COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

PETITION OF COLUMBIA GAS OF KENTUCKY)

FOR AUTHORITY TO ADJUST RATES IN

ACCORDANCE WITH THE PURCHASED GAS

ADJUSTMENT PROCEDURE

)

ORDER

On April 23, 1979, this Commission issued its Order in Case No. 7273, approving certain adjustments in the rates of Columbia Gas of Kentucky, ("Applicant"), and providing under certain conditions for further adjustment of rates when the wholesale cost of gas increased or decreased.

On September 24, 1981, the Applicant notified the Commission that its supplier, Columbia Gas Transmission Corporation ("Transmission"), has filed with the Federal Energy Regulatory Commission ("FERC") decreased rates to be effective September 1, 1981.

On July 31, 1981, Transmission filed with the FERC increased rates to be effective September 1, 1981. On August 6, 1981, (Docket No. 7273-W) the Applicant filed to track Transmission's proposed increase. By Order issued September 2, 1981, the Commission approved the Applicant's filing subject to FERC acceptance. By Order dated August 31, 1981, FERC conditionally accepted Transmission's filing to become effective September 1, 1981. Subsequent to the Applicant placing these rates into effect, Transmission filed on September 15, 1981, revised tariff sheets to be proposed effective September 1, 1981.

The estimated annual decrease in revenue as a result of the Applicant's filing of September 24, 1981, is \$1,349,200 or 4.6 cents per 1,000 cubic feet.

The Applicant requests an effective date of September 1, 1981, and permission to commence collecting the produced rates with gas supplied on and after October 1, 1981.

The Applicant, in compliance with its tariff and previous Orders of this Commission, submitted with its Notice certain information including verification of the rates and charges of its supplier.

After reviewing this evidence of record and being advised, the Commission is of the opinion and finds that:

- 1. The Applicant's supplier, Transmission, has filed for decreased rates to become effective September 1, 1981.
- 2. The application filed September 24, 1981, reflected Transmission's rates as filed with FERC on September 15, 1981, to be made effective September 1, 1981, by FERC.
- 3. The Applicant has proposed to place the decreased rates into effect October 1, 1981. The Applicant shall refund to its customers any over collection experienced during the lag between suppliers effective date of September 1, 1981, and the Applicant's proposed billing date of October 1, 1981.
- 4. The Applicant's adjustment in rates under the Purchased Gas Adjustment provisions approved by the Commission in its Order in Case No. 7273, dated April 23, 1979, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after September 1, 1981, for all rate schedules.

IT IS THEREFORE ORDERED that the Purchased Gas Adjustment sought by the Applicant as set out in Appendix "A" attached hereto and made a part hereof, be and the same, is hereby approved to be effective with gas supplied on and after September 1, 1981.

IT IS FURTHER ORDERED that Applicant shall refund to its customers any over collection experienced during the lag between suppliers effective date of September 1, 1981, and the Applicant's proposed billing date of October 1, 1981.

IT IS FURTHER ORDERED that within 30 days after the date of this Order, Applicant shall file with this Commission its revised tariff sheets setting out the rates approved herein.

IT IS FURTHER ORDERED that the information furnished this Commission by Applicant on September 24, 1981, constitutes full compliance with the Commission's requirements and Order in Case No. 7273, and any other information ordinarily required to be filed under the Commission's regulations is hereby waived.

Done at Frankfort, Kentucky, this 12th day of October, 1981.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Secretary

APPENDIX "A"

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 7273-Z DATED OCTOBER 12, 1981

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES:

Rate Schedule G-S	Rate per MCF
Residential	
First 1 MCF or less per month	\$ 5.626
Next 49 MCF per month	4.350
Next 50 MCF per month	4.300
Next 100 MCF per month	4.270
Next 800 MCF per month	4.240
Over 1,000 MCF per month	4.220
Minimum Monthly Charge	5.63
Commercial and Industrial	
First 1 MCF or less per month	\$5.851
Next 49 MCF per month	4.501
Next 50 MCF per month	4.451
Next 100 MCF per month	4.421
Next 800 MCF per month	4.391
Over 1,000 MCF per month	4.371
Minimum Monthly Charge	5.85
Rate Schedule AC-1: (Canceled)	
Rate Schedule FC-1	
Firm	
First 1,000 MCF per month	\$4.302
Over 1,000 MCF per month	4.252

	Rate	per	MCF	
Curtailable				
All Volume	\$ 4	.102		MA.
Rate Schedule FI-1				***
Firm				
First 5,000 MCF per month Over 5,000 MCF per month		.249		
Interruptible				
All Volume	4	.039		
Rate Schedule FI-2				
Firm				
First 50,000 MCF per month Over 50,000 MCF per month	-	1.148		
Interruptible				
All Volume	3	3.988		
Rate Schedule IS-1				
April through November				
For all Volumes delivered each month up to and including average monthly Winter Volume	es 4	1.448		
For all Volumes in excess of the average monthly Winter Volumes	4	1.048		
Minimum Monthly Charge	600	0.00		
December through March				
All MCF	4	4.448		
Rate Schedule IUS-1				
All Volumes	•	4.093		

The base rates for the future application of the Purchased Gas Adjustment Clause are:

Columbia Gas Transmission Corporation	Demand Per MCF	Commodity Per MCF
Zone 1		. •
Schedule CDS	\$ 2.46	341.08¢
Schedule WS Demand Winter Contract Quantity	\$ 0.95 1.42¢	
Zone 3		
Schedule CDS	\$ 2.46	341.08¢
Schedule WS Demand Winter Contract Quantity	\$ 0.95 1.42¢	
All Zones		
Schedule SGES		27.43¢
Columbia LNG Corporation		
LNG, All Volumes		\$ 5.105