COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)

FILING OF THE UNION LIGHT) CASE NO. 8373-E

HEAT AND POWER COMPANY)

ORDER

On April 16, 1982, the Commission issued its Order in Case No. 8373, approving certain rates and providing for adjustments of these rates on a quarterly basis in accordance with the provisions of the gas cost adjustment clause set forth therein.

On March 1, 1983, the Union Light, Heat and Power Company ("Union") filed its quarterly gas cost adjustment which is to become effective March 31, 1983, and is to remain in effect until July 31, 1983.

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

- 1. Union's notice of March 1, 1983, set out certain revisions in rates which Union proposed to place into effect, said rates being designed to pass on the wholesale increase in gas costs in the amount of \$4,365,212 or 34.5 cents per Mcf.
- 2. Union's notice set out refunds due its customers in the amount of \$757,695 which includes a current quarterly supplier refund of \$50. Union proposes to refund this amount by applying a refund factor in the amount of \$0.06 per Mcf.

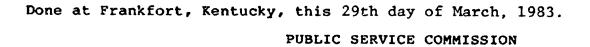
Union should refund this amount plus interest at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12-month period less 1/2 of I percent to cover the costs of refunding. These monthly rates are reported in both the Federal Reserve Bulletin and the Federal Reserve Statistical Release.

3. Union's adjustment in rates under the gas cost adjustment provisions approved by the Commission in its Order in Case No. 8373 dated April 16, 1982, is fair, just and reasonable and in the public interest and should be effective with bills rendered on and after March 31, 1983, subject to refund. These rates should be subject to refund because Union's supplier rates have been approved subject to refund by the Federal Energy Regulatory Commission.

IT IS THEREFORE ORDERED that the rates in Appendix A be and they hereby are approved, effective for bills rendered on and after March 31, 1983, subject to refund.

IT IS FURTHER ORDERED that Union shall apply a refund factor in the amount of \$0.06 per Mcf as a reduction in the approved purchased gas adjustment beginning with Union's next billing cycle, or as soon as practical, and remaining in effect until such time as the amount refunded equals the refundable amount herein plus interest.

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



Chairman Shung

Saturnie Bandare

Vice Chairman

Amalangan

Commissioner

ATTEST:

Becretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 8373-E DATED MARCH 29, 1983

The following rates and charges are prescribed for the customers in the area served by Union Light, Heat and Power Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATE GS

GENERAL SERVICE

NET MONTHLY BILL

Computed in accordance with the following charges:

Customer Charge per month:

Residential Serv	vice	\$3.00
Non-Residential	Service	4.00

Gas
Base Cost Total
Rate Adjustment Rate

All gas used 10.99¢ plus 53.66¢ equals 64.65¢ per 100 cu. ft.

The "Gas Cost Adjustment" as shown above, is an adjustment per 100 cubic feet determined in accordance with "Gas Cost Adjustment" set forth on Sheet No. 19 of this tariff.

RIDER R-ACS-1

SUMMER AIR CONDITIONING SERVICE

NET MONTHLY BILL

Computed in accordance with the following charges:

First 6,000 cubic feet at the applicable standard rate, Rate GS, General Service

NET MONTHLY BILL(Cont'd)

All additional gas used will be billed at:

Gas
Base Cost Total
Rate Adjustment Rate

All gas used 6.83¢ plus 53.66¢ equals 60.49¢ per 100 cu. ft.

Plus or minus an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment" set forth on Sheet no. 19 of this tariff.

RIDER G-ACS-1

SUMMER AIR CONDITIONING SERVICE

NET MONTHLY BILL:

Computed in accordance with the following charges:

First 6,000 cubic feet of gas at the applicable rate, Rate GS, General Service.

Next 10,000 cubic feet of gas per ton of installed absorption type Summer Air Conditioning equipment at:

Gas
Base Cost Total
Rate Adjustment Rate

All gas used 6.83¢ plus 53.66¢ equals 60.49¢ per 100 cu. ft.

All additional cubic feet of gas at the standard applicable rate.

Plus or minus an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment" set forth on Sheet No. 19 of this tariff.

RATE F

Special Contract - Firm use

NET MONTHLY BILL

Computed in accordance with the following charges:

Gas

Base Cost Rate Adjustment Total Rate

All gas used 7.97¢ plus 53.66¢ equals 61.63¢ per 100 cu. ft.

Plus or minus an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment" set forth on Sheet No. 19 of this tariff.

RATE OP

OFF PEAK

NET MONTHLY BILL

Computed in accordance with the following charges:

- (1) Firm Use shall be billed in accordance with Rate GS, General Service
- (2) Off Peak Gas (i.e., Gas in excess of Firm Use) shall be billed in accordance with the following:

Gas
Base Cost Total
Rate Adjustment Rate

All consumption 4.68¢ plus 53.66¢ equals 58.34¢ per 100 cu. ft.

Plus or minus an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment" set forth on Sheet No. 19 of this tariff.