

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EQUITABLE GAS)	
COMPANY FOR AN ORDER AUTHOR-)	
IZING THE ISSUANCE OF UP TO)	CASE NO. 8710
\$65,000,000 OF DEBENTURES)	

O R D E R

On October 29, 1982, Equitable Gas Company ("Equitable") filed its application seeking authority to issue and sell up to \$65,000,000 aggregate principal amount of debt securities through a shelf registration with the Securities and Exchange Commission, for sale in a series of debentures with the use of an open-end indenture permitting wide variations in market terms.

The proceeds from the sale of the securities will be used to refund \$4,480,000 of first mortgage bonds, series due April 1, 1983, 4 1/2 percent; refund \$5,500,000 of promissory notes, 4 1/2 percent due April 1, 1983; finance the balance of Equitable's 1981-82 capital expenditure program requiring externally generated funds of approximately \$25,000,000; and finance Equitable's estimated 1983-84 capital expenditure program requiring externally generated funds of approximately \$30,000,000. Equitable estimated expenses to be incurred in connection with the issuance and sale of the debentures at \$184,000.

The Commission, after consideration of the application and being advised, is of the opinion and finds that the issuance and sale by Equitable of up to \$65,000,000 aggregate principal amount of debentures through a shelf registration with the Securities and Exchange Commission is for lawful objects within the corporate purposes of the utility, is necessary and appropriate for and consistent with the proper performance by the utility of its service to the public and will not impair its ability to perform that service, and is reasonably necessary and appropriate for such purpose.

IT IS THEREFORE ORDERED that Equitable be and it hereby is authorized to issue and sell up to \$65,000,000 aggregate principal amount of debentures through a shelf registration with the Securities and Exchange Commission.

IT IS FURTHER ORDERED that the proceeds from the sale of the securities authorized herein shall be used only for the lawful purposes as set out in the application.

IT IS FURTHER ORDERED that Equitable shall, as soon as is reasonably possible, file with this Commission a printer's proof of the Registration Statement filed with the Securities and Exchange Commission for the purpose of registering the debentures pursuant to the shelf registration provisions of Rule 415 under the Securities Act of 1933, as amended.

IT IS FURTHER ORDERED that Equitable shall, as soon as is reasonably possible prior to each issuance of securities authorized herein, file with this Commission a statement setting


forth the anticipated price of the debentures to be issued, the anticipated date or dates of issuance of the debentures, the anticipated date or dates of maturity, the anticipated interest rate, and fees and expenses, including underwriting discounts or commissions or other compensation, involved in the issuance and distribution.

IT IS FURTHER ORDERED that Equitable shall, as soon as is reasonably possible after each issuance of securities authorized herein, file with this Commission a Supplemented Prospectus containing the actual terms and method of distribution including the price of the debentures and a statement of the actual expenses incurred in connection with the issuance and sale of the debentures.


Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to the securities authorized herein.

Done at Frankfort, Kentucky, this 11th day of November, 1982.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary