

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF COLUMBIA) CASE NO. 90-063-C
GAS OF KENTUCKY, INC.)

O R D E R

On October 10, 1990, the Commission issued its Order in Case No. 90-063 approving certain adjustment in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On January 31, 1992, Columbia Gas of Kentucky, Inc. ("Columbia") filed its revised semiannual gas cost adjustment ("GCA") which is to become effective March 1, 1992.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Columbia's notice of January 31, 1992 set out certain revisions in rates which Columbia proposed to place into effect, said rates being designed to pass on to its customers the wholesale decrease in gas cost from its suppliers in the amount of 24.67 cents per Mcf excluding take-or-pay billings. Columbia's expected gas cost for the semi-annual period beginning March 1, 1992 is \$3.4853 per Mcf.

2. Columbia's notice set out a Special Agency Service ("SAS") refund adjustment of .06 cents per Mcf. This adjustment returns a portion of Columbia's SAS revenues to its customers.

3. Columbia's notice set out a total supplier refund adjustment of 6.57 cents per Mcf. This adjustment is composed of 6.41 cents per Mcf from a previous adjustment and a current adjustment of .16 cents per Mcf which is calculated to return total supplier refunds on hand of \$9,324, including interest.

4. Columbia's notice included the actual cost adjustment of (5.94) cents per Mcf previously approved to return overcollections to its customers.

5. Columbia's notice set out a balancing adjustment in the amount of (3.91) cents per Mcf to reconcile previous balancing and actual adjustments.

6. Columbia's notice set out a fixed charge recovery rate of 1.05 cents per Mcf to recover pipeline contract reformation and take-or-pay charges from its customers.

7. Columbia's gas cost recovery rate of \$3.3310, which includes the fixed charge recovery component, represents a decrease in retail rates of 24.54 cents per Mcf. This decrease is composed of the combined effect of the supplier decrease, actual cost, balancing and refund adjustments.

8. Columbia's adjustment in rates, under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 90-063, dated October 10, 1990, is fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after March 1, 1992.

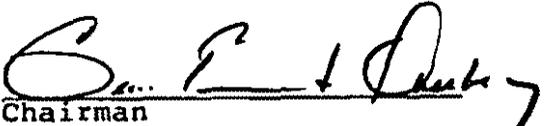
IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order, attached hereto and incorporated herein, are fair, just, and reasonable, and are approved effective with gas supplied on and after March 1, 1992.

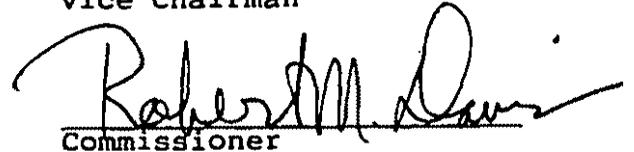
2. Within 30 days of the date of this Order, Columbia shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 28th day of February, 1992.

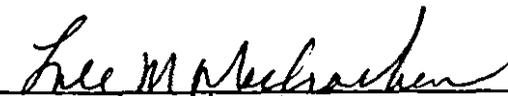
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO 90-063-C DATED 2/28/92

The following rates and charges are prescribed for the customers served by Columbia Gas of Kentucky, 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 date of this Order.

CURRENTLY EFFECTIVE BILLING RATES

	<u>Base Rate Charge</u> \$	<u>Gas Cost Adjustment</u> \$ 1/	<u>Total Billing Rate</u> \$
<u>RATE SCHEDULE GS</u>			
First 1 Mcf or less per Mo.			
Residential	7.45	3.3310	10.7810
Commercial or Industrial	16.34	3.3310	19.6710
Next 49 Mcf per Mo.	1.6872	3.3310	5.0182
Next 150 Mcf per Mo.	1.6378	3.3310	4.9688
Over 200 Mcf per Mo.	1.5886	3.3310	4.9196
<u>Delivery Service</u>			
<u>Demand Charge</u>			
Demand Charge times Firm Mcf Volume in Customer Service Agreement		7.7914	7.7914
Volumetric	1.5886	.0078	1.5964
<u>RATE SCHEDULE FI</u>			
Customer Charge	135.79		135.79
<u>Customer Demand Charge</u>			
Demand Charge times Firm Mcf Volume in Customer Service Agreement		7.7914	7.7914
Commodity Charge-All Volume	.5573	3.3310	3.8883
<u>Delivery Service</u>			
Interruptible	.4861	.0078	.4939

RATE SCHEDULE IS

Customer Charge	135.79		135.79
Commodity Charge	.5573	3.3310	3.8883
<u>Delivery Service</u>			
Interruptible	.4861	.0078	.4939

RATE SCHEDULE IUS

For all Volumes Delivered each Month	.1735	3.3310	3.5045
<u>Delivery Service</u>	.1735	1.1141	1.2876
<u>Delivery Service - Mainline</u>	.1000		.1000
(D) Decrease			
(I) Increase			

1/ The Gas Cost Recovery Rate, as shown, is an adjustment per Mcf determined in accordance with the "Semi-Annual Gas Cost Adjustment Clause" as set forth on Sheets 80 through 82 of this tariff.