COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS) ADJUSTMENT FILING OF ELAM UTILITY) CASE NO. 9845-A COMPANY)

ORDER

On July 30, 1987, the Commission issued its Order in Case No. 9845 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 6, 1988, Elam Utility Company ("Elam") notified the Commission that its wholesale cost of gas had been decreased; it did not include, however, certain necessary information required by its purchased gas adjustment clause.

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

(1) Elam should supply a notification from its suppliers that are effecting rate changes, showing the change in rates, along with a statement relative to the effective dates of the proposed changes.

(2) Because Elam has experienced a change in supplier from Entrade to Manufacturers Fuel Company, and because it is not clear from Elam's Exhibit B which supplier/transporter is associated with which rates, Elam should supply detailed workpapers for the previous 12 months showing purchases from each supplier, in dollars and Mcf, clearly setting out the effect of rate changes on purchased gas cost.

(3) Elam should comply with the Order in Case No. 8929-K, The Notice of Purchased Gas Adjustment Filing of Elam Utility Company, dated March 14, 1986, which directed it to file its gas contracts, and should supply this Commission with a copy of its contract with Manufacturers Fuel Company and its transportation agreement with Columbia Gas Transmission Corporation.

IT IS THEREFORE ORDERED that:

(1) Elam shall file the information requested herein within 20 days of the date of this Order. If the information cannot be provided by this date, Elam should submit a Motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such Motion will be considered by the Commission.

Done at Frankfort, Kentucky, this 3rd day of August, 1988.

For The Commission

Richard D. Aleman

ATTEST:

Executive Director