

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PETITION OF COLUMBIA GAS OF)	
KENTUCKY, INC., FOR AUTHORITY)	
TO ADJUST RATES IN ACCORDANCE)	CASE NO. 8281-K
WITH THE PURCHASED GAS AD-)	
JUSTMENT PROCEDURE)	

O R D E R

On December 30, 1981, this Commission issued its final Order in Case No. 8281 approving certain adjustments in the rates of Columbia Gas of Kentucky, Inc., ("Columbia") and providing under certain conditions for refunds.

On November 8, 1982, Columbia notified the Commission that it had received refunds in the amount of \$508,192 from one of its suppliers, Columbia Gas Transmission Corporation ("Transmission"), and that the refund is due to its customers.

After reviewing the notice filed in this case and being advised, the Commission is of the opinion and finds that:

1. Columbia's filing of November 8, 1982, details refunds in the amount of \$508,191.53 that Columbia has received from Transmission. Columbia proposes to adjust this filing to include an overcollection in the amount of \$61,636.80 for a total refundable amount of \$569,828.33. In addition, Columbia has overrefunded \$72,937.81 to certain customers from a previous

refund plan and proposes to recover this amount through this filing. Therefore, the total refundable amount due its customers in this filing is \$496,890.52.

2. On January 29, 1982, Transmission filed with the Federal Energy Regulatory Commission ("FERC") increased rates to become effective March 1, 1982. Subsequent to Columbia placing these rates into effect, Transmission filed on March 16, 1982, revised rates to be effective March 1, 1982. On March 29, 1982, Columbia filed to track Transmission's reduced rates but requested the rates be effective with gas supplied on and after April 19, 1982. By Order issued April 7, 1982, the Commission approved Columbia's filing. Columbia is now proposing to refund an additional \$61,636.80, representing the overcollection experienced during the lag between Transmission's substitute rates effective March 1, 1982, and Columbia's reduced rates effective April 19, 1982.

3. In addition, Columbia has adjusted the refund applicable to low pressure customers for \$72,937.81 which reflects a net overrefund applicable to Case Nos. 7273-X, 7273-Y, 7273-AA, and 7273-CC as reported to the Commission on September 21, 1982.

4. Columbia proposes to refund \$297,525.18 to its low pressure customers by crediting customers' bills with a refund factor of \$0.0282 per Mcf for a 4-month period beginning in the month of December 1982. Refunds totaling \$199,364.28 will be made by check to customers served under all other rate schedules.

These refunds reflect individual computations for each customer based on sales during the refund computation period.

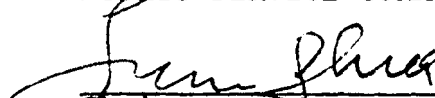
5. The refund should begin with meter readings taken on and after December 1982, and should remain in effect for 4 months, or until such time as the full amount, plus interest, has been returned to its customers.

IT IS THEREFORE ORDERED that Columbia shall refund by check \$199,364.28 to its high pressure customers, and that \$297,525.18 shall be refunded to its low pressure customers by application of a credit factor of \$0.0282 per Mcf of sales to its customers' bills for a 4-month period beginning with meter readings taken on and after December 1982, and remain in effect until such time as necessary so that the refund will, as nearly as possible, reflect the exact amount. The refund factor will terminate at such period of time that the refundable amount equals the refund herein reported plus interest.

IT IS FURTHER ORDERED that upon completion of the refund directed herein, Columbia shall file with the Commission a statement of the monies refunded to its customers.

Done at Frankfort, Kentucky, this 2nd day of December, 1982.

PUBLIC SERVICE COMMISSION


Chairman

ATTEST:


Vice Chairman

Secretary


Commissioner