

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF COLUMBIA) CASE NO. 94-179-A
GAS OF KENTUCKY, INC.)

O R D E R

On November 1, 1994, in Case No. 94-179, the Commission approved certain adjusted rates for Columbia Gas of Kentucky, Inc. ("Columbia") and provided for their further adjustment on a quarterly basis in accordance with its gas cost adjustment ("GCA") clause.

On January 30, 1995, Columbia filed its GCA to be effective March 1, 1995 through May 31, 1995.

After reviewing the record and being otherwise sufficiently advised, the Commission finds that:

1. Columbia's notice proposed revised rates designed to pass on its expected wholesale decrease in gas costs. Columbia's proposed expected gas cost ("EGC") for the quarter beginning March 1, 1995 is \$3.6421. Columbia currently provides only summary information for "Cost of Gas Purchased per Dth" for Non-Appalachian Suppliers, Long-Term Suppliers, and Appalachian Suppliers. The "Supporting Data" section of future Columbia filings should include the derivation of these numbers.

2. Columbia's notice set out a rate for Banking and Balancing Service of 2.21 cents per Mcf.

3. Columbia's notice set out total fixed charged refund adjustments of (11.43) cents per Mcf for sales customers and (7.78) cents per Mcf for transportation customers which reflect previous fixed charge refund adjustments.

4. Columbia's notice set out its annual actual cost adjustment ("ACA") of 11.0 cents per Mcf that was approved to be effective September 1, 1994.

5. Columbia's notice set out a current balancing adjustment ("BA") of 3.39 cents per Mcf to collect remaining under-recoveries from previous actual and balancing adjustments.

6. Columbia's notice contained no current refund adjustment. The total refund adjustment of 30.62 cents per Mcf reflects a previous quarter refund adjustment.

7. Columbia's notice set out a Special Agency Service refund adjustment of .05 cent per Mcf.

8. These adjustments produce a gas cost recovery rate ("GCR") of \$3.3650, 46.54 cents per Mcf less than the prior rate.

9. The rate adjustments in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for gas supplied on and after March 1, 1995.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for gas supplied on and after March 1, 1995.

2. Within 30 days of the date of this Order, Columbia shall file with this Commission its revised tariffs setting out the rates authorized in this Order.

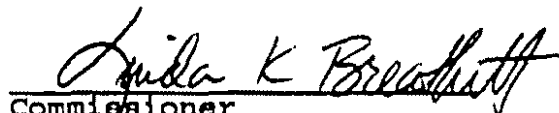
3. Columbia's future GCA filings shall include the supplier cost support as required herein.

Done at Frankfort, Kentucky, this 27th day of February, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 94-179-A DATED 02/27/95

The following rates and charges are prescribed for the customers in the area 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 effective date of this Order.

CURRENTLY EFFECTIVE BILLING RATES

	<u>Base Rate Charge</u>	<u>Gas Cost Demand</u>	<u>Adjustment Commodity</u>	<u>Total Billing Rate</u>
<u>SCHEDULE GSR</u>				
First 1 Mcf or less per mo.	\$ 8.10	\$ 1.4044	\$ 1.9606	\$11.4650
Over 1 Mcf per mo.	1.9544	1.4044	1.9606	5.3194
<u>RATE SCHEDULE GSO</u>				
Commercial or Industrial				
First 1 Mcf or less	22.00	1.4044	1.9606	25.3650
Next 49 Mcf per mo.	1.9544	1.4044	1.9606	5.3194
Next 350 Mcf per mo.	1.8910	1.4044	1.9606	5.2560
Next 600 Mcf per mo.	1.7910	1.4044	1.9606	5.1560
Over 1,000 Mcf per mo.	1.6170	1.4044	1.9606	4.9820
<u>Delivery Service</u>				
Administrative Charge	65.00			65.00
<u>Standby Service Demand Charge</u>				
Demand Charge times Daily Firm Vol. (Mcf) in Cust. Serv. Agrmt.		10.5532		10.5532
<u>Delivery Rate Per Mcf</u>				
First 400 Mcf per mo.	1.8910	(.0778)		1.8132
Next 600 Mcf per mo.	1.7910	(.0778)		1.7132
Over 1,000 Mcf per mo.	1.6170	(.0778)		1.5392
Former IN8 Rate per Mcf	.9455			.9455
Banking & Balancing Service		0.0221		0.0221

	<u>Base Rate Charge</u>	<u>Gas Cost Demand</u>	<u>Adjustment Commodity</u>	<u>Total Billing Rate</u>
<u>RATE SCHEDULE IS</u>				
<u>Customer Charge per mo.</u>	\$135.79			\$135.79
First 30,000 Mcf	0.6158		\$1.9606*	2.5764
Over 30,000 Mcf	0.3293		1.9606*	2.2899
<u>Standby Service Demand Charge</u>				
Demand Charge times Daily Firm Vol. (Mcf) in Cust. Serv. Agree.		10.5532		10.5532
<u>Delivery Service</u>				
Administrative Charge	65.00			65.00
First 30,000 Mcf	0.6158	(.0778)		0.5380
Over 30,000 Mcf	0.3293	(.0778)		0.2515
Banking & Balancing Service		0.0221		0.0221
<u>RATE SCHEDULE IUS</u>				
For all Volumes Delivered Each Month	.1972	1.4044	1.9606	3.5622
<u>Delivery Service</u>				
Administrative Charge	65.00			65.00
Delivery Rate Per Mcf	.1972	1.4044		1.6016
Banking & Balancing Service		0.0221		0.0221
<u>Mainline Delivery Service</u>				
Administrative Charge	65.00			65.00
Delivery Rate Per Mcf	0.1000			0.1000
Banking & Balancing Service		0.0221		0.0221
<u>RATE SCHEDULE IN6 - INDUSTRIAL AND COMMERCIAL</u>				
Commodity Charge	1.7363	1.4044	1.9606	5.1013
<u>RATE SCHEDULE IN7 - SMALL COMMERCIAL</u>				
Commodity Charge	.5924	1.4044	1.9606	3.9574

*IS customers may be subject to the demand gas cost, under the conditions set forth on Sheets 14 and 15 of this tariff.