

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. 8568-Y
PENDLETON COUNTY WATER)
DISTRICT, GAS DIVISION)

O R D E R

On December 8, 1982, the Commission issued its Order in Case No. 8568 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 October 23, 1985, Pendleton County Water District, Gas Division, ("Pendleton") notified the Commission that its wholesale cost of gas would be increased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective September 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) Pendleton's notice of October 23, 1985, set out certain revisions in rates which Pendleton proposed to place into effect, said rates being designed to pass on the wholesale

increase in price from its supplier in the amount of \$86 or .05 cents per Mcf.

(2) Transmission filed with the Federal Energy Regulatory Commission ("FERC") an application for rates to be effective September 1, 1985, subject to refund.

(3) Inasmuch as the filing of revised tariffs by Transmission was too late for Pendleton to make a timely filing for an increase to be effective September 1, 1985, the effective date should be November 12, 1985, rather than September 1, 1985, as proposed.

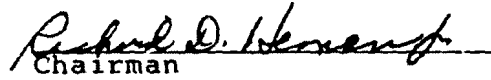
(4) Pendleton's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8568 dated December 8, 1982, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after November 12, 1985. These rates are subject to refund because Transmission's are subject to refund.

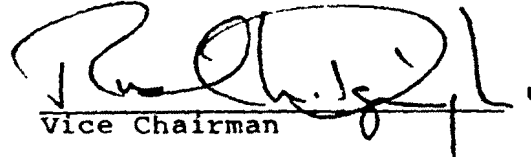
IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after November 12, 1985.

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

Done at Frankfort, Kentucky, this 7th day of November, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8568-Y DATED 11/7/85

The following rates are prescribed for the customers served by Pendleton County Water District, Gas Division. 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 effective date of this Order.

RATES: MONTHLY

RATES PER UNIT

Residential:

0 - 1 Mcf (Minimum Charge)	\$5.90	Per Month
1 - 2 Mcf	\$5.53032	Per Mcf
2 - 6 Mcf	\$5.50502	Per Mcf
Over 6 Mcf	\$5.50002	Per Mcf

Commercial:

0 - 1 Mcf (Minimum Charge)	\$6.45	Per Month
1 - 20 Mcf	\$5.50002	Per Mcf
20 - 30 Mcf	\$5.49502	Per Mcf
30 - 40 Mcf	\$5.49002	Per Mcf
40 - 50 Mcf	\$5.48502	Per Mcf
Over 50 Mcf	\$5.48002	Per Mcf

Small Industrial:

All Mcf	\$4.7612	Per Mcf
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Special Contracts:

Firm Gas Service: MAGO Construction Company, Inc.	\$4.5049	Per Mcf
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For the purpose of the future application of the purchased gas adjustment clause of Pendleton County Water District, Gas Division, the base rate for purchased gas shall be:

	<u>Commodity</u>
Columbia Gas Transmission Corporation Schedule SGS	\$4.0368 Per Dth