

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES OF AUXIER ROAD)
GAS COMPANY, INC., FOR AN INCREASE) CASE NO. 9318
IN GAS RATES)

ORDER ON REMAND

On February 26, 1988, the Franklin Circuit Court entered an Order in Auxier Road Gas Company, Inc., v. Public Service Commission, et al., Civil Action No. 86-CI-1356, remanding this rate case to the Commission for entry of an Order approving new rates and refunding a portion of the rates previously collected. Pursuant to the Court's directive, the Commission will authorize Auxier Road Gas Company, Inc., ("Auxier Road") to implement rates as follows:

Monthly Rate

Minimum Bill First 1MCF	\$8.23
All Over 1MCF	\$7.39 per MCF

(These rates are based on a wholesale gas cost of \$3.5939 per MCF. Subject to adjustment as provided for in Auxier Road's Purchase Gas Adjustment Clause.)

Auxier Road will also refund \$42,922 to those customers that had been charged rates in excess of those approved by the Commission. The refund will be made by applying to each such customer's bill a refund factor of \$2.15 per MCF for the period February 1988 through October 1988.

IT IS THEREFORE ORDERED that:

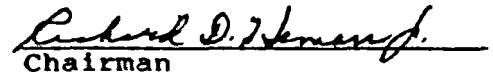
1. Auxier be and it hereby is authorized to implement the rates set forth in this Order, to be effective for bills rendered on and after February 26, 1988, the date of entry of the Franklin Circuit Court Order.

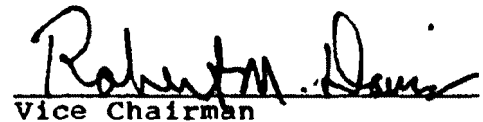
2. Auxier shall make refunds as provided herein in the amount of \$42,922, by applying a refund factor of \$2.15 per MCF.

3. Auxier shall file a refund report every 3 months setting forth its monthly gas sales and monthly refunds.

Done at Frankfort, Kentucky, this 1st day of March, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director