

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED)
GAS ADJUSTMENT FILING OF) CASE NO. 8562-S
PHELPS GAS COMPANY, INC.)

O R D E R

On December 8, 1982, the Commission issued its Order in Case No. 8562 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 July 22, 1985, Phelps Gas Company, Inc., ("Phelps") notified the Commission that its wholesale cost of gas had been decreased by its supplier Columbia Gas of Kentucky, Inc., ("Columbia") effective July 1, 1985, 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) Phelps' notice of July 22, 1985, set out certain revisions in rates which Phelps proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$8,651 or 36 cents per Mcf.

(2) Phelps' wholesale cost of gas was decreased by Columbia effective July 1, 1985.

(3) Phelps' notice of July 22, 1985, requested an effective date of July 4, 1985. The effective date should be July 1, 1985, to coincide with Columbia's decrease.

(4) Phelps should report to the Commission any excess revenues collected during the period from July 1, 1985, to the date the proposed rates are implemented, along with a plan to refund any excess collections to its customers.

(5) Phelps' proposed adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8562 dated November 30, 1982, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after July 1, 1985.

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 July 1, 1985.

IT IS FURTHERED ORDERED that within 30 days of this Order Phelps shall report to the Commission any excess revenues collected during the period from July 1, 1985, to the date the proposed rates are implemented, along with a plan to refund any excess collections.

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

Done at Frankfort, Kentucky, this 9th day of August, 1985.

PUBLIC SERVICE COMMISSION

Richard D. Hemmigh
Chairman

Paul H. [Signature]
Vice Chairman

did not participate
Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8562-S DATED 8/9/85

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

RATES: Monthly

First 1 Mcf	\$8.10 Minimum Bill
Over 1 Mcf	5.80 Per Mcf

The base rate for the future application of the purchased gas adjustment clause of Phelps Gas Company, Inc., shall be:

	<u>Commodity</u>
Columbia Gas of Kentucky, Inc.	\$4.576 per Mcf