

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF MIKE) CASE NO.
LITTLE GAS COMPANY, INC.) 8799-C

O R D E R

On January 4, 1984, the Commission issued its Order in Case No. 8799-C approving rates to be effective with gas supplied on and after January 4, 1984.

On January 18, 1984, the Commission received a letter from Mr. Thomas J. Jones of Langley, Kentucky, regarding the rates charged by Mike Little Gas Company, Inc. ("Mike Little"). Mr. Jones was of the opinion that Mike Little was implementing rate changes prior to the effective date authorized by the Commission.

On February 15, 1984, in response to Mr. Jones' complaint, Mike Little stated that it had applied the rates approved for service rendered on and after January 4, 1984, retroactively to service rendered in November and December 1983, because its wholesale gas rates were increased retroactive to November 1, 1983, by its supplier, Kentucky-West Virginia Gas Company, ("Ky-West"). Mike Little believes it was appropriate to charge the new rates to coincide with Ky-West's retroactive increase and therefore requests that the effective date of the Commission's Order be amended to authorize an effective date of November 1, 1983, rather than January 4, 1984.

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

(1) On December 15, 1983, Mike Little notified the Commission that its wholesale cost of gas from Ky-West would be increased retroactive to November 1, 1983.

(2) By Order issued January 4, 1984, the Commission authorized an effective date of January 4, 1984, for Mike Little's proposed rates based on the wholesale increase from Ky-West.

(3) On February 15, 1984, Mike Little requested that the effective date of the Commission's Order of January 4, 1984, be amended to coincide with Ky-West's retroactive increase to November 1, 1983.

(4) KRS 278.180 (1) requires 20 days' notice be given to the Commission before increased rates are allowed to be placed into effect. Therefore, a retroactive increase in rates is prohibited. The effective date for the rates authorized in this case should remain as approved by the Commission's Order issued January 4, 1984.

(5) Mike Little billed its customers unauthorized rates for service rendered during November and December 1983, resulting in excess revenues estimated to be approximately \$6,993.

(6) Mike Little should refund to its customers the excess revenues collected as a result of the unauthorized rates billed for service rendered during November and December 1983.

IT IS THEREFORE ORDERED that Mike Little's request to amend the effective date of the Commission's Order of January 4, 1984, be denied.

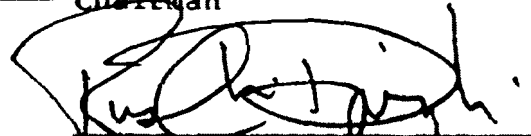
IT IS FURTHER ORDERED that the effective date of the rates authorized in this case shall remain January 4, 1984.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Mike Little shall report to the Commission the excess revenues collected as a result of the unauthorized rates charged for service rendered during November and December 1983, along with a plan to refund the excess collections.

Done at Frankfort, Kentucky, this 2nd day of March, 1984.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary