

COMMONWEALTH OF KENTUCKY  
BEFORE THE ENERGY REGULATORY COMMISSION

\* \* \* \* \*

In the Matter of

THE TARIFF FILING P.S.C. NO. 15 )  
ORIGINAL SHEET NO. 8-C (SELLER'S )  
OPTION SERVICE RATE SO) BY WESTERN ) CASE NO. 7742  
KENTUCKY GAS COMPANY )

O R D E R

On January 30, 1980 the Commission received a letter from Western Kentucky Gas Company (Appendix "A") stating, among other things, that as a result of conservation measures by its customers and additional supplies made available by Texas Gas Transmission Corporation and Tennessee Gas Transmission Company, more gas is now available than is required by present customers. Accordingly the letter states that the Company intends to extend acceptance of customers under its Controlled Attachment Program to include Priorities 4, 5 and 6. These Priorities are:

4. Essential agricultural uses.
5. Commercial establishments with peak day use over 50 mcf.
6. Industrial process and feedstock uses.

New industrial customers would be offered service under a "Seller's Option" tariff and volumes would be subject to reductions and interruption on both a daily and seasonal basis prior to the interruption of customers on any other rate schedule.

The Commission having considered the matter and being advised hereby ORDERS That the tariff, PSC No. 15, Sheet No. 8-C (Seller's Option Rate SO) be and it hereby is suspended for a period of five (5) months from and after February 21, 1980.

IT IS FURTHER ORDERED That this matter be and it hereby is set for hearing on March 12, 1980, 1:30 p.m., Eastern Standard Time, in the Commission's offices at Frankfort, Kentucky.

IT IS FURTHER ORDERED That nothing contained herein shall prevent the Commission from entering further Orders in this matter

in the event the proceedings in this case shall be terminated by final Order and/or otherwise prior to the termination of the five month period of suspension.

Done at Frankfort, Kentucky, this 28th day of February, 1980.

ENERGY REGULATORY COMMISSION

  
\_\_\_\_\_  
For the Commission

ATTEST:

\_\_\_\_\_  
Secretary



Appendix "A"

WESTERN KENTUCKY GAS COMPANY

311 WEST SEVENTH STREET · TELEPHONE (502) 684-8811 · OWENSBORO, KENTUCKY 42301

7742

January 29, 1980

RECEIVED

JAN 30 1980

ENERGY REGULATORY  
COMMISSION

Mr. Richard D. Heman, Jr.  
Secretary  
Energy Regulatory Commission  
P. O. Box 615  
Frankfort, Kentucky 40601

Dear Mr. Heman:

On September 5, 1973, in Case No. 5845 the Commission approved the Company's Controlled Attachment Program, which permitted the Company to accept new customers on a priority basis as gas supply became available. This program was revised effective March 21, 1979, in order to recognize the effect of the Natural Gas Policy Act of 1978 which gave high priority status to schools, hospitals and similar institutions and also elevated the priority status of essential agricultural users. This revision was filed with the Commission in First Revised Sheet No. 18 of the Company's tariff.

In August of 1979 the Company advised the Commission that it had, effective August 1, 1979, extended its Controlled Attachment Program to accept new customers through Priority 3. This action was taken to protect the Company's high priority entitlement status with its interstate pipelines.

As a result of conservation measures by its customers and additional supply made available by Texas Gas and Tennessee Gas, the Company currently has more gas available than is required by its present customers. This excess supply position is expected to prevail for at least several seasons. The Company therefore intends to extend acceptance of customers under its Controlled Attachment Program to include Priorities 4, 5 and 6. However, in order to fully protect its present customers, new industrial customers will be offered service under a "Seller's Option" tariff. This tariff is the same as the Company's Large Volume Rate G-2, except that volumes under this service are subject to reductions and interruption on both a daily and seasonal basis prior to interruption of customers on any other rate schedule. In compliance with an amended order of the Commission issued February 7, 1974 in Case No. 5845, any investment required to affect a sale under this tariff will be at the expense of the buyer.

7742

Mr. Richard D. Feman, Jr.

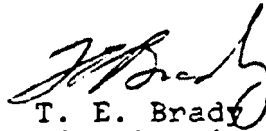
2.

January 29, 1980

We are filing herewith PSC No. 15 Original Sheet No. 8-C setting out the provisions of Seller's Option Service Rate SO. This tariff will not result in an increase of rates or charges to any customer.

Very truly yours,

WESTERN KENTUCKY GAS COMPANY



T. E. Brady  
Vice President - Engineering

TEB:ck  
Enclosures

7742

For Entire Service Area

Community, Town or City

P. S. C.

No. 15

{ Original } SHEET No. 8-C  
{ Revised }

WESTERN KENTUCKY GAS COMPANY

Name of Issuing Corporation

Cancelling P. S. C.

No.

{ Original } SHEET No.  
{ Revised }

CLASSIFICATION OF SERVICE

SELLER'S OPTION RATE SO

1. Applicable:

In supply areas where gas supply is available under the Company's Controlled Attachment Program. (See Sheet No. 18)

2. Availability of Service:

Gas shall be available under this service only to the extent that the gas supply to the Company is in excess of Company's contractual obligations to customers served under Rates G-1 and G-2. Service under this rate schedule shall be interrupted or reduced on both a daily and seasonal basis prior to interruption or reduction of service to customers on Rates G-1 and G-2.

3. Rate:

The rate under this service shall be the same as the Company's large Volume Rate G-2. (See Sheet No. 4)

4. Special Conditions:

Any investment required to affect a sale under this tariff shall be at the expense of the buyer.

5. Terms and Conditions:

The terms and conditions under this tariff shall be the same as the Company's Large Volume Rate G-2, except as to Availability of Service as specified in paragraph 2, and Special Conditions as specified in paragraph 4 of this tariff.

DATE OF ISSUE January 30, 1980

DATE EFFECTIVE February 21, 1980

ISSUED BY

*[Signature]*  
name of officer

President

Owensboro, Kentucky

Form of Rate Schedules

7742

For Entire Service Area

Community, Town or City

P. S. C.

No. 15

First {Original} SHEET No. 18  
          {Revised}

Cancelling P. S. C. No. 15

{Original} SHEET No. 18  
          {Revised}

WESTERN KENTUCKY GAS COMPANY

Name of Issuing Corporation

## CLASSIFICATION OF SERVICE

## CONTROLLED ATTACHMENT PROGRAM

The Company will accept applications for service from prospective customers: When gas supply becomes available, the Company will serve new customers in chronological order on the following priority basis:

1. Residential units.
  - a. On existing mains
  - b. Others
2. Commercial establishments with peak day use less than 50 mcf.
  - a. Base load applications
  - b. Heating load applications
3. Schools, hospitals and similar institutions.
4. Essential agricultural uses.
5. Commercial establishments with peak day use over 50 mcf.
6. Industrial process and feedstock uses.
7. Other industrial applications.

This priority schedule shall apply separately to the Company's individual supply areas, which are as follows:

- Texas Gas Zone 2
- Texas Gas Zone 3
- Texas Gas Zone 4
- Tennessee Gas G-2, Danville
- Tennessee Gas G-2, Harrodsburg
- Tennessee Gas G-2, Lebanon
- Tennessee Gas G-2, Campbellsville
- Tennessee Gas GS-2, Greensburg, et al

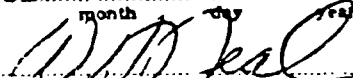
These priorities are subject to modification by the PSC from time to time.

(T)

DATE OF ISSUE March 1, 1979

DATE EFFECTIVE March 21, 1979

ISSUED BY



President

Owensboro, Kentucky

title

address