

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-G
UTILITY COMPANY)

O R D E R

On May 2, 1984, the Commission issued its 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 May 22, 1985, Elam Utility Company ("Elam") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas Transmission Corporation ("Transmission") and increased by its supplier, Capitol Oil and Gas Company ("Capitol"). Elam 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) On March 22, 1985, Transmission filed decreased rates with the Federal Energy Regulatory Commission to be effective March 1, 1985.

(2) On May 17, 1985, Capitol notified Elam of a wholesale increase effective April 1, 1985.

(3) Elam's notice of May 22, 1985, set out certain revisions in rates which Elam proposed to place into effect, said rates being designed to pass on the overall increase in gas costs from its suppliers in the amount of \$500 or 1 cent per Mcf.

(4) Elam's proposed rates contain an error in the computation of its industrial charge. The rate should be \$8.12 per Mcf rather than \$9.12 as proposed.

(5) Elam's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8929 dated May 2, 1984, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after June 11, 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 June 11, 1985.

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 6th day of June, 1985.

PUBLIC SERVICE COMMISSION

Richard D. Hermann
Chairman

[Signature]
Vice Chairman

[Signature]
Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 8929-G DATED JUNE 6, 1985

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 & COMMERCIAL

Customer Charge	\$ 4.00
First 11 Mcf	8.12 per Mcf
Over 11 Mcf	9.12 per Mcf

INDUSTRIAL

Customer Charge	\$ 5.00
All Mcf	8.12 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	-	\$4.4219 per Dth
Capitol Oil and Gas	-	4.59 per Mcf