

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF THE SOURCE)	
OF SUPPLY AND GAS COST ARREARAGE)	CASE NO. 97-163
OF ZEBULON GAS ASSOCIATION, INC.)	

ORDER

On April 4, 1997, the Commission initiated an investigation of Zebulon Gas Association, Inc. (Zebulon) and its gas supply arrangements and gas cost arrearage. The Commission has since determined that Zebulon has entered into a payment agreement with Columbia Gas Transmission (TCO) and that it is currently securing its gas supply from Gasco Distribution Systems (Gasco). According to the terms of the payment agreement, the arrearage, which is in excess of \$100,000, will be repaid to TCO over a period of five years. The repayment will take the form of a return of the volumes of gas that Zebulon inappropriately took from TCO, according to Gasco.

Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds that the customers of Zebulon do not appear to be in imminent danger of losing their gas supply, that Zebulon has secured for itself a supply of natural gas, and that it is in the process of repaying the arrearage to TCO.

IT IS THEREFORE ORDERED that:

1. This case be dismissed and removed from the Commission s docket.
2. Within 30 days of the date of this Order, Zebulon shall file with this Commission its tariff setting out the rates it charges its customers, along with any special charges.

Done at Frankfort, Kentucky, this 5th day of April, 1999.

By the Commission

ATTEST:

Executive Director

