

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. 8678-S
WESTERN LEWIS-RECTORVILLE)
WATER AND GAS DISTRICT)

O R D E R

On March 1, 1983, the Commission issued its Order in Case No. 8678 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 June 20, 1985, Western Lewis-Rectorville Water and Gas District ("Western Lewis") notified the Commission that it had received refunds from its supplier, Columbia Gas Transmission Corporation ("Transmission").

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

(1) Western Lewis had received refunds in the amount of \$2,210 from its supplier to be refunded to its customers.

(2) A refund factor of 61 cents per Mcf should be used as a reduction in the purchased gas agreement.

(3) The refund factor should remain in effect for 3 months or until such time as the full amount plus interest has been returned to Western Lewis' customers.

(4) The refund should begin with meter readings taken on July 1, 1985, or as soon as possible thereafter.

(5) Western Lewis should refund the amounts reported in its application plus interest at a rate equal to the average of the "3-Month Commercial Paper Rates" less 1/2 of 1 percent to cover the costs of refunding. These monthly rates are reported in the Federal Reserve Bulletin and the Federal Reserve Statistical Release.

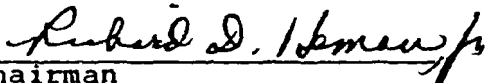
IT IS THEREFORE ORDERED that Western Lewis shall apply a refund factor in the amount of 61 cents per Mcf as a reduction in the approved purchased gas adjustment beginning with meter readings taken on July 1, 1985, or as soon as practical thereafter, and this refund factor shall remain in effect until such time as necessary so that the total amount will, as nearly as possible, reflect the amount received. The refund factor will terminate when the amount refunded equals the amount herein reported plus interest.

IT IS FURTHER ORDERED that within 30 days from the date the refund factor is terminated Western Lewis shall file with this Commission a summary statement showing a reconciliation of customer billings and the amount refunded.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Western Lewis shall file with this Commission its revised tariffs setting out the rates authorized herein. All other rates and charges shall remain in full force and effect.

Done at Frankfort, Kentucky, this 12th day of July, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary