

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

REMOVAL OF RESTRICTIONS AND)
LIMITATIONS OF SALES OF)
NATURAL GAS BY WESTERN) CASE NO. 8895
KENTUCKY GAS COMPANY)

O R D E R

On December 11, 1985, Western Kentucky Gas Company ("Western"), by counsel, filed its notice requesting that the Commission approve the removal of restrictions and limitations on the sale of natural gas. Specifically, Western seeks approval of the cancellation of Tariff Sheets PSC No. 16 and Original Sheets No. 14, 24, 25 and 26.

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

(1) The application of Western for authority to terminate existing restrictions and limitations on new and existing gas customers by amendment and cancellation of certain tariff provisions should be approved with certain limitations.

(2) Western should be authorized to provide gas service to new residential, commercial and industrial customers and, further, to provide gas service to meet increased requirements of existing commercial and industrial customers and that current restrictions

on the provision of this service should be terminated for a period of 3 years. This will enable the Commission to assess the changing energy picture and determine whether a further extension is justified at the end of this period.

(3) The curtailment priorities heretofore approved by the Commission should remain in effect in the event they are needed because of future supply deficiencies.

IT IS THEREFORE ORDERED that:

(1) The application of Western for authority to terminate existing restrictions and limitations on new and existing gas customers by amendment and cancellation of certain tariff provisions shall be denied to the extent that the application seeks approval without limitations.

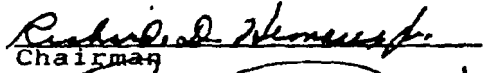
(2) Western is hereby authorized to provide gas service to new residential, commercial and industrial customers and, further, to provide gas service to meet increased requirements of existing commercial and industrial customers and that current restrictions on the provision of this service shall be terminated for a period of 3 years.

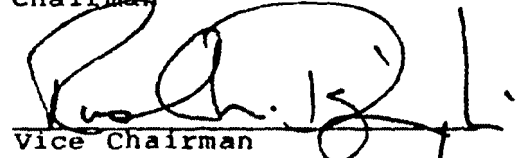
(3) The curtailment priorities heretofore approved by the Commission shall remain in effect in the event they are needed because of future supply deficiencies.

(4) Western shall file within 30 days from the date of this Order its revised tariff consistent with the provisions set out herein.

Done at Frankfort, Kentucky, this 14th day of January, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary