

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF RIGHT BEAVER GAS )  
COMPANY FOR A RATE ADJUSTMENT PURSUANT ) CASE NO.  
TO THE ALTERNATIVE RATE FILING PROCEDURE ) 10404  
FOR SMALL UTILITIES )

O R D E R

On January 19, 1989, an Order to Cease and Desist and to Show Cause was issued to Right Beaver Gas Company ("Right Beaver") based upon information the Commission had received that Right Beaver had implemented an unapproved rate increase. An informal conference was held between Right Beaver and Commission Staff on February 13, 1989 wherein, Mabry Holbrook, d/b/a Right Beaver, explained that he mistakenly believed the rates had been approved. Mr. Holbrook provided Staff with copies of five checks received from customers and receipts showing the checks had been returned by certified mail.

Subsequently, Right Beaver and Staff reached an agreement regarding settlement of the show cause portion of this case. The resulting Settlement Agreement, attached hereto and incorporated as if fully set out herein, establishes a reasonable basis for dismissing the instant proceeding against Right Beaver and by its terms shows Right Beaver's agreement to cease and desist from violating the provisions of KRS 278.160(2).

After consideration of the record in this case, the terms of the Settlement Agreement and being otherwise sufficiently advised,

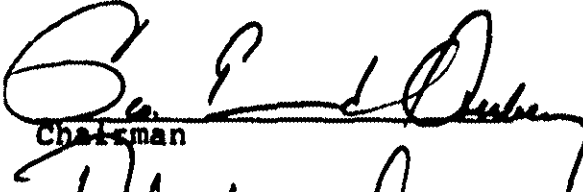
the Commission is of the opinion and finds the terms and conditions of the Settlement Agreement are fair and reasonable and should be accepted and approved by the Commission for the resolution of this case.

IT IS THEREFORE ORDERED that:


- 1. Right Beaver shall cease and desist from violating the provisions of KRS 278.160(2).
- 2. The Settlement Agreement is approved and the show cause proceeding is hereby dismissed.

Done at Frankfort, Kentucky, this 21st day of July, 1989.

PUBLIC SERVICE COMMISSION



Chairman



Vice Chairman



Commissioner

ATTEST:

\_\_\_\_\_  
Executive Director

COMMONWEALTH OF KENTUCKY

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THE APPLICATION OF RIGHT BEAVER GAS )  
COMPANY FOR A RATE ADJUSTMENT PURSUANT ) CASE NO.  
TO THE ALTERNATIVE RATE FILING PROCEDURE ) 10404  
FOR SMALL UTILITIES )

SETTLEMENT AGREEMENT

On January 19, 1989, an Order to Cease and Desist and to Show Cause was issued to Right Beaver Gas Company in Case No. 10404. The basis for the Order was information regarding the implementation of an unapproved rate increase on or about the first week of January, 1989.

At a conference held on February 13, 1989, it was determined that Mr. Mabry Holbrook, on behalf of Right Beaver Gas Company, had refunded the five payments which he had received. Upon being informed that the new rate was not yet effective, Mr. Holbrook made the refunds by certified mail. (See attached copies of checks and return receipts.) None of the checks had been deposited by Mr. Holbrook. Subsequently, new rates were approved on February 2, 1989, and made effective as of that date.

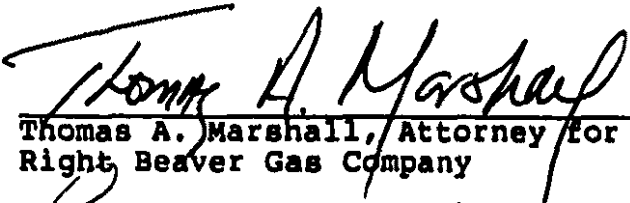
Mr. Holbrook states that the unauthorized billing was done subsequent to a misunderstanding of an oral communication. It is his contention that he believed that the rate had been approved. It is a matter of record that the Staff recommended rates substantially above what Right Beaver originally requested, and that on January 3, 1989, the Intervenor informed the Commission

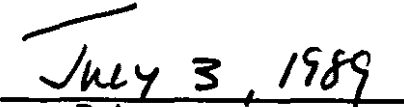
of their willingness to accept the Staff Report. However, an Order was not entered granting rates until February 2, 1989.


It is hereby recognized that an application has been made to the Commission for approval of the transfer of Right Beaver Gas Company to Dema Gas, Inc. as evidenced by Case No. 89-100. The Commission Staff and Right Beaver Gas Company tender this Settlement Agreement so that this outstanding matter may be resolved prior to consideration of the aforementioned transfer.


IT IS HEREBY AGREED that:

1. Right Beaver hereby waives hearing in this matter.
2. Right Beaver will cease and desist from violating the provisions of KRS 278.160(2).
3. This matter is satisfactorily resolved in that Right Beaver has refunded all unauthorized charges. Therefore, this matter should be dismissed.
4. It is understood by the below signatories that this Settlement Agreement is subject to ratification and approval by Order of the Commission.

  
Thomas A. Marshall, Attorney for  
Right Beaver Gas Company

  
Date

  
Rebecca Woodside Goodman  
Attorney for Public Service Commission

  
Date

James P. & John L. Hall Co. 0839  
 260 W. 2nd St. St. Albans, Vt.  
 Vermont, U.S.A.  
 1/16 89  
 Registered by #1302  
 Rysu Beavers Max Co. 1538 42  
 Thirty eight + 42/100  
 FIRST Commonwealth Bank  
 Dec 1 - Jan 1  
 Jennie L. Hall

ER: Complete items 1 and 2 when additional services are desired, and complete item 3

address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this being returned to you. The return address fee will provide you the name of the person to and the date of delivery. For additional fees the following services are available. Consult for fees and check boxes) for additional services) required.  
 how to whom delivered, date, and addressee's address. 2.  Restricted Delivery (Extra charge)

Addressed to:  
 Andy R. Hall  
 P.O. Box 586  
 Topnotch Ky. 41812  
 Rec - Address  
 Mrs. R. Hall  
 Delivery  
 89 AK

4. Article Number  
 P90468595  
 Type of Service:  
 Registered  Insured  
 Certified  COD  
 Express Mail  
 Always obtain signature of addressee  
 original and **DATE DELIVERED**  
 5. Addressee's Address (ONLY if requested and fee paid)

Kalamazoo MI / RECEIVED  
 313  
 Jan 14 1989  
 13 51 91  
 PAY TO THE ORDER OF  
 Rosetta H. Hall  
 Twenty Eight Dollars  
 \$28.00  
 THE BANK OF HINDMAN, INC.  
 HINDMAN, KENTUCKY  
 Rosetta Hall

SENDER: Complete items 1 and 2 if no additional services are desired, and complete items 3 and 4 if additional services are desired.  
 1. Show to whom delivered, date, and sender's address. (Extra charge)  
 2.  Restricted Delivery (Extra charge)  
 3.  Insured  
 4.  COD

Addressee's Address ROSETTA H. HALL HC 80 BOX 1290 TOPMOST, KY 41062	Article Number 901 488592
Signature - Addressee Rosetta H. Hall	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail
Signature - Agent	Always obtain signature of addressee or agent and <b>DATE DELIVERED</b> .
Date of Delivery 1-14-89	Addressee's Address (ONLY if requested and fee paid)

Kennel 1-30 88

FRED OR SALLY PATTON  
HC 80, BOX 3000 447-2187  
TOPMOST, KY 41862

690

Jan 19 1989

73-519/421

PAY TO THE ORDER OF

Right Beaver Gas Co. \$ 42.75  
Sally - Dad and 75/100

DOLLARS

THE BANK OF HINDMAN, INC.  
HINDMAN, KENTUCKY

Sally Patton

MEMO



**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will receive you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional services/requirements.

1.  Show to whom delivered, date and addressee's address.  Restricted Delivery  (Extra charge?)  (Extra charge?)

2. Article Addressed to:  
Fred or Sally Patton  
HC80 Box 3000  
Topmost Ky 41862

4. Article Number  
P901488576

Type of Service:  
 Registered  Insured  
 Certified  COD  
 Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Addressee's Address (ONLY if required and fee paid)

6. Signature - Addressee

7. Signature - Agent

8. Date of Delivery

2 3 89  
Sally Patton

DOMESTIC RETURN RECEIPT

IMOGENE LITTLE 8-77  
BOX 25  
TOPMOST, KY 41862

1768

1-18-1989 73-293  
421

Pay To The Order Of Right Bank Co \$ 5.08  
Jerie Imp 08/100 Dollars

THE BANK **Bj** JOSEPHINE

For Ellen Little Imogene Little

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. **POSTAGE WILL BE PAID BY ADDRESSEE** unless you provide the name of the carrier, delivery class, and class of mail. Additional fees for the following services are available. Consult postmaster for fees and check boxes for additional services requested.

- 1.  Show to whom delivered, date and address's address.  Restricted Delivery  Insured  COD  Express Mail
- 2.  Restricted Delivery  Insured  COD  Express Mail

3. Article Addressed to:  
Imogene Little  
Box 25  
Topmost, Ky 41862

4. Article Number  
7901488577

Type of Service:  
 Registered  Insured  
 Certified  COD  
 Express Mail

Always obtain signature of addressee or agent and **DATE DELIVERED**.

5. Signature - Addressee  
Imogene Little

6. Addressee's Address (ONLY if requested and fee paid)

7. Date of Delivery  
1-31-89



*Plan No 4801 February 1-30-89*

ROBERT OR MARGARET GATES 1-73

1000051, NY 41862-9102

323

1-17 1989 73-294  
421

15 75 00

First  
Continental  
Bank

DOLLARS

*Robert Bates*

*Beaverly June 1/1/80*

*How to use it*

ADDER: Complete items 1 and 2 when additional services are desired, and complete item 3 if address in the "RETURN TO" section on the reverse side. Failure to do this will prevent this item from being returned to you. The sender is responsible for affixing postage and the date of delivery. Additional fees for the following services are available. Consult sender for fees and check boxes for additional service(s) requested.

1.  Registered Delivery. (Extra charge)  
2.  Restricted Delivery. (Extra charge)

1. Addressee to:

*Robert Bates*  
*HC 80 Box 545*  
*Topmush Ky 41062*

Signature - Addressee  
*Robert Bates*

Signature - Agent

Date of Delivery  
*89 AK*

4. Access Number  
*EP 901 485 575*

Type of Service:

Registered  Insured  
 Certified  COD  
 Express Mail

Always check signature of addressee or agent and DATE DELIVERED.

5. Addressee's Address (ONLY if requested and fee paid)