700	\$4,051,700.00	-\$1,550.00
TCO	SPP	5,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$67,675.00	\$9.3950	\$46,975.00	\$20,700.00
TCO	SPP	2,500	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$33,837.50	\$9.2400	\$23,100.00	\$10,737.50
TCO	SPP	5,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$67,675.00	\$10.0450	\$50,225.00	\$17,450.00
TCO	SPP	279,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$3,776,265.00	\$13.5000	\$3,766,500.00	\$9,765.00
TCO	SPP	589,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$7,972,115.00	\$13.5000	\$7,951,500.00	\$20,615.00
TCO	P1078372	15,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$203,025.00	\$9.6800	\$145,200.00	\$57,825.00
TCO	SPP	30,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$406,050.00	\$12.7950	\$383,850.00	\$22,200.00
TCO	SPP	5,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$67,675.00	\$12.3900	\$61,950.00	\$5,725.00
TCO	SPP	10,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$135,350.00	\$11.7500	\$117,500.00	\$17,850.00
TCO	SPP	5,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$67,675.00	\$12.3900	\$61,950.00	\$5,725.00
TENN	ENBRIDSA	89	\$13.1050	\$13.1100	\$13.0600	\$13.0550	\$1,161.90	\$12.2900	\$1,093.81	\$68.09
TCO	SPP	5,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$67,675.00	\$12.5950	\$62,975.00	\$4,700.00
TCO	SPP	5,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$67,675.00	\$12.2000	\$61,000.00	\$6,675.00
TCO	SPP	1,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$13,535.00	\$11.7500	\$11,750.00	\$1,785.00
TCO	SPP	10,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$135,350.00	\$12.0500	\$120,500.00	\$14,850.00
TCO	SPP	30,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$406,050.00	\$10.9900	\$329,700.00	\$76,350.00
TCO	SPP	10,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$135,350.00	\$10.9000	\$109,000.00	\$26,350.00
TCO	SPP	8,650	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$117,077.75	\$10.0450	\$86,889.25	\$30,188.50
TCO	SPP	5,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$67,675.00	\$9.3950	\$46,975.00	\$20,700.00
TCO	SPP	10,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$135,350.00	\$9.2400	\$92,400.00	\$42,950.00
TCO	SPP	15,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$203,025.00	\$9.7000	\$145,500.00	\$57,525.00
TCO	SPP	15,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$203,025.00	\$9.4950	\$142,425.00	\$60,600.00
TCO	SPP	10,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$135,350.00	\$9.3950	\$93,950.00	\$41,400.00
TCO	SPP	10,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$135,350.00	\$10.4800	\$104,800.00	\$30,550.00
TCO	SPP	5,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$67,675.00	\$12.1350	\$60,675.00	\$7,000.00
TCO	P1071797	3,954	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$53,517.39	\$13.5100	\$53,418.54	\$98.85
CGT MAIN	P2067888	62,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$810,030.00	\$13.0750	\$810,650.00	-\$620.00

TCO	SPP	306,046	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$4,142,332.61	\$13.5100	\$4,134,681.46	\$7,651.15
CGT MAIN	P2051217	2,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$26,130.00	\$11.2750	\$22,550.00	\$3,580.00
TCO	SPP	32,500	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$439,887.50	\$9.2400	\$300,300.00	\$139,587.50
TCO	SPP	20,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$270,700.00	\$9.3950	\$187,900.00	\$82,800.00
CGT MAIN	P2048369	2,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$26,130.00	\$9.7025	\$19,405.00	\$6,725.00
TCO	P1051219	93,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$1,258,755.00	\$13.5400	\$1,259,220.00	-\$465.00
TCO	SPP	15,000	\$13.1050	\$13.1100	\$13.5400	\$13.5350	\$203,025.00	\$10.2350	\$153,525.00	\$49,500.00
CGT MAIN	P2072344	2,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$26,130.00	\$9.9225	\$19,845.00	\$6,285.00
CGT MAIN	P2072344	2,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$26,130.00	\$10.1050	\$20,210.00	\$5,920.00
CGT MAIN	P2072344	2,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$26,130.00	\$11.8150	\$23,630.00	\$2,500.00
CGT MAIN	P2072344	2,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$26,130.00	\$11.8175	\$23,635.00	\$2,495.00
CGT MAIN	P2072344	2,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$26,130.00	\$11.5775	\$23,155.00	\$2,975.00
CGT MAIN	P2072344	6,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$78,390.00	\$12.1000	\$72,600.00	\$5,790.00
CGT MAIN	P2072344	2,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$26,130.00	\$9.2275	\$18,455.00	\$7,675.00
CGT MAIN	P2072344	2,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$26,130.00	\$9.1275	\$18,255.00	\$7,875.00
CGT MAIN	P2072344	2,000	\$13.1050	\$13.1100	\$13.0700	\$13.0650	\$26,130.00	\$8.9775	\$17,955.00	\$8,175.00

2,392,417

\$32,185,801.38

\$31,091,760.84

\$1,094,040.54

50% SHARE

\$547,020.27

INSIDE FERC JULY 2008

TCO	\$13.54
CGT ONSHORE	\$13.09
TENN 500	\$13.06
CGT MAIN	\$13.07

COLUMBIA GAS OF KENTUCKY
GCIM CALCULATION
August-08

BENCHMARK CALCULATION							PURCHASE COST			
PIPE (1)	REC POINT (2)	TOTAL VOLUME (3)	NYMEX SETTLE (4)	INSIDE FERC HENRY HUB (5)	INSIDE FERC INDEX (6)	MARKET STANDARD PRICE (7=4+(6-5))	BENCHMARK COST (8=3 X 7)	PURCH RATE (9)	PURCH COST (10=3 X 9)	SAVINGS / (LOSS) (11=8 - 10)
TCO	P1092609	155,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$1,490,635.00	\$9.6300	\$1,492,650.00	-\$2,015.00
CGT MAIN	P2067254	434,000	\$9.2170	\$9.2300	\$9.1900	\$9.1770	\$3,982,818.00	\$9.1970	\$3,991,498.00	-\$8,680.00
TCO	SPP	310,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$2,981,270.00	\$9.5600	\$2,963,600.00	\$17,670.00
TCO	SPP	341,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$3,279,397.00	\$9.5600	\$3,259,960.00	\$19,437.00
TCO	P1058738	10,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$96,170.00	\$8.5200	\$85,200.00	\$10,970.00
TCO	P1083340	5,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$48,085.00	\$8.2550	\$41,275.00	\$6,810.00
TCO	SPP	15,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$144,255.00	\$8.0775	\$121,162.50	\$23,092.50
TCO	SPP	10,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$96,170.00	\$8.3400	\$83,400.00	\$12,770.00
TCO	SPP	10,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$96,170.00	\$8.3350	\$83,350.00	\$12,820.00
TCO	SPP	10,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$96,170.00	\$8.4250	\$84,250.00	\$11,920.00
TCO	SPP	10,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$96,170.00	\$8.4900	\$84,900.00	\$11,270.00
TCO	SPP	30,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$288,510.00	\$8.4450	\$253,350.00	\$35,160.00
TCO	SPP	10,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$96,170.00	\$8.2150	\$82,150.00	\$14,020.00
TCO	SPP	10,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$96,170.00	\$8.9400	\$89,400.00	\$6,770.00
TCO	P1070379	5,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$48,085.00	\$8.2100	\$41,050.00	\$7,035.00
TCO	SPP	310,000	\$9.2170	\$9.2300	\$9.6300	\$9.6170	\$2,981,270.00	\$9.5600	\$2,963,600.00	\$17,670.00
		1,675,000					\$15,917,515.00		\$15,720,795.50	\$196,719.50
50% SHARE										\$98,359.75

INSIDE FERC AUGUST 2008

TCO	\$9.63
CGT ONSHORE	\$9.17
TENN 500	\$9.12
CGT MAIN	\$9.19

COLUMBIA GAS OF KENTUCKY
GCIM CALCULATION
September-08

BENCHMARK CALCULATION							PURCHASE COST			
PIPE (1)	REC POINT (2)	TOTAL VOLUME (3)	NYMEX SETTLE (4)	INSIDE FERC HENRY HUB (5)	INSIDE FERC INDEX (6)	MARKET STANDARD PRICE (7=4+(6-5))	BENCHMARK COST (8=3 X 7)	PURCH RATE (9)	PURCH COST (10=3 X 9)	SAVINGS / (LOSS) (11=8 - 10)
TCO	P1043905	57,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$489,288.00	\$7.1750	\$408,975.00	\$80,313.00
TCO	P1043905	10,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$85,840.00	\$7.8900	\$78,900.00	\$6,940.00
TCO	SPP	4,999	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$42,911.42	\$7.3800	\$36,892.62	\$6,018.80
TCO	SPP	5,100	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$43,778.40	\$7.7300	\$39,423.00	\$4,355.40
TCO	SPP	5,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$42,920.00	\$7.7300	\$38,650.00	\$4,270.00
CGT MAIN	P2039310	255,000	\$8.3940	\$8.4000	\$8.3400	\$8.3340	\$2,125,170.00	\$8.3375	\$2,126,062.50	-\$892.50
TCO	P1039484	150,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$1,287,600.00	\$8.5900	\$1,288,500.00	-\$900.00
TCO	SPP	3,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$25,752.00	\$7.8750	\$23,625.00	\$2,127.00
TCO	SPP	9,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$77,256.00	\$7.7850	\$70,065.00	\$7,191.00
TCO	SPP	3,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$25,752.00	\$7.7900	\$23,370.00	\$2,382.00
TCO	SPP	6,200	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$53,220.80	\$7.1550	\$44,361.00	\$8,859.80
TCO	P1067231	5,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$42,920.00	\$7.1750	\$35,875.00	\$7,045.00
TCO	P1067231	5,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$42,920.00	\$7.3600	\$36,800.00	\$6,120.00
TCO	SPP	365,555	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$3,137,924.12	\$8.5350	\$3,120,011.93	\$17,912.19
TCO	P1037161	234,445	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$2,012,475.88	\$8.5350	\$2,000,988.08	\$11,487.80
TCO	P1037154	3,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$25,752.00	\$7.4000	\$22,200.00	\$3,552.00
TCO	P1058738	10,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$85,840.00	\$7.4000	\$74,000.00	\$11,840.00
TCO	P1058738	10,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$85,840.00	\$7.1750	\$71,750.00	\$14,090.00
TCO	P1058738	1,400	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$12,017.60	\$7.1750	\$10,045.00	\$1,972.60
TCO	SPP	2,100	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$18,026.40	\$7.8500	\$16,485.00	\$1,541.40
TCO	P1083340	4,800	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$41,203.20	\$7.9150	\$37,992.00	\$3,211.20
TCO	P1083340	10,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$85,840.00	\$7.3500	\$73,500.00	\$12,340.00
TCO	SPP	10,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$85,840.00	\$7.7250	\$77,250.00	\$8,590.00
TCO	SPP	10,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$85,840.00	\$7.7250	\$77,250.00	\$8,590.00
TCO	SPP	10,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$85,840.00	\$7.3500	\$73,500.00	\$12,340.00
TCO	P1070379	1,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$8,584.00	\$7.4000	\$7,400.00	\$1,184.00
TCO	P1070379	5,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$42,920.00	\$7.7000	\$38,500.00	\$4,420.00
TCO	P1051219	10,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$85,840.00	\$7.9150	\$79,150.00	\$6,690.00
TCO	P1072327	5,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$42,920.00	\$7.3900	\$36,950.00	\$5,970.00
TCO	P1072327	15,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$128,760.00	\$7.5950	\$113,925.00	\$14,835.00
TCO	P1072327	5,000	\$8.3940	\$8.4000	\$8.5900	\$8.5840	\$42,920.00	\$7.3950	\$36,975.00	\$5,945.00

1,230,599 \$10,499,711.82 \$10,219,371.12 \$280,340.70

50% SHARE \$140,170.35

INSIDE FERC SEPTEMBER 2008

TCO	\$8.59
CGT ONSHORE	\$8.32
TENN 500	\$8.22
CGT MAIN	\$8.34

COLUMBIA GAS OF KENTUCKY
GCIM CALCULATION
October-08

BENCHMARK CALCULATION							PURCHASE COST			
PIPE (1)	REC POINT (2)	TOTAL VOLUME (3)	NYMEX SETTLE (4)	INSIDE FERC HENRY HUB (5)	INSIDE FERC INDEX (6)	MARKET STANDARD PRICE (7=4+(6-5))	BENCHMARK COST (8=3 X 7)	PURCH RATE (9)	PURCH COST (10=3 X 9)	SAVINGS / (LOSS) (11=8 - 10)
TCO	SPP1129	238,700	\$7.4720	\$7.4800	\$7.6800	\$7.6720	\$1,831,306.40	\$7.6400	\$1,823,668.00	\$7,638.40
CGT MAIN	P2039310	434,000	\$7.4720	\$7.4800	\$7.3900	\$7.3820	\$3,203,788.00	\$7.4170	\$3,218,978.00	-\$15,190.00
TCO	P1058738	2,900	\$7.4720	\$7.4800	\$7.6800	\$7.6720	\$22,248.80	\$7.3600	\$21,344.00	\$904.80
TCO	P1071797	2,100	\$7.4720	\$7.4800	\$7.6800	\$7.6720	\$16,111.20	\$7.3600	\$15,456.00	\$655.20
TCO	P1071797	10,000	\$7.4720	\$7.4800	\$7.6800	\$7.6720	\$76,720.00	\$7.3600	\$73,600.00	\$3,120.00
		687,700					\$5,150,174.40		\$5,153,046.00	-\$2,871.60
50% SHARE										-\$1,435.80

INSIDE FERC OCTOBER 2008

TCO	\$7.68
CGT ONSHORE	\$7.39
TENN 500	\$7.38
CGT MAIN	\$7.39