

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-B
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 May 2, 1995, Columbia filed its GCA to be effective June 1, 1995 through August 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 June 1, 1995 is \$3.4898.

2. Columbia's notice set out a rate for Banking and Balancing Service of 2.57 cents per Mcf.

3. Columbia's notice set out total fixed charged refund adjustments of (.61) cent per Mcf for sales customers and (.41) cent 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 its semi-annual 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 a current refund adjustment of 5.17 cents per Mcf to return \$880,042 of supplier refunds, including interest, to its customers. The total refund adjustment of 9.28 cents per Mcf reflects the current plus 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 \$3.5343, 16.93 cents per Mcf more than the prior rate. The net increase in rates to Columbia's customers is due to the completion of two refunds.

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 June 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 June 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.

Done at Frankfort, Kentucky, this 26th day of May, 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-B DATED May 26, 1995.

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	\$ 1.4520	\$ 2.0823	\$11.6343
Over 1 Mcf per mo.	1.9544	1.4520	2.0823	5.4887
<u>RATE SCHEDULE GSO</u>				
Commercial or Industrial				
First 1 Mcf or less	22.00	1.4520	2.0823	25.5343
Next 49 Mcf per mo.	1.9544	1.4520	2.0823	5.4887
Next 350 Mcf per mo.	1.8910	1.4520	2.0823	5.4253
Next 600 Mcf per mo.	1.7910	1.4520	2.0823	5.3253
Over 1,000 Mcf per mo.	1.6170	1.4520	2.0823	5.1513
<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.		9.5096		9.5096
<u>Delivery Rate Per Mcf</u>				
First 400 Mcf per mo.	1.8910	(.0041)		1.8869
Next 600 Mcf per mo.	1.7910	(.0041)		1.7869
Over 1,000 Mcf per mo.	1.6170	(.0041)		1.6129
Former IN8 Rate per Mcf	.9455			.9455
Banking & Balancing Service		0.0257		0.0257

	<u>Base Rate</u> <u>Charge</u>	<u>Gas Cost</u> <u>Demand</u>	<u>Adjustment</u> <u>Commodity</u>	<u>Total</u> <u>Billing</u> <u>Rate</u>
<u>RATE SCHEDULE IS</u>				
<u>Customer Charge per mo.</u>	\$135.79			\$135.79
First 30,000 Mcf	0.6158		\$2.0823*	2.6981
Over 30,000 Mcf	0.3293		2.0823*	2.4116
<u>Standby Service Demand Charge</u>				
Demand Charge times Daily Firm Vol. (Mcf) in Cust. Serv. Agree.		9.5096		9.5096
<u>Delivery Service</u>				
Administrative Charge	65.00			65.00
First 30,000 Mcf	0.6158	(.0041)		0.6117
Over 30,000 Mcf	0.3293	(.0041)		0.3252
Banking & Balancing Service		0.0257		0.0257
<u>RATE SCHEDULE IUS</u>				
For all Volumes Delivered Each Month	.1972	1.4520	2.0823	3.7315
<u>Delivery Service</u>				
Administrative Charge	65.00			65.00
Delivery Rate Per Mcf	.1972	1.4520		1.6492
Banking & Balancing Service		0.0257		0.0257
<u>Mainline Delivery Service</u>				
Administrative Charge	65.00			65.00
Delivery Rate Per Mcf	0.1000			0.1000
Banking & Balancing Service		0.0257		0.0257
<u>RATE SCHEDULE IN6 - INDUSTRIAL AND COMMERCIAL</u>				
Commodity Charge	1.7363	1.4520	2.0823	5.2706
<u>RATE SCHEDULE IN7 - SMALL COMMERCIAL</u>				
Commodity Charge	.5924	1.4520	2.0823	4.1267

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