

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF THE UNION LIGHT,) CASE NO. 9029-P
HEAT AND POWER COMPANY)

FINAL ORDER

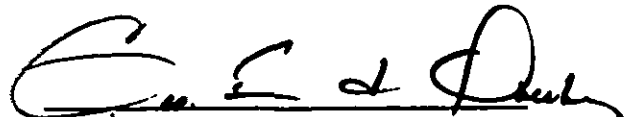
On August 31, 1988, The Union Light, Heat and Power Company ("Union") filed a gas cost adjustment, Case No. 9029-P, to be effective October 1, 1988, which included a proposed take-or-pay recovery methodology. On October 3, 1988, the Commission issued an Interim Order in this case denying Union's proposed methodology pending an informal conference with Commission Staff and a hearing. An informal conference was held between Union and the Commission Staff on October 17, 1988 and a hearing was scheduled for October 31, 1988. In a letter received October 26, 1988, Union requested postponement of its hearing date pending the Commission's issuance of an Order regarding the take-or-pay methodology of Columbia Gas of Kentucky. On October 27, 1988, the Commission issued an Order continuing the hearing indefinitely. On December 19, 1988, representatives of Union met with Commission Staff once again to discuss its revised take-or-pay methodology that it was in the process of filing in Case No. 9029-Q. On December 28, 1988, an Order was issued in 9029-Q which set out the take-or-pay recovery methodology approved for Union by this Commission.

Union's adjustment in rates in this case, exclusive of take-or-pay recovery, was authorized by the Commission's Order of October 3, 1988.

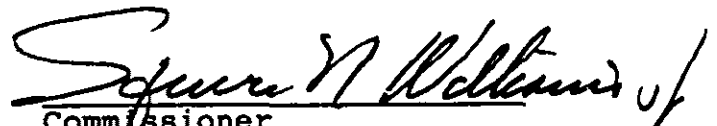
IT IS THEREFORE ORDERED that, the take-or-pay issue having been resolved in a subsequent case, this case be and it hereby is closed.

Done at Frankfort, Kentucky, this 17th day of January, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director