

COMMONWEALTH OF KENTUCKY
BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of:

MOTION TO ADJUST RATES IN ACCORDANCE)
WITH PURCHASED GAS ADJUSTMENT CLAUSE) CASE NO. 4378-Z
OF ELZIE NEELEY GAS COMPANY, INC.)

O R D E R

On March 25, 1965, the Commission issued its Final Order in Case No. 4378 approving certain rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On February 19, 1981, the Applicant, Elzie Neeley Gas Company, Inc., notified the Commission that its wholesale cost of gas would be increased by one of its suppliers, Columbia Gas of Kentucky, Inc., effective March 1, 1981, and submitted with its notice certain information in compliance with this Commission's Order of March 25, 1965. The notice set out certain revisions in rates which the Applicant proposed to place into effect, said rates being designed to increase the cost of natural gas of its supplier.

The amount of the increased cost of gas to the Applicant will be \$3,855 on an annual basis.

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

(1) That the Applicant's supplier has filed increased rates and said rates will become effective on and after March 1, 1981.

(2) That the Applicant's notice of February 19, 1981, failed to provide the twenty (20) days notice as required by Statute and, therefore, the rates should become effective for service rendered on and after March 11, 1981.

(3) That the Applicant's adjustment in rates under the Purchased Gas Adjustment approved by the Commission in its Order in Case No. 4378 dated March 25, 1965, is fair, just and reasonable and in the public interest and should be allowed to be effective with gas supplied on and after March 11, 1981.

IT IS THEREFORE ORDERED that the rates including the proposed Purchased Gas Adjustment be and the same are hereby approved to be effective with gas supplied on and after March 11, 1981, 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:

	<u>Commodity</u>
Columbia Gas of Kentucky, Inc.	\$ 3.347 per Mcf

IT IS FURTHER ORDERED that the information furnished this Commission by the Applicant on February 19, 1981, constitutes full compliance with the Commission's Order 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, the Applicant shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 26th day of February, 1981.

ENERGY REGULATORY COMMISSION


By the Commission

ATTEST

Secretary

APPENDIX "A"

APPENDIX TO AN ORDER OF THE ENERGY REGULATORY
COMMISSION IN CASE NO. 4378-Z DATED FEBRUARY 26,
1981.

The following rates are prescribed for the customers in
the area served by Elzie Neeley Gas Company, Inc. All other
rates and charges not specifically mentioned herein shall
remain the same as those in effect under authority of the Com-
mission prior to the date of this Order.

RATES: Monthly

First 3,000 Cubic Feet

\$11.8529 Minimum Bill

All Over 3,000 Cubic Feet

4.0064 Per MCF