

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE GAS TRANSPORTATION AGREEMENT)
BETWEEN SCOTTY'S CONTRACTING AND)
STONE COMPANY AND NATURAL GAS) CASE NO. 93-283
OF KENTUCKY, INC.)

O R D E R

On July 22, 1993, Natural Gas of Kentucky, Inc. ("Natural Gas") filed a proposed transportation tariff and agreement to transport gas to Scotty's Contracting and Stone Company ("Scotty's").

On August 19, 1993, an Order was entered establishing this case for the purpose of investigating the reasonableness of certain provisions of that contract.

On September 14, 1993, Natural Gas filed an additional gas transportation agreement with Larry Glass Construction Company ("Glass Construction").

On November 5, 1993, the Commission issued its Order directing Natural Gas to provide information to clarify the proposed service and the price of such service. This information was filed November 23, 1993.

After reviewing the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Natural Gas' proposed transportation tariff is reasonable and should be approved.

2. Natural Gas has shown that it will be providing only transportation service to Scotty's and Glass Construction. This service is pursuant to its Transportation Service Tariff approved herein; therefore, these contracts should also be approved.

3. Natural Gas' filing of November 23, 1993 clarified the pricing terms of the contracts. Natural Gas should include the letter agreements showing the transportation rates of \$3.00 with its contracts when it files the contracts along with its approved tariff.

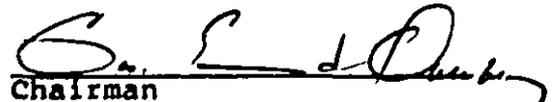
IT IS THEREFORE ORDERED that:

1. Natural Gas' Transportation Service Tariff and contracts, as revised for price clarification, be and they hereby are approved.

2. Within 20 days of the date of this Order, Natural Gas shall file its tariff and transportation contracts as approved herein.

Done at Frankfort, Kentucky, this 31st day of January, 1994.

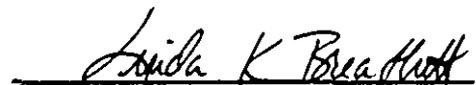
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner