

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF CITIPOWER, L.L.C. OF)
WHITLEY CITY, KENTUCKY FOR FURNISHING)
NATURAL GAS SERVICE IN MCCREARY) CASE NO. 97-528
COUNTY, KY)

O R D E R

On November 12, 1997, Citipower L.L.C. ("Citipower") filed its original tariff under which it will provide natural gas service as a local distribution company in McCreary County, Kentucky. Previously Citipower provided limited gas service in this area as a farm tap system. The Commission requested additional information by Orders dated April 23, 1998 and July 14, 1998, and Citipower responded to each request.

After reviewing the record and being otherwise sufficiently advised, the Commission finds that Citipower's tariff, designated "P.S.C. Ky. No. 1" and consisting of Original Sheet Nos. 1-20, should be approved with the following modifications:

1. Original Sheet No. 2. In the section designated "2) rates," the first sentence should be revised to delete the reference to Sheet 21. As revised, the sentence should be: "The applicable rates for service rendered on a monthly basis are set forth on Sheets 18, 19, and 20."

2. Original Sheet No. 6.

a. Pursuant to Citipower's response to the Commission's July 14, 1998 Order, Item Nos. 1-3, the Turn-on Charge should be \$25 instead of \$30.

b. The reference to the assessment of a tap fee should be deleted from the Turn-on Charge section. No tap fee has been separately set out or supported

in this filing. Moreover, the Commission considers tap fees inappropriate for distribution companies.

3. Original Sheet No. 7.

a. In the third line of the Reconnect Charge section, the word "OSC" should be "PSC."

b. Consistent with Citipower's revised Nonrecurring Charge Cost Justification Sheets, the Termination or Field Collection Charge should be \$25 instead of \$35; the Special Meter reading charge should be \$18 instead of \$6; the Meter Resetting Charge should be \$25 instead of \$35; the Meter Test Charge should be \$25 instead of \$34; and the Returned Check Charge should be \$18 instead of \$18.50. The Late Payment Penalty should be approved at 10 percent.

c. The Termination or Field Collection Charge should be modified to reflect Citipower's response to the Commission's April 23, 1998 Order, Item 2(b), limiting the charge to once in any billing period. The heading of this section should also be modified to read "Field Collection Charge" rather than "Field Connection Charge."

d. The Late Payment Penalty should be modified to reflect Citipower's response to the Commission's April 23, 1998 Order, Item 2(c), limiting the charge to once on any bill for rendered service.

4. Original Sheet No. 8. The Continuous or Uniform Service section should be modified to provide a standard pressure of four ounces as set out in Citipower's response to the Commission's April 23, 1998 Order, Item 1.

5. Original Sheet No. 17. The sample billing form should conform to Citipower's response to the Commission's April 23, 1998 Order, Item 3.

6. Original Sheet No. 18. The heading and Availability of Service section should be revised by substituting "Residential" for "Domestic" customers, and the rates for service should specify that they are volumetric, per Mcf, rates.

7. Original Sheet No. 19. The Rate section should be revised by substituting "Institutional" for "Institutions" and the rates for service should specify that they are volumetric, per Mcf, rates.

8. Original Sheet No. 20. The rates of service should specify that they are volumetric, per Mcf, rates.

9. Original Sheet Nos. 21 through 28, consisting of Citipower's cost justification for its nonrecurring charges, should be deleted since these sheets are inappropriate for inclusion in the tariff itself.

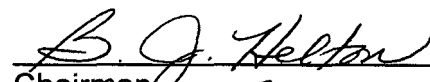
IT IS THEREFORE ORDERED that:

1. Citipower's proposed tariff as modified herein is approved for service on and after the date of this Order.

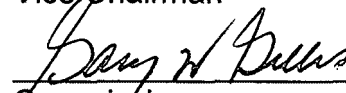
2. Within 30 days of the date of this Order, Citipower shall file its revised tariff reflecting the modifications set forth herein.

Done at Frankfort, Kentucky, this 23rd day of September, 1998.

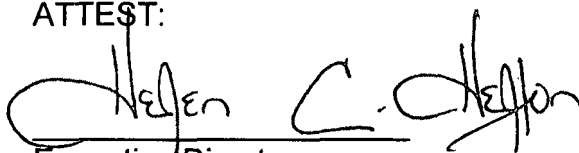
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director