

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF THE UNION LIGHT,) CASE NO. 8373-H
HEAT AND POWER COMPANY)

O R D E R

On April 16, 1982, the Commission issued its Order in Case No. 8373, approving certain rates and providing for adjustments of these rates on a quarterly basis in accordance with the provisions of the gas cost adjustment clause set forth therein.

On December 1, 1983, The Union Light, Heat and Power Company ("Union") filed a revised quarterly gas cost adjustment which is to become effective January 3, 1984, and is to remain in effect until March 30, 1984.

After reviewing the record filed in this case and being advised, the Commission is of the opinion and finds that:

(1) Union's notice of December 1, 1983, set out certain revisions in rates which Union proposed to place into effect said rates being designed to pass on the wholesale decrease in gas costs from its supplier in the amount of \$1,196,504 or 10.9 cents per Mcf.

(2) Union's notice set out refunds due its customers in the amount of \$480,647 which includes a current quarterly supplier refund of \$10,843. Union proposes to refund this amount by applying a refund factor in the amount of 4.4 cents per Mcf. This amount includes interest at a rate equal to the average of the "3-Month Commercial Paper Rate" for the immediately preceding 12-month period less 1/2 of 1 percent to cover the costs of refunding.

(3) Union's notice set out a balancing adjustment in the amount of \$413,541 to compensate for previous over-recovery of gas cost by the company through the operation of its gas cost recovery procedure. Union proposes a balancing adjustment factor of 3.8 cents per Mcf to refund this past cost.

(4) Union proposes a gas cost recovery rate for exempt customers in the amount of \$4.776 per Mcf, an increase of \$0.049 per Mcf. This increase represents the combined effect of the supplier decrease, refund and balancing adjustments.

(5) Union's adjustment in rates under the gas cost adjustment provisions approved by the Commission in its Order in Case No. 8373 dated April 16, 1982, is fair, just and reasonable and in the public interest and should be effective with bills rendered on and after January 3, 1984.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective for bills rendered on and after January 3, 1984.

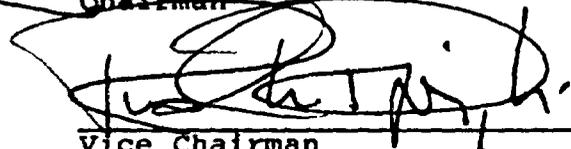
IT IS FURTHER ORDERED that the gas cost recovery rate for exempt customers shall be \$4.776 per Mcf effective for bills rendered on and after January 3, 1984.

IT IS FURTHER ORDERED that within 30 days of the date of this Order, Union shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky this 27th day of December, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8373-H DATED DECEMBER 27, 1983

The following rates and charges are prescribed for the customers served by Union Light, Heat and Power Company. 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.

RATE GS

GENERAL SERVICE

<u>Base</u> <u>Rate</u>	<u>Gas</u> <u>Cost</u> <u>Adjustment</u>	<u>Total</u> <u>Rate</u>
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All gas used 10.99¢ plus 47.76¢ equals 58.75¢ per 100 cu. ft.

The "Gas Cost Adjustment" as shown above, is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 19 of this tariff.

RIDER R-ACS-1

SUMMER AIR CONDITIONING SERVICE

All additional gas use will be billed at:

<u>Base</u> <u>Rate</u>	<u>Gas</u> <u>Cost</u> <u>Adjustment</u>	<u>Total</u> <u>Rate</u>
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All gas used 6.83¢ plus 47.76¢ equals 54.59¢ per 100 cu. ft.

The "Gas Cost Adjustment" as shown above is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 19 of this tariff.

RIDER G-ACS-1

SUMMER AIR CONDITIONING SERVICE

Next 10,000 cubic feet of gas per ton is installed absorption type Summer Air Conditioning equipment at:

<u>Base</u> <u>Rate</u>	<u>Gas</u> <u>Cost</u> <u>Adjustment</u>	<u>Total</u> <u>Rate</u>
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All gas used 6.83¢ plus 47.76¢ equals 54.59¢ per 100 cu. ft.

The "Gas Cost Adjustment" as shown above, is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 19 of this tariff.

RATE F

Special Contract - Firm Use

<u>Base</u> <u>Rate</u>	<u>Gas</u> <u>Cost</u> <u>Adjustment</u>	<u>Total</u> <u>Rate</u>
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All gas used 7.97¢ plus 47.76¢ equals 55.73¢ per 100 cu. ft.

The "Gas Cost Adjustment" as shown above, is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 19 of this tariff.

RATE OP

OFF PEAK

(2) Off Peak Gas (i.e., Gas in excess of Firm Use) shall be billed in accordance with the following:

<u>Base</u> <u>Rate</u>	<u>Gas</u> <u>Cost</u> <u>Adjustment</u>	<u>Total</u> <u>Rate</u>
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All consumption 4.68¢ plus 47.76¢ equals 52.44¢ per 100 cu. ft.

The "Gas Cost Adjustment" as shown above, is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 19 of this tariff.