

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

WESTERN LEWIS-RECTORVILLE WATER AND)
GAS DISTRICT, DELINQUENT PURCHASED)
GAS ACCOUNT WITH COLUMBIA GAS) CASE NO. 9581
TRANSMISSION)

O R D E R

IT IS ORDERED that Western Lewis-Rectorville Water and Gas District ("Western Lewis") shall file an original and eight copies of the following information with this Commission, with a copy to all parties of record, by July 31, 1986, or within 2 weeks after the date of this Order, whichever is later. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to insure that it is legible. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

1. Please provide within 2 days of the close of the calendar month for each month beginning with June 1986, until this case is dismissed, the following information:

a. The amount currently payable to Columbia Transmission.

b. The amount(s) and due dates of all arrearages owed Columbia Transmission.

c. The amounts and due dates of any arrearages owed on long-term debt.

d. A narrative explaining any efforts to negotiate a settlement on any amounts in arrears owed to Columbia Transmission. Please provide copies of any appropriate correspondence.

e. The amount(s) of interest expense or penalties incurred with past-due amounts owed Columbia Transmission.

f. The amount(s) of penalties or additional interest expense incurred with any past-due amounts on long-term debt.

2. Are you aware that Columbia Transmission has applied to the Federal Energy Regulatory Commission ("FERC") for permission to abandon deliveries and sales of natural gas to Western Lewis?

3. If Columbia Transmission is allowed to abandon its deliveries, what arrangements will you make to maintain a supply of gas to your customers?

4. Have you intervened in the FERC proceeding? If not, why?

5. Is the Board of Directors of Western Lewis aware of the delinquency with Columbia Transmission?

6. As Chairman, what has the Board of Directors directed you to do about the delinquency?

7. As members of the Water and Gas District, the customers are in essence owners of the gas system. In the regularly scheduled meetings conducted by the Board has the delinquency been discussed with the members? If not, why?

8. According to information filed on June 25, 1986, payments to Columbia Transmission were missed in March 1984; in January 1985; and in January 1986. Provide copies of the minutes for all Board meetings for the following periods:

- a. February, March and April 1984.
- b. December 1984 and January and February 1985.
- c. December 1985 and January through July 1986.

9. Is Western Lewis delinquent in any other bills?

Done at Frankfort, Kentucky, this 28th day of July, 1986.

PUBLIC SERVICE COMMISSION

Richard D. Wemmer

For the Commission

ATTEST:

Executive Director