

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE TARIFF APPLICATION OF) CASE NO. 9083 WESTERN KENTUCKY GAS COMPANY)

INTERIM ORDER

On June 11, 1984, Western Kentucky Gas Company ("Western") filed proposed tariff revisions with this Commission to be effective July 1, 1984. Western proposed to amend Rate T-1 to include transportation of customers' storage gas and establish Rate T-2 to provide for the transportation of customer-owned gas. The Commission suspended Western's proposals for 5 months on and after July 1, 1984.

Western states that it currently is transporting storage gas for two customers and seeks to revise the availability clause of Rate T-1 to more accurately describe its use. The customers paid the normal mark up when the gas was purchased for storage, thus the nominal handling charge for transportation.

Rate T-2 would allow Western to transport customer-owned gas at a rate designed to prevent any shift of revenue responsibility among customers. The Commission is not aware of any customers requesting immediate service under this rate schedule. The transportation of customer-owned gas is of concern to this Commission as a number of issues are associated with such tariffs. The influence of Kentucky House Bill 214 and the overall natural gas market as well as rate treatment and transportation service must be examined.

The Commission is of the opinion that Western's proposed revised tariffs, Rates T-1 and T-2, should be approved in the interim, subject to refund, while the Commission studies the transportation of customer-owned gas.

IT IS THEREFORE ORDERED that Western's proposed tariffs (Rates T-1 and T-2) for the transportation of gas be and they hereby are approved subject to refund pending the Commission's final determination in this case.

IT IS FURTHER ORDERED that Western shall maintain its records in such manner as will enable it, the Commission, or any of its customers to determine the amounts to be refunded and to whom due in the event a refund is so ordered.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Western shall file with this Commission its revised tariffs setting out the interim rates authorized herein.

Done at Frankfort, Rentucky, this 2nd day of August, 1984.

PUBLIC SERVICE COMMISSION

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ATTEST:

Secretary