

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES OF COLUMBIA GAS
OF KENTUCKY, INC.

) CASE NO.
) 10498

O R D E R

IT IS ORDERED that the Attorney General of Kentucky, by and through his Utility and Rate Intervention Division, ("Attorney General") shall file the original and 12 copies of the following information with the Commission with a copy to all parties of record no later than June 23, 1989. If the information cannot be provided by this date, the Attorney General should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission.

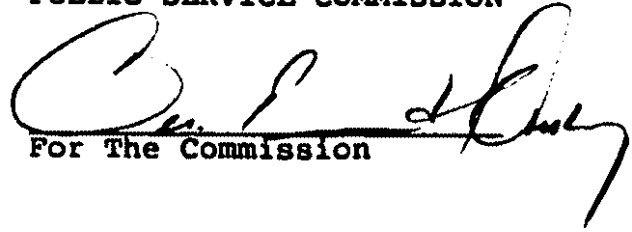
INFORMATION REQUESTED OF ATTORNEY GENERAL WITNESS JAMES W. FREEMAN

1. Provide the Commission with your understanding of Columbia Gas of Kentucky's ("CKY") service contract with Columbia Gas Service Corporation. Specifically, under this contract is CKY providing payments to Columbia Gas Service Corporation for services that are typically identified as flotation costs?

2. If these costs of CKY are recovered as expense items, do you think it would still be necessary to adjust return on equity for these costs? If yes, explain your reasoning in full.

Done at Frankfort, Kentucky this 16th day of June, 1989.

PUBLIC SERVICE COMMISSION


For The Commission

ATTEST:

Executive Director