

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF ELZIE) CASE NO. 10246-E
NEELEY GAS COMPANY, INC.)

O R D E R

On September 6, 1988, the Commission issued its Order in Case No. 10246 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 October 20, 1989, Elzie Neeley Gas Company, Inc. ("Elzie Neeley") notified the Commission that its wholesale cost of gas had been increased by its supplier, Columbia Gas of Kentucky, Inc. ("Columbia"), effective October 6, 1989, 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 otherwise sufficiently advised, the Commission finds that:

(1) Elzie Neeley's notice of October 20, 1989 set out certain revisions in rates which Elzie Neeley proposed to place into effect, said rates being designed to pass on the wholesale increase in price from its supplier in the amount of \$280 or 2.64 cents per Mcf.

(2) Elzie Neeley's wholesale cost of gas was increased by Columbia effective October 6, 1989.

(3) Elzie Neeley requested a waiver of the 30-day filing requirement. Pursuant to KRS 278.180, upon Elzie Neeley's showing of good cause, Elzie Neeley's effective date for the increase should be November 9, 1989. Elzie Neeley had requested an effective date of October 6, 1989. However, this would not satisfy its 20-day minimum notice requirement under KRS 278.180.

(4) Elzie Neeley's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 10246 dated September 6, 1988 is fair, just, and reasonable and in the public interest and should be effective with gas supplied on and after November 9, 1989.

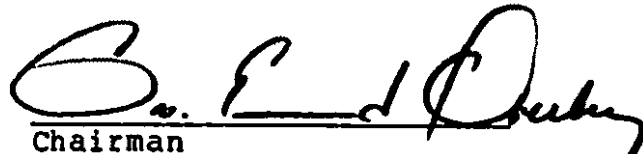
IT IS THEREFORE ORDERED that:


(1) The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after November 9, 1989.

(2) Within 30 days of the date of this Order, Elzie Neeley shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 8th day of November, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 10246-G DATED November 8, 1989.

The following rates and charges are prescribed for the customers served by Elzie Neeley Gas Company, Inc. 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 effective date of this Order.

RATES: Monthly

First 1 Mcf	\$7.1935 Per Mcf
Over 1 Mcf	\$6.1735 Per Mcf

Minimum Bill

The minimum bill shall be \$7.1935

The base rate for the future application of the purchased gas adjustment clause of Elzie Neeley Gas Company, Inc. shall be:

Commodity

Columbia Gas of Kentucky, Inc.	\$3.7776 per Mcf
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