COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF ADJUSTMENT OF THE RATES) OF COLUMBIA GAS OF KENTUCKY, INC.) CASE NO. 94-179 ON AND AFTER JULY 1, 1994)

<u>order</u>

On September 1, 1998, Columbia Gas of Kentucky, Inc. ("Columbia") filed a petition requesting approval to continue the operation of its Customer Assistance Program ("CAP") pilot for an additional year, beyond the scheduled termination date of October 31, 1998, to October 31, 1999. Columbia states that full results from the third year of the pilot will not be available until approximately six months following completion of the third year and that it and its CAP Collaborative will not be able to fully review and analyze the impact that the CAP pilot is having on its customers, including those customers that the program was intended to assist, and present that analysis to the Commission, without those results. The requested extension would maintain the status quo while the compilation, review and assessment of the pilot is taking place without disrupting or interrupting the program during its pilot phase.

Having considered the petition and being otherwise sufficiently advised, the Commission finds that:

1. The full results of the CAP pilot for the three years originally authorized by the Commission are necessary in order to make an informed assessment on whether or not the program should be continued, in some form, if at all, beyond the provisions of the pilot under which it has operated since November 1, 1995.

2. Continuing the CAP pilot for an additional year while Columbia and the members of the CAP Collaborative compile the results from the three-year pilot is preferable to doing the same while stopping the program at the end of the third year of the pilot and possibly attempting to restart the program at some later date.

3. The Commission should be notified by no later than April 30, 1999 of when Columbia anticipates it will file the results of the analysis and evaluation of the CAP pilot with the Commission.

IT IS THEREFORE ORDERED that:

1. The petition of Columbia to extend the CAP pilot for an additional year, to October 31, 1999, is granted.

2. Columbia shall notify the Commission, by no later than April 30, 1999, of when it anticipates it will file the results of its analysis and evaluation of the CAP pilot with the Commission.

Done at Frankfort, Kentucky, this 9th day of October, 1998.

PUBLIC SERVICE COMMISSION

Vice Chairman

Commişsioner

ATTEST: Executive Director