COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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THE NOTICE OF PURCHASED) GAS ADJUSTMENT FILING OF) CASE NO. 92-326-A EQUITABLE GAS COMPANY)

ORDER

On March 29, 1993, Equitable Gas Company ("Equitable") filed its gas cost adjustment and a tariff with rates to become effective on and after May 1, 1993.

After reviewing the filings, the Commission finds that further proceedings are necessary in order to determine the reasonableness of the proposed adjustment in rates and that such proceedings cannot be completed prior to the proposed effective date.

IT IS THEREFORE ORDERED that:

1. Equitable's proposed rates be and they hereby are suspended for 5 months from the proposed effective date up to and including September 30, 1993.

2. Nothing in this Order shall prevent the Commission from entering a final decision in this case prior to the termination of the suspension period.

3. Within 15 days of the date of this Order, Equitable shall support the reasonableness of continuing to price its gas supply at the General Service tariff rates of its pipeline supplier, Kentucky West Virginia Gas Company. Equitable's response should address the 6.39% retainage adjustment proposed to be passed on to its customers through the expected gas cost, the availability of lowerpriced producer gas on the pipeline system, and Equitable's efforts to pursue the lowest gas prices for its customers.

Done at Frankfort, Kentucky, this 23rd day of April, 1993.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

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Executive Director