

May 28, 2010

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

RECEIVED

APR 28 2010

PUBLIC SERVICE
COMMISSION

Re: Columbia Gas of Kentucky, Inc.
Gas Cost Adjustment Case No. 2010 -


Dear Mr. Derouen:

2010-00186

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 \$1.9970 per Mcf effective with its June 2010 billing cycle on May 28, 2010. The decrease is composed of a decrease of \$1.9973 per Mcf in the Average Commodity Cost of Gas, an increase of \$0.0022 per Mcf in the Average Demand Cost of Gas, and an increase of (\$0.0019) 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
Director, Regulatory Policy

Enclosures

BEFORE THE
PUBLIC SERVICE COMMISSION
OF KENTUCKY

COLUMBIA GAS OF KENTUCKY, INC.

CASE 2010 -

GAS COST ADJUSTMENT AND REVISED RATES OF
COLUMBIA GAS OF KENTUCKY, INC. PROPOSED TO BECOME
EFFECTIVE JUNE 2010 BILLINGS

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

Line No.	March 2010 <u>CURRENT</u>	June-10 <u>PROPOSED</u>	<u>DIFFERENCE</u>
1 Commodity Cost of Gas	\$6.7558	\$4.7585	(\$1.9973)
2 Demand Cost of Gas	<u>\$1.3288</u>	<u>\$1.3310</u>	<u>\$0.0022</u>
3 Total: Expected Gas Cost (EGC)	\$8.0846	\$6.0895	(\$1.9951)
4 SAS Refund Adjustment	(\$0.0002)	(\$0.0002)	\$0.0000
5 Balancing Adjustment	\$1.2853	\$1.2853	\$0.0000
6 Supplier Refund Adjustment	(\$0.0063)	(\$0.0082)	(\$0.0019)
7 Actual Cost Adjustment	(\$2.9537)	(\$2.9537)	\$0.0000
8 Gas Cost Incentive Adjustment	<u>\$0.0042</u>	<u>\$0.0042</u>	<u>\$0.0000</u>
9 Cost of Gas to Tariff Customers (GCA)	\$6.4139	\$4.4169	(\$1.9970)
10 Transportation TOP Refund Adjustment	\$0.0000	\$0.0000	\$0.0000
11 Banking and Balancing Service	\$0.0207	\$0.0208	\$0.0001
12 Rate Schedule FI and GSO			
13 Customer Demand Charge	\$6.5245	\$6.5273	\$0.0028

Columbia Gas of Kentucky, Inc.
Gas Cost Adjustment Clause
Gas Cost Recovery Rate
June - Aug 10

<u>Line No.</u>	<u>Description</u>		<u>Amount</u>	<u>Expires</u>
1	Expected Gas Cost (EGC)	Schedule No. 1	\$6.0895	
2	Actual Cost Adjustment (ACA)	Schedule No. 2	(\$2.9537)	8-31-10
3	SAS Refund Adjustment (RA)	Schedule No. 5	(\$0.0002)	8-31-10
4	Supplier Refund Adjustment (RA)	Schedule No. 4	(\$0.0019)	05-31-11
			(\$0.0062)	02-28-11
			(\$0.0001)	08-31-10
		Total Refunds	<u>(\$0.0082)</u>	
5	Balancing Adjustment (BA)	Schedule No. 3	\$1.2853	8-31-10
6	Gas Cost Incentive Adjustment	Schedule No. 6	\$0.0042	2-28-11
7	Gas Cost Adjustment			
8	June - Aug 10		<u>\$4.4169</u>	
9	Expected Demand Cost (EDC) per Mcf			
10	(Applicable to Rate Schedule IS/SS and GSO) Schedule No. 1, Sheet 4		<u>\$6.5273</u>	

DATE FILED: April 28, 2010

BY: J. M. Cooper

Columbia Gas of Kentucky, Inc.
Expected Gas Cost for Sales Customers
June - Aug 10

Schedule No. 1
 Sheet 1

Line No.	Description	Reference	Volume A/		Rate		Cost (5)
			Mcf (1)	Dth. (2)	Per Mcf (3)	Per Dth (4)	
Storage Supply							
Includes storage activity for sales customers only							
Commodity Charge							
1	Withdrawal			0		\$0.0153	\$0
2	Injection		4,063,000			\$0.0153	\$62,164
3	Withdrawals: gas cost includes pipeline fuel and commodity charges			0		\$4.9785	\$0
Total							
4	Volume	= 3		0			
5	Cost	sum(1:3)					\$62,164
6	Summary	4 or 5		0			\$62,164
Flowing Supply							
Excludes volumes injected into or withdrawn from storage.							
Net of pipeline retention volumes and cost. Add unit retention cost on line 18							
7	Non-Appalachian	Sch. 1, Sht. 5, Ln. 4		834,000			\$3,536,160
8	Appalachian Supplies	Sch. 1, Sht. 6, Ln. 4		60,000			\$255,000
9	Less Fuel Retention By Interstate Pipelines	Sch. 1, Sheet 7, Lines 21, 22		(212,000)			(\$1,040,843)
10	Total	7 + 8 + 9		682,000			\$2,750,317
Total Supply							
11	At City-Gate	Line 6 + 10		682,000			\$2,812,481
Lost and Unaccounted For							
12	Factor			-0.9%			
13	Volume	Line 11 * 12		(6,138)			
14	At Customer Meter	Line 11 + 13	644,353	675,862			
15	Less: Right-of-Way Contract Volume			789			
16	Sales Volume	Line 14-15	643,565				
Unit Costs \$/MCF							
Commodity Cost							
17	Excluding Cost of Pipeline Retention	Line 11 / Line 16				\$4.3702	
18	Annualized Unit Cost of Retention	Sch. 1, Sheet 7, Line 24				\$0.3221	
19	Including Cost of Pipeline Retention	Line 17 + 18				\$4.6923	
20	Uncollectible Ratio	CN 2009-00141				0.01410552	
21	Gas Cost Uncollectible Charge	Line 19 * Line 20				\$0.0662	
22	Total Commodity Cost	line 19 + line 21				\$4.7585	
23	Demand Cost	Sch. 1, Sht. 2, Line 10				\$1.3310	
24	Total Expected Gas Cost (EGC)	Line 22 + 23				\$6.0895	

A/ BTU Factor = 1.0489 Dth/MCF

Columbia Gas of Kentucky, Inc.
GCA Unit Demand Cost
June - Aug 10

Schedule No. 1
 Sheet 2

<u>Line No.</u>	<u>Description</u>	<u>Reference</u>	
1	Expected Demand Cost: Annual June 2010 - May 2011	Sch. No.1, Sheet 3, Ln. 41	\$20,079,812
2	Less Rate Schedule IS/SS and GSO Customer Demand Charge Recovery	Sch. No.1, Sheet 4, Ln. 10	-\$92,818
3	Less Storage Service Recovery from Delivery Service Customers		-\$200,609
4	Net Demand Cost Applicable 1 + 2 + 3 Projected Annual Demand: Sales + Choice		\$19,786,385
5	At city-gate In Dth Heat content In MCF		15,739,000 Dth 1.0489 Dth/MCF 15,005,244 MCF
6	Lost and Unaccounted - For Factor		0.9%
7	Volume 5 * 6		135,047 MCF
8	Right of way Volumes		<u>4,775</u>
9	At Customer Meter 5 - 7- 8		<u>14,865,422</u> MCF
10	Unit Demand Cost (4/ 9) To Sheet 1, line 19		\$1.3310 per MCF

Columbia Gas of Kentucky, Inc.
Annual Demand Cost of Interstate Pipeline Capacity
June 2010 - May 2011

Schedule No. 1
 Sheet 3

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	\$1.5060	12	\$3,991,743
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	\$6.0750	12	\$1,459,021
6	Subtotal	sum(1:5)			\$17,676,880
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				\$20,079,812

Gas Cost Adjustment Clause

Expected Demand Costs Recovered Annually From Rate Schedule IS/SS and GSO Customers

June 2010 - May 2011

Line No.	Description	Capacity			Units	Annual Cost
		Daily Dth (1)	# Months (2)	Annualized Dth (3) = (1) x (2)		
1	Expected Demand Costs (Per Sheet 3)					\$20,079,812
	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			1.0489	Dth/MCF	
7	Total Capacity - Annualized		Line 5/ Line 6	3,076,297	Mcf	
	Monthly Unit Expected Demand Cost (EDC) of Daily Capacity					
8	Applicable to Rate Schedules IS/SS and GSO			\$6.5273	/Mcf	
	Line 1 / Line 7					
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	\$92,818

Columbia Gas of Kentucky, Inc.
Non-Appalachian Supply: Volume and Cost
June - Aug 10

Schedule No. 1
 Sheet 5

Cost includes transportation commodity cost and retention by the interstate pipelines,
 but excludes pipeline demand costs.
 The volumes and costs shown are for sales customers only.

Line No.	Month	Total Flowing Supply Including Gas Injected Into Storage			Net Storage Injection Dth (4)	Net Flowing Supply for Current Consumption	
		Volume A/ Dth (1)	Cost (2)	Unit Cost \$/Dth (3) = (2) / (1)		Volume Dth (5) = (1) + (4)	Cost (6) = (3) x (5)
1	Jun-10	1,636,000	\$6,751,000		(1,360,000)	276,000	
2	Jul-10	1,633,000	\$6,929,000		(1,351,000)	282,000	
3	Aug-10	1,628,000	\$7,071,000		(1,352,000)	276,000	
4	Total 1+2+3	4,897,000	\$20,751,000	\$4.24	(4,063,000)	834,000	\$3,536,160

A/ Gross, before retention.

Columbia Gas of Kentucky, Inc.
Appalachian Supply: Volume and Cost
June - Aug 10

Schedule No. 1
Sheet 6

<u>Line</u> <u>No.</u>	<u>Month</u>	<u>Dth</u> (2)	<u>Cost</u> (3)
1	Jun-10	20,000	\$84,000
2	Jul-10	20,000	\$85,000
3	Aug-10	20,000	\$86,000
4	Total	60,000	\$255,000

Columbia Gas of Kentucky, Inc.
Annualized Unit Charge for Gas Retained by Upstream Pipelines
June - Aug 10

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.

		<u>Units</u>	June - Aug 10	Sept - Nov 10	Dec 10 - Feb 11	Mar - May 11	Annual June 2010 - May 2011
<i>Gas purchased by CKY for the remaining sales customers</i>							
1	Volume	Dth	4,957,000	2,430,000	1,918,000	3,322,000	12,627,000
2	Commodity Cost Including Transportation		\$21,006,000	\$11,276,000	\$11,835,000	\$17,877,000	\$61,994,000
3	Unit cost	\$/Dth					\$4.9096
<i>Consumption by the remaining sales customers</i>							
11	At city gate	Dth	682,000	1,995,000	6,174,000	2,554,000	11,405,000
12	Lost and unaccounted for portion At customer meters		0.90%	0.90%	0.90%	0.90%	
13	In Dth (100% - 12) * 11	Dth	675,862	1,977,045	6,118,434	2,531,014	11,302,355
14	Heat content	Dth/MCF	1.0489	1.0489	1.0489	1.0489	
15	In MCF 13 / 14	MCF	644,353	1,884,875	5,833,191	2,413,017	10,775,436
16	Portion of annual line 15, quarterly / annual		6.0%	17.5%	54.1%	22.4%	100.0%
<i>Gas retained by upstream pipelines</i>							
21	Volume	Dth	212,000	132,000	200,000	163,000	707,000
<i>Cost</i>			<i>To Sheet 1, line 9</i>				
22	Quarterly. Deduct from Sheet 1 3 * 21		\$1,040,843	\$648,072	\$981,928	\$800,271	\$3,471,114
23	Allocated to quarters by consumption		\$207,567	\$607,179	\$1,879,058	\$777,310	\$3,471,114
			<i>To Sheet 1, line 18</i>				
24	Annualized unit charge 23 / 15	\$/MCF	\$0.3221	\$0.3221	\$0.3221	\$0.3221	\$0.3221

COLUMBIA GAS OF KENTUCKY, INC.

Schedule No. 1

Sheet 8

**DETERMINATION OF THE BANKING AND
BALANCING CHARGE
FOR THE PERIOD BEGINNING DECEMBER 2009**

<u>Line No.</u>	<u>Description</u>	<u>Dth</u>	<u>Detail</u>	<u>Amount For Transportation Customers</u>
1	Total Storage Capacity. Sheet 3, line 2	11,264,911		
2	Net Transportation Volume	10,140,529		
3	Contract Tolerance Level @ 5%	507,026		
4	Percent of Annual Storage Applicable			
5	to Transportation Customers		4.50%	
6	Seasonal Contract Quantity (SCQ)			
7	Rate		\$0.0289	
8	SCQ Charge - Annualized		<u>\$3,906,671</u>	
9	Amount Applicable To Transportation Customers			\$175,800
10	FSS Injection and Withdrawal Charge			
11	Rate		0.0306	
12	Total Cost		<u>\$344,706</u>	
13	Amount Applicable To Transportation Customers			\$15,512
14	SST Commodity Charge			
15	Rate		0.0243	
16	Projected Annual Storage Withdrawal, Dth		8,502,000	
17	Total Cost		<u>\$206,599</u>	
18	Amount Applicable To Transportation Customers			<u>\$9,297</u>
19	Total Cost Applicable To Transportation Customers			<u>\$200,609</u>
20	Total Transportation Volume - Mcf			18,658,484
21	Flex and Special Contract Transportation Volume - Mcf			(8,990,709)
22	Net Transportation Volume - Mcf	line 20 + line 21		9,667,775
23	Banking and Balancing Rate - Mcf.	Line 19 / line 22. To line 11 of the GCA Comparison		<u>\$0.0208</u>

DETAIL SUPPORTING

REFUND ADJUSTMENT

COLUMBIA GAS OF KENTUCKY, INC.**SUPPLIER REFUND ADJUSTMENT**

<u>Line</u> <u>No.</u>	<u>Description</u>	<u>Amount</u>
1	Tennessee Gas Pipeline PCB Settlement Payment	(\$26,296.22)
2	Columbia Gas Transmission Environmental Insurance Refund	(\$1,746.80)
3	Columbia Gulf Transmission Environmental Insurance Refund	(\$278.37)
4	Columbia Gas Transmission Excess Deferred Tax Refund	<u>(\$638.06)</u>
5		(\$28,959.45)
6	Interest on Refund Balances	\$0.00
7	Total Refund	(\$28,959.45)
8	Projected Sales for the Twelve Months Ended May 31, 2011	14,865,422
9	TOTAL SUPPLIER REFUND TO EXPIRE May 31, 2011	<u>(\$0.0019)</u>

CKY RATE REFUND INTEREST CALCULATION
 SELECTED INTEREST RATES
 COMMERCIAL PAPER - 3-MONTH

RATE	MONTH	DAYS	x	DAILY RATE	x	Tenn. Gas Pipeline PCB Settlement	=	INTEREST
0.13	JANUARY 2010	31		(0.000008)		26,296.22		(6.52)
0.15	FEBRUARY 2010	28		(0.000008)		26,296.22		(5.89)
0.20	MARCH 2010	31		(0.000008)		26,296.22		(6.52)
0.28	APRIL 2009	30		(0.000008)		26,296.22		(6.31)
0.23	MAY 2009	31		(0.000008)		26,296.22		(6.52)
0.26	JUNE 2009	30		(0.000008)		26,296.22		(6.31)
0.27	JULY 2009	31		(0.000008)		26,296.22		(6.52)
0.24	AUGUST 2009	31		(0.000008)		26,296.22		(6.52)
0.19	SEPTEMBER 2009	30		(0.000008)		26,296.22		(6.31)
0.19	OCTOBER 2009	31		(0.000008)		26,296.22		(6.52)
0.15	NOVEMBER 2009	30		(0.000008)		26,296.22		(6.31)
0.16	DECEMBER 2009	31		(0.000008)		26,296.22		(6.52)
2.45	TOTAL					TOTAL		(76.77)

(0.000008) DAILY RATE

RATE	MONTH	DAYS	x	DAILY RATE	x	TCO Environmental Insurance Recovery	=	INTEREST
0.13	JANUARY 2010	31		(0.000008)		1,424.33		(0.36)
0.15	FEBRUARY 2010	28		(0.000008)		1,424.33		(0.32)
0.20	MARCH 2010	31		(0.000008)		1,424.33		(0.36)
0.28	APRIL 2009	30		(0.000008)		1,424.33		(0.35)
0.23	MAY 2009	31		(0.000008)		1,424.33		(0.36)
0.26	JUNE 2009	30		(0.000008)		1,424.33		(0.35)
0.27	JULY 2009	31		(0.000008)		1,424.33		(0.36)
0.24	AUGUST 2009	31		(0.000008)		1,424.33		(0.36)
0.19	SEPTEMBER 2009	30		(0.000008)		1,424.33		(0.35)
0.19	OCTOBER 2009	31		(0.000008)		1,424.33		(0.36)
0.15	NOVEMBER 2009	30		(0.000008)		1,424.33		(0.35)
0.16	DECEMBER 2009	31		(0.000008)		1,424.33		(0.36)
2.45	TOTAL					TOTAL		(4.24)

(0.000008) DAILY RATE

RATE	MONTH	DAYS	x	DAILY RATE	x	TCO Environmental Insurance Recovery	=	INTEREST
0.13	JANUARY 2010	31		(0.000008)		322.47		(0.08)
0.15	FEBRUARY 2010	28		(0.000008)		322.47		(0.07)
0.20	MARCH 2010	31		(0.000008)		322.47		(0.08)
0.28	APRIL 2009	30		(0.000008)		322.47		(0.08)
0.23	MAY 2009	31		(0.000008)		322.47		(0.08)
0.26	JUNE 2009	30		(0.000008)		322.47		(0.08)
0.27	JULY 2009	31		(0.000008)		322.47		(0.08)
0.24	AUGUST 2009	31		(0.000008)		322.47		(0.08)
0.19	SEPTEMBER 2009	30		(0.000008)		322.47		(0.08)
0.19	OCTOBER 2009	31		(0.000008)		322.47		(0.08)
0.15	NOVEMBER 2009	30		(0.000008)		322.47		(0.08)
0.16	DECEMBER 2009	31		(0.000008)		322.47		(0.08)
2.45	TOTAL					TOTAL		(0.95)

(0.000008) DAILY RATE

RATE	MONTH	DAYS	x	DAILY RATE	x	TCO Excess Deferred Tax	=	INTEREST
0.13	JANUARY 2010	31		(0.000008)		638.06		(0.16)
0.15	FEBRUARY 2010	28		(0.000008)		638.06		(0.14)
0.20	MARCH 2010	31		(0.000008)		638.06		(0.16)
0.28	APRIL 2009	30		(0.000008)		638.06		(0.16)
0.23	MAY 2009	31		(0.000008)		638.06		(0.16)
0.26	JUNE 2009	30		(0.000008)		638.06		(0.16)
0.27	JULY 2009	31		(0.000008)		638.06		(0.16)
0.24	AUGUST 2009	31		(0.000008)		638.06		(0.16)
0.19	SEPTEMBER 2009	30		(0.000008)		638.06		(0.16)
0.19	OCTOBER 2009	31		(0.000008)		638.06		(0.16)
0.15	NOVEMBER 2009	30		(0.000008)		638.06		(0.16)
0.16	DECEMBER 2009	31		(0.000008)		638.06		(0.16)
2.45	TOTAL					TOTAL		(1.90)

(0.000008) DAILY RATE

RATE	MONTH	DAYS	x	DAILY RATE	x	CGI Environmental Insurance Recovery	=	INTEREST
0.13	JANUARY 2010	31		(0.000008)		278.37		(0.07)
0.15	FEBRUARY 2010	28		(0.000008)		278.37		(0.06)
0.20	MARCH 2010	31		(0.000008)		278.37		(0.07)
0.28	APRIL 2009	30		(0.000008)		278.37		(0.07)
0.23	MAY 2009	31		(0.000008)		278.37		(0.07)
0.26	JUNE 2009	30		(0.000008)		278.37		(0.07)
0.27	JULY 2009	31		(0.000008)		278.37		(0.07)
0.24	AUGUST 2009	31		(0.000008)		278.37		(0.07)
0.19	SEPTEMBER 2009	30		(0.000008)		278.37		(0.07)
0.19	OCTOBER 2009	31		(0.000008)		278.37		(0.07)
0.15	NOVEMBER 2009	30		(0.000008)		278.37		(0.07)
0.16	DECEMBER 2009	31		(0.000008)		278.37		(0.07)
2.45	TOTAL					TOTAL		(0.83)

(0.000008) DAILY RATE



April 13, 2009

Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Tennessee Gas Pipeline Company
Docket Nos. RP91-203-076 and RP92-132-064

Dear Ms. Bose:

Pursuant to Rule 602 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.602, Tennessee Gas Pipeline Company ("Tennessee") hereby submits an Offer of Settlement in the above-referenced dockets. Accordingly, Tennessee respectfully requests that a copy of this filing be transmitted to Presiding Administrative Law Judge Carnen A. Cintron ("Administrative Law Judge").

Included herewith for filing is an original and fourteen (14) copies of the following documents:

- (1) Explanatory Statement Concerning Amendment to Stipulation and Agreement;
- (2) Amendment to Stipulation and Agreement (including *pro forma* tariff sheets); and
- (3) Supporting Exhibits A and B.

Copies of the above documents are being served in accordance with Rule 602(d)(1). In addition, in accordance with Rule 602(d)(2), Tennessee notifies all parties and participants in this proceeding that comments on the Offer of Settlement are due by May 4, 2009 and reply comments are due by May 14, 2009 unless otherwise ordered by provided by the Administrative Law Judge.¹

If you have any questions regarding this filing, please contact the undersigned at 713-420-3496. Thank you for your assistance in this matter.

Respectfully submitted,
TENNESSEE GAS PIPELINE COMPANY

/s/ Melissa G. Freeman
Melissa G. Freeman
Senior Counsel

Enclosures
cc: All Parties and Participants

¹ Tennessee contemporaneously herewith in the above-captioned dockets submitted its Motion to Shorten Comment Period and Dispense with Answer Period on its Offer of Settlement to April 23rd and April 28th for comments and reply comments, respectively.

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

In the Matter of)

Tennessee Gas Pipeline Company)

Docket Nos. RP91-203-076

RP92-132-064

EXPLANATORY STATEMENT CONCERNING
AMENDMENT TO STIPULATION AND AGREEMENT

Pursuant to Rule 602 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.602 (2007), Tennessee Gas Pipeline Company ("Tennessee") hereby submits this Explanatory Statement in support of the concurrently filed Amendment to Stipulation and Agreement ("Settlement"), which is submitted to resolve the issues in this proceeding for which settlement judge procedures ("Settlement Proceedings") were established by the Commission in its order issued on November 12, 2008.¹ Specifically, this Settlement resolves the issues regarding Tennessee's over-collected Recoverable Cost/Revenue Account under the Stipulation and Agreement filed with the Commission on May 15, 1995 related to the "PCB/HSL Project" as defined therein for the period beginning February 1, 1992 through the present. This Settlement is supported by all of the active participants in the Settlement Proceedings, including the Commission Staff, and they urge prompt approval of the Settlement, without modification or condition, by the Commission.

I. PROCEDURAL HISTORY

On May 15, 1995, Tennessee filed with the Commission in the above-captioned dockets a comprehensive settlement agreement ("Stipulation and Agreement" or "Stipulation") to resolve outstanding issues relating to Tennessee's recovery through rates charged to its

¹ *Tennessee Gas Pipeline Company*, 125 FERC ¶ 61,164 (2008) ("November 12th Settlement Conference Order").

customers of the costs of remediating polychlorinated biphenyl ("PCB") and other hazardous substance list ("HSL") contamination at specified locations on its pipeline system. The Stipulation established a PCB/HSL cost recovery mechanism that is to apply throughout the duration of Tennessee's federal and state mandated programs to assess and remediate the PCB/HSL contamination ("PCB/HSL Project" or "Project"). The Commission approved the Stipulation by Orders dated November 29, 1995, and February 20, 1996.²

As provided by the Stipulation, on May 30, 2008, Tennessee filed for an extension of the PCB Adjustment Period established by the Stipulation until June 30, 2010 ("2008 Filing"), to allow for recovery of ongoing remediation costs on its system. Tennessee stated that it has made significant progress to date toward completion of the targeted PCB/HSL Project, but that additional remediation and monitoring efforts will be required for the foreseeable future notwithstanding this progress. Tennessee also acknowledged that the existing cost recovery balance may very well exceed what is needed to complete the Project.³ As such, Tennessee indicated its willingness to discuss with its customers the feasibility of amending the Stipulation to provide for an earlier disposition of some portion of the over-collected balance while providing protection should the retained RCRA balance be insufficient in the event more eligible costs than are predicted are ultimately incurred to complete the Project. Tennessee proposed to report back to the Commission on the results of any such discussions by October 1, 2008.

On June 30, 2008, the Commission issued an order accepting Tennessee's proposed tariff sheets reflecting a 24-month extension of the PCB Adjustment Period until July 1, 2010

² *Tennessee Gas Pipeline Co.*, 73 FERC ¶ 61,222 (1995); *Tennessee Gas Pipeline Co.*, 74 FERC ¶ 61,174 (1996).

³ Stipulation, Article IV (B)(4)(b), p. 17. The Stipulation further provides for the establishment of a Recoverable Cost/Revenue Account ("RCRA") to keep track of the eligible costs incurred by Tennessee, the amount collected through the PCB surcharge, third party (insurance) recoveries and any carrying charges on the net balance in the RCRA. The balance in the RCRA is to be calculated after adjusting all cost and revenue amounts to 1992 dollars.

("June 30th Order").⁴ The Commission conditioned its acceptance upon Tennessee meeting with its customers to discuss amending the Stipulation and reporting back to the Commission by October 1, 2008; as Tennessee proposed in its filing.

On October 1, 2008, Tennessee filed a report in compliance with the June 30th Order ("Status Report") wherein it described the status of its discussions with customers. Three parties filed comments in response to Tennessee's Status Report.⁵ New Jersey Natural and the Tennessee Customer Group each suggested that the settlement discussions would be enhanced by Tennessee convening a meeting of all parties as opposed to the limited group and individual discussions held by Tennessee to date.

On November 12, 2008 in its November 12th Settlement Conference Order, the Commission found that Tennessee had complied with the Commission's June 30th Order to meet with its customers, but that sufficient progress had not been made toward settlement.⁶ In an effort to assist the parties in their settlement efforts, the Commission ordered the appointment of a settlement judge.

On November 17, 2008, Tennessee filed its "Motion of Tennessee Gas Pipeline Company for Stay of Settlement Judge Procedures" requesting the Commission to stay the appointment of a settlement judge in light of the dramatic changes to the economic environment in which Tennessee was willing to informally pursue discussions with its customers as to the feasibility of amending the Stipulation in favor of the status quo under the Stipulation ("Motion for Stay").

On November 20, 2008, the Chief Administrative Law Judge, Curtis L. Wagner, Jr.,

⁴ *Tennessee Gas Pipeline Co.*, 123 FERC ¶ 61,318 (June 30, 2008).

⁵ Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc. (collectively "ConEd"), New Jersey Natural Gas Company ("New Jersey Natural") and the Tennessee Customer Group filed comments.

⁶ 125 FERC ¶ 61,164.

issued an "Order of Chief Judge Holding Appointment of Settlement Judge in Abeyance Pending Commission Action on Motion to Stay Settlement Judge Procedures." Subsequently, on November 26, 2008, in response to the opposition of several parties to Tennessee's Motion for Stay,⁷ the Commission issued an order denying Tennessee's request for stay and directing the Chief Administrative Law Judge to appoint a settlement judge to convene a settlement conference as soon as practicable ("November 26th Order").⁸

Following the December 4, 2008 appointment of Judge Carmen A. Cintron as the settlement judge in the proceeding, Tennessee and its customers participated in settlement conferences convened by Judge Cintron in Washington, D.C. on December 15, 2008, February 2, 2009, and February 18, 2009. This Settlement is the product of those settlement conferences.

II. TERMS OF THE SETTLEMENT

In order to resolve and settle the issues in this proceeding, the attached Settlement provides the following:⁹

Article I provides that the Settlement is intended to modify the underlying Stipulation only as expressly provided by the terms of the Settlement and that the Stipulation otherwise will remain in full force and effect.

Article II provides that Article IV of the Stipulation is modified to provide for interim refunds (hereinafter, "Interim Refunds") to shippers of \$156.6 million ("Interim Refund Amount") which reflects Tennessee's representation of the balance in the Recoverable Cost/Revenue Account as of December 31, 2008, plus estimated carrying charges at an annual

⁷ National Fuel Gas Distribution Corporation and The Dominion LDCs filed answers opposing Tennessee's Motion on the basis that settlement discussions should be continued with the aid of a Settlement Judge.

⁸ *Tennessee Gas Pipeline Company*, 125 FERC ¶ 61,232 (2008) ("November 26th Order").

⁹ This section is for explanatory purposes. While this section accurately describes the terms of the Settlement, if a dispute arises regarding any matter related to the interpretation of the Settlement, the terms of the Settlement shall control over this Explanatory Statement.

interest rate of 10 percent through June 30, 2009, net of \$10 million to be retained by Tennessee for the customers' share of additional Eligible Costs ("Retained Amount").

The Interim Refund Amount is to be paid in quarterly installments over a three year period amortized at an annual interest rate of 8 percent with the first of the quarterly payments to be made on July 1, 2009. The subsequent quarterly payments will be made on the first business day of each calendar quarter thereafter over a three year period. The first six quarterly installments will be fixed at \$9.60 million, and the last six quarterly installments will be fixed at \$20.06 million to maintain an annual interest rate on the balance at 8 percent throughout the three year period. To the extent the effective date of the Settlement is later than June 10, 2009, the first quarterly installment will be paid with interest no earlier than July 1, 2009 and no later than 20 days after the effective date of the Settlement. Subsequent quarterly installments will only be impacted to the extent the effective date is delayed beyond the date the installment would otherwise be due in which case a similar adjustment will be made to the amount and timing of payment.

The Interim Refund Amount is to be allocated to shippers pro rata based on surcharge collections during the PCB Adjustment Period as provided by the Stipulation and further detailed in Exhibit B to the Settlement. Tennessee will make Interim Refunds by wire transfer to the individual shippers specified on Exhibit B unless the parties agree otherwise or the wire transfer information has not been provided to Tennessee in which event, Tennessee will issue the Interim Refunds at the parties' last known mailing address.

The Settlement provides that the Interim Refund Amount and the remaining balance of the Recoverable Cost/Revenue Account shall be accounted for through the Recoverable Cost/Revenue Account. Additionally, Tennessee may, without penalty, refund all or any portion of the Interim Refund Amount and/or the remaining balance of the Recoverable

Cost/Revenue Account to all shippers subject to the Stipulation at any time and from time to time during the term of the Stipulation. In the event Tennessee makes Interim Refunds early, Tennessee is entitled to re-determine the Interim Refund Amount in accordance with the Settlement. In addition, Tennessee shall be entitled to make Interim Refunds earlier than ~~otherwise required to all shippers whose allocated share of the Interim Refund Amount does~~ not exceed \$10,000. Such early refunds shall have no adverse impact on the allocation to other shippers of the remaining Interim Refund Amount or their respective shares of any Additional Eligible Costs.

The Settlement further provides the manner in which Tennessee shall handle the incurrence or recognition of additional Eligible Costs for which the shippers' share exceeds the \$10 million which has been retained.¹⁰ Specifically, such additional customer share of Eligible Costs shall first be netted against any remaining balance in the Interim Refund Amount in equal amounts over the remaining quarterly installments. To the extent the remaining balance of the Interim Refund Amount is insufficient, Tennessee shall reinstate the PCB adjustment as provided under the Stipulation.

The Settlement provides for the underlying Stipulation to be modified to reflect that effective July 1, 2009, the carrying charges under the Stipulation shall be computed by using the greater of (1) an annual interest rate of 8%; or (2) the then-applicable FERC-prescribed interest rate for pipeline refunds. The 8% annual interest rate replaces the currently existing 10% annual interest rate under the Stipulation.

¹⁰ It is Tennessee's opinion that the shippers' share of the Eligible Costs during the remaining term of the Stipulation will be adequately funded by the Retained Amount. In the unlikely event the Retained Amount is ultimately determined to be insufficient, the Settlement provides the manner in which a shortfall will be recovered.

Finally, the Settlement clarifies the language in the Stipulation to reflect that the Stipulation's term shall continue as long as (1) Tennessee is incurring Eligible Costs; or (2) cost recovery or the payment of refunds, including Interim Refunds, is incomplete.

Article III specifies the impact of the Commission's order approving the Settlement and the date upon which the Settlement becomes effective and binding. Article III also provides for the filing of the revised tariff sheets included as Exhibit A to the Settlement. Additionally, Article III of the Settlement specifies the clear and indisputable intent of the parties to enter into an Amendment to the Stipulation which is indivisible from the performance under the Stipulation and the applicable burden of proof for any changes to the Settlement during the term of the Stipulation.

III. SUPPORT FOR THE AMENDMENT

The Settlement represents an across-the-board compromise among the conflicting positions of Tennessee and its customers related to the underlying Stipulation and the parties' rights and obligations thereunder. Tennessee submits that this Settlement strikes an appropriate balance among these competing interests.

IV. INFORMATION TO BE PROVIDED WITH SETTLEMENT AGREEMENTS

By order issued October 23, 2003, the Chief Administrative Law Judge requires that the following five questions be answered as part of every Explanatory Statement that is submitted in support of a proposed settlement agreement. The questions, and Tennessee's responses, are as follows:

- A. What are the issues underlying the settlement and what are the major implications?

The primary issue underlying the Settlement is Tennessee's over-collection of the Recoverable Cost/Revenue Account under the terms of the underlying Stipulation. Because Tennessee is currently incurring Eligible Costs under the Stipulation and anticipates incurring such costs for the foreseeable future, the ~~Stipulation remains in effect. Although Tennessee reduced the PCB surcharge~~ to \$0.00 effective July 1, 2000, and has maintained it at that level to date, the Recoverable Cost/Revenue Account has outpaced Tennessee's incurrence of Eligible Costs under the Stipulation, resulting in an over-collected balance. Accordingly, at the request of Tennessee's customers and as required by the Commission's November 12th Settlement Conference Order, Tennessee and its customers undertook negotiations which resulted in this Settlement. Tennessee submits that the Settlement addresses the concerns raised by its customers with regard to Tennessee's over-collection of the Recoverable Cost/Revenue Account.

B. Whether any of the issues raise policy implications?

Tennessee does not believe that the Settlement presents any policy implications for the Commission.

C. Whether other pending cases may be affected?

This Settlement is tailored to address the specific issues in this proceeding, and it is the product of negotiation between Tennessee and its customers who were active participants in the Settlement Proceedings. Thus, the Settlement only addresses the specific issues contemplated by its terms and does not affect any pending cases.

D. Whether the settlement involves issues of first impression, or if there are any previous reversals on the issues involved?

Tennessee does not believe that the Settlement raises any issues of first impression nor is Tennessee aware of any reversals on the issues involved in the Settlement.

E. **Whether the proceeding is subject to the just and reasonable standard or whether there is Mobile-Sierra language?**

As identified in the Settlement, changes to the Settlement during the Term of the Stipulation will be subject to the Mobile-Sierra "public interest" standard.

V. CONCLUSION

WHEREFORE, for all the foregoing reasons, Tennessee respectfully requests that the Commission accept the Settlement without condition or modification.

Respectfully submitted,

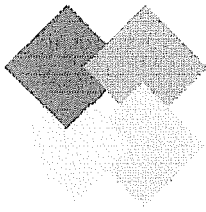
TENNESSEE GAS PIPELINE COMPANY

/s/ Melissa G. Freeman
Melissa G. Freeman
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Dated: April 13, 2009

Tennessee Gas Pipeline Company
 PCB/HSL Interim Refund Allocation
 Docket Nos. RP91-203 and RP92-132

Line No.	Shipper Name (1)	Holding Company (2)	PCB Revenue		Interim Refund Amount at \$156.6/MM	Jul 1, 2009 refund with Interest (6)	Oct 1, 2009 refund with Interest (7)	Jan 1, 2010 refund (8)	Total Dec. 18, 2009 Installment (9)
			Collected (3)	% (4)					
455	UNICOI COUNTY UTILITY DISTRICT	UNICOI COUNTY UTILITY DISTRICT	\$21,304.76	0.0241%	\$37,749.68	\$2,401.16	\$2,353.72	\$2,314.16	\$7,069.06
456	UNITED STATES DEPARTMENT OF ENERGY	UNITED STATES DEPARTMENT OF ENERGY	\$101,868.64	0.1153%	\$180,500.52	\$11,481.27	\$11,254.34	\$11,065.17	\$33,800.77
457	FITCHBURG GAS AND ELECTRIC LIGHT CO	Unill Corporation	\$360,065.93	0.4074%	\$637,597.10	\$40,581.70	\$39,779.57	\$39,110.69	\$119,472.20
458	UNITED STATES GYPSUM COMPANY	USG Corporation	\$65,591.45	0.0740%	\$115,856.44	\$7,370.03	\$7,224.35	\$7,102.92	\$21,697.31
459	USGEN NEW ENGLAND, INC.	USGEN NEW ENGLAND, INC.	\$24,780.00	0.0280%	\$43,207.43	\$2,792.86	\$2,737.66	\$2,691.64	\$8,222.16
460	VAIL TRADING, L.L.C.	VAIL TRADING COMPANY	\$84,724.83	0.0732%	\$114,685.26	\$7,294.90	\$7,150.71	\$7,030.51	\$21,476.12
461	SIGCORP ENERGY SERVICES, INC.	Vedren Corporation	\$20,004.91	0.0225%	\$36,446.49	\$2,254.68	\$2,210.11	\$2,172.97	\$6,637.76
462	VERNON PARISH, GAS UTILITY	VERNON PARISH, GAS UTILITY	\$912.44	0.0010%	\$1,618.75	\$1,077.55			\$1,677.55
463	VINA GAS BOARD OF THE TOWN OF	VINA GAS BOARD OF THE TOWN OF	\$1,715.44	0.0019%	\$3,039.56	\$3,153.87			\$3,153.87
464	VISTA RESOURCES INC	Vista Resources Inc.	\$2,041.80	0.0023%	\$3,817.84	\$3,753.89			\$3,753.89
465	VISY PAPER, INC.	Visy Industries	\$3.31	0.0000%	\$5.86	\$6.09			\$6.09
466	WALNUT TOWN OF	WALNUT TOWN OF	\$5,469.00	0.0082%	\$9,690.47	\$10,054.88			\$10,054.88
467	SELMER UTILITY DIVISION	Waller Oil and Gas Corporation	\$18,230.10	0.0206%	\$32,301.73	\$2,054.65	\$2,014.04	\$1,980.18	\$6,048.87
468	WALTER OIL & GAS CORPORATION	Waller Oil and Gas Corporation	\$480.00	0.0005%	\$815.07	\$845.72			\$845.72
469	WARD MANUFACTURING INC	Ward Manufacturing	\$1,526.50	0.0017%	\$2,704.79	\$2,806.50			\$2,806.50
470	WAYNESBORO CITY OF	WAYNESBORO CITY OF	\$6,697.29	0.0075%	\$11,866.87	\$754.83	\$739.91	\$727.47	\$2,222.21
471	WHEELED ELECTRIC POWER COMPANY	Wepco	\$2.19	0.0000%	\$3.88	\$4.03			\$4.03
472	WEST TENNESSEE PUBLIC UTILITY DISTRICT	WEST TENNESSEE PUBLIC UTILITY DISTRICT	\$168,857.81	0.1888%	\$295,571.95	\$18,807.05	\$18,435.32	\$18,125.45	\$55,367.82
473	WESTFIELD, CITY OF, GAS & ELECTRIC LIGHT	WESTFIELD, CITY OF, GAS & ELECTRIC LIGHT	\$155,190.84	0.1768%	\$274,581.05	\$17,490.59	\$17,145.26	\$16,857.08	\$51,493.33
474	WEYERHAEUSER COMPANY	Weyerhaeuser Company	\$1,250.50	0.0014%	\$2,215.75	\$2,299.07			\$2,299.07
475	WASHINGTON GAS LIGHT CO	WGL Holdings Inc.	\$165,110.58	0.1868%	\$292,557.70	\$18,809.00	\$18,241.18	\$17,934.57	\$54,784.75
476	CALEDONIA POWER1, LLC	Wood Group Power Solutions	\$7,060.32	0.0080%	\$12,510.11	\$795.74	\$780.01	\$768.90	\$2,342.66
477	E PRIME INC.	Xcel Energy Inc	\$4,850.75	0.0055%	\$8,595.00	\$8,918.21			\$8,918.21
478	CENERPRISE, INC.	Xcel Energy Inc	\$2,122.36	0.0024%	\$3,760.59	\$3,902.00			\$3,902.00
479	NORTH AMERICAN ENERGY CONSERVATION INC.	York Research Corporation	\$1,479.94	0.0017%	\$2,622.29	\$2,720.50			\$2,720.50
480	YUMA GAS CORPORATION	YUMA GAS CORPORATION	\$558.79	0.0065%	\$980.12	\$1,027.35			\$1,027.35
481	Grand Total		\$88,380,220	100.0000%	\$156,600,000	\$10,452,411	\$9,732,663	\$9,569,071	\$29,754,146



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Jim Downs

Vice President of Regulatory Affairs

February 9, 2010

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: *Columbia Gas Transmission, LLC*, Docket Nos. RP95-408-_____ and RP91-160-_____
Report on Refunds of Environmental Insurance Recoveries

Dear Secretary Bose:

Pursuant to Section 154.501(e) of the regulations of the Federal Energy Regulatory Commission ("Commission"),¹ Columbia Gas Transmission, LLC ("Columbia") hereby submits for filing its report detailing the refund to Columbia's shippers of funds received from insurance carriers for environmental costs during the period February 28, 2005 through December 31, 2009.

Statement of Nature, Reasons and Basis

On September 15, 1999, the Commission approved a settlement resolving the environmental phase of Columbia general rate case filed in Docket No. RP95-408 ("Phase II Settlement").² As part of that settlement, Columbia is required to credit to shippers, net of costs, amounts that Columbia receives from third parties attributable to Columbia's environmental costs ("Net Proceeds").³ To date, Columbia has recovered a total of \$36,369,387. Accordingly, the crediting of the Net Proceeds is governed by Article V(F)(3) of the Phase II Settlement. Pursuant to Article V(F)(3), ten percent of Columbia's Net Proceeds are deemed to be attributable to the period covered by Columbia's settlement in Docket RP91-161 ("RP91-161 Settlement"),⁴ while 90 percent is allocated to the Phase II Settlement.

Article V(F)(3) of the Phase II Settlement provides that Columbia will credit to customers through their regular billing cycle 65 percent of Net Proceeds allocable to Docket No. RP95-408. Article A(2)(d) of the RP91-161 Settlement provides that 90 percent of the Net Proceeds allocable to Docket No. RP91-161 settlement period should be credited to shippers. In accordance with these provisions, Columbia credited, inclusive of interest, a total of \$62,197.84 to shippers under Docket No. RP95-408 and \$9,568.90 to shippers under Docket No. RP91-161. These credits were reflected on shippers' January 2010 invoices for services rendered during December 2009. Where amounts were owed to shippers that no longer receive service from

¹ 18 C.F.R. Part 154 (2009).

² *Columbia Gas Transmission Corp.*, 88 FERC ¶ 61,217 (1999).

³ Third Party Proceeds are net of Columbia's out of pocket costs, per Article (V)(F)(1) of the Phase II Settlement.

⁴ *Columbia Gas Transmission Corp.*, 63 FERC ¶ 61,103 (1993).

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
February 9, 2010
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Columbia and the amount due totaled \$20 or more, Columbia mailed checks to the former shippers' last known address. For administrative reasons, amounts of less than \$20 owed to former shippers were distributed to all other shippers on a pro rata basis.

Workpapers detailing the calculation of the credits are attached. Appendix A sets forth the allocation of the Net Proceeds. Appendix B sets forth the calculation of credits owed to shippers under Docket No. RP95-508, while Appendix C details the calculation of credits owed to shippers under Docket No. RP91-161. The interest calculation is set forth in Appendix D.

Waiver

Columbia respectfully requests that the Commission grant any waivers that it may deem necessary to accept this filing.

Posting and Certification of Service

Pursuant to Sections 154.2(d), 154.7(b) and 154.208(b) of the Commission's regulations, a copy of this filing is being sent by electronic mail or by first-class mail, postage prepaid, by Columbia to each of Columbia's firm customers, affected state commissions, and interruptible customers. This filing is also available for public inspection during regular business hours in a convenient form and place at Columbia's offices at 5151 San Felipe, Suite 2500, Houston, Texas, 77056; 1700 MacCorkle Avenue, S.E., Charleston, West Virginia, 25325; and 10 G Street, NE, Suite 400, Washington, DC, 20002.

Subscription

Pursuant to Section 154.4(b) of the Commission's regulations, the undersigned certifies that: (1) he knows the contents of the filing; (2) the paper copies of the filing contain the same information as that contained on the electronic media; (3) the contents are true to the best of his knowledge and belief; and (4) that he possesses full power and authority to sign the filing.

Service on Columbia

It is respectfully submitted that all Commission orders and correspondence as well as pleadings and correspondence from other persons concerning this filing be served upon the following:

*James R. Downs, Vice President, Regulatory Affairs
*Cynthia Donaldson, Director Regulatory & Government Affairs
*Sorana Linder, Senior Rates & Regulatory Analyst
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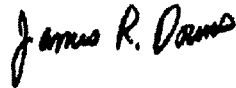
Kimberly D. Bose, Secretary
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February 9, 2010
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* Persons designated to receive service in accordance with Rule 203 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.203 (2009).

Respectfully submitted,



James R. Downs
Vice President of Regulatory Affairs

Enclosures

APPENDIX A

COLUMBIA GAS TRANSMISSION, LLC
 REFUND OF ENVIRONMENTAL INSURANCE RECOVERIES
 UNDER RP95-408 PHASE II SETTLEMENT
 Allocation of Environmental Insurance Recoveries

Line No	Description	Amount
1	Gross Insurance Proceeds	\$ 146,795
2	Legal Costs	\$ 22,019 /1
3	Other Costs	\$ -
4	Net Proceeds	<u>\$ 124,775</u>
5	Allocation to Columbia Gas (72%)	\$ 89,838 /2
6	Allocation to Columbia Gulf (28%)	\$ 34,937
	Columbia Allocation	
7	Allocated to RP95-408 (90%)	\$ 80,854 /3
8	Allocated to RP91-161 (10%)	<u>\$ 8,984</u>
	RP95-408 Allocation	
9	Allocated to shippers (65%)	\$ 52,549 /4
10	Allocated to Columbia (35%)	<u>\$ 28,305</u>
	RP95-161 Allocation	
11	Allocated to shippers (90%)	\$ 8,088 /5
12	Allocated to Columbia (10%)	<u>\$ 896</u>
13	Total Allocated to Customers	\$ 60,637
14	Insurance	<u>\$ 11,130 /6</u>
15	Total Customer Credit	\$ 71,767

/1 Per Article V(F)(1) of Phase II Settlement

/2 Per Article V(F)(1)

/3 Per Article V(F)(3)

/4 Per Article V(F)(3)

/5 Per Article A(2)(d) of RP91-161 Settlement

/6 See Appendix D

APPENDIX B

COLUMBIA GAS TRANSMISSION, LLC
REFUND OF ENVIRONMENTAL INSURANCE RECOVERIES
UNDER RP95-408 PHASE II SETTLEMENT
Allocation to Customers under Docket No. RP95-408

CUSTOMER NAME	CUST NO	AMOUNT INVOICED /1	ALLOCATION PERCENTAGE	REFUND AMOUNT
Adams Resources Marketing, Ltd	010808	707.72	0.01%	6.22
Agway Energy Services, LLC	010951	642.71	0.01%	6.22
AK Steel Corporation	006718	1,117.51	0.02%	12.44
Allegheny Energy Supply Company, LLC	010824	285.94	0.01%	6.22
Allegheny Technologies, Inc	000500	967.92	0.02%	12.44
Arcelormittal Weirton Inc	011386	12,905.49	0.23%	143.06
Atmos Energy Marketing, LLC	010216	12,916.73	0.23%	143.06
Baltimore Gas & Electric Company	000074	251,520.48	4.43%	2,755.36
Bear Energy LP	011538	11,714.87	0.21%	130.62
Bluefield Gas Company	000109	2,459.08	0.04%	24.88
BLUESTONE ENERGY PARTNERS	011676	818.89	0.01%	6.22
Bollinger Energy	010558	326.70	0.01%	6.22
BP Energy Company	006654	121,952.73	2.15%	1,337.25
Bunge North America	011407	2,187.44	0.04%	24.88
Cabot Oil & Gas Marketing Corporation	003858	25,424.61	0.45%	279.89
Calgon Carbon Corporation	000141	521.28	0.01%	6.22
Cargill Inc	000153	10,112.82	0.18%	111.96
CED Rock Springs, LLC	011284	34,684.71	0.61%	379.41
Central Hudson Gas & Electric Corporation	000165	12,249.17	0.22%	136.84
Central Motor Wheel of America, Inc.	011201	935.65	0.02%	12.44
Chaparral Virginia, Inc	011501	1,493.26	0.03%	18.66
Chesapeake Appalachia, LLC	011551	110,069.41	1.94%	1,206.64
Chesapeake Utilities Corp Delaware Division	010535	7,917.84	0.14%	87.08
Chesapeake Utilities Corp Maryland Division	010536	3,607.83	0.06%	37.32
Chevron Natural Gas, a division of Chevron U.S.A. Inc.	011183	32,565.80	0.57%	354.53
CIMA Energy, Ltd	011273	679.43	0.01%	6.22
Citigroup Energy, Inc	011651	48,553.48	0.86%	534.90
City Of Charlottesville	000193	18,600.25	0.33%	205.25
City Of Flemingsburg	002282	1,426.02	0.03%	18.66
City Of Lancaster	000197	16,196.60	0.29%	180.37
City Of Richmond	000198	64,978.92	1.14%	709.06
CNX Gas Company, LLC	011213	51,271.38	0.90%	559.78
Cobra Petroleum Production Corporation	008134	522.65	0.01%	6.22
Colonial Energy Inc	010285	533.82	0.01%	6.22
Columbia Gas Of Kentucky, Inc	000208	129,804.81	2.29%	1,424.33
Columbia Gas Of Maryland, Inc.	000209	31,534.85	0.56%	348.31
Columbia Gas of Ohio, Inc.	000214	1,025,667.23	18.09%	11,251.48
Columbia Gas Of Pennsylvania, Inc	000221	382,780.70	6.74%	4,192.13
Columbia Gas of Virginia, Inc	008238	159,509.88	2.81%	1,747.76
Columbia Utilities, LLC	011607	476.37	0.01%	6.22
Columbus Southern Power Company	008044	3,760.18	0.07%	43.54
Commerce Energy, Inc	011495	6,612.71	0.12%	74.64
Connectiv Energy Supply, Inc	010831	59,595.38	1.05%	653.08
ConocoPhillips Company	001129	20,949.30	0.37%	230.13
Constellation Energy Commodities Group, Inc.	010851	20,931.78	0.37%	230.13
Coral Energy Resources L P	010188	4,094.46	0.07%	43.54
Corning Incorporated-St. College Fac.	010758	979.96	0.02%	12.44
Corning Natural Gas Corporation	000261	878.06	0.02%	12.44
Cumberland Valley Resources, LLC	010813	538.17	0.01%	6.22
DB Energy Trading LLC	011673	26,575.83	0.47%	292.33
Delmarva Power & Light Company	001860	25,452.79	0.45%	279.89
Delta Energy, LLC	011332	29,645.29	0.52%	323.43
Delta Natural Gas Company, Inc.	000284	940.35	0.02%	12.44
Delta Natural Gas Company, Inc., Stanton Division	010755	517.30	0.01%	6.22
Dominion Exploration & Production, Inc.	010883	3,213.18	0.06%	37.32
Dominion Field Services, Inc.	010891	39,113.13	0.69%	429.17
Dominion Retail, Inc.	010908	38,239.66	0.67%	416.73
DTE Energy Trading, Inc	008455	16,375.31	0.29%	180.37
Duke Energy Kentucky, Inc.	000976	13,140.50	0.23%	143.06
Duke Energy Ohio, Inc.	000187	74,936.92	1.32%	821.01
E. F. Kenilworth, LLC	010675	2,044.79	0.04%	24.88
East Ohio Gas Company	002412	43,403.58	0.76%	472.70
East Resources, Inc.	002660	6,221.49	0.11%	68.42
Eastern American Energy Corporation	002562	21,176.12	0.37%	230.13
EDF Trading North America, LLC	011289	8,041.82	0.14%	87.08
Elam Utility Company, Inc.	000322	319.39	0.01%	6.22
Empire Natural Gas Corporation	002721	3,414.62	0.06%	37.32

COLUMBIA GAS TRANSMISSION, LLC
REFUND OF ENVIRONMENTAL INSURANCE RECOVERIES
UNDER RP95-408 PHASE II SETTLEMENT
Allocation to Customers under Docket No. RP95-408

<u>CUSTOMER NAME</u>	<u>CUST NO</u>	<u>AMOUNT INVOICED /1</u>	<u>ALLOCATION PERCENTAGE</u>	<u>REFUND AMOUNT</u>
Energy America, LLC	010664	46,409.54	0.82%	510.02
EnergyUSA -TPC Corp	002378	8,466.97	0.15%	93.30
Enjet, Inc.	005596	7,235.27	0.13%	80.86
Enspire Energy, LLC	011509	3,136.76	0.06%	37.32
EQT Energy, LLC	010685	40,341.61	0.71%	441.60
EQT Production Company	004289	39,062.53	0.69%	429.17
eServices, Inc.	011449	573.22	0.01%	6.22
eServices, LLC	011732	7,806.43	0.14%	87.08
Exelon Energy Company	010868	32,324.69	0.57%	354.53
FirstEnergy Solutions Corp	010781	11,976.13	0.21%	130.62
Ford Motor Company	001232	2,429.69	0.04%	24.88
Fortis Energy Marketing & Trading GP	011635	17,749.64	0.31%	192.81
Fortuna Energy Inc.	011266	9,807.61	0.17%	105.74
Gateway Energy Services Corporation	233103	767.09	0.01%	6.22
GDF SUEZ Energy Marketing NA, Inc	010530	15,336.33	0.27%	167.93
General Motors Corporation	000383	4,314.45	0.08%	49.76
GeoMet, Inc.	011419	8,305.15	0.15%	93.30
Hess Corporation	002651	70,053.76	1.23%	765.03
Hess Energy Trading Co. L.L.C.	010517	3,403.11	0.06%	37.32
Honda Of America MFG, Inc.	000453	14,954.92	0.26%	161.71
Honeywell International, Inc.	008715	33,459.27	0.59%	366.97
Hope Gas, Inc. dba Dominion Hope	005264	513.82	0.01%	6.22
Hudson Energy Services, LLC	011234	2,436.19	0.04%	24.88
Husky Marketing and Supply Company	011678	3,064.58	0.05%	31.10
IDT Energy, Inc.	011445	337.47	0.01%	6.22
Integrus Energy Services, Inc	010236	44,349.17	0.78%	485.14
International Paper Company	000429	4,998.10	0.09%	55.98
Interstate Gas Supply, Inc.	006542	131,173.40	2.31%	1,436.77
Interstate Natural Gas Company	004487	2,365.67	0.04%	24.88
ISG Acquisition, Inc.	011294	14,934.29	0.26%	161.71
J. Aron & Company	007694	7,496.44	0.13%	80.86
Jefferson Gas Transmission Company, Inc.	007311	2,247.45	0.04%	24.88
John D. Oil & Gas Marketing	011715	1,751.44	0.03%	18.66
Johns Manville	001493	3,092.73	0.05%	31.10
JP Morgan Ventures Energy Corporation	011559	15,764.40	0.28%	174.15
KIDN Marketing, Ltd.	011195	2,761.90	0.05%	31.10
Louis Dreyfus Energy Services L.P.	011111	801.65	0.01%	6.22
M & B Gas Services, Inc	006525	1,216.68	0.02%	12.44
Marathon Petroleum Company LLC	005920	2,500.70	0.04%	24.88
MeadWestvaco Corporation	011305	7,606.74	0.13%	80.86
Merrill Lynch Commodities, Inc.	011437	18,490.48	0.33%	205.25
Metromedia Energy	010922	925.82	0.02%	12.44
Minnesota Mining & Manufacturing Company	001672	664.62	0.01%	6.22
Mirant Energy Trading, LLC	010541	2,670.80	0.05%	31.10
Mittal Steel USA, Inc	011639	1,689.42	0.03%	18.66
Mountaineer Gas Company	000633	52,688.14	0.93%	578.44
MX Energy Inc.	010893	21,433.44	0.38%	236.35
Nami Resources Company, LLC	010811	4,605.82	0.08%	49.76
National Fuel Gas Distribution Corporation	004789	12,681.16	0.22%	136.84
National Fuel Resources, Inc.	007976	302.47	0.01%	6.22
National Gas & Oil Cooperative	002287	1,155.88	0.02%	12.44
NCL Natural Resources, LLC	011488	435.59	0.01%	6.22
New England Gas Company	011490	16,264.92	0.29%	180.37
New Jersey Natural Gas Company	002407	6,635.13	0.12%	74.64
New York State Electric & Gas Corporation	000666	62,954.42	1.11%	690.40
NewPage Corporation	011478	2,135.11	0.04%	24.88
Nextera Energy Power Marketing, LLC	011203	4,281.23	0.08%	49.76
NJR Energy Services Company	010795	16,079.96	0.28%	174.15
Northeast Ohio Natural Gas	001684	3,014.81	0.05%	31.10
Northwind Resources, LLC	163010	489.88	0.01%	6.22
NOVEC Energy Solutions, Inc.	010566	1,885.28	0.03%	18.66
Occidental Energy Marketing, Inc.	010679	5,374.57	0.09%	55.98
Ohio Cumberland Gas Company	002436	1,180.12	0.02%	12.44
ONEOK Energy Services Company, L.P.	010392	17,137.67	0.30%	186.59
Orange & Rockland Utilities, Inc.	000700	48,840.31	0.86%	534.90
Osram Sylvania, Inc.	000421	1,973.69	0.03%	18.66

COLUMBIA GAS TRANSMISSION, LLC
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<u>CUSTOMER NAME</u>	<u>CUST NO</u>	<u>AMOUNT INVOICED /1</u>	<u>ALLOCATION PERCENTAGE</u>	<u>REFUND AMOUNT</u>
Pacific Summit Energy,LLC	011453	12,227.73	0.22%	136.84
Panda Brandywine LP	006280	9,343.64	0.16%	99.52
Penn Virginia Corp	008852	5,624.38	0.10%	62.20
PEPCO Energy Services, Inc.	010686	3,589.61	0.06%	37.32
Piedmont Natural Gas Company, Inc	001871	117,472.24	2.07%	1,287.50
Pike Natural Gas Company	001063	1,773.57	0.03%	18.66
Pivotal Utility Holdings, Inc dba Elkton Gas	011657	378.64	0.01%	6.22
Pivotal Utility Holdings, Inc dba Elizabethtown Gas	011630	15,940.79	0.28%	174.15
PPL EnergyPlus,LLC	008073	7,771.28	0.14%	87.08
PPL Gas Utilities Corporation	000723	17,206.09	0.30%	186.59
ProLiance Energy L.L.C.	010316	55,940.54	0.99%	615.76
PSEG Energy Resources and Trade, L.L.C.	011171	14,785.74	0.26%	161.71
Public Service Company Of North Carolina Incorporated	002218	12,529.14	0.22%	136.84
Range Resources-Appalachia, LLC	010850	8,638.88	0.15%	93.30
Republic Engineered Products, Inc.	008319	4,063.05	0.07%	43.54
Richmond Utilities Board	000778	2,532.83	0.04%	24.88
Riley Natural Gas Company	001631	382.45	0.01%	6.22
Roanoke Gas Company	000784	20,869.71	0.37%	230.13
Rock Springs Generation, LLC	011283	22,177.59	0.39%	242.57
Sempra Energy Trading LLC	008077	29,643.18	0.52%	323.43
Sequent Energy Management, L.P.	011121	75,638.64	1.33%	827.23
Severstal Sparrows Point, LLC	011735	10,711.82	0.19%	118.18
Severstal Wheeling, Inc.	001036	8,098.94	0.14%	87.08
Shell Energy North America (US), LP	011738	6,276.40	0.11%	68.42
Snyder Armclar Gas Co	004586	1,916.75	0.03%	18.66
South Jersey Gas Company	000838	55,391.00	0.98%	609.54
South Jersey Resources Group, LLC	010394	13,234.21	0.23%	143.06
Southeastern Natural Gas Company	007720	392.32	0.01%	6.22
Southern Tier Transmission Corporation	007030	1,317.75	0.02%	12.44
SouthStar Energy Services, LLC	010799	13,401.53	0.24%	149.27
Spark Energy Gas, LP	010967	942.33	0.02%	12.44
Sprague Energy Corp.	007921	514.23	0.01%	6.22
Stand Energy Corporation	001076	27,329.17	0.48%	298.55
Statoil Natural Gas LLC	011303	11,155.48	0.20%	124.40
Suburban Natural Gas Company	000870	7,727.77	0.14%	87.08
Sunoco Power Generation L.L.C.	011385	35,839.04	0.63%	391.85
T&F Exploration, L.P	011131	434.82	0.01%	6.22
T. W. Phillips Gas And Oil Co.	002292	27,342.88	0.48%	298.55
Tenaska Gas Storage, LLC	011122	2,536.33	0.04%	24.88
Tenaska Marketing Ventures	006853	3,660.12	0.06%	37.32
The Easton Utilities Commission	010274	673.12	0.01%	6.22
Total Gas & Power North America, Inc.	007249	2,164.95	0.04%	24.88
Toyota Motor Engineering & Manufacturing North America, Inc.	001691	7,639.43	0.13%	80.86
U. S. Gas & Electric, Inc.	011275	2,359.03	0.04%	24.88
UGI Energy Services Incorporated	009980	81,427.34	1.43%	889.43
UGI Penn Natural Gas, Inc.	011615	8,641.68	0.15%	93.30
UGI Utilities Inc As Agent For XD LFD	008412	32,529.58	0.57%	354.53
UGI Utilities Inc.	000942	69,865.21	1.23%	765.03
Union Rural Electric Cooperative, Inc	010744	617.73	0.01%	6.22
United States Gypsum Company	000919	16,043.59	0.28%	174.15
Vectren Energy Delivery of Ohio, Inc.	010892	47,967.56	0.84%	522.46
Vectren Retail, LLC	011144	22,068.25	0.39%	242.57
Virginia Natural Gas, Inc.	000996	80,508.63	1.42%	883.21
Virginia Power Energy Marketing, Inc.	010740	4,705.40	0.08%	49.76
Virginia Power Services Energy Corp , Inc.	010738	66,772.50	1.18%	733.93
Vitruvian Exploration, LLC	010713	4,819.77	0.08%	49.76
Volunteer Energy Services, Inc.	011128	16,305.31	0.29%	180.37
Washington Gas Energy Services	010306	41,753.56	0.74%	460.26
Washington Gas Light Company	001006	501,752.60	8.84%	5,498.29
Waterville Gas & Oil Company	001010	1,547.30	0.03%	18.66
		<u>5,673,987.90</u>	<u>100.00%</u>	<u>62,197.84</u>

/1 Per Article V(F)(3) of Phase II Settlement, credits are allocated to shippers on the same basis that environmental costs were recovered in rates during the most recent 12-month period.

APPENDIX C

COLUMBIA GAS TRANSMISSION, LLC
REFUND OF ENVIRONMENTAL INSURANCE RECOVERIES
UNDER RP95-408 PHASE II SETTLEMENT
Allocation to Customers under Docket No. RP91-161

<u>CUSTOMER NAME</u>	<u>CUST NO</u>	<u>AMOUNT INVOICED /1</u>	<u>ALLOCATION PERCENTAGE</u>	<u>REFUND AMOUNT</u>
ALLEGHENY LUDLUM STEEL / ALLEGHENY TECHNOLOGIES	000500	450,388.02	0.03%	2.87
ALLIEDSIGNAL, INC. (000022) / HONEYWELL INTERNATIONAL, INC	008715	14,557,737.38	0.86%	82.29
BALTIMORE GAS & ELECTRIC COMPANY	000074	85,276,386.04	5.04%	482.27
BETHLEHEM STEEL CORPORATION	000928	12,940,763.08	0.76%	72.72
BLUEFIELD GAS COMPANY	000109	2,536,944.40	0.15%	14.35
CALGON CARBON CORPORATION	000141	202,375.08	0.01%	0.96
CAMERON GAS COMPANY (000145) / MOUNTAINEER GAS COMPANY	000633	130,334.96	0.01%	0.96
CENTRAL HUDSON GAS & ELECTRIC CORPORATION	000165	4,687,578.90	0.28%	26.79
CENTRAN CORPORATION (001616) / CONECTIV ENERGY SUPPLY, INC	010831	3,405,058.38	0.20%	19.14
CITY OF CHARLOTTESVILLE	000193	5,605,692.75	0.33%	31.58
CITY OF LANCASTER	000197	6,092,221.94	0.36%	34.45
CITY OF RICHMOND	000198	23,004,471.70	1.36%	130.14
COLUMBIA ENERGY SERVICES CORPORATION	002543	4,015,672.52	0.24%	22.97
COLUMBIA GAS OF KENTUCKY, INC	000208	57,042,107.40	3.37%	322.47
COLUMBIA GAS OF MARYLAND, INC	000209	11,885,175.17	0.70%	66.98
COLUMBIA GAS OF OHIO, INC	000214	483,333,324.42	28.81%	2,756.78
COLUMBIA GAS OF PENNSYLVANIA, INC.	000221	137,230,600.79	8.10%	775.08
COLUMBIA GAS OF VIRGINIA, INC.	008238	22,559,820.04	1.33%	127.27
COMMONWEALTH GAS SERVICES (000235) / COLUMBIA GAS OF VIRGINIA	008238	9,734,230.08	0.57%	54.54
COMMONWEALTH GAS SERVICES (000566) / COLUMBIA GAS OF VIRGINIA	008238	1,380,560.16	0.08%	7.66
COMMONWEALTH GAS SERVICES INC EAST (001075) / COLUMBIA GAS OF VIRGINIA	008238	10,256,935.44	0.61%	58.37
CONOCOPHILLIPS COMPANY	001129	956,533.81	0.06%	5.74
CORNING NATURAL GAS CORPORATION	000261	389,035.30	0.02%	1.91
COSHOCOTON STAINLESS DIVISION (000262) / ARMCO, INC	006718	125,625.26	0.01%	0.96
CRANBERRY PIPELINE CORPORATION	001765	88,992.96	0.01%	0.96
CUMBERLAND GAS MARKETING COMPANY	002808	158,690.73	0.01%	0.96
DAYTON POWER & LIGHT COMPANY	000278	60,920,125.23	3.60%	344.48
DELMARVA POWER & LIGHT COMPANY	001860	7,261,675.03	0.43%	41.15
DELTA NATURAL GAS COMPANY, INC.	000284	2,072,115.26	0.12%	11.48
EAGLE POINT COGENERATION	005082	15,360,520.77	0.91%	87.08
ELIZABETHTOWN GAS COMPANY (000323) / NUI CORPORATION	009872	7,211,645.66	0.43%	41.15
EMPIRE DETROIT STEEL, A DIVISION OF ARMCO, INC (000331) / ARMCO, INC	006718	869,880.25	0.05%	4.78
EMPIRE NATURAL GAS CORPORATION	002721	230,446.88	0.01%	0.96
ENRON CAPITAL & TRADE RESOURCES / ENRON NORTH AMERICA	001100	6,481,461.05	0.38%	36.36
ENTRADE CORPORATION (001168) / TENNECO GAS MARKETING	005326	4,049,276.53	0.24%	22.97
EQUITABLE GAS COMPANY, A DIVISION OF EQUITABLE RESOURCES INC	004595	11,866,039.25	0.70%	66.98
EQUITABLE RESOURCES MARKETING CO	004425	3,534,208.53	0.21%	20.09
EQUITRANS, INC	002404	11,998,716.00	0.71%	67.94
FORD MOTOR COMPANY	001232	709,792.26	0.04%	3.83
GASLANTIC CORPORATION (007486) / PEPCO ENERGY SERVICES	010686	212,783.04	0.01%	0.96
GENERAL MOTORS CORPORATION	000383	3,666,251.63	0.22%	21.05
GORDONSVILLE ENERGY LP	007845	349,267.67	0.02%	1.91
HONDA OF AMERICA MFG, INC.	000453	5,448,634.35	0.32%	30.62
IGM, INC	002135	3,746,539.53	0.22%	21.05
INTERSTATE GAS SUPPLY, INC	006542	694,479.75	0.04%	3.83
JOHNS MANVILLE INTERNATIONAL, INC.	001493	1,970,675.10	0.12%	11.48
KNG ENERGY, INC	006374	137,127.39	0.01%	0.96
MARATHON ASHLAND PETROLEUM	005920	560,454.20	0.03%	2.87
MINNESOTA MINING & MANUFACTURING CO	001672	87,283.71	0.01%	0.96
MOUNTAINEER GAS COMPANY	000633	87,184,042.26	5.15%	492.80
NATIONAL FUEL GAS DISTRIBUTION CORPORATION	004789	3,513,569.13	0.21%	20.09
NATIONAL GAS & OIL COOPERATIVE	002287	560,050.51	0.03%	2.87
NEW ENGLAND POWER COMPANY	005781	4,477,442.47	0.26%	24.88
NEW JERSEY NATURAL GAS COMPANY	002407	3,136,269.74	0.19%	18.18
NEW YORK STATE ELECTRIC & GAS CORPORATION	000666	20,150,724.92	1.19%	113.87
NORTH CAROLINA NATURAL GAS CORPORATION - CAROLINA POWER & LIGHT	002409	7,674,734.18	0.45%	43.06
NUI UTILITIES, INC.	009872	1,090,491.96	0.06%	5.74
NYSEG II (000211) / NYSEG	000666	6,506,213.78	0.38%	36.36
O&R ENERGY DEVELOPMENT, INC (001877) / ORANGE AND ROCKLAND	000700	3,149,156.36	0.19%	18.18
OHIO CUMBERLAND GAS COMPANY	002436	113,707.98	0.01%	0.96
ORANGE & ROCKLAND UTILITIES, INC	000700	28,545,292.88	1.69%	161.71
OSRAM SYLVANIA, INC.	000421	933,295.78	0.06%	5.74
PEDRICKTOWN COGENERATION LIMITED PARTNERSHIP	004845	2,418,001.10	0.14%	13.40
PENN FUEL GAS, INC / PPL GAS UTILITIES CORPORATION	000723	6,496,859.19	0.38%	36.36
PENN VIRGINIA CORP.	008852	150,894.92	0.01%	0.96

COLUMBIA GAS TRANSMISSION, LLC
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PG ENERGY INC	000724	8,528,260.33	0.50%	47.84
PIEDMONT NATURAL GAS COMPANY, INC.	001871	13,861,588.49	0.82%	78.46
PIKE NATURAL GAS COMPANY	001063	583,664.22	0.03%	2.87
PROVIDENCE GAS COMPANY	004351	14,050,837.65	0.83%	79.42
PUBLIC SERVICE ELECTRIC (002364) / PSEG ENERGY RESOURCES	011171	3,496,386.48	0.21%	20.09
RICHMOND POWER ENTERPRISE LP	004855	6,196,795.64	0.37%	35.40
RICHMOND UTILITIES BOARD	000778	1,656,141.70	0.10%	9.57
RILEY NATURAL GAS COMPANY	001631	144,312.62	0.01%	0.96
ROANOKE GAS COMPANY	000784	11,403,953.15	0.67%	64.11
SOLAR TURBINES, INC (002213) / STI CORPORATION	011147	4,043,155.45	0.24%	22.97
SOUTH JERSEY GAS COMPANY	000838	17,920,592.00	1.06%	101.43
STAND ENERGY CORPORATION	001076	1,095,362.06	0.06%	5.74
STATOIL ENERGY SERVICES, INC (002224) / AMERADA HESS CORPORATION	002651	674,326.92	0.04%	3.83
SUBURBAN NATURAL GAS COMPANY	000870	2,186,997.33	0.13%	12.44
SUNOCO, INC R&M	000874	286,164.13	0.02%	1.91
T. W. PHILLIPS GAS AND OIL CO	002292	3,401,046.40	0.20%	19.14
TENNECO GAS MARKETING COMPANY	005326	522,301.11	0.03%	2.87
THE CINCINNATI GAS & ELECTRIC CO.	000187	70,298,387.05	4.15%	397.11
THE UNION LIGHT HEAT AND POWER COMPANY	000976	14,916,952.42	0.88%	84.21
TOYOTA MOTOR MANUFACTURING	001691	1,279,616.10	0.08%	7.66
UGI UTILITIES INC	000942	43,955,494.04	2.60%	248.79
UGI UTILITIES INC AS AGENT FOR XD LFD	008412	8,329,785.35	0.49%	46.89
UNITED STATES GYPSUM COMPANY	000919	670,034.65	0.04%	3.83
USS KOBE STEEL COMPANY / REPUBLIC TECHNOLOGIES	008319	1,022,956.87	0.06%	5.74
VILLAGE OF WILLIAMSPORT, OHIO	002298	107,454.77	0.01%	0.96
VIRGINIA ELECTRIC & POWER COMPANY	001276	12,168,807.70	0.72%	68.90
VIRGINIA NATURAL GAS, INC.	000996	26,592,904.02	1.57%	150.23
VOLUNTEER ENERGY CORPORATION (006650) / FIRSTENERGY SOLUTIONS CORP.	010781	1,844,524.80	0.11%	10.53
WASHINGTON GAS	001006	169,577,648.96	10.01%	957.85
WATERVILLE GAS & OIL COMPANY	001010	267,207.59	0.02%	1.91
WEST OHIO GAS COMPANY (001020) / EAST OHIO GAS COMPANY	002412	22,883,969.88	1.35%	129.18
WHEELING PITTSBURGH STEEL CORPORATION	001036	726,591.47	0.04%	3.83
WOODWARD MARKETING INC (001573)	010216	202,662.15	0.01%	0.96
		<u>1,688,484,286.44</u>	<u>100.00%</u>	<u>9,568.90</u>

/1 Per Article A(2)(d) of the RP91-161 Settlement, credits were allocated to shippers on the same basis that environmental costs were recovered in rates through the RP91-161 Settlement Period (12/1/1991 to 1/31/1996)

APPENDIX D

COLUMBIA GAS TRANSMISSION, LLC

INTEREST CALCULATION (2005)

Date Received	PRINCIPAL AMOUNT (1)	FROM DATE (2)	TO DATE (3)	NO. OF DAYS (4)	INTEREST RATE (5)	DAILY RATE (6)	INTEREST AMOUNT (7)	COMPOUND BASE
August 2005	\$ 1,249.55	8/31/2005 9/30/2005	9/30/2005 12/31/2005	30 92	5.77% 6.23%	0.00015808 0.00017068	5.93 19.71	1,255.48 1,275.19
October 2005	9,887.90	10/31/2005	12/31/2005	61	6.23%	0.00017068	102.95	9,990.85
2005 TOTAL	<u>11,137.45</u>						<u>128.59</u>	<u>11,266.04</u>

COLUMBIA GAS TRANSMISSION, LLC

INTEREST CALCULATION (2006)

<u>Date Received</u>	<u>PRINCIPAL AMOUNT</u> (1)	<u>FROM DATE</u> (2)	<u>TO DATE</u> (3)	<u>NO. OF DAYS</u> (4)	<u>INTEREST RATE</u> (5)	<u>DAILY RATE</u> (6)	<u>INTEREST AMOUNT</u> (7)	<u>COMPOUND BASE</u>
2006 Beginning Balance	\$ 11,266.04	12/31/2005	3/31/2006	90	6.78%	0.00018575	188.34	11,454.38
		3/31/2006	6/30/2006	91	7.30%	0.00020000	208.47	11,662.85
		6/30/2006	9/30/2006	92	7.74%	0.00021205	227.53	11,890.38
		9/30/2006	12/31/2006	92	8.17%	0.00022384	244.86	12,135.24
January 2006	1,926.51	1/31/2006	3/31/2006	59	6.78%	0.00018575	21.11	1,947.62
		3/31/2006	6/30/2006	91	7.30%	0.00020000	35.45	1,983.07
		6/30/2006	9/30/2006	92	7.74%	0.00021205	38.69	2,021.76
		9/30/2006	12/31/2006	92	8.17%	0.00022384	41.63	2,063.39
April 2006	716.48	4/30/2006	6/30/2006	61	7.30%	0.00020000	8.74	725.22
		6/30/2006	9/30/2006	92	7.74%	0.00021205	14.15	739.37
		9/30/2006	12/31/2006	92	8.17%	0.00022384	15.23	754.60
August 2006	1,647.98	8/31/2006	9/30/2006	30	7.74%	0.00021205	10.48	1,658.46
		9/30/2006	12/31/2006	92	8.17%	0.00022384	34.15	1,692.61
October 2006	4,103.15	10/31/2006	12/31/2006	62	8.17%	0.00022384	56.94	4,160.09
November 2006	2,744.53	11/30/2006	12/31/2006	32	8.17%	0.00022384	19.66	2,764.19
2006 TOTAL	<u>22,404.69</u>						<u>1,165.43</u>	<u>23,570.12</u>

COLUMBIA GAS TRANSMISSION, LLC

INTEREST CALCULATION (2007)

<u>Date Received</u>	<u>PRINCIPAL AMOUNT (1)</u>	<u>FROM DATE (2)</u>	<u>TO DATE (3)</u>	<u>NO. OF DAYS (4)</u>	<u>INTEREST RATE (5)</u>	<u>DAILY RATE (6)</u>	<u>INTEREST AMOUNT (7)</u>	<u>COMPOUND BASE</u>
2007 Beginning Balance	\$ 23,570.12	12/31/2006	3/31/2007	90	8.25%	0.00022603	\$ 479.48	24,049.60
		3/31/2007	6/30/2007	91	8.25%	0.00022603	494.67	24,544.27
		6/30/2007	9/30/2007	92	8.25%	0.00022603	510.39	25,054.66
		9/30/2007	12/31/2007	92	8.25%	0.00022603	521.01	25,575.67
January 2007	5,675.45	1/31/2007	3/31/2007	59	8.25%	0.00022603	75.69	5,751.14
		3/31/2007	6/30/2007	91	8.25%	0.00022603	118.29	5,869.43
		6/30/2007	9/30/2007	92	8.25%	0.00022603	122.05	5,991.48
		9/30/2007	12/31/2007	92	8.25%	0.00022603	124.59	6,116.07
MAY 2007	622.03	5/31/2007	6/30/2007	30	8.25%	0.00022603	4.22	626.25
		6/30/2007	9/30/2007	92	8.25%	0.00022603	13.02	639.27
		9/30/2007	12/31/2007	92	8.25%	0.00022603	13.29	652.56
June 2007	26,724.98	7/31/2007	9/30/2007	61	8.25%	0.00022603	368.48	27,093.46
		9/30/2007	12/31/2007	92	8.25%	0.00022603	563.40	27,656.86
November 2007	1,446.05	11/30/2007	12/31/2007	31	8.25%	0.00022603	10.13	1,456.18
2007 TOTAL	<u>58,038.63</u>						<u>3,418.71</u>	<u>61,457.34</u>

COLUMBIA GAS TRANSMISSION, LLC

INTEREST CALCULATION (2008)

Date Received	PRINCIPAL AMOUNT (1) \$	FROM DATE (2)	TO DATE (3) \$	NO. OF DAYS (4)	INTEREST RATE (5)	DAILY RATE (6)	INTEREST AMOUNT (7) \$	COMPOUND BASE
2007 Ending Balance	61,457.34	12/31/2007	3/31/2008	91	7.76%	0.00021202	1,185.75	62,643.09
		3/31/2008	6/30/2008	91	6.77%	0.00018497	1,054.43	63,697.52
		6/30/2008	9/30/2008	92	5.30%	0.00014481	848.61	64,546.13
		9/30/2008	12/31/2008	92	5.00%	0.00013661	811.22	65,357.35
January 2008	10.92	1/31/2008	3/31/2008	60	7.76%	0.00021202	0.14	11.06
		3/31/2008	6/30/2008	91	6.77%	0.00018497	0.19	11.25
		6/30/2008	9/30/2008	92	5.30%	0.00014481	0.15	11.40
		9/30/2008	12/31/2008	92	5.00%	0.00013661	0.14	11.54
June 2008	10.92	6/30/2008	6/30/2008	0	6.77%	0.00018497	0.00	10.92
		6/30/2008	9/30/2008	92	5.30%	0.00014481	0.15	11.07
		9/30/2008	12/31/2008	92	5.00%	0.00013661	0.14	11.21
December 2008	234.34	12/31/2008	12/31/2008	0	5.00%	0.00013661	-	234.34
2008 TOTAL	<u>61,713.52</u>						<u>3,900.92</u>	<u>65,614.44</u>

COLUMBIA GAS TRANSMISSION, LLC

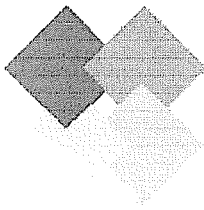
INTEREST CALCULATION (2009)

<u>Date Received</u>	<u>PRINCIPAL AMOUNT</u> (1) \$	<u>FROM DATE</u> (2)	<u>TO DATE</u> (3) \$	<u>NO. OF DAYS</u> (4)	<u>INTEREST RATE</u> (5)	<u>DAILY RATE</u> (6)	<u>INTEREST AMOUNT</u> (7) \$	<u>COMPOUND BASE</u>
2008 Ending Balance	65,614.44	12/31/2008	3/31/2009	90	4.52%	0.00012384	731.31	66,345.75
		3/31/2009	6/30/2009	91	3.37%	0.00009233	557.44	66,903.19
		6/30/2009	9/30/2009	92	3.25%	0.00008904	548.05	67,451.24
		9/30/2009	12/20/2009	81	3.25%	0.00008904	486.47	67,937.71
February 2009	19.85	2/28/2009	3/31/2009	31	4.52%	0.00012384	0.08	19.93
		3/31/2009	6/30/2009	91	3.37%	0.00009233	0.17	20.10
		6/30/2009	9/30/2009	92	3.25%	0.00008904	0.16	20.26
		9/30/2009	12/20/2009	81	3.25%	0.00008904	0.15	20.41
July 2009	1,108.08	7/31/2009	9/30/2009	61	3.25%	0.00008904	6.02	1,114.10
		9/30/2009	12/20/2009	81	3.25%	0.00008904	8.04	1,122.14
August 2009	94.44	8/31/2009	9/30/2009	30	3.25%	0.00008904	0.25	94.69
		9/30/2009	12/20/2009	81	3.25%	0.00008904	0.68	95.37
September 2009	2,413.80	9/30/2009	12/20/2009	81	3.25%	0.00008904	0.00	0.00
2009 TOTAL	69,250.61						2,338.82	71,589.43

COLUMBIA GAS TRANSMISSION, LLC

INTEREST CALCULATION (2010)

<u>Date Received</u>	<u>PRINCIPAL AMOUNT</u> (1) \$	<u>FROM DATE</u> (2)	<u>TO DATE</u> (3) \$	<u>NO. OF DAYS</u> (4)	<u>INTEREST RATE</u> (5)	<u>DAILY RATE</u> (6)	<u>INTEREST AMOUNT</u> (7) \$	<u>COMPOUND BASE</u>
2009 Ending Balance	71,589.43	12/31/2009	1/20/2010	20	4.52%	0.00012384	177.31	71,766.74
2010 TOTAL	<u>71,589.43</u>						<u>177.31</u>	<u>71,766.74</u>
GRAND TOTAL	<u>60,636.96</u>						<u>11,129.78</u>	<u>71,766.74</u>



NiSource Gas Transmission & Storage®

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Jim Downs

Vice President of Regulatory Affairs

February 11, 2010

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: *Columbia Gas Transmission, LLC*, Docket No. GP94-2-_____
Deferred Tax Refund Report

Dear Ms. Bose:

Pursuant to Section 154.501(e) of the regulations of the Federal Energy Regulatory Commission ("FERC" or "Commission"),¹ Columbia Gas Transmission, LLC ("Columbia") herewith submits for filing its report regarding refunds to customers of deferred tax refunds received from Questar Overthrust Pipeline Co.

Statement of Nature, Reason and Basis

On February 10, 2010, Columbia made refunds as a result of a settlement filed on April 17, 1995 in Docket No. GP94-02, *et al.* ("Settlement") and approved by the Commission on June 15, 1995.² Specifically, Columbia refunded to its shippers \$18,056.31 of deferred tax refunds received from Questar Overthrust Pipeline Company, plus interest of \$120.83 calculated in accordance with the Commission's regulations.³ The total refund amount includes \$1,168.45, plus interest, that was inadvertently excluded from Columbia's previous refunds to customers on April 10, 2009. No deferred tax refunds were received from any other pipeline. These refunds were made pursuant to Article VIII, Section E of the Settlement, which provides that Columbia must pay to the Supporting Parties of the Settlement all refunds received from upstream pipelines relating to the flow back of excess deferred income taxes collected by those pipelines.⁴

Material Submitted Herewith

In accordance with Section 154.501(e)(6) of the Commission's regulations, Columbia submits herewith workpapers showing how the refunds and interest were calculated.

¹ 18 C.F.R. § 154.501(e) (2009).

² *Columbia Gas Transmission Corp.*, 71 FERC ¶ 61,337 (1995).

³ 18 C.F.R. § 154.501(d) (2009).

⁴ Refunds are allocated back to customers based on the allocation percentages reflected in the Settlement on Appendix G, Schedule 5.

Waiver

Columbia respectfully requests that the Commission grant any waivers that it may deem necessary to accept this filing.

Posting and Certification of Service

Pursuant to Sections 154.2(d), 154.7(b) and 154.208(b) of the Commission's regulations, a copy of this filing is being sent by electronic mail or by first-class mail, postage prepaid, by Columbia to each of Columbia's firm customers, affected state commissions, and interruptible customers. This filing is also available for public inspection during regular business hours in a convenient form and place at Columbia's offices at 5151 San Felipe, Suite 2500, Houston, Texas, 77056 and 1700 MacCorkle Avenue, S.E., Charleston, West Virginia, 25325.

Subscription

Pursuant to Section 154.4(b) of the Commission's regulations, the undersigned certifies that: (1) he knows the contents of the filing; (2) the paper copies of the filing contain the same information as that contained on the electronic media; (3) the contents are true to the best of his knowledge and belief; and (4) that he possesses full power and authority to sign the filing.

Service on Columbia

It is respectfully submitted that all Commission orders and correspondence as well as pleadings and correspondence from other persons concerning this filing be served upon the following:

*James R. Downs, Vice President, Regulatory Affairs
*Cynthia Donaldson, Director Regulatory & Government Affairs
*Sorana Linder, Senior Rates & Regulatory Analyst
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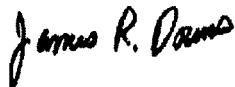
Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
February 11, 2010
Page 3 of 3

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* Persons designated to receive service in accordance with Rule 203 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.203 (2009).

Respectfully submitted,



James R. Downs
Vice President of Regulatory Affairs

Enclosures

Attachment A

COLUMBIA GAS TRANSMISSION, LLC
ALLOCATION OF EXCESS DEFERRED INCOME TAXES UNDER DOCKET NO. GP94-2 1/
REFUNDED ON FEBRUARY 2010 INVOICES

LINE NO.	CUST. NO.	CUSTOMER NAME	ALLOCATION	QUESTAR OVERTHRUST	TOTAL
			FACTOR/ 2	REFUND	REFUND
			(1)	(2)	(3)
			%	\$	\$
1	008715	ALLIEDSIGNAL, INC (000022) / HONEYWELL INTERNATIONAL, INC	0.418139%	76.01	76.01
2	002277	ARLINGTON NATURAL GAS COMPANY	0.062786%	11.41	11.41
3	000074	BALTIMORE GAS & ELECTRIC	4.493301%	816.75	816.75
4	002278	BELFRY GAS COMPANY	0.009520%	1.73	1.73
5	000928	BETHLEHEM STEEL CORPORATION	0.418140%	76.01	76.01
6	001471	BLACKSVILLE OIL & GAS	0.007253%	1.32	1.32
7	000109	BLUEFIELD GAS COMPANY	0.162843%	29.60	29.60
8	000633	CAMERON GAS COMPANY (000145) / MOUNTAINEER GAS COMPANY	0.025839%	4.70	4.70
9	000165	CENTAL HUDSON GAS & ELECTRIC	0.209578%	38.10	38.10
10	000187	CG&E	4.298170%	781.28	781.28
11	000192	CITY OF AUGUSTA	0.033092%	6.02	6.02
12	000976	ULH&P	0.724817%	131.75	131.75
13	002279	CITY OF BROOKSVILLE	0.008386%	1.52	1.52
14	002280	CITY OF CARLISLE	0.052132%	9.48	9.48
15	000193	CITY OF CHARLOTTESVILLE	0.334866%	60.87	60.87
16	002282	CITY OF FLEMINGSBURG	0.043065%	7.83	7.83
17	000197	CITY OF LANCASTER	0.459188%	83.47	83.47
18	010756	CITY OF NORTH MIDDLETOWN (002288) / DELTA - NORTH MIDDLETOWN	0.007027%	1.28	1.28
19	000198	CITY OF RICHMOND	1.333340%	242.36	242.36
20	001472	CLAYSVILLE NATURAL GAS COMPANY	0.051451%	9.35	9.35
21	000208	COLUMBIA GAS OF KENTUCKY	3.510229%	638.06	638.06
22	000209	COLUMBIA GAS OF MARYLAND	0.810917%	147.40	147.40
23	000214	COLUMBIA GAS OF OHIO	32.900233%	5,980.29	5,980.29
24	000221	COLUMBIA GAS OF PENNSYLVANIA	9.820267%	1,785.04	1,785.04
25	008238	COLUMBIA GAS OF VIRGINIA	3.152522%	573.04	573.04
26	000261	CORNING NATURAL GAS	0.028321%	5.15	5.15
27	010316	DAYTON POWER & LIGHT (000278) / PROLIANCE ENERGY	4.426995%	804.70	804.70
28	001860	DELMARVA POWER & LIGHT COMPANY	0.239190%	43.48	43.48
29	000284	DELTA NATURAL GAS COMPANY	0.273577%	49.73	49.73
30	008233	EASTERN NATURAL GAS COMPANY	0.035041%	6.37	6.37
31	000314	EASTERN SHORE NATURAL GAS	0.260360%	47.33	47.33
32	000322	ELAM UTILITY COMPNANY	0.021759%	3.96	3.96
33	009872	ELIZABETHTOWN GAS (000323) / NUI	0.191352%	34.78	34.78
34	010781	GAS TRANSPORT (002416) / FIRST ENERGY	0.002392%	0.43	0.43
35	003574	INTERSTATE UTILITIES (000483) / GASCO DISTRIBUTION	0.019039%	3.46	3.46
36	010757	KANE LIGHT AND HEAT (000510) / GASCO - KANE	0.022666%	4.12	4.12
37	002283	KENTUCKY OHIO GAS COMPANY / NATURAL ENERGY UTILITY CORPORATION	0.004533%	0.82	0.82
38	002284	LAKESIDE GAS COMPANY	0.004760%	0.87	0.87
39	000633	MOUNTAINEER GAS COMPANY	6.162242%	1,120.12	1,120.12
40	002285	DELTA MT. OLIVET NATURAL GAS COMPANY	0.011332%	2.06	2.06
41	002286	MURPHY GAS	0.004079%	0.74	0.74
42	004266	NASHVILLE GAS COMPANY	0.358785%	65.22	65.22
43	004789	NATIONAL FUEL GAS DISTRIBUTION	0.035520%	6.46	6.46
44	000646	NATIONAL FUEL GAS SUPPLY	0.000239%	0.04	0.04
45	002287	NATIONAL GAS & OIL COOPERATIVE	0.086811%	15.78	15.78
46	007901	NEW ENGLAND POWER (005781) / US GENERATING COMPANY	0.418139%	76.01	76.01
47	002407	NEW JERSEY NATURAL GAS COMPANY	0.233145%	42.38	42.38
48	000666	NEW YORK STATE ELECTRIC & GAS (I & II)	1.535768%	279.16	279.16
49	002409	NORTH CAROLINA NATURAL GAS	0.581118%	105.63	105.63
50	004906	NORTHEAST OHIO GAS MARKETING	0.002267%	0.41	0.41
51	002436	OHIO CUMBERLAND GAS COMPANY	0.045332%	8.24	8.24
52	000700	ORANGE & ROCKLAND UTILITIES	1.233776%	224.27	224.27
53	004098	ORWELL NATURAL GAS COMPANY	0.045332%	8.24	8.24
54	000723	PPL GAS UTILITIES CORPORATION	0.405190%	73.65	73.65
55	000724	PG ENERGY INC	0.634221%	115.28	115.28
56	000726	PEOPLES NATURAL GAS COMPANY	0.069204%	12.58	12.58
57	001871	PIEDMONT NATURAL GAS COMPANY	1.345394%	244.55	244.55
58	001063	PIKE NATURAL GAS COMPANY	0.111289%	20.23	20.23
59	004351	PROVIDENCE GAS COMPANY	0.239190%	43.48	43.48
60	000778	RICHMOND UTILITIES BOARD	0.226659%	41.20	41.20
61	000784	ROANOKE GAS COMPANY	0.684083%	124.35	124.35
62	000821	SHELDON GAS COMPANY	0.043292%	7.87	7.87
63	000838	SOUTH JERSEY GAS COMPANY	1.074550%	195.32	195.32
64	000870	SUBURBAN NATURAL GAS COMPANY	0.101656%	18.48	18.48
65	002291	SWICKARD GAS COMPANY	0.023799%	4.33	4.33
66	002292	T.W. PHILLIPS GAS & OIL	0.187462%	34.08	34.08
67	000942	UGI UTILITIES	2.037635%	370.38	370.38

COLUMBIA GAS TRANSMISSION, LLC
ALLOCATION OF EXCESS DEFERRED INCOME TAXES UNDER DOCKET NO. GP94-2 1/
REFUNDED ON FEBRUARY 2010 INVOICES

LINE NO.	CUST. NO.	CUSTOMER NAME	ALLOCATION FACTOR/ 2 (1) %	QUESTAR OVERTHRUST REFUND (2) \$	TOTAL REFUND (3) \$
68	002294	VANCEBURG ELECTRIC	0.027879%	5.07	5.07
69	002295	VERONA NATURAL GAS COMPANY	0.018133%	3.30	3.30
70	002298	VILLAGE OF WILLIAMSPORT	0.014053%	2.55	2.55
71	006525	PARAMOUNT NATURAL GAS CO (002293) / M&B GAS SERVICES	0.007027%	1.28	1.28
72	000996	VIRGINIA NATURAL GAS	1.482977%	269.56	269.56
73	001006	WASHINGTON GAS	10.049805%	1,826.77	1,826.77
74	001062	WATERVILLE GAS COMPANY	0.056664%	10.30	10.30
75	001010	WATERVILLE GAS & OIL COMPANY	0.113329%	20.60	20.60
76	002400	WEST MILLGROVE GAS COMPANY	0.001814%	0.33	0.33
77	002412	WEST OHIO GAS (001020) / EAST OHIO GAS	1.393325%	253.27	253.27
78	002296	WESTERN LEWIS-RECTORVILLE	0.015866%	2.88	2.88
79	002299	ZEBULON GAS ASSOCIATION	0.004533%	0.82	0.82
80		TOTAL	100.000000%	18,177.14	18,177.14

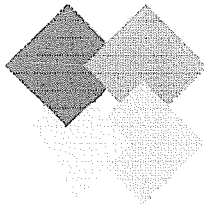
1/ ALLOCATED PURSUANT TO ARTICLE VIII, SECTION E, OF COLUMBIA'S "CUSTOMER SETTLEMENT" IN DOCKET NO. GP94-02, ET AL.

2/ SEE APPENDIX G, SCHEDULE 5 OF COLUMBIA'S "CUSTOMER SETTLEMENT" IN DOCKET NO. GP94-02, ET AL.

ATTACHMENT B

COLUMBIA GAS TRANSMISSION, LLC
ALLOCATION OF EXCESS DEFERRED INCOME TAXES UNDER DOCKET NO. GP94-2
COMPUTATION OF INTEREST DUE

BUSINESS DATE	PRINCIPAL AMOUNT	FROM DATE	TO DATE	NO DAYS	INTEREST RATE	DAILY RATE	INTEREST AMOUNT	COMPOUND BASE
<u>Questar Overthrust Refund</u>								
December 2008	1,168.45	12/29/2008	12/31/2008	3	5.00%	0.000136986	0.48	1,168.93
		1/1/2009	3/31/2009	90	4.52%	0.000123836	13.03	1,181.96
		4/1/2009	6/30/2009	91	3.37%	0.000092329	9.93	1,191.89
		7/1/2009	9/30/2009	92	3.25%	0.000089041	9.76	1,201.65
		10/1/2009	12/31/2009	92	3.25%	0.000089041	9.84	1,211.49
		1/1/2010	1/4/2010	4	3.25%	0.000089041	0.43	1,211.92
	16,887.86	1/5/2010	2/22/2010	48	3.25%	0.000089041	77.36	18,177.14
<u>Questar Overthrust Refund</u>							<u>120.83</u>	<u>18,177.14</u>



NiSource Gas Transmission & Storage®

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Jim Downs

Vice President of Regulatory Affairs

February 9, 2010

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: *Columbia Gulf Transmission Company*, Docket No. RP91-160-_____
Report on Refunds of Environmental Insurance Recoveries

Dear Secretary Bose:

Pursuant to Section 154.501(e) of the regulations of the Federal Energy Regulatory Commission (“Commission”),¹ Columbia Gulf Transmission Company (“Columbia Gulf”) hereby submits for filing its report detailing the refund to Columbia’s shippers of funds received from insurance carriers for environmental costs during the period February 28, 2005 through December 31, 2009.

Statement of Nature, Reasons and Basis

On April 2, 1993, the Commission approved a settlement resolving Columbia Gulf’s general rate case filed in Docket No. RP91-160 (“RP91-160 Settlement”).² As part of that settlement, Columbia Gulf is required to credit to shippers, net of costs, amounts that Columbia Gulf receives from third parties attributable to Columbia Gulf’s environmental costs (“Net Proceeds”).³ Article A(2)(d) of the RP91-161 Settlement provides that 90% of the Net Proceeds allocable to Docket No. RP91-161 settlement period (December 1, 1991 to January 31, 1996) should be credited to shippers. In accordance with this provision, Columbia Gulf credited, inclusive of interest, a total of \$29,659.47 to shippers under Docket No. RP91-161. These credits were reflected on shippers’ January 2010 invoices for services rendered during December 2009. Where amounts were owed to shippers that no longer receive service from Columbia Gulf and the amount due totaled \$20 or more, Columbia Gulf mailed checks to the former shippers’ last known address. For administrative reasons, amounts of less than \$20 owed to former shippers were distributed to all other shippers on a pro rata basis.

Workpapers detailing the calculation of the credits are attached as Appendix A.

¹ 18 C.F.R. Part 154 (2009).

² *Columbia Gas Transmission Corp. et al.*, 63 FERC ¶ 61,103 (1993).

³ Pursuant to Article V(F)(1) of Columbia Gas Transmission, LLC’s Phase II Settlement in Docket No. RP95-408, 28% of all Net Proceeds are allocable to Columbia Gulf.

Waiver

Columbia Gulf respectfully requests that the Commission grant any waivers that it may deem necessary to accept this filing.

Posting and Certification of Service

Pursuant to Sections 154.2(d), 154.7(b) and 154.208(b) of the Commission's regulations, a copy of this filing is being sent by electronic mail or by first-class mail, postage prepaid, by Columbia Gulf to each of Columbia Gulf's firm customers, affected state commissions, and interruptible customers. This filing is also available for public inspection during regular business hours in a convenient form and place at Columbia Gulf's offices at 5151 San Felipe, Suite 2500, Houston, Texas, 77056; 1700 MacCorkle Avenue, S.E., Charleston, West Virginia, 25325; and 10 G Street, NE, Suite 400, Washington, DC, 20002.

Subscription

Pursuant to Section 154.4(b) of the Commission's regulations, the undersigned certifies that: (1) he knows the contents of the filing; (2) the paper copies of the filing contain the same information as that contained on the electronic media; (3) the contents are true to the best of his knowledge and belief; and (4) that he possesses full power and authority to sign the filing.

Service on Columbia Gulf

It is respectfully submitted that all Commission orders and correspondence as well as pleadings and correspondence from other persons concerning this filing be served upon the following:

*James R. Downs, Vice President, Regulatory Affairs
*Cynthia Donaldson, Director Regulatory & Government Affairs
*Sorana Linder, Senior Rates & Regulatory Analyst
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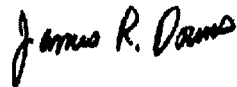
Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
February 9, 2010
Page 3 of 3

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* Persons designated to receive service in accordance with Rule 203 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.203 (2009).

Respectfully submitted,



James R. Downs
Vice President of Regulatory Affairs

Enclosures

APPENDIX A

COLUMBIA GULF TRANSMISSION COMPANY
REFUND OF ENVIRONMENTAL INSURANCE RECOVERIES
UNDER RP91-160 SETTLEMENT
Calculation of Customer Credit Amounts

CUSTOMER NAME	CUST NO	AMOUNT INVOICED /1	ALLOCATION PERCENTAGE	REFUND AMOUNT
AGF DIRECT GAS	003655	304,370.68	0.1576%	29.44
ALLIEDSIGNAL, INC	000022	2,687,635.54	1.3919%	260.01
AMERADA HESS CORPORATION	002651	90,130.32	0.0467%	8.72
AMERICAN CENTRAL GAS COMPANIES	002683	351,276.55	0.1819%	33.98
AMOCO ENERGY TRADING CORPORATION / BP ENERGY CO	006654	250,647.31	0.1298%	24.25
ANR PIPELINE COMPANY	002303	481,005.87	0.2491%	46.53
AQUILA ENERGY MARKETING CORPORATION	000727	524,466.81	0.2716%	50.73
ARISTECH CHEMICAL CORPORATION	000054	522,523.65	0.2706%	50.55
ARKLA ENERGY MARKETING (002559) / RELIANT ENERGY SERVICES	009336	27,902.96	0.0145%	2.71
BALTIMORE GAS & ELECTRIC COMPANY	000074	7,495,549.26	3.8817%	725.10
BETHLEHEM STEEL CORPORATION	000928	1,365,522.01	0.7072%	132.10
BLUEFIELD GAS COMPANY	000109	214,847.75	0.1113%	20.79
BRING GAS SERVICES CORP (003481) / COLUMBIA ENERGY SERVICES CORPORATION	002543	196,686.73	0.1019%	19.03
CATEX CORAL L.L.C	002225	1,627,623.23	0.8429%	157.45
CENTRAL HUDSON GAS & ELECTRIC CORPORATION	000165	511,342.23	0.2648%	49.46
CENTRAN CORP(1616) / CENERPRISE, INC.	008331	1,803,205.31	0.9338%	174.43
CHEVRON USA INC.	001365	4,322,460.09	2.2385%	418.15
CITIZENS GAS SUPPLY(3413) / WESTERN GAS RESOURCES, INC	008194	3,901.15	0.0020%	0.37
CITIZENS GAS SUPPLY(3413) / WESTERN GAS RESOURCES, INC	008194	110,439.31	0.0572%	10.68
CITIZENS GAS SUPPLY(3413) / WESTERN GAS RESOURCES, INC	008194	1,085,520.84	0.5622%	105.02
CITY OF CHARLOTTESVILLE	000193	299,318.50	0.1550%	28.95
CITY OF LANCASTER	000197	201,198.08	0.1042%	19.46
CITY OF RICHMOND	000198	1,347,179.03	0.6977%	130.33
CLINTON ENERGY MANAGEMENT SERVICES	002165	158,162.44	0.0819%	15.30
CNG TRANSMISSION CORPORATION	003981	1,384,822.56	0.7172%	133.97
COAST ENERGY GROUP INC.	005871	195,402.81	0.1012%	18.90
COASTAL GAS MARKETING (002308) / EL PASO MERCHANT ENERGY	010825	1,059,385.95	0.5486%	102.48
COLUMBIA ENERGY SERVICES CORPORATION	002543	2,254,617.34	1.1676%	218.11
COLUMBIA GAS DEVELOPMENT CORPORATION	008163	242,805.13	0.1257%	23.48
COLUMBIA GAS OF KENTUCKY INC	000208	2,877,522.45	1.4902%	278.37
COLUMBIA GAS OF MARYLAND, INC.	000209	913,294.97	0.4730%	88.36
COLUMBIA GAS OF OHIO, INC.	000214	31,289,896.84	16.2039%	3,026.89
COLUMBIA GAS OF PENNSYLVANIA, INC	000221	8,603,884.97	4.4557%	832.32
COLUMBIA GAS OF VIRGINIA, INC	008238	1,286,021.30	0.6660%	124.41
COMMONWEALTH GAS SERVICES (000235) / COLUMBIA GAS OF VIRGINIA	008238	1,133,697.38	0.5871%	109.67
COMMONWEALTH GAS SERVICES (000566) / COLUMBIA GAS OF VIRGINIA	008238	166,763.12	0.0864%	16.14
COMMONWEALTH GAS SERVICES (001075) / COLUMBIA GAS OF VIRGINIA	008238	558,401.00	0.2892%	54.02
COLUMBIA GAS TRANSMISSION CORPORATION	000236	-	n/a	10,979.58
CONNECTICUT NATURAL GAS CORPORATION	000245	194,607.11	0.1008%	18.83
CONOCO INC BRANDYWINE	001745	1,136,512.29	0.5886%	109.95
CONOCO INC.	001129	1,363,964.24	0.7064%	131.95
CONSOLIDATED FUEL CORPORATION (002311) / TXU ENERGY TRADING COMPANY	010520	254,934.92	0.1320%	24.66
CORNING NATURAL GAS CORPORATION	000261	9,926.27	0.0051%	0.95
DALEN RESOURCES OIL & GAS CO (002313) / TXU ENERGY TRADING COMPANY	010520	171,374.21	0.0887%	16.57
DAYTON POWER & LIGHT COMPANY	000278	636,872.35	0.3298%	61.61
DELMARVA POWER & LIGHT COMPANY	001860	917,597.52	0.4752%	88.77
DIAMOND SHAMROCK OFFSHORE PART	003466	297,201.57	0.1539%	28.75
DUKE ENERGY TRADING AND MARKET	002356	1,094,342.77	0.5667%	105.86
DYNEGY INC.	002349	4,488,897.58	2.3247%	434.25
EAGLE NATURAL GAS COMPANY	004454	326,082.79	0.1689%	31.55
ENERGY DEVELOPMENT CORPORATION (002618) / NOBLE GAS MARKETING	008849	962,097.85	0.4982%	93.06
ENRON CAPITAL & TRADE RESOURCE / ENRON NORTH AMERICA CORP	001100	4,059,701.73	2.1024%	392.73
ENTRADE CORPORATION (001168) / TENNECO GAS MARKETING	005326	1,631,706.14	0.8450%	157.85
EQUITABLE RESOURCES MARKETING	004425	1,944,375.13	1.0069%	188.09
EXXON MOBIL CORPORATION	001630	4,590,110.31	2.3771%	444.04
GENERAL MOTORS CORPORATION	000383	2,096,666.51	1.0858%	202.83
H & N GAS LTD (008554) / ADAMS RESOURCES MARKETING, LTD	010808	99,824.03	0.0517%	9.66
HONDA OF AMERICA MFG, INC.	000453	886,041.77	0.4589%	85.72
ICI AMERICAS INC	000463	169,062.60	0.0876%	16.36
IGM, INC.	002135	643,065.82	0.3330%	62.20
INTERSTATE GAS SUPPLY, INC.	006542	10,152.99	0.0053%	0.99
JOHNS MANVILLE INTERNATIONAL, INC.	001493	24,687.32	0.0128%	2.39
KCS ENERGY MARKETING, INC	001215	443,896.43	0.2299%	42.95
KERR MCGEE CORPORATION	002459	435,074.93	0.2253%	42.09

COLUMBIA GULF TRANSMISSION COMPANY
REFUND OF ENVIRONMENTAL INSURANCE RECOVERIES
UNDER RP91-160 SETTLEMENT
Calculation of Customer Credit Amounts

<u>CUSTOMER NAME</u>	<u>CUST NO</u>	<u>AMOUNT INVOICED /1</u>	<u>ALLOCATION PERCENTAGE</u>	<u>REFUND AMOUNT</u>
KOCH ENERGY TRADING INC.	008202	280,973.68	0.1455%	27.18
KOCH HYDROCARBON COMPANY	002332	289,901.51	0.1501%	28.04
LG&E ENERGY MARKETING INC / LG&E ENERGY	002067	1,026,961.22	0.5318%	99.34
MANUFACTURERS FUEL COMPANY	000578	58,582.81	0.0303%	5.66
MARATHON OIL COMPANY	001886	212,550.27	0.1101%	20.57
MOBIL NATURAL GAS / EXXON MOBIL CORPORATION	001630	2,448,828.67	1.2682%	236.90
MOUNTAINEER GAS COMPANY	000633	3,694,386.91	1.9132%	357.38
NATIONAL FUEL GAS DISTRIBUTION	004789	270,520.56	0.1401%	26.17
NATIONAL FUEL GAS SUPPLY CORPORATION	000646	267,417.49	0.1385%	25.87
NATURAL GAS PIPELINE COMPANY	002351	3,796,990.21	1.9664%	367.32
NEW YORK STATE ELECTRIC & GAS CORPORATION	000666	1,510,134.83	0.7821%	146.10
NEWPORT STEEL CORPORATION	000668	69,838.43	0.0362%	6.76
NOBLE GAS MARKETING, INC.	008849	61,000.33	0.0316%	5.90
NORTHEAST OHIO GAS MARKETING	004906	387,289.29	0.2006%	37.47
NORTHERN NATURAL GAS COMPANY	002352	3,000,621.11	1.5539%	290.27
NYSEG II	000211	827,048.92	0.4283%	80.01
O&R ENERGY DEVELOPMENT, INC. (001877) / ORANGE AND ROCKLAND	000700	1,192,339.35	0.6175%	115.35
ORANGE & ROCKLAND UTILITIES, INC	000700	926,401.44	0.4798%	89.63
OXY USA INC.	002355	90,406.09	0.0468%	8.74
PENN FUEL GAS, INC. / PPL GAS UTILITIES CORPORATION	000723	423,401.01	0.2193%	40.96
PG ENERGY INC	000724	896,023.10	0.4640%	86.67
PHIBRO DIVISION OF SALOMON INC	004039	571,131.15	0.2958%	55.26
REYNOLDS PIPELINE SYSTEMS INC.	005498	189,035.21	0.0979%	18.29
ROANOKE GAS COMPANY	000784	850,748.08	0.4406%	82.30
SEAGULL MARKETING SERVICES, INC.	002368	703,721.45	0.3644%	68.07
SEMPRA ENERGY TRADING CORPORATION	008077	32,223.76	0.0167%	3.12
SHELL GAS TRADING COMPANY	002369	587,986.90	0.3045%	56.88
SONAT MARKETING COMPANY, LP (002374) / EL PASO MERCHANT ENERGY	010825	44,745.98	0.0232%	4.33
SOUTH JERSEY GAS COMPANY	000838	977,680.52	0.5063%	94.58
SOUTHERN NATURAL GAS COMPANY	002375	1,990,406.63	1.0308%	192.55
STAND ENERGY CORPORATION	001076	272,460.24	0.1411%	26.36
STATOIL ENERGY SERVICES, INC. (002224) / AMERADA HESS CORPORATION	002651	209,212.03	0.1083%	20.23
STONE CONTAINER CORPORATION	000865	188,256.99	0.0975%	18.21
SUBURBAN NATURAL GAS COMPANY	000870	198,792.65	0.1029%	19.22
SUPERIOR NATURAL GAS CORPORATION	002377	1,018,885.11	0.5277%	98.57
TEJAS POWER CORPORATION / ENERGY USA - TPC	002378	2,183,496.32	1.1308%	211.23
TENNECO GAS MARKETING COMPANY / EL PASO ENERGY MARKETING	005326	306,520.17	0.1587%	29.64
TENNESSEE GAS PIPELINE COMPANY	002380	1,017,688.20	0.5270%	98.44
TENNGASCO CORPORATION (001755) / TENNECO GAS MARKETING	005326	881,472.66	0.4565%	85.27
TEXACO EXPLORATION & PRODUCTION	002381	179,633.89	0.0930%	17.37
TEXACO NATURAL GAS, INC.	002382	2,890,344.52	1.4968%	279.60
TEXAS EASTERN TRANSMISSION CORPORATION	000889	9,599,109.89	4.9711%	928.60
TEXAS GAS TRANSMISSION CORPORATION	002383	6,838,562.53	3.5415%	661.55
THE CINCINNATI GAS & ELECTRIC	000187	1,258,020.06	0.6515%	121.70
THE LOUISIANA LAND AND EXPLOR (003449) / BURLINGTON RESOURCES	010356	120,987.14	0.0627%	11.71
THE TIMKEN COMPANY	001124	192,123.64	0.0995%	18.59
THE UNION LIGHT HEAT AND POWER	000976	264,498.99	0.1370%	25.59
TORCH GAS, L. C.	007824	68,114.43	0.0353%	6.59
TRANSCO ENERGY MARKETING COMPANY / WILLIAMS ENERGY SERVICES	002388	168,701.62	0.0874%	16.33
TRANSCONTINENTAL GAS PIPE LINE / WILLIAMS GAS PIPELINE-TRANSCO	004205	1,521,015.61	0.7877%	147.14
U S STEEL	000155	378,953.18	0.1962%	36.65
UGI UTILITIES INC AS AGENT FOR XD LFD	008412	1,846,991.72	0.9565%	178.67
UGI UTILITIES INC.	000942	2,880,179.20	1.4916%	278.63
UNION OIL COMPANY OF CALIFORNIA	004497	1,964,250.08	1.0172%	190.01
UNION PACIFIC FUELS, INC. / ANADARKO ENERGY SERVICES	010722	1,287,297.17	0.6667%	124.54
UNITED CITIES GAS COMPANY	002395	1,146,155.52	0.5936%	110.88
UNITED GAS SERVICES COMPANY (007849) / KOCH ENERGY TRADING INC.	008202	174,815.21	0.0905%	16.91
UNITED STATES GYPSUM COMPANY	000919	384,406.78	0.1991%	37.19
VASTAR GAS MARKETING INC (001400) / MIRANT AMERICAS ENERGY MARKETING	010541	420,102.94	0.2176%	40.65
VIRGINIA ELECTRIC & POWER COMP	001276	402,882.82	0.2086%	38.97
VIRGINIA NATURAL GAS, INC.	000996	1,906,500.96	0.9873%	184.43
VOLUNTEER ENERGY CORPORATION / FIRSTENERGY SOLUTIONS CORP	010781	37,029.38	0.0192%	3.59
WASHINGTON GAS	001006	13,592,662.46	7.0393%	1,314.93
WEST OHIO GAS COMPANY (001020) / EAST OHIO GAS COMPANY	002412	1,126,049.25	0.5831%	108.92

COLUMBIA GULF TRANSMISSION COMPANY
REFUND OF ENVIRONMENTAL INSURANCE RECOVERIES
UNDER RP91-160 SETTLEMENT
Calculation of Customer Credit Amounts

<u>CUSTOMER NAME</u>	<u>CUST NO</u>	<u>AMOUNT INVOICED /1</u>	<u>ALLOCATION PERCENTAGE</u>	<u>REFUND AMOUNT</u>
WESTERN GAS RESOURCES, INC.	008194	252,849.00	0.1309%	24.45
WESTVACO CORPORATION	001021	385,500.43	0.1996%	37.29
WHEELING PITTSBURGH STEEL CORPORATION	001036	371,105.25	0.1922%	35.90
WOODWARD MARKETING INC (001573)	010216	33,465.24	0.0173%	3.23
YUMA GAS CORP. (003111) / TORCH GAS L. C.	007824	611,146.21	0.3165%	59.12
		<u>193,097,745.05</u>	<u>100.000%</u>	<u>29,659.47</u>

/1 Refund amounts are calculated on the same basis that environmental costs were collected in rates, pursuant to Article I.A 2.d. of the RP91-160 Settlement

2/: Columbia Gulf's credit to Columbia Gas represents; (1) Columbia Gas' pro-rata share, as a customer of Columbia Gulf, of amounts attributable to the 12/1/91 to 10/31/94 invoice period (\$6,165) and (2) Columbia Gulf's obligation to Columbia Gas under former Rate Schedule T-1 for the period 1/1/89 to 11/30/91 (\$4,815). Columbia Gas will credit to its customers the full amount received from Columbia Gulf pursuant to the provisions of its Transportation Costs Rate Adjustment (TCRA) mechanism in its next scheduled annual TCRA filing.

PIPELINE COMPANY TARIFF SHEETS

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

Base Rate (1)	Annual Charge Adjustment (2)	Subtotal (3)	Total Effective Rate (4)	Daily Rate (5)	Unaccounted For (6)	Company Use and Unaccounted For (7)
\$	\$	\$	\$	\$	\$	\$
3.1450	-	3.1450	3.1450	0.1034		
0.0170	0.0019	0.0189	0.0189	0.0189	0.644	3.028
0.0170	0.0019	0.0189	0.0189	0.0189	0.644	3.028
0.1204	0.0019	0.1223	0.1223	0.1223	0.644	3.028

Rate Schedule FTS-1
 Rayne, LA To Points North
 Reservation Charge 2/

Commodity
 Maximum
 Minimum
 Overrun

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).

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

Tenth Revised Sheet No. 25
 Superseding
 Ninth Revised Sheet No. 25

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

Rate Schedule FTS Reservation Charge 3/ Commodity	Base Tariff Rate 1/	Transportation Cost Rates Adjustment		Electric Power Costs Adjustment		Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
		Current	Surcharge	Current	Surcharge			
Maximum	\$ 5.615	0.338	0.048	0.057	0.017	-	6.075	0.1998
Minimum	¢ 1.04	0.43	0.13	0.61	0.05	0.19	2.45	2.45
Overrun	¢ 19.50	1.54	0.29	0.80	0.11	0.19	22.43	22.43
Rate Schedule NTS Reservation Charge 3/4/ \$	7.130	0.338	0.048	0.057	0.017	-	7.590	0.2496
Maximum	¢ 1.04	0.43	0.13	0.61	0.05	0.19	2.45	2.45
Minimum	¢ 1.04	0.43	0.13	0.61	0.05	0.19	2.45	2.45
Overrun	¢ 24.48	1.54	0.29	0.80	0.11	0.19	27.41	27.41

1/ Excludes Account 858 expenses and Electric Power Costs which are recovered through Columbia's Transportation Costs Rate Adjustment (ICRA) and Electric Power Costs Adjustment (EPCA), respectively. For rates by function, see Sheet No. 35.
 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/NHQ

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

Rate Schedule SST Commodity	Reservation Charge 3/ 4/¢	Base Tariff Rate 1/	Transportation Cost		Electric Power Costs Adjustment		Annual Charge Adjustment 2/	Total Effective Rate	Daily Rate
			Current	Surcharge	Current	Surcharge			
Maximum	¢ 0.43	5.445	0.338	0.048	0.057	0.017	-	5.905	0.1942
Minimum	¢ 0.43	1.02	0.43	0.13	0.61	0.05	0.19	2.43	2.43
Overrun 4/	¢ 1.54	18.92	1.54	0.29	0.80	0.11	0.19	21.85	21.85
Maximum	¢ 2.22	74.84	2.65	0.45	0.98	0.16	0.19	79.27	79.27
Minimum	¢ 2.22	3.08	0.43	0.13	0.61	0.05	0.19	4.49	4.49
MFCC	¢ 2.22	71.76	2.22	0.32	0.37	0.11	-	74.78	74.78

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. 35.

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 \$12.180 per Dth per month, for a total SST reservation charge of \$17.625. If ENE customers incur an overrun for SST services that is provided under their ENE Project service agreements, they will pay an additional 40.05 cents for such overruns, for a total overrun rate of 58.97 cents. The applicable ENE demand charge and ENE overrun charge can be added to the Total Effective Rate above to calculate the ENE Total Effective Rates.

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

Fifth Revised Sheet No. 32
 Superseding
 Fourth Revised Sheet No. 32

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

	Base Tariff Rate 1/	Transportation Cost		Electric Power Costs Adjustment Current	Annual Charge 2/	Total Effective Rate	Daily Rate
		Rate Adjustment Current	Surcharge				
Rate Schedule FSS							
Reservation Charge 3/	\$ 1.506	-	-	-	-	1.506	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	¢ 5.95	-	-	-	-	5.95	5.95
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 (ICRA) 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 (NDSQ) and Capacity (SCQ) Rate, shippers utilizing the Eastern Market Expansion (EME) facilities for FSS service will pay an additional incremental reservation charge of \$7.624 per Dth per month, for a total FSS NDSQ reservation charge of \$4.130 and an additional 3.91 cents per Dth per month, for a total FSS SCQ capacity rate of 6.80 cents. If EME customers incur an overrun for FSS services that is provided under their EME Project service agreements, they will pay an additional 12.54 cents for such overruns, for a total FSS overrun rate of 23.44 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.

4

Currently Effective Rates
 Applicable to Rate Schedules FTS and ITS
 Rate per Dth

	Base Tariff Rate	Annual Charge Adjustment	Total Effective Rate	Daily Rate
Rate Schedule FTS				
Reservation Charge				
Maximum	\$ 0.509	-	0.509	0.0167
Minimum	\$ 0.509	-	0.509	0.0167
Commodity Charge				
Maximum	¢ 0.00	0.19	0.19	0.19
Minimum	¢ 0.00	0.19	0.19	0.19
Overrun	¢ 1.67	0.19	1.86	1.86
Rate Schedule ITS				
Commodity Charge				
Maximum	¢ 1.67	0.19	1.86	1.86
Minimum	¢ 1.67	0.19	1.86	1.86

RETAINAGE PERCENTAGE
 Transportation Retainage 0.677%

DETAIL SUPPORTING
DEMAND/COMMODITY SPLIT

COLUMBIA GAS OF KENTUCKY
CASE NO. 2010- Effective June 2010 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 23)	\$1.3310	
Demand ACA (Schedule No. 2 Case No. 2009-)	-0.1154	
Total Refund Adjustment (Schedule No. 4)	-0.0082	
SAS Refund Adjustment (Schedule No. 5 Case No. 2009-00)	<u>-0.0002</u>	
Total Demand Rate per Mcf	\$1.2072	<--- to Att. E, line 21

Commodity Component of Gas Cost Adjustment

Commodity Cost of Gas (Schedule No. 1, Sheet 1, Line 22)	\$4.7585
Commodity ACA (Schedule No. 2 Case No. 2009-00)	-\$2.8383
Balancing Adjustment (Schedule No. 3 Case No. 2010-00041)	\$1.2853
Gas Cost Incentive Adjustment (Schedule 6 Case No. 2010-00041)	<u>\$0.0042</u>
Total Commodity Rate per Mcf	\$3.2097

CHECK:	\$1.2072
	<u>\$3.2097</u>
COST OF GAS TO TARIFF CUSTOMERS (GCA)	\$4.4169

Calculation of Rate Schedule SVGTS - Actual Gas Cost Adjustment

Commodity ACA (Schedule No. 2 Case No. 2009-00)	-\$2.8383
Balancing Adjustment (Schedule No. 3 Case No. 2010-00041)	\$1.2853
Gas Cost Incentive Adjustment (Schedule No. 6 Case No. 2010-00041)	<u>\$0.0042</u>
Total Commodity Rate per Mcf	-\$1.5488

Columbia Gas of Kentucky, Inc.
CKY Choice Program
100% Load Factor Rate of Assigned FTS Capacity
Balancing Charge
June - Aug 10

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	\$/MCF
								(7) =	3 * 4 * 5 * 6
City gate capacity assigned to Choice marketers									
1	Contract								
2	CKT FTS/SST	28,000	0.553%						
3	TCO FTS	<u>20,014</u>	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			\$6.0750	12	0.4168	1.0000	\$30.3874	
13	Gulf FTS-1, upstream to CKT FTS			\$3.1450	12	0.5832	1.0056	\$22.1310	
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							\$79.7119	\$83.6098
17									
18	100% Load Factor Rate (10 / 365 days)								\$0.2291
19									
20									
Balancing charge, paid by Choice marketers									
21	Demand Cost Recovery Factor in GCA, per Mcf per CKY Tariff Sheet No. 5							\$1.2072	
22	Less credit for cost of assigned capacity							(\$0.2291)	
23	Plus storage commodity costs incurred by CKY for the Choice marketer							\$0.0963	
24									
25	Balancing Charge, per Mcf	sum(12:14)						\$1.0745	

PROPOSED TARIFF SHEETS

CURRENTLY EFFECTIVE BILLING RATES					
<u>SALES SERVICE</u>	<u>Base Rate Charge</u> \$	<u>Gas Cost Adjustment^{1/}</u>		<u>Total Billing Rate</u> \$	
		<u>Demand</u> \$	<u>Commodity</u> \$		
<u>RATE SCHEDULE GSR</u>					
Customer Charge per billing period	12.35			12.35	
Delivery Charge per Mcf	1.8715	1.2072	3.2097	8.2819	R
<u>RATE SCHEDULE GSO</u>					
<u>Commercial or Industrial</u>					
Customer Charge per billing period	25.13			25.13	
Delivery Charge per Mcf -					
First 50 Mcf or less per billing period	1.8715	1.2072	3.2097	8.2819	R
Next 350 Mcf per billing period	1.8153	1.2072	3.2097	8.2257	R
Next 600 Mcf per billing period	1.7296	1.2072	3.2097	8.1400	R
Over 1,000 Mcf per billing period	1.5802	1.2072	3.2097	7.9906	R
<u>RATE SCHEDULE IS</u>					
Customer Charge per billing period	583.39			583.39	
Delivery Charge per Mcf					
First 30,000 Mcf per billing period	0.5467		3.2097 ^{2/}	5.7502	R
Over 30,000 Mcf per billing period	0.2905		3.2097 ^{2/}	5.4940	R
Firm Service Demand Charge					
Demand Charge times Daily Firm					
Volume (Mcf) in Customer Service Agreement		6.5273		6.5273	I
<u>RATE SCHEDULE IUS</u>					
Customer Charge per billing period	331.50			331.50	
Delivery Charge per Mcf					
For All Volumes Delivered	0.7750	1.2072	3.2097	7.1854	R
<p>^{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 \$6.0895 per Mcf only for those months of the prior twelve months during which they were served under Rate Schedule SVGTS</p> <p>^{2/} IS Customers may be subject to the Demand Gas Cost, under the conditions set forth on Sheets 14 and 15 of this tariff.</p>					

DATE OF ISSUE: April 28, 2010

DATE EFFECTIVE: May 28, 2010
(June Unit 1 Billing)

ISSUED BY:



President

CURRENTLY EFFECTIVE BILLING RATES

(Continued)

<u>TRANSPORTATION SERVICE</u>	<u>Base Rate Charge</u> \$	<u>Gas Cost Adjustment^{1/}</u> <u>Demand</u> \$	<u>Commodity</u> \$	<u>Total Billing Rate</u> \$
<u>RATE SCHEDULE SS</u>				
Standby Service Demand Charge per Mcf				
Demand Charge times Daily Firm				
Volume (Mcf) in Customer Service Agreement		6.5273		6.5273
Standby Service Commodity Charge per Mcf			3.2097	3.2097
<u>RATE SCHEDULE DS</u>				
Administrative Charge per account per billing period				55.90
Customer Charge per billing period ^{2/}				583.39
Customer Charge per billing period (GDS only)				25.13
Customer Charge per billing period (IUDS only)				331.50
<u>Delivery Charge per Mcf^{2/}</u>				
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				0.7750
Banking and Balancing Service				
Rate per Mcf		0.0208		0.0208
<u>RATE SCHEDULE MLDS</u>				
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.				

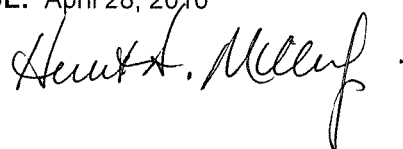
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DATE OF ISSUE: April 28, 2010

DATE EFFECTIVE: May 28, 2010
(June Unit 1 Billing)
President

ISSUED BY: 

CURRENTLY EFFECTIVE BILLING RATES

<u>RATE SCHEDULE SVGTS</u>	<u>Billing Rate</u> \$
<u>General Service Residential</u>	
Customer Charge per billing period	12.35
Delivery Charge per Mcf	1.8715
<u>General Service Other - Commercial or Industrial</u>	
Customer Charge per billing period	25.13
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
<u>Intrastate Utility Service</u>	
Customer Charge per billing period	331.50
Delivery Charge per Mcf	\$ 0.7750
<u>Actual Gas Cost Adjustment ^{1/}</u>	
For all volumes per billing period per Mcf	(\$ 1.5488)
<u>RATE SCHEDULE SVAS</u>	
Balancing Charge – per Mcf	\$ 1.0745

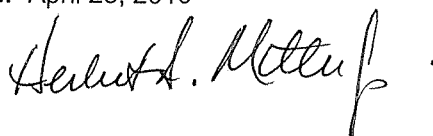
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1/ The Gas Cost Adjustment is applicable to a customer who is receiving service under Rate Schedule SVGTS and received service under Rate Schedule GS, IS, or IUS for only those months of the prior twelve months during which they were served under Rate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

DATE OF ISSUE: April 28, 2010

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President