

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED GAS )  
ADJUSTMENT FILING OF ELAM ) CASE NO. 8178-P  
UTILITY COMPANY )

O R D E R

On September 21, 1981, the Commission issued its Order in Case No. 8178 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 or a refund is received.

On August 4, 1983, Elam Utility Company ("Elam") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective September 1, 1983, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission. After reviewing the initial filing, the Commission decided that an investigation would be necessary in order to determine the reasonableness of the gas purchases information and that such investigation could not be completed prior to the expiration of the required 20-day notice period. On August 18, 1983, the Commission ordered that the purchased gas adjustment filing be suspended for a period of 5 months on and after September 1, 1983.

On August 18, 1983, an information request was issued to Elam concerning its gas purchases information. On August 26, 1983, Elam responded to this request by filing revised exhibits which updated the gas purchases.

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

(1) Elam's revised exhibits of August 26, 1983, set out certain revisions in rates which Elam proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$2,279 or 5 cents per Mcf.

(2) Transmission has filed an application for decreased rates to become effective September 1, 1983, with the Federal Energy Regulatory Commission.

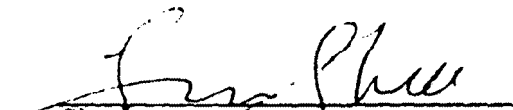
(3) Elam's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8178 dated September 21, 1981, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after September 1, 1983.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after September 1, 1983.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Elam shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 2nd day of September, 1983.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

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Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 8178-P DATED SEPTEMBER 2, 1983

The following rates and charges are prescribed for the customers 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

RESIDENTIAL

Customer Charge	\$ 4.00
First 11 Mcf	7.61 per Mcf
Over 11 Mcf	8.61 per Mcf

COMMERCIAL

Customer Charge	\$ 5.00
All Mcf	7.61 per Mcf

The base rates for the future application of the purchased gas adjustment clause of Elam Utility Company shall be:

	<u>Demand</u>	<u>Commodity</u>
Columbia Gas Transmission Corporation	-	\$5.1564 per Mcf
Capitol Oil and Gas	-	3.95 per Mcf