

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. 8929-B  
UTILITY COMPANY )

O R D E R

On January 20, 1984, the Commission issued an Interim Order in Case No. 8929 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 April 17, 1984, 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 March 1, 1984, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

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

(1) Elam's notice of April 17, 1984, 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 \$799, or 1.61 cents per Dth.

(2) On January 30, 1984, Transmission filed an application with the Federal Energy Regulatory Commission for rates to be effective March 1, 1984. On February 15, 1984, in Case No. 8929-A, Elam requested permission to track Transmission's rates. By Order issued February 27, 1984, the Commission approved Elam's filing to be effective March 6, 1984.

(3) Subsequent to Elam placing the rates authorized in Case No. 8929-A into effect, Transmission filed on April 4, 1984, revised tariffs to be effective March 1, 1984. Elam's revised rates should be effective with gas supplied on and after March 6, 1984, to coincide with the effective date of the rates authorized in Case No. 8929-A.

(4) Due to the retroactive nature of Transmission's decrease, Elam should report to the Commission any excess revenues collected during the period from March 6, 1984, to the date the proposed rates are implemented, along with a plan to refund any excess collections to its customers.

(5) The revised rates proposed by Elam contain a computational error in the industrial rate block. The rate should be \$8.08 per Mcf rather than \$9.08 as proposed.

(6) Elam's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8929 dated January 20, 1984, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after March 6, 1984.

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 March 6, 1984.

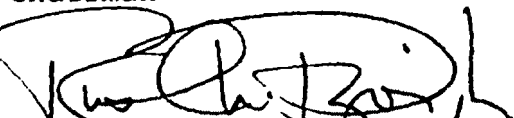
IT IS FURTHER ORDERED that within 30 days of the date of this Order Elam shall report to the Commission any excess revenues collected during the period from March 6, 1984, to the date the proposed rates are implemented, along with a plan to refund any excess collections to its customers.


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 27th day of April, 1984.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

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Ing Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 8929-B DATED 4/27/84

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	8.08 per Mcf
Over 11 Mcf	9.08 per Mcf

COMMERCIAL

Customer Charge	\$ 5.00
All Mcf	8.08 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	-	\$5.0007 per Mcf
Capitol Oil and Gas	-	3.95 per Mcf