

COMMONWEALTH OF KENTUCKY  
BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of:

THE APPLICATION OF THE ELAM UTILITY )  
COMPANY FOR PURCHASED GAS ADJUSTMENT ) CASE NO. 7601-A  
OF RATES )

O R D E R

On January 9, 1980, the Commission issued an Interim Order in Case No. 7601 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On January 22, 1980, the Applicant, Elam Utility Company, notified the Commission that its wholesale cost of gas would be increased by its supplier, Columbia Gas Transmission (Transmission), effective January 1, 1980, and submitted with its Notice certain information in compliance with this Commission's Order of January 9, 1980. The Notice set out certain revisions in rates which the Applicant proposed to place in effect, said rates being designed to increase the cost of natural gas of its supplier in the amount of \$23,360.

On December 28, 1979, the Federal Energy Regulatory Commission (FERC) accepted for filing Transmission's Fifty-Eighth Revised Sheet No. 16 to be effective January 1, 1980.

After reviewing this evidence of record and being advised, the Commission is of the opinion and finds:

1. That the Energy Regulatory Commission is being asked to approve a price increase already approved by the Federal Energy Regulatory Commission when it granted the Applicant's supplier, Columbia Gas Transmission Corporation, a wholesale gas cost increase. We are of the opinion that failure to allow this increase to be passed through to its retail consumers on a timely basis would be unfair and unjust to the Company and would ultimately result in higher rates to their consumers in any event. The Commission has (in writing) indicated its opposition to the procedures and regulations used by the Federal agency in approving these supplier in-

creases since 1975. We continue to be opposed and are continuing to seek alternative ways to overcome the regulatory inequities which have such a direct impact on the retail consumers.

2. That the Applicant's supplier, Transmission, has filed for increased rates to become effective January 1, 1980.

3. That this increase reflected Transmission's rates as accepted by FERC on December 28, 1979, and made effective January 1, 1980, by FERC.

4. That the Applicant's adjustment in rates under the Purchased Gas Adjustment Clause approved by the Commission in its Order in Case No. 7601 dated January 9, 1980, is fair, just and reasonable, in the public interest and should be effective with gas supplied on and after the date of this Order.

IT IS THEREFORE ORDERED that said Purchased Gas Adjustment sought by the Applicant and adjusted as aforesaid mentioned be and the same is hereby approved to be effective with gas supplied on and after February 11, 1980, as set out in Appendix "A" attached hereto and made a part hereof.

IT IS FURTHER ORDERED that for the purpose of the future application of the Purchased Gas Adjustment Clause of the Applicant the Base Rate for purchased gas shall be:

Commodity

Columbia Gas Transmission Corporation

Schedule SGS

\$2.5646 per MCF

IT IS FURTHER ORDERED that the information furnished this Commission by Applicant on January 22, 1980, constitutes full compliance with the Commission's Order in Case No. 7601 and any other information ordinarily required to be filed under the Commission's Regulations is hereby waived.

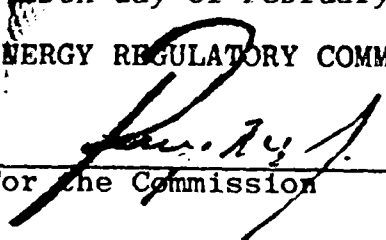
IT IS FURTHER ORDERED that within thirty (30) days after the date of this Order, Applicant shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 15th day of February, 1980.

ATTEST:

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Secretary

ENERGY REGULATORY COMMISSION

  
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For the Commission

APPENDIX "A"

APPENDIX TO AN ORDER OF THE ENERGY REGULATORY  
COMMISSION IN CASE NO. 7601-A DATED FEBRUARY 15, 1980

The following rates are prescribed for the customers in the area served by Elam Utility Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES: Monthly

First	1,000 Cu. Ft. or Less Per Month	\$7.2239
Next	10,000 Cu. Ft.	4.8189 per MCF
Next	10,000 Cu. Ft.	4.7489 per MCF
Next	19,000 Cu. Ft.	4.6889 per MCF
Next	460,000 Cu. Ft.	4.6189 per MCF
Over	500,000 Cu. Ft.	4.4789 per MCF