COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)ADJUSTMENT FILING OF AUXIER) CASE NO. 9318-BROAD GAS COMPANY, INC.)

ORDER

On September 10, 1986, Auxier Road Gas Company, Inc., ("Auxier") notified the Commission that its wholesale cost of gas had been decreased, and proposed new rates. By Order entered September 22, 1986, the Commission denied Auxier's proposed rates and authorized lower rates based on the Commission's Order in Case No. 9318. On October 13, 1986, Auxier filed for rehearing on the grounds that the Order in Case No. 9318 has been enjoined by the Franklin Circuit Court. Based on a review of the record and being advised, the Commission is of the opinion and hereby finds that:

1. Auxier's petition for rehearing should be granted.

2. The injunction issued by the Franklin Circuit Court requires the Commission to allow Auxier to place its proposed rates into effect.

3. The rates proposed by Auxier in its application of September 10, 1986, should therefore be allowed to go into effect, subject to refund, for all gas supplied on and after September 1, 1986. 4. If the existing injunction is dissolved, Auxier should charge the rates approved by the Commission's Order entered in this case on September 22, 1986, and refund the difference.

IT IS THEREFORE ORDERED that:

 Auxier's petition for rehearing be and it hereby is granted.

2. The rates in the Appendix to this Order be and they hereby are authorized, subject to refund, effective with gas supplied on and after September 1, 1986.

3. Within 30 days of the date of this Order Auxier shall file with this Commission its revised tariffs setting out the rates authorized herein.

4. Auxier shall maintain its records in such a manner to enable the Commission or any customer to determine the amounts to be refunded and to whom due in the event a refund is ordered.

Done at Frankfort, Kentucky, this 3rd day of November, 1986.

PUBLIC SERVICE COMMISSION

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Chairman

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ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9318-B DATED 11/03/86

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

RATES: Monthly

First	1,000 Cu.Ft.	\$9.456 Minimum Bill
All Over	1,000 Cu.Ft.	8.676 per 1,000 Cu.Ft.

The base rate for the future application of the purchased gas adjustment clause of Auxier Road Gas Company, Inc., shall be:

Commodity

Columbia Gas of Kentucky, Inc. \$4.379 per Mcf