

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF LOUISVILLE GAS)	CASE NO. 8284-D
AND ELECTRIC COMPANY)	

O R D E R

On January 4, 1982, the Commission issued its Order in Case No. 8284, approving certain adjustments in the rates of Louisville Gas and Electric Company ("LG&E") and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On September 2, 1982, LG&E filed its notice with the Commission stating that it had received a decrease from its supplier, Texas Gas Transmission Corporation ("Texas Gas").

After reviewing the notice filed in this case and being advised, the Commission is of the opinion and finds that:

(1) On August 16, 1982, Texas Gas filed with the Federal Energy Regulatory Commission ("FERC") a downward modification of its August 1, 1982, PGA filing to give effect to reductions in its pipeline supplier rates, removal of specified field purchases, along with a revision to its unrecovered purchased gas costs balance.

(2) The annual amount of this decrease is \$251,946 of which \$8,428 is applicable to gas used for the Electric Department fuel

and \$243,518 is applicable to LG&E's gas customers. The result is a downward adjustment in the purchased gas adjustment of 0.43 cents per Mcf, or .043 cents per 100 cubic feet and is proper to give effect to the Texas Gas decrease.

(3) LG&E was unable to make a timely filing to give effect of this rate reduction, therefore, LG&E will have a refund obligation in connection with purchases made for the months of August and September 1982. The refundable amount to LG&E's gas customers is estimated to be \$30,460. LG&E should increase the refundable amount in Case No. 7799-E by this amount and adjust the refund upward or downward when actual figures are available.

(4) The purchased gas adjustment of LG&E shall be adjusted to the following, effective October 1, 1982.

PGA corresponding to Base Supplier Rate	8.934¢
Refund Factor effective August 1, 1981, and continuing for 12 months or until Company has discharged its refund obligation from Case No. 7799-C	(.378)
Refund Factor effective September 1, 1981 and continuing for 12 months or until Company has discharged its refund obligation from Case No. 7799-D	(.670)
Refund Factor effective December 1, 1981 and continuing for 12 months or until Company has discharged its refund obligation from Case No. 7799-E	<u>(.074)</u>
Total Adjustment Per 100 Cubic Feet	7.812¢

IT IS THEREFORE ORDERED that the purchased gas adjustment sought by the LG&E as set out in Finding (4) above be and is hereby approved to be effective with gas supplier on and after October 1, 1982.

IT IS FURTHER ORDERED that LG&E shall increase the refundable amount allowed in Case 7799-E in the amount of \$30,460 to reflect the overcollections due to the untimely filing of this case. The refund shall be adjusted upward or downward when actual figures are available.

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

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

	<u>Monthly Demand Charge</u>	<u>Commodity Charge</u>
Texas Gas Transmission Corporation		
Rate G-4	\$3.16	357.70¢

IT IS FURTHER ORDERED that the information furnished this Commission by LG&E in this case constitutes full compliance with the Commission's Order No. 8284, and any other information ordinarily required to be filed under the Commission's regulations is hereby waived.

Done at Frankfort, Kentucky, this 24th day of September, 1982.

PUBLIC SERVICE COMMISSION


By the Commission

ATTEST:

Secretary