Columbia Gas of Kentucky
A NiSource Company
2001 Mercer Road
Lexington, KY 40511

May 1, 2009

RECEIVED
MAY 01 2009
PUBLIC SERVICE COMMISSION
2009-00176

Mr. Jeff DeRouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

Re: Columbia Gas of Kentucky, Inc.
Gas Cost Adjustment Case No. 2009 -

Dear Mr. DeRouen:

Pursuant to the Commission's Order dated January 30, 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 June quarterly Gas Cost Adjustment ("GCA").

Columbia proposes to decrease its current rates to tariff sales customers by 2.2157 per Mcf effective with its June 2009 billing cycle on June 1, 2009. The decrease is composed of a decrease of \$2.4926 per Mcf in the Average Commodity Cost of Gas, an increase of \$0.2759 per Mcf in the Average Demand Cost of Gas, and a decrease of \$0.0010 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

Judy M. Cooper
Director, Regulatory Policy

Enclosures

BEFORE THE
PUBLIC SERVICE COMMISSION
OF KENTUCKY

COLUMBIA GAS OF KENTUCKY, INC.

CASE 2009 -

GAS COST ADJUSTMENT AND REVISED RATES OF
COLUMBIA GAS OF KENTUCKY, INC. PROPOSED TO BECOME
EFFECTIVE JUNE 2009 BILLINGS

Columbia Gas of Kentucky, Inc.
Comparison of Current and Proposed GCAs

Line No.		March-09 CURRENT	June-09 PROPOSED	DIFFERENCE
1	Commodity Cost of Gas	$6.8373	$4.3447	($2.4926)
2	Demand Cost of Gas	$1.3481	$1.6240	$0.2759
3	Total: Expected Gas Cost (EGC)	$8.1854	$5.9687	($2.2167)
4	SAS Refund Adjustment	($0.0002)	($0.0002)	$0.0000
5	Balancing Adjustment	$0.4613	$0.4613	$0.0000
6	Supplier Refund Adjustment	($0.0063)	($0.0053)	$0.0010
7	Actual Cost Adjustment	$1.4238	$1.4238	$0.0000
8	Gas Cost Incentive Adjustment	$0.0584	$0.0584	$0.0000
9	Cost of Gas to Tariff Customers (GCA)	$10.1224	$7.9067	($2.2157)
10	Transportation TOP Refund Adjustment	$0.0000	$0.0000	$0.0000
11	Banking and Balancing Service	$0.0208	$0.0208	($0.0000)
12	Rate Schedule FI and GSO			
13	Customer Demand Charge	$6.5672	$6.5650	($0.0022)

Columbia Gas of Kentucky, Inc.
Gas Cost Adjustment Clause
Gas Cost Recovery Rate
June - Aug 09

Line No.	Description		Amount	Expires
1	Expected Gas Cost (EGC)	Schedule No. 1	$5.9687	
2	Actual Cost Adjustment (ACA)	Schedule No. 2	$1.4238	8-31-09
3	SAS Refund Adjustment (RA)	Schedule No. 5	($0.0002)	8-31-09
4	Supplier Refund Adjustment (RA)	Schedule No. 4	($0.0053)	02-28-10
		Total Refunds	($0.0053)	
5	Balancing Adjustment (BA)	Schedule No. 3	$0.4613	9-30-09
6	Gas Cost Incentive Adjustment	Schedule No. 6	$0.0584	2-28-10
7	Gas Cost Adjustment			
8	June - Aug 09		$7.9067	
9	Expected Demand Cost (EDC) per Mcf			
10	(Applicable to Rate Schedule IS/SS and GSO)	Schedule No. 1, Sheet 4	$6.5650	

DATE FILED: May 1, 2009 **BY: J. M. Cooper**

Columbia Gas of Kentucky, Inc.
Expected Gas Cost for Sales Customers
June - Aug 09

Schedule No. 1
Sheet 1

Line No.	Description		Reference	Volume A/ Mcf (1)	Dth. (2)	Rate Per Mcf (3)	Per Dth (4)	Cost (5)
	Storage Supply							
	Includes storage activity for sales customers only							
	Commodity Charge							
1	Withdrawal				0		$0.0153	$0
2	Injection				4,412,000		$0.0153	$67,504
3	*Withdrawals: gas cost includes pipeline fuel and commodity charges*				0		$4.6486	$0
	Total							
4	Volume	= 3			0			
5	Cost	sum(1:3)						$67,504
6	Summary	4 or 5			0			$67,504
	Flowing Supply							
	Excludes volumes injected into or withdrawn from storage.							
	Net of pipeline retention volumes and cost. Add unit retention cost on line 17							
7	Non-Appalachian		Sch.1, Sht. 5, Ln. 4		901,000			$3,433,557
8	Appalachian Supplies		Sch.1, Sht. 6, Ln. 4		61,000			$231,000
9	Less Fuel Retention By Interstate Pipelines		Sch. 1,Sheet 7, Lines 21, 22		(215,000)			($883,212)
10	Total	7 + 8 + 9			747,000			$2,781,344
	Total Supply							
11	At City-Gate		Line 6 + 10		747,000			$2,848,848
	Lost and Unaccounted For							
12	Factor				-0.9%			
13	Volume		Line 11 * 12		(6,723)			
14	At Customer Meter		Line 11 + 13	701,153	740,277			
15	Less: Right-of-Way Contract Volume			1,344				
16	**Sales Volume**		Line 14-15	699,809				
	Unit Costs $/MCF							
	Commodity Cost							
17	Excluding Cost of Pipeline Retention		Line 11 / Line 16			$4.0709		
18	Annualized Unit Cost of Retention		Sch. 1,Sheet 7, Line 24			$0.2738		
19	Including Cost of Pipeline Retention		Line 17 + 18			$4.3447		
20	Demand Cost		Sch.1, Sht. 2, Line 10			$1.6240		
21	Total Expected Gas Cost (EGC)		Line 19 + 20			$5.9687		

A/ BTU Factor = 1.0558 Dth/MCF

Columbia Gas of Kentucky, Inc.
GCA Unit Demand Cost
June - Aug 09

Schedule No. 1
Sheet 2

Line No.	Description		Reference	Amount	
1	Expected Demand Cost: Annual June 2009 - May 2010		Sch. No.1, Sheet 3, Ln. 41	$20,063,953	
2	Less Rate Schedule IS/SS and GSO Customer Demand Charge Recovery		Sch. No.1, Sheet 4, Ln. 10	-$93,355	
3	Less Storage Service Recovery from Delivery Service Customers			$3,816,413	
4	Net Demand Cost Applicable	1 + 2 + 3		$23,787,011	
	Projected Annual Demand: Sales + Choice				
	At city-gate				
	In Dth			15,611,000	Dth
	Heat content			1.0558	Dth/MCF
5	In MCF			14,785,944	MCF
	Lost and Unaccounted - For				
6	Factor			0.9%	
7	Volume	5 * 6		133,073	MCF
8	Right of way Volumes			5,376	
9	At Customer Meter	5 - 7- 8		14,647,495	MCF
10	Unit Demand Cost (4/ 9)	To Sheet 1, line 19		$1.6240	per MCF

Columbia Gas of Kentucky, Inc. Schedule No. 1

Annual Demand Cost of Interstate Pipeline Capacity Sheet 3

June 2009 - May 2010

Line No.	Description		Dth	Monthly Rate $/Dth	# Months	Expected Annual Demand Cost
	Columbia Gas Transmission Corporation					
	Firm Storage Service (FSS)					
1	FSS Max Daily Storage Quantity (MDSQ)		220,880	$1.5050	12	$3,989,093
2	FSS Seasonal Contract Quantity (SCQ)		11,264,911	$0.0289	12	$3,906,671
	Storage Service Transportation (SST)					
3	Summer		110,440	$4.1850	6	$2,773,148
4	Winter		220,880	$4.1850	6	$5,546,297
5	Firm Transportation Service (FTS)		20,014	$6.0200	12	$1,445,811
6	Subtotal	sum(1:5)				$17,661,020
	Columbia Gulf Transmission Company					
11	FTS - 1 (Mainline)		28,991	$3.1450	12	$1,094,120
	Tennessee Gas					
21	Firm Transportation		20,506	$4.6238	12	$1,137,788
	Central Kentucky Transmission					
31	Firm Transportation		28,000	$0.5090	12	$171,024
41	**Total.** Used on Sheet 2, line 1					$20,063,953

Columbia Gas of Kentucky, Inc.
Gas Cost Adjustment Clause
Expected Demand Costs Recovered Annually From Rate Schedule IS/SS and GSO Customers
June 2009 - May 2010

Schedule No. 1
Sheet 4

Line No.	Description		Capacity: Daily Dth (1)	# Months (2)	Annualized Dth (3) = (1) x (2)	Units	Annual Cost (3)
1	Expected Demand Costs (Per Sheet 3)						$20,063,953
	City-Gate Capacity:						
	Columbia Gas Transmission						
2	Firm Storage Service - FSS		220,880	12	2,650,560		
3	Firm Transportation Service - FTS		20,014	12	240,168		
4	Central Kentucky Transportation		28,000	12	336,000		
5	Total	2 + 3 + 4			3,226,728	Dth	
6	Divided by Average BTU Factor				1.0558	Dth/MCF	
7	Total Capacity - Annualized	Line 5/ Line 6			3,056,192	Mcf	
8	Monthly Unit Expected Demand Cost (EDC) of Daily Capacity Applicable to Rate Schedules IS/SS and GSO Line 1 / Line 7				$6.5650	/Mcf	
9	Firm Volumes of IS/SS and GSO Customers		1,185	12	14,220	Mcf	
10	Expected Demand Charges to be Recovered Annually from Rate Schedule IS/SS and GSO Customers	Line 8 * Line 9			to Sheet 2, line 2		$93,355

Columbia Gas of Kentucky, Inc. Schedule No. 1
Appalachian Supply: Volume and Cost Sheet 6
June - Aug 09

Line No.	Month		Dth (2)	Cost (3)
1	Jun-09		20,000	$74,000
2	Jul-09		20,000	$76,000
3	Aug-09		21,000	$81,000
4	Total	1 + 2 + 3	61,000	$231,000

Columbia Gas of Kentucky, Inc.
Annualized Unit Charge for Gas Retained by Upstream Pipelines
June - Aug 09

Schedule No. 1
Sheet 7

Retention costs are incurred proportionally to the volumes purchased, but recovery of the costs is allocated to quarter by volume consumed.

			Units	June - Aug 09	Sept - Nov. 09	Dec 09 - Feb 10	Mar - May 10	Annual June 2009 - May 2010
	Gas purchased by CKY for the remaining sales customers							
1	Volume		Dth	5,374,000	2,489,000	1,936,000	3,474,000	13,273,000
2	Commodity Cost Including Transportation			$20,479,000	$10,580,000	$12,392,000	$11,074,000	$54,525,000
3	Unit cost		$/Dth					$4.1080
	Consumption by the remaining sales customers							
11	At city gate		Dth	748,000	2,107,000	6,439,000	2,661,000	11,955,000
12	Lost and unaccounted for portion			0.90%	0.90%	0.90%	0.90%	
	At customer meters							
13	In Dth	(100% - 12) * 11	Dth	741,268	2,088,037	6,381,049	2,637,051	11,847,405
14	Heat content		Dth/MCF	1.0558	1.0558	1.0558	1.0558	
15	In MCF	13 / 14	MCF	702,091	1,977,682	6,043,805	2,497,680	11,221,259
16	Portion of annual	line 15, quarterly / annual		6.3%	17.6%	53.9%	22.3%	100.0%
	Gas retained by upstream pipelines							
21	Volume		Dth	215,000	141,000	209,000	183,000	748,000
	Cost			To Sheet 1, line 9				
22	Quarterly. Deduct from Sheet 1	3 * 21		$883,212	$579,223	$858,564	$751,757	$3,072,757
23	Allocated to quarters by consumption			$192,256	$541,556	$1,654,996	$683,949	$3,072,757
				To Sheet 1, line 17				
24	Annualized unit charge	23 / 15	$/MCF	$0.2738	$0.2738	$0.2738	$0.2738	$0.2738

COLUMBIA GAS OF KENTUCKY, INC.

Schedule No. 1
Sheet 8

DETERMINATION OF THE BANKING AND BALANCING CHARGE
FOR THE PERIOD BEGINNING JUNE 2009

Line No.	Description	Dth	Detail	Amount For Transportation Customers
1	Total Storage Capacity. Sheet 3, line 2	11,264,911		
2	Net Transportation Volume	(193,845,764)		
3	Contract Tolerance Level @ 5%	(9,692,288)		
4	Percent of Annual Storage Applicable			
5	to Transportation Customers		-86.04%	
6	Seasonal Contract Quantity (SCQ)			
7	Rate		$0.0289	
8	SCQ Charge - Annualized		$3,906,671	
9	Amount Applicable To Transportation Customers			**($3,361,300)**
10	FSS Injection and Withdrawal Charge			
11	Rate		0.0306	
12	Total Cost		$344,706	
13	Amount Applicable To Transportation Customers			**($296,585)**
14	SST Commodity Charge			
15	Rate		0.0212	
16	Projected Annual Storage Withdrawal, Dth		8,691,000	
17	Total Cost		$184,249	
18	Amount Applicable To Transportation Customers			**($158,528)**
19	Total Cost Applicable To Transportation Customers			**($3,816,413)**
20	Total Transportation Volume - Mcf			18,658,484
21	Flex and Special Contract Transportation Volume - Mcf			(202,259,321)
22	Net Transportation Volume - Mcf	line 20 + line 21		(183,600,837)
23	Banking and Balancing Rate - Mcf.	Line 19 / line 22. To line 11 of the GCA Comparison		**$0.0208**

PIPELINE COMPANY TARIFF SHEETS

Currently Effective Rates
Applicable to Rate Schedule FTS, NTS and NTS-S
Rate Per Dth

		Base Tariff Rate 1/	Transportation Cost Rate Adjustment Current	Transportation Cost Rate Adjustment Surcharge	Electric Power Costs Adjustment Current	Electric Power Costs Adjustment Surcharge	Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
Rate Schedule FTS									
Reservation Charge 3/	$	5.612	0.341	0.023	0.042	0.002	-	6.020	0.1980
Commodity									
Maximum	¢	1.04	0.23	0.04	0.58	0.08	0.17	2.14	2.14
Minimum	¢	1.04	0.23	0.04	0.58	0.08	0.17	2.14	2.14
Overrun	¢	19.49	1.35	0.12	0.72	0.09	0.17	21.94	21.94
Rate Schedule NTS									
Reservation Charge 3/4/	$	7.126	0.341	0.023	0.042	0.002	-	7.534	0.2478
Commodity									
Maximum	¢	1.04	0.23	0.04	0.58	0.08	0.17	2.14	2.14
Minimum	¢	1.04	0.23	0.04	0.58	0.08	0.17	2.14	2.14
Overrun	¢	24.47	1.35	0.12	0.72	0.09	0.17	26.92	26.92

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 154.402 of the Commission's Regulations.
3/ Minimum reservation charge is $0.00.
4/ The rates shown above for Service under Rate Schedule NTS shall be applicable to Service under Rate Schedule NTS-S except that the maximum Reservation Fee shall be adjusted to reflect the applicable expedited period of gas flow (EPF) utilizing the following formula, rounded to 3 decimal places:

NTS-S = NTS * (24/EPF) where:
NTS-S = NTS-S Reservation Fee
NTS = Applicable NTS Reservation Fee
24 = Number of Hours in a Gas Day
EPF ~ MDQ/MHQ

Currently Effective Rates
Applicable to Rate Schedule SST and GTS
Rate Per Dth

		Base Tariff Rate 1/	Transportation Cost Rate Adjustment Current	Transportation Cost Rate Adjustment Surcharge	Electric Power Costs Adjustment Current	Electric Power Costs Adjustment Surcharge	Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
Rate Schedule SST									
Reservation Charge 3/ 4/	$	5.442	0.341	0.023	0.042	0.002	-	5.850	0.1924
Commodity									
Maximum	¢	1.02	0.23	0.04	0.58	0.08	0.17	2.12	2.12
Minimum	¢	1.02	0.23	0.04	0.58	0.08	0.17	2.12	2.12
Overrun 4/	¢	18.91	1.35	0.12	0.72	0.09	0.17	21.36	21.36
Rate Schedule GTS									
Commodity									
Maximum	¢	74.77	2.47	0.19	0.86	0.09	0.17	78.55	78.55
Minimum	¢	3.08	0.35	0.19	0.68	0.09	0.17	4.56	4.56
MFCC	¢	71.69	2.12	0.00	0.18	0.00	-	73.99	73.99

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 154.402 of the Commission's Regulations.
3/ Minimum reservation charge is $0.00.
4/ In addition to the above reflected Base Tariff SST Demand Rate, shippers utilizing the Eastern Market Expansion (EME) facilities for Rate Schedule SST service will pay an additional demand charge of $13.022 per Dth per month, for a total SST reservation charge of $18.464. If EME customers incur an overrun for SST services that is provided under their EME Project service agreements, they will pay an additional 42.81 cents for such overruns, for a total overrun rate of 61.72 cents. The applicable EME demand charge and EME overrun charge can be added to the Total Effective Rate above to calculate the EME Total Effective Rates.

Columbia Gas Transmission, LLC
FERC Gas Tariff
Third Revised Volume No. 1

Second Revised Sheet No. 32
Superseding
First Revised Sheet No. 32

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

		Base Tariff Rate 1/	Transportation Cost Rate Adjustment Current	Transportation Cost Rate Adjustment Surcharge	Electric Power Costs Adjustment Current	Electric Power Costs Adjustment Surcharge	Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
Rate Schedule FSS									
Reservation Charge 3/	$	1.505	-	-	-	-	-	1.505	0.0495
Capacity 3/	¢	2.89	-	-	-	-	-	2.89	2.89
Injection	¢	1.53	-	-	-	-	-	1.53	1.53
Withdrawal	¢	1.53	-	-	-	-	-	1.53	1.53
Overrun 3/	¢	10.90	-	-	-	-	-	10.90	10.90
Rate Schedule ISS									
Commodity									
Maximum	¢	5.94	-	-	-	-	-	5.94	5.94
Minimum	¢	0.00	-	-	-	-	-	0.00	0.00
Injection	¢	1.53	-	-	-	-	-	1.53	1.53
Withdrawal	¢	1.53	-	-	-	-	-	1.53	1.53
Rate Schedule SIT									
Commodity									
Maximum	¢	4.12	-	-	-	-	-	4.12	4.12
Minimum	¢	1.53	-	-	-	-	-	1.53	1.53

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.
3/ In addition to the above reflected Base Tariff Reservation Charge (MDSQ) and Capacity (SCQ) Rate, shippers utilizing the Eastern Market Expansion (EME) facilities for FSS service will pay an additional incremental reservation charge of $2.840 per Dth per month, for a total FSS MDSQ reservation charge of $4.345 and an additional 4.31 cents per Dth per month, for a total FSS SCQ capacity rate of 7.20 cents. If EME customers incur an overrun for FSS services that is provided under their EME Project service agreements, they will pay an additional 13.65 cents for such overruns, for a total FSS overrun rate of 24.55 cents. The additional EME demand charges and EME overrun charges can be added to the Total Effective Rate above to develop the EME Total Effective Rate.

Issued by: Claire A. Burum, SVP Regulatory Affairs
Issued on: March 12, 2009
Effective on: April 1, 2009
Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. CP07-367, issued March 10, 2009, 126 FERC ¶ 61,213

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

Forty-Sixth Revised Sheet No. 18
Superseding
Sub Forty-Fifth Revised Sheet No. 18

Currently Effective Rates
Applicable to Rate Schedule FTS-1
Rates per Dth

	Base Rate (1) $	Annual Charge Adjustment (2) $ 1/	Subtotal (3) $	Total Effective Rate (4) $	Daily Rate (5) $	Unaccounted For (6) %	Company Use and Unaccounted For (7) %
Rate Schedule FTS-1							
Rayne, LA To Points North							
Reservation Charge 2/	3.1450	-	3.1450	3.1450	0.1034		-
Commodity							
Maximum	0.0170	0.0017	0.0187	0.0187	0.0187	0.365	2.795
Minimum	0.0170	0.0017	0.0187	0.0187	0.0187	0.365	2.795
Overrun	0.1204	0.0017	0.1221	0.1221	0.1221	0.365	2.795

1/ Pursuant to Section 154.402 of the Commission's Regulations. 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.

2/ The Minimum Rate under Reservation Charge is zero (0).

Issued by: Claire A. Burum, SVP Regulatory Affairs
Issued on: August 28, 2008

Effective on: October 1, 2008

Issued: 25-Feb-09
Effective: 1-Apr-09

Central Kentucky Transmission

~~Tariff Sheet Summary for~~
Current Rates and Retainage Factors

Description		Non-Gas Base Rate (1) $	ACA (2) $ 1/	Total Effective Rate (3) $
Rate Schedule FTS				
Reservation Charge				
Maximum	$	0.509	-	0.509
Commodity				
Maximum	$	0.0000	0.0017	0.0017
Overrun	$	0.0167	0.0017	0.0184
Rate Schedule ITS				
Commodity				
Maximum	$	0.0167	0.0017	0.0184
Retainage Percentages				
Gas Reimbursement		0.553%		

RETAINAGE PERCENTAGES

Transportation Retainage	2.129%
Gathering Retainage	0.758%
Storage Gas Loss Retainage	0.160%
Columbia Processing Retainage/1	0%

1/ The Columbia Processing Retainage shall be assessed separately from the processing retainage applicable to third party processing plants set forth in Section 25.3 (f) of the General Terms and Conditions.

DETAIL SUPPORTING

DEMAND/COMMODITY SPLIT

COLUMBIA GAS OF KENTUCKY
CASE NO. 2009- Effective March 2009 Billing Cycle

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

	$/MCF	
Demand Component of Gas Cost Adjustment		
Demand Cost of Gas (Schedule No. 1, Sheet 1, Line 20)	$1.6240	
Demand ACA (Case No. 2008-00310)	-0.1073	
Total Refund Adjustment	-0.0053	
SAS Refund Adjustment (Case No. 2008-00310)	-0.0002	
Total Demand Rate per Mcf	$1.5112	<--- to Att. E, line 21
Commodity Component of Gas Cost Adjustment		
Commodity Cost of Gas (Schedule No. 1, Sheet 1, Line 19)	$4.3447	
Commodity ACA (Case No. 2008-00310)	$1.5311	
Balancing Adjustment (Case No. 2009-00036)	$0.4613	
Gas Cost Incentive Adjustment (Case No. 2009-00036)	$0.0584	
Total Commodity Rate per Mcf	$6.3955	
CHECK:	$1.5112	
	$6.3955	
COST OF GAS TO TARIFF CUSTOMERS (GCA)	$7.9067	

Calculation of Rate Schedule SVGTS - Actual Gas Cost Adjustment

Commodity ACA (Case No. 2008-00310)	$1.5311	
Balancing Adjustment (Case No. 2009-00036)	$0.4613	
Gas Cost Incentive Adjustment (Case No. 2009-00036)	$0.0584	
Total Commodity Rate per Mcf	$2.0508	

Columbia Gas of Kentucky, Inc.
CKY Choice Program
100% Load Factor Rate of Assigned FTS Capacity
Balancing Charge
June - Aug 09

Line No.	Description		Contract Volume Dth Sheet 3 (1)	Retention (2)	Monthly demand charges $/Dth Sheet 3 (3)	# months A/ (4)	Assignment proportions lines 4, 5 (5)	Adjustment for retention on downstream pipe, if any (6) = 1 / (100%-col2)	Annual costs $/Dth (7) = 3 * 4 * 5 * 6	Annual costs $/MCF
	City gate capacity assigned to Choice marketers									
1	Contract									
2	CKT FTS/SST		28,000	0.641%						
3	TCO FTS		20,014	2.129%						
4	Total		48,014							
5										
6	Assignment Proportions									
7	CKT FTS/SST	1 / 3	58.32%							
8	TCO FTS	2 / 3	41.68%							
9										
10										
	Annual demand cost of capacity assigned to choice marketers									
11	CKT FTS				$0.5090	12	0.5832	1.0000	$3.5620	
12	TCO FTS				$6.0200	12	0.4168	1.0000	$30.1123	
13	Gulf FTS-1, upstream to CKT FTS				$3.1450	12	0.5832	1.0065	$22.1506	
14	TGP FTS-A, upstream to TCO FTS				$4.6238	12	0.4168	1.0218	$23.6316	
15										
16	Total Demand Cost of Assigned FTS, per unit								$79.4564	$83.8900
17										
18	100% Load Factor Rate (10 / 365 days)									$0.2298
19										
20										
	Balancing charge, paid by Choice marketers									
21	Demand Cost Recovery Factor in GCA, per Mcf per CKY Tariff Sheet No. 5									$1.5112
22	Less credit for cost of assigned capacity									($0.2298)
23	Plus storage commodity costs incurred by CKY for the Choice marketer									$0.0936
24										
25	Balancing Charge, per Mcf sum(12:14)									$1.3750

PROPOSED TARIFF SHEETS

COLUMBIA GAS OF KENTUCKY, INC.

CURRENTLY EFFECTIVE BILLING RATES

SALES SERVICE	Base Rate Charge $	Gas Cost Adjustment[1/] Demand $	Gas Cost Adjustment[1/] Commodity $	Total Billing Rate $	
RATE SCHEDULE GSR					
Customer Charge per billing period	9.30			9.30	
Delivery Charge per Mcf	1.8715	1.5112	6.3955	9.7782	R
RATE SCHEDULE GSO					
Commercial or Industrial					
Customer Charge per billing period	23.96			23.96	
Delivery Charge per Mcf -					
First 50 Mcf or less per billing period	1.8715	1.5112	6.3955	9.7782	R
Next 350 Mcf per billing period	1.8153	1.5112	6.3955	9.7220	R
Next 600 Mcf per billing period	1.7296	1.5112	6.3955	9.6363	R
Over 1,000 Mcf per billing period	1.5802	1.5112	6.3955	9.4869	R
RATE SCHEDULE IS					
Customer Charge per billing period	547.37			547.37	
Delivery Charge per Mcf					
First 30,000 Mcf per billing period	0.5467		6.3955 [2/]	6.9422	R
Over 30,000 Mcf per billing period	0.2905		6.3955 [2/]	6.6860	R
Firm Service Demand Charge					
Demand Charge times Daily Firm					
Volume (Mcf) in Customer Service Agreement		6.5650	6.5650		R
RATE SCHEDULE IUS					
Customer Charge per billing period	255.00			255.00	
Delivery Charge per Mcf					
For All Volumes Delivered	0.5905	1.5112	6.3955	8.4972	R

1/ 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. The Gas Cost Adjustment applicable to a customer who is receiving service under Rate Schedule GS or IUS and received service under Rate Schedule SVGTS shall be $5.9687 per Mcf only for those months of the prior twelve months during which they were served under Rate Schedule SVGTS R

2/ IS Customers may be subject to the Demand Gas Cost, under the conditions set forth on Sheets 14 and 15 of this tariff.

R – Reduction I - Increase

DATE OF ISSUE: May 1, 2009

DATE EFFECTIVE: June 1, 2009
June 2009 Billing

ISSUED BY: Herbert A. Miller, Jr. President

COLUMBIA GAS OF KENTUCKY, INC. P.S.C. Ky. No. 5

CURRENTLY EFFECTIVE BILLING RATES

(Continued)

TRANSPORTATION SERVICE	Base Rate Charge	Gas Cost Adjustment[1/] Demand	Gas Cost Adjustment[1/] Commodity	Total Billing Rate	
	$	$	$	$	
RATE SCHEDULE SS					
Standby Service Demand Charge per Mcf					
Demand Charge times Daily Firm					
Volume (Mcf) in Customer Service Agreement		6.5650		6.5650	R
Standby Service Commodity Charge per Mcf			6.3955	6.3955	R
RATE SCHEDULE DS					
Administrative Charge per account per billing period				55.90	
Customer Charge per billing period [2/]				547.37	
Customer Charge per billing period (GDS only)				23.96	
Customer Charge per billing period (IUDS only)				255.00	
Delivery Charge per Mcf[2/]					
First 30,000 Mcf	0.5467			0.5467	
Over 30,000 Mcf	0.2905			0.2905	
– Grandfathered Delivery Service					
First 50 Mcf or less per billing period				1.8715	
Next 350 Mcf per billing period				1.8153	
Next 600 Mcf per billing period				1.7296	
All Over 1,000 Mcf per billing period				1.5802	
– Intrastate Utility Delivery Service					
All Volumes per billing period				0.5905	
Banking and Balancing Service					
Rate per Mcf		0.0208		0.0208	
RATE SCHEDULE MLDS					
Administrative Charge per account each billing period				55.90	
Customer Charge per billing period				200.00	
Delivery Charge per Mcf				0.0858	
Banking and Balancing Service					
Rate per Mcf		0.0208		0.0208	

1/ 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.

2/ Applicable to all Rate Schedule DS customers except those served under Grandfathered Delivery Service or Intrastate Utility Delivery Service.

R – Reduction **I – Increase**

DATE OF ISSUE: May 1, 2009

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June 2009 Billing Cycle

ISSUED BY: Herbert A. Miller, Jr. President

COLUMBIA GAS OF KENTUCKY, INC. P.S.C. Ky. No. 5

CURRENTLY EFFECTIVE BILLING RATES

		Billing Rate $
RATE SCHEDULE SVGTS		
General Service Residential		
Customer Charge per billing period		9.30
Delivery Charge per Mcf		1.8715
General Service Other - Commercial or Industrial		
Customer Charge per billing period		23.96
Delivery Charge per Mcf -		
First 50 Mcf or less per billing period		1.8715
Next 350 Mcf per billing period		1.8153
Next 600 Mcf per billing period		1.7296
Over 1,000 Mcf per billing period		1.5802
Intrastate Utility Service		
Customer Charge per billing period		255.00
Delivery Charge per Mcf		$ 0.5905
Actual Gas Cost Adjustment [1/]		
For all volumes per billing period per Mcf	$ 2.0508	
Rate Schedule SVAS		
Balancing Charge – per Mcf	$ 1.3750	I

1/ The Gas Cost Adjustment is applicable to a customer who is receiving service under Rate Schedule SVGTS and received service under Rate Schedule GS or IUS for only those months of the prior twelve months during which they were served under Rate Schedule GS or IUS.

R – Reduction I - Increase

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ISSUED BY: Herbert A. Miller, Jr.
President