

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-I
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 April 13, 1984, 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 March 1, 1984, 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 January 30, 1984, Transmission filed an application with the Federal Energy Regulatory Commission for rates to become effective March 1, 1984. On February 10, 1984, in Case No. 8738-G, Columbia requested permission to track Transmission's rates. By Order issued February 17, 1984, the Commission approved

Columbia's filing effective March 1, 1984. Subsequent to Columbia placing these rates into effect, Transmission filed on April 4, 1984, revised tariffs to be effective March 1, 1984.

(2) Columbia's notice of April 13, 1984, 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 \$392,272 or 1.7 cents per Mcf.

(3) Due to the retroactive nature of Transmission's decrease, Columbia should report to the Commission any excess revenues collected during the period from March 1, 1984, 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. 8738 dated July 5, 1983, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after March 1, 1984.

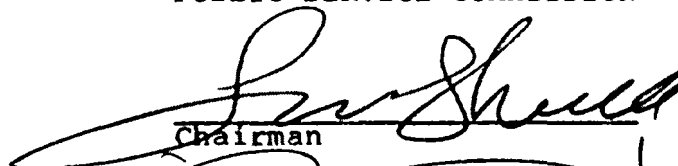
IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after March 1, 1984.

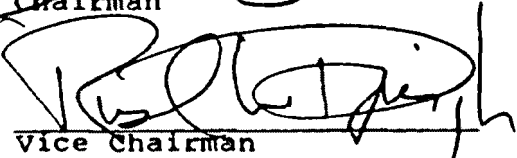
IT IS FURTHER ORDERED that within 30 days of the date of this Order Columbia shall report to the Commission any excess revenues collected during the period from March 1, 1984, to the date the proposed rates are implemented, along with a plan to refund any excess collections.

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 2nd day of May, 1984.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Acting Secretary _____

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 8738-I DATED 5/2/84

The following rates and charges are prescribed for the customers 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.

GENERAL SERVICE RATE SCHEDULE - GS Residential

Commodity Charge:

First 50 Mcf per month @ \$5.578 per Mcf
All Over 50 Mcf per month @ \$5.394 per Mcf

GENERAL SERVICE RATE SCHEDULE - GS-Commercial and Industrial

Commodity Charge:

First 200 Mcf per month @ \$5.810 per Mcf
All Over 200 Mcf per month @ \$5.663 per Mcf

RATE SCHEDULE FC-1

FIRM AND CURTAILABLE GAS SERVICE - OPTIONAL

Firm Volume (Daily Firm Volume Times Number of Days
in Month)

First 1,000 Mcf per month @ \$5.731 per Mcf
Over 1,000 Mcf per month @ \$5.681 per Mcf

Curtable Volume

\$5.532 per Mcf of Curtable Volume of gas
delivered hereunder each billing month.

AVAILABILITY OF EXCESS GAS

In the event Buyer shall desire to purchase on any day gas in excess of Buyer's specified Maximum Daily Volume, Buyer shall inform the Seller and if the Seller is able to provide such excess gas required by Buyer from its operations, Seller shall make such excess gas available at the rate of \$5.532 per Mcf.

If such excess gas cannot be made available to Buyer from Seller's own operations, Seller may comply with such request to the extent that excess gas is temporarily available from Seller's gas supplier, in order to provide gas which otherwise would not be available. Such excess volume taken shall be paid for at the rate of \$4.86 per Mcf.

On any day when Buyer has been notified to curtail deliveries, Buyer may request excess gas and to the extent such excess gas can be obtained from Seller's supplier, Buyer shall pay Seller at the rate of \$4.86 per Mcf for all such volumes taken which would otherwise not be available.

RATE SCHEDULE FI-1
FIRM AND INTERRUPTIBLE GAS SERVICE - OPTIONAL

Daily Firm Volume

First 5,000 Mcf per month @ \$5.656 per Mcf
Over 5,000 Mcf per month @ \$5.625 per Mcf

Daily Interruptible Volume

\$5.445 per Mcf of Daily Interruptible Volume of gas delivered hereunder each billing month.

AVAILABILITY OF EXCESS GAS

In the event Buyer shall desire to purchase on any day gas in excess of Buyer's specified Maximum Daily Volume, Buyer shall inform the Seller and if the Seller is able to provide such excess gas required by Buyer from its operations, Seller shall make such excess gas available at the rate of \$5.445 per Mcf.

If such excess gas cannot be made available to Buyer from Seller's own operations, Seller may comply with such request to the extent that excess gas is temporarily available from Seller's gas supplier, in order to provide gas which otherwise would not be available. Such excess volume taken shall be paid for at the rate of \$4.86 per Mcf.

On any day when Buyer has been notified to curtail deliveries, Buyer may request excess gas and to the extent such excess gas can be obtained from Seller's supplier, Buyer shall pay Seller at the rate of \$4.86 per Mcf for all such volumes taken which would otherwise not be available.

RATE SCHEDULE IS-1
INTERRUPTIBLE GAS SERVICE - OPTIONAL

Billing Months April Through November

\$5.829 per Mcf for all volumes delivered each month up to and including the Average Monthly Winter Volume. The Average Monthly Winter Volume shall be one-fourth of the total delivery during the preceding billing months of December through March.

\$5.429 per Mcf for all volumes delivered each month in excess of the Average Monthly Winter Volume.

Billing Months December Through March

\$5.829 per Mcf delivered.

RATE SCHEDULE IUS-1
INTRASTATE UTILITY SERVICE

For all gas delivered each month \$5.463 per Mcf.

MINIMUM MONTHLY CHARGE

The maximum Daily Volume specified in the Sales Agreement multiplied by \$5.463 per Mcf.

The above rates shall be effective with gas supplied on and after March 1, 1984, and shall supercede those approved in Case Nos. 8738-G and 8738-H.

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

Columbia Gas Transmission Corporation

<u>Zone 1 and Zone 3 rate per DTH</u>	<u>Demand</u>	<u>Commodity</u>
Schedule CDS	\$ 4.68	414.53¢
Schedule WS		
Demand	\$ 1.39	
Winter Contract Quantity	2.44¢	

Columbia LNG Corporation

LNG - Rate per DTH \$ 4.0953

Inland Gas Company

All Purchases - Rate per Mcf \$ 3.4221