

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF COLUMBIA) CASE NO. 8738-B
GAS OF KENTUCKY, INC.)

O R D E R

On July 5, 1983, the Commission issued its Order in Case No. 8738 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 or a refund is received.

On August 17, 1983, Columbia Gas of Kentucky, Inc., ("Columbia") notified the Commission that it has received refunds from its supplier, Columbia Gas Transmission Corporation ("Transmission") 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. Columbia has received refunds in the amount of \$36,918 from Transmission to be refunded to its customers.

2. Columbia proposes to refund \$365,270 in over-collections due to supplier tariff revisions subsequent to original filings.

3. In addition, Columbia has \$68,676 due its low-pressure customers to reflect a net underrefund in Case Nos. 7273-DD, 8281-B, 8281-D, 8281-F and 8281-G as reported to the Commission on April 14, 1983, and in Case No. 8281-K as reported on August 4, 1983.

4. Columbia proposes to refund \$372,558.65 to its customers served under Rate Schedule GSR by crediting customer bills with a refund factor of \$0.0838 per mcf.

5. The refund factor should remain in effect for 4 months or until such time as the full amount plus interest has been returned to Columbia's customers.

6. The refund should begin with meter readings taken on September 1, 1983, or as soon as practical thereafter.

7. Columbia proposes to refund \$98,305.87 by check to customers served under all rate schedules except GSR. These refunds reflect individual computations for each customer based on sales during the refund computation period.


8. Columbia should refund the amounts reported in its application plus interest at a rate equal to the average of the "3-month Commercial Paper Rates" for the immediately preceding 12-month period less 1/2 of 1 percent to cover the costs of refunding. These monthly rates are reported in the Federal Reserve Bulletin and the Federal Reserve Statistical Release.

IT IS THEREFORE ORDERED that Columbia shall refund by check \$98,305.87 to its customers served under rate schedules other than GSR, and \$372,558.65 shall be refunded to its customers served under Rate Schedule GSR by applying a refund factor in the amount of \$0.0838 per mcf to its customers' bills. The refund factor shall begin with meter readings taken September 1, 1983, or as soon as practical thereafter, and shall remain in effect until such time as necessary so that the total amount refunded will, as nearly as possible, reflect the amount received. The refund factor will terminate when the amount refunded equals the refund herein reported plus interest.

IT IS FURTHER ORDERED that within 30 days from the date the refund factor is terminated Columbia shall file with this Commission a summary statement showing a reconciliation of customer billings and the amount refunded.

Done at Frankfort, Kentucky, this 29th day of August, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:

Secretary


Commissioner