

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

NOTICE OF PENDLETON COUNTY WATER)
DISTRICT, GAS DIVISION, TO INCREASE)
BASIC GAS RATES, TO IMPOSE A) CASE NO. 8568
TEMPORARY GAS SURCHARGE TO PAY ITS)
SUPPLIERS AND MOTION FOR INTERIM)
RATES)

O R D E R

On February 6, 1985, the Commission issued an Order in this proceeding to obtain some measure of assurance that funds collected under an approved surcharge for the purpose of payment of past-due gas bills to Columbia Gas Transmission Corporation ("Columbia") and Columbia Liquified Natural Gas Corporation ("LNG"), were restricted for that purpose. Pendleton County Water District, Gas Division, ("Pendleton County") has substantially complied with that Order with the exception of the filing of information regarding the actual amount collected during the period beginning June 10, 1983, through December 31, 1984, along with evidence that additional monies were deposited to provide escrowed funds based on actual sales. Moreover, the Commission does not have sufficient information before it to determine the current financial condition of Pendleton County, or to make a determination of how and when to require remittance to Columbia and LNG of the escrowed funds. Therefore, the Commission is of

the opinion and finds that a hearing should be scheduled for the purpose of receiving evidence on the financial condition of Pendleton County and recommendations by the parties of record as to how to handle the surcharge and escrowed funds for the payment of past-due gas purchase obligations.

Pendleton County shall provide written comments and/or testimony on these issues by April 4, 1985. Other interested parties may file written comments and/or testimony by April 11, 1985.

Pendleton County is hereby ordered to provide its 1983 and 1984 annual reports and audit reports (if available) as a part of the record in this proceeding by April 1, 1985.

IT IS THEREFORE ORDERED that Pendleton County shall determine the exact amount of MCF of gas sold since the June 10, 1983, Order through December 31, 1984, and provide said information to the Commission by April 1, 1985.

IT IS FURTHER ORDERED that Pendleton County shall, upon the determination required in the preceding ordering paragraph, deposit any additional money required into the escrow account based on the difference between the amount estimated by the Commission staff and the actual amount collected and provide evidence that said deposit has been made by April 1, 1985.

IT IS FURTHER ORDERED that a Show Cause hearing be and it hereby is scheduled on April 18, 1985, at 9:00 a.m., Eastern Standard Time, in Hearing Room No. 1.


IT IS FURTHER ORDERED that Pendleton County shall file written comments and/or testimony on these issues by April 4, 1985.

IT IS FURTHER ORDERED that written comments and/or testimony on these issues by any other parties of record shall be provided to the Commission by April 11, 1985.

IT IS FURTHER ORDERED that Pendleton County shall provide its 1983 and 1984 annual reports and audit reports (if available) to the Commission by April 1, 1985.

Done at Frankfort, Kentucky, this 28th day of March, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary