

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

NOTICE OF PURCHASED GAS            )  
ADJUSTMENT FILING OF            )        CASE NO. 6602-EE  
EQUITABLE GAS COMPANY            )

O R D E R

On December 8, 1976, the Commission issued its Order in Case No. 6602, 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 16, 1986, Equitable Gas Company ("Equitable") notified the Commission that its wholesale cost of gas had been decreased by its supplier, Kentucky West Virginia Gas Company ("Kentucky West"), effective June 7, 1986, 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) Equitable's notice of June 16, 1986, set out certain revisions in rates which Equitable proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$77,287 or 14.87 cents per Mcf.

(2) Kentucky West filed an application for decreased rates to become effective June 7, 1986, with the Federal Energy Regulatory Commission.

(3) Equitable should report to the Commission the amount of any excess revenues collected from June 7, 1986, to the date the proposed rates are implemented, along with a plan to refund excess revenues to its customers.

(4) Equitable included in its application of June 16, 1986, the amount of overcollections resulting from its decrease in Case No. 6602-DD. Equitable requested approval to net the overcollection of \$25,155 against an undercollection Equitable experienced during the months of March, April and May. The undercollection of \$35,344 occurred when Equitable failed to file for increased rates effective March 1, 1986, due to a change in personnel responsible for PGA filings. Equitable waives claim to the remaining \$10,189 of undercollections. Equitable should be allowed to net the two amounts and should not be required to refund the overcollections in view of the sizeable amount of undercollections.

(5) Equitable's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 6602 dated December 8, 1976, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after June 7, 1986.

IT IS THEREFORE ORDERED that:

(1) The rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after June 7, 1986.


(2) Within 30 days from the date of this Order Equitable shall file with this Commission the amount of any excess revenues collected and a refund plan.

(3) The excess revenues collected from Case No. 6602-DD shall be netted against undercollections and, therefore, shall not be refunded.

(4) Within 30 days of the date of this Order Equitable shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 30th day of June, 1986.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

\_\_\_\_\_  
Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 6602-EE DATED 6/30/86

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

RATES: Monthly

First	2 Mcf	\$3.0337 per Mcf
Next	18 Mcf	2.8487 per Mcf
Next	30 Mcf	2.7937 per Mcf
Next	50 Mcf	2.7437 per Mcf
All Over	100 Mcf	2.6937 per Mcf

The minimum bill shall be \$1.80.

The above rates include the following refund factor:

\$0.0060 per Mcf to discharge refund from Order in Case No.  
6602-CC.

The base rate for the future application of the purchased gas adjustment clause of Equitable Gas Company shall be:

	<u>Commodity</u>
Kentucky West Virginia Gas Company	\$2.6062/dth*

\*Includes \$0.0135 Gas Research Institute Funding Charge.