

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT)
FILING OF WESTERN LEWIS-)
RECTORVILLE WATER AND GAS DISTRICT) CASE NO. 2006-00344

ORDER

On May 12, 1993, in Case No. 1992-00331, the Commission approved rates for Western Lewis-Rectorville Water and Gas District ("Western Lewis") and provided for their further adjustment in accordance with Western Lewis's gas cost adjustment ("GCA") clause.¹

On July 10, 2006, Western Lewis filed its proposed interim GCA to be effective August 1, 2006. Western Lewis requests a waiver of the 30-day notice period in order to incorporate a recent price change from its supplier. As KRS 278.180 permits the Commission to shorten the required notice period for good cause, the Commission finds the request should be granted.

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

1. Western Lewis's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.

¹ Case No. 1992-00331, The Application of Western Lewis-Rectorville for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities, Order dated May 12, 2003.

2. Western Lewis's notice sets out an expected gas cost ("EGC") of \$10.2296 per Mcf, which is an increase of 84.64 cents per Mcf from its prior EGC of \$9.3832.

3. Western Lewis's notice sets out no refund adjustment.

4. Western Lewis's notice sets out no current quarter actual adjustment ("AA"). Western Lewis's total AA is (\$3.1012) per Mcf, which is no change from its previous total AA.

5. Western Lewis's notice sets out no current quarter balance adjustment ("BA"). Western Lewis's notice sets out a total BA of (3.36) cents per Mcf, which is no change from its previous total BA.

6. Western Lewis's gas cost recovery rate ("GCR") is \$7.0948 per Mcf, which is an increase of 84.64 cents per Mcf from its previous rate of \$6.2484.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Western Lewis on and after August 1, 2006.

IT IS THEREFORE ORDERED that:

1. Western Lewis's request to shorten the period in which it must provide notice of the proposed adjustment from 30 days to 20 days is granted.

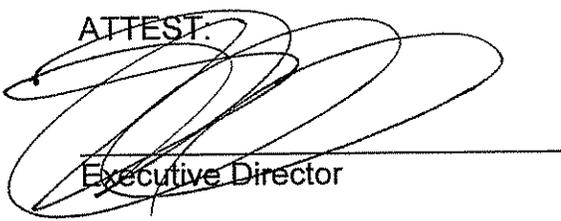
2. The rates in the Appendix to this Order are approved for billing for service rendered on and after August 1, 2006.

3. Within 20 days of the date of this Order, Western Lewis shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 21st day of July, 2006.

By the Commission

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00344 DATED July 21, 2006.

The following rates and charges are prescribed for the customers served by Western Lewis–Rectorville Water and Gas District. 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 effective date of this Order.

RETAIL RATES:

Customer Charge \$1.00 per month

Monthly usage

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1,000 cubic feet or less (Minimum Bill)	\$3.9883	\$7.0948	\$11.0831
Next 4,000 cubic feet per 1,000 cubic feet	1.4565	7.0948	8.5513
Next 5,000 cubic feet per 1,000 cubic feet	1.3970	7.0948	8.4918
Over 10,000 cubic feet per 1,000 cubic feet	1.2228	7.0948	8.3176