

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ADJUSTMENT OF RATES OF	)	
AUXIER ROAD GAS COMPANY	)	CASE NO. 10288-EE

O R D E R

On April 10, 1991, in Case Nos. 10288-D and 10288-E, the Commission approved the gas cost adjustment ("GCA") clause of Auxier Road Gas Company, Inc. ("Auxier") allowing for the quarterly adjustment of its rates.

On May 27, 1998, Auxier filed its GCA to be effective July 1, 1998 to October 1, 1998.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. In its notice, Auxier proposed revised rates designed to pass on to its customers the expected increased gas costs from its suppliers. Auxier's proposed EGC for the quarter beginning July 1, 1998 is \$3.1660 per Mcf.
2. Auxier's notice set out no refund adjustment.
3. Auxier's notice set out a current quarter actual adjustment ("AA") of 4.7 cents per Mcf to collect under-recovered gas cost from January, February, and March 1998. The total AA of 6.6 cents per Mcf is designed to reflect the current under-collection, as well as under- and over-recoveries from previous periods.

4. Auxier's notice set out a current quarter balance adjustment ("BA") of (.40) cent per Mcf. The total BA of (2.8) cents per Mcf includes reconciling BA adjustments from previous quarters.

5. These adjustments produce a gas cost recovery rate of \$3.2040 Mcf, 47.77 cents per Mcf more than the prior rate.

6. The rate adjustment in the Appendix to this Order is fair, just, and reasonable, in the public interest, and should be effective with service rendered on and after July 1, 1998.

IT IS THEREFORE ORDERED that:

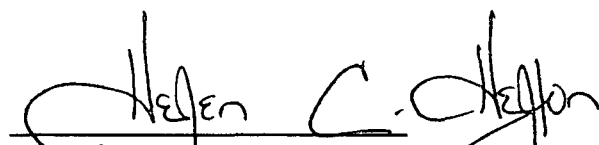
1. The rates in the Appendix to this Order are fair, just, and reasonable and are approved effective for service rendered on and after July 1, 1998.

3. Within 30 days of the date of this Order, Auxier shall file with the Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 5th day of June, 1998.

By the Commission

ATTEST:

  
Executive Director

4. Auxier's notice set out a current quarter balance adjustment ("BA") of (.40) cent per Mcf. The total BA of (2.8) cents per Mcf includes reconciling BA adjustments from previous quarters.

5. These adjustments produce a gas cost recovery rate of \$3.2040 Mcf, 47.77 cents per Mcf more than the prior rate.

6. The rate adjustment in the Appendix to this Order is fair, just, and reasonable, in the public interest, and should be effective with service rendered on and after July 1, 1998.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable and are approved effective for service rendered on and after July 1, 1998.

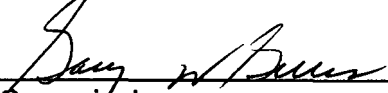
2. Within 30 days of the date of this Order, Auxier shall file with the Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 5th day of June, 1998.

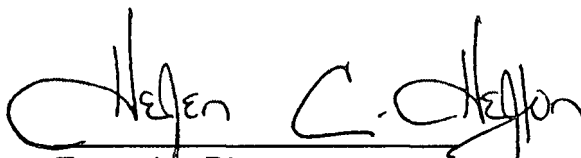
PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

Attest:

  
Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 10288-EE DATED JUNE 5, 1998

The following rates and charges are prescribed for the customers served by Auxier Road 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:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First Mcf (Minimum Bill)	\$5.11	\$3.2040	\$8.3140
All Over 1 Mcf Per Mcf	4.2599	3.2040	7.4639