COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PETITION OF COLUMBIA GAS OF KENTUCKY FOR AUTHORITY TO ADJUST RATES IN ACCORDANCE WITH THE PURCHASED GAS ADJUSTMENT PROCEDURE

CASE NO. 8281-0

ORDER

On December 30, 1981, the Commission issued its Order in Case No. 8281 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On April 8, 1983, Columbia Gas of Kentucky, Inc., ("Columbia") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective April 1, 1983, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

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

(1) On April 5, 1983, Transmission filed an application for decreased rates to become effective April 1, 1983, with the Federal Energy Regulatory Commission. Transmission's reduction in gas purchase cost is the result of reduced purchases from certain Southwest producers as a result of Transmission's declaration of force majeure effective April 1, 1983, under its contracts with such suppliers, revised schedules for anticipated reductions in purchases from certain producers selling gas priced under multiple Natural Gas Policy Act categories as the result of Transmission's notification to such producers that they may not reduce their deliveries of more expensive categories of gas during periods when Transmission is reducing its purchases of gas below full deliverability and a repricing of certain of Transmission's high-cost gas purchases to a lower level which is equivalent on a Btu basis to 110 percent of the price of No. 2 fuel oil.

(2) Columbia's notice of April 8, 1983, set out certain revisions in rates which Columbia proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$5,770,660 or 24.9 cents per Mcf.

(3) Due to the retroactive nature of Transmission's decrease, Columbia requested an effective date of April 1, 1983. Columbia should report to the Commission any excess revenues collected during the period from April 1, 1983, to the date the proposed rates are implemented, along with a plan to refund any excess collections to its customers.

(4) Columbia's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8281 dated December 30, 1981, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after April 1, 1983.

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IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after April 1, 1983.

IT IS FURTHER ORDERED that within 60 days of the date of this Order Columbia shall report to the Commission any excess revenues collected during the period from April 1, 1983, to the date the proposed rates are implemented, along with a plan to refund any excess collections.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Columbia shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 26th day of April, 1983. PUBLIC SERVICE COMMISSION

ATTEST :

Secretary



APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 8281-0 DATED APRIL 26, 1983

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATES:

Rate Schedule GS

Rate per Mcf

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Residential

First	1	Mcf	or less per month	\$ 7.302
Next	49	Mcf	per month	6.026
Next	50	Mcf	per month	5.976
Next	100	Mcf	per month	5.946
Next	800	Mcf	per month	5.916
Over	1,000	Mcf	per month	5.896
Min	imum Me	onth	ly Charge	7.30

Commercial and Industrial

First	1	Mcf	or less per month	\$ 7.527
Next	49	Mcf	per month	6.177
Next	50	Mcf	per month	6.127
Next	100	Mcf	per month	6.097
Next	800	Mcf	per month	6.067
Over	1,000	Mcf	per month	6.047
Min	imum M	onth	ly Charge	7.53

Rate Schedule Ac-1: (Cancelled)

Rate Schedule FC-1

Firm

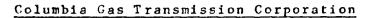
First	1,000	Mcf	per	month	\$ 5.978
Over	1,000	Mcf	per	month	5.928



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Rate_Schedule_(Continued)	Rate per Mcf
Curtailable	
All Volume	\$ 5.778
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Rate Schedule FI-I	
Firm	
First 5,000 Mcf per month Over 5,000 Mcf per month	\$ 5.925 5.895
Interruptible	
All Volume	\$ 5.715
Rate Schedule FI-2	
Firm	
First 50,000 Mcf per month Over 50,000 Mcf per month	\$ 5.825 5.755
Interruptible	
All Volume	\$ 5.665
Rate Schedule IS-I	
April through November	
For all Volumes delivered each month up to and including average monthly Winter Volumes	\$6.127
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For all Volumes in excess of the average monthly Winter Volumes	5.727
December through March	
All Mcf	\$ 6.127
Rate Schedule IUS-1	
All Volumes	\$ 5.760

The base rates for the future application of the purchased gas adjustment clause are:



Zonc 1 and Zone 3 Rate per DTH

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	Demand	Commodity
Schedule CDS	\$ 4.91	429.97£
Schedule WS		
Demand	\$ 1.39	
Winter Contract Quantity	2.446	
Columbia LNG Corporation		
LNG - Rate per Mcf		\$ 5.61
Transportation - Rate per DI	гн	•

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47.01€

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Zone 1 and Zone 3

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