

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT            )  
FILING OF WESTERN LEWIS-                    )    CASE NO. 2002-00270  
RECTORVILLE WATER AND GAS DISTRICT )

ORDER

On May 12, 1993, in Case No. 1992-00331, the Commission approved rates for Western Lewis-Rectorville Water and Gas District ( Western Lewis ) and provided for their further adjustment in accordance with Western Lewis s gas cost adjustment ( GCA ) clause.

On July 5, 2002, Western Lewis filed its proposed GCA to be effective August 1, 2002. Western Lewis requests a waiver of the 30-day notice period because it did not receive its expected gas rates from its supplier until July 5, 2002. As KRS 278.180(2) permits the Commission to shorten the required notice period for good cause, the Commission finds the utility s request should be granted.

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

1. Western Lewis s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Western Lewis s proposed expected gas cost ( EGC ) is \$4.7839 per Mcf, which is 13.01 cents per Mcf less than the prior EGC of \$4.9140.
3. Western Lewis s notice sets out no refund adjustment.

4. Western Lewis's notice sets out no current actual adjustment ( AA ). Western Lewis's notice sets out a total AA of (\$1.1992) per Mcf. Western Lewis incorrectly used its proposed, rather than its approved, total AA from the previous filing. Correcting for this error produces a total AA of (\$1.5378), which represents no change from the previous total AA.

5. Western Lewis's notice sets out no current quarter balance adjustment ( BA ). Western Lewis's notice sets out a total BA of 18.74 cents per Mcf, which represents no change from the previous total BA.

6. These combined adjustments produce a gas cost recovery rate ( GCR ) of \$3.4335 per Mcf, which is 13.01 cents per Mcf less than the previous rate of \$3.5636.

7. The rates in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for bills rendered by Western Lewis on and after August 1, 2002.

IT IS THEREFORE ORDERED that:

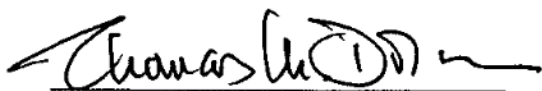
1. The rates in the Appendix to this Order are approved for bills rendered on and after August 1, 2002.

2. Within 20 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 19<sup>th</sup> day of July, 2002.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas H. Dixon", written over a horizontal line.

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2002-00270 DATED July 19, 2002

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

RETAIL RATES:

|  |                  |                               |              |
|--|------------------|-------------------------------|--------------|
| Customer Charge                                  | \$1.00 per month |                               |              |
| <u>Monthly usage</u>                             |                  |                               |              |
|  | <u>Base Rate</u> | <u>Gas Cost Recovery Rate</u> | <u>Total</u> |
| First 1,000 cubic feet<br>or less (Minimum Bill) | \$3.9883         | \$3.4335                      | \$7.4218     |
| Next 4,000 cubic feet per<br>1,000 cubic feet    | 1.4565           | 3.4335                        | 4.8900       |
| Next 5,000 cubic feet per<br>1,000 cubic feet    | 1.3970           | 3.4335                        | 4.8305       |
| Over 10,000 cubic feet per                       | 1.2228           | 3.4335                        | 4.6563       |