COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF JOHNSON COUNTY)
GAS COMPANY, INC., TO DECREASE) CASE NO. 7059-BB
ITS RETAIL GAS RATES)

ORDER

On November 17, 1978, the Commission issued its Order in Case No. 7059, prescribing certain rates and authorizing a purchased gas adjustment clause.

On April 20, 1981, the Applicant, Johnson County Gas Company, Inc., notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas of Kentucky, Inc., ("Columbia"), effective May 1, 1981, and submitted with its notice certain information in compliance with this Commission's Order of November 17, 1978. The notice set out certain revisions in rates which the Applicant proposed to place in effect with gas supplied on and after May 1, 1981, said rates being designed to decrease the cost of natural gas of its supplier. On April 30, 1981, Columbia filed an amendment to its application filed April 8, 1981. Columbia's amended application increases the credit purchased gas adjustment factor from \$.002 per Mcf contained in its application filed April 8, 1981, to \$.007 per Mcf. The application filed by the Applicant has been adjusted to reflect this revised filing by Columbia.

The amount of the decreased cost of gas to the Applicant will be \$483.99 on an annual basis.

The Commission, after consideration of the information filed by the Applicant in this matter and being fully advised, is of the opinion and finds that:

- (1) The Applicant's supplier has filed decreased rates and said rates will become effective on and after May 1, 1981.
- (2) The Applicant's adjustment in rates under the Purchased Gas Adjustment Clause approved by the Commission in its Order in Case No. 7059 dated November 17, 1978, is fair, just and reasonable, in the public interest and should be effective with gas supplied on and after May 1, 1981.

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, as set out in Appendix A attached hereto and made a part hereof, to be effective, with gas supplied on and after May 1, 1981.

IT IS FURTHER ORDERED that for the purpose of the future application of the purchased gas adjustment clause of Applicant the base rate for purchased gas shall be:

Commodity

Columbia Gas of Kentucky, Inc. Kentucky-West Virginia Gas Company \$3.404 per Mcf 1.3363/dth

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

IT IS FURTHER ORDERED that the information furnished this Commission by Applicant on April 20, 1981, constitutes full compliance with the Commission's requirements and Order in Case No.

7059, and any further information ordinarily required to be filed under the Commission's regulations is hereby waived.

Done at Frankfort, Kentucky, this 21st day of May, 1981.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

APPENDIX "A"

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 7059-BB DATED MAY 21, 1981

The following rates are prescribed for the customers in the area served by Johnson County Gas Company, Inc. 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

In the area served by natural gas from Columbia Gas of Kentucky, Inc.

First 2 MCF

\$5.298 per MCF

All Over 2 MCF

\$4.438 per MCF

The minimum monthly bill shall be \$7.00 per month when the usage is less than 2 MCF