

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF COLUMBIA GAS)	
OF KENTUCKY, INC. FOR APPROVAL OF)	
GAS PURCHASES UNDER A SPECIAL)	CASE NO. 97-024
EMERGENCY ASSISTANCE PROGRAM)	

O R D E R

On January 16, 1997, Columbia Gas of Kentucky, Inc. ("Columbia") filed with the Commission an application for approval of a special natural gas purchase contract with Citizens Energy Corporation ("Citizens") for continuation of a Special Emergency Assistance Program ("Program") through the winter of 1996-97. The Program originated in 1983 and has been extended in each subsequent year.

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

1. 1994-95 Program funds in the amount of \$79,688 were distributed to over 736 households during the 12 months ended June 30, 1996. Funds distributed from the 1995-96 Program totalled \$1,561 through June 30, 1996, which left a balance of \$85,449 for distribution in the fall of 1996. In order to continue assistance to these needy households, the Program should be extended with the associated gas costs recovered through the purchased gas adjustment mechanism.

2. Upon the completion of each program year ending July 31, Columbia shall file with this Commission relevant data concerning gas purchases, funds generated and disbursed, and a summary of Program effectiveness. The first such program report shall

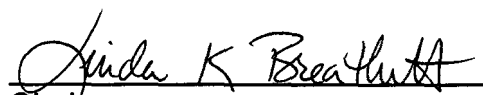
be made for the Program year ending July 31, 1997, and it shall be filed under separate letter and pursuant to this Order. Unless otherwise directed by Commission Order, these annual reports will be Columbia's only continuing filing requirement under the Program. This Order constitutes final approval of the Program.


IT IS THEREFORE ORDERED that:

1. The Program shall be granted final approval to continue during the winter of 1996-97 and beyond until further order of the Commission.
2. Columbia shall file with this Commission its Program final report upon completion of each Program year ending July 31, with the first such report being due for the Program year ending July 31, 1997.
3. Columbia shall file with this Commission any changes in its contract with Citizens Energy Corporation at the time they occur.

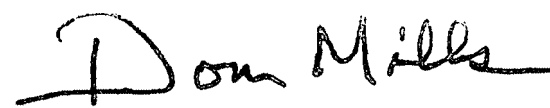
Done at Frankfort, Kentucky, this 11th day of April, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner