

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED)
GAS ADJUSTMENT FILING OF) CASE NO. 9642-L
WESTERN LEWIS-RECTORVILLE)
WATER AND GAS DISTRICT)

O R D E R

On February 4, 1987, the Commission issued its Order in Case No. 9642 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, 1988, Western Lewis-Rectorville Water and Gas District ("Western Lewis") notified the Commission that its wholesale cost of gas had been decreased by its supplier, Columbia Gas Transmission Corporation, effective August 1, 1988, 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) Western Lewis' notice of July 22, 1988 set out certain revisions in rates which Western Lewis proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$9,017 or

16.83 cents per Mcf. In setting out the cost of gas from its supplier with rates effective June 1, 1988, Western Lewis incorrectly computed a cost of \$177,923 instead of the correct cost of \$175,923. Also, Western Lewis did not include the fixed monthly demand surcharge of \$43 per month from its supplier in setting out the cost of gas with rates effective August 1, 1988 which understated the cost of gas by \$516 ($\43×12 months).

(2) Transmission applied with the Federal Energy Regulatory Commission for a decrease with an effective date of August 1, 1988. These rates are subject to refund.

(3) Western Lewis' corrected adjustments in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 9642 dated February 4, 1987 is fair, just, and reasonable and in the public interest and should be effective with gas supplied on and after August 1, 1988. Western Lewis' rates should be subject to refund because Transmission's rates are subject to refund.

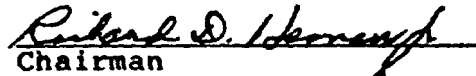
IT IS THEREFORE ORDERED that:

(1) The rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after August 1, 1988, subject to refund.

(2) 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.

Done at Frankfort, Kentucky, this 5th day of August, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 9642-L DATED 8/8/88

The following rates are prescribed for the customers served by Western Lewis-Rectorville Water and Gas 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.

Surcharge:

(1) Customer Charge	\$1.00 Per Month
(2) Usage Charge	\$.59 per Mcf

Rates: Monthly

First	1,000 cu. ft. or less	\$6.33 (Minimum Bill)
Next	4,000 cu. ft. per 1,000 cu. ft.	4.2176
Next	5,000 cu. ft. per 1,000 cu. ft.	4.1676
Over	10,000 cu. ft. per 1,000 cu. ft.	4.0676

The base rate for the future application of the purchased gas adjustment clause of Western Lewis-Rectorville Water and Gas District (Gas Division) shall be:

	<u>Demand</u>	<u>Commodity</u>
Columbia Gas Transmission Corporation	-	\$3.0093 per Dth