

COMMONWEALTH OF KENTUCKY
BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of

THE REQUEST OF MAGOFFIN COUNTY)
GAS COMPANY FOR AN EXEMPTION FROM) CASE NO. 7581
807 KAR 50:015 (BUDGET BILLING)
PLAN))

O R D E R

On September 10, 1979, the Commission notified Magoffin County Gas Company that it must comply with Commission Regulation 807 KAR 50:015(11) by implementing a budget billing plan before the end of calendar year 1979. Thereafter, by letter dated September 12, 1979, the Company requested an exemption from the requirement of implementing a budget billing plan.

The Commission decided to treat this letter as an application to deviate from the provisions of 807 KAR 50:015(11); therefore, the matter was set for hearing on the 3rd day of October, 1979, in the Commission's office in Frankfort, Kentucky. The hearing was held as scheduled with one intervenor, the Attorney General's Division of Consumer Protection, being present.

On October 22, 1979, after the closing of the record in the above-styled case, the Attorney General's Division of Consumer Protection filed its Motion seeking permission to file a brief in this matter. The Commission, by Order dated November 2, 1979, sustained the Motion and ordered the brief to be submitted on or before November 15, 1979. The brief was filed on November 15, 1979, and made a part of the record herein. The case was then submitted to the Commission for final determination.

The Commission, after consideration of the application and all evidence of record, is of the opinion and FINDS that:

(1) The Applicant serves approximately 60 customers who would be eligible for any budget plan instituted by Applicant.

(2) The Applicant has made and is continuing efforts to offer individually fashioned partial payment plans to customers experiencing hardships.

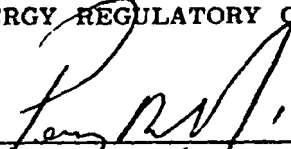
(3) The cost to the Applicant's average customer is very low; ranging from a low of \$2.38 in the summer months to a high of approximately \$30.00 in the winter or heating months.¹

Taking into consideration the above findings, along with the fact that the operating problems connected with the implementation of a budget plan could impair the Applicant's operations, the Commission is of the opinion and further finds that a budget billing plan is not justified in this instance.

IT IS THEREFORE ORDERED, that Magoffin County Gas Company is hereby granted a one (1) year exemption, from the date of the hearing, or until October 3, 1980, to implement a budget billing plan.

Done at Frankfort, Kentucky, this the 2nd day of April, 1980.

ENERGY REGULATORY COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

¹Pages 9 and 10 of the transcript of the hearing of October 3, 1979.