

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT)
FILING OF WESTERN LEWIS-)
RECTORVILLE WATER AND GAS DISTRICT) CASE NO. 2005-00074

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.¹

On February 10, 2005, Western Lewis filed its proposed GCA to be effective March 5, 2005. Western Lewis requests a waiver of the 30-day notice period because it did not receive its expected gas rates from its supplier until after February 1, 2005. As KRS 278.180 permits the Commission to shorten the required notice period for good cause, the Commission finds the 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.

¹ Case No. 1992-00331, The Application of Western Lewis-Rectorville for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities, Order dated May 12, 1993.

2. Western Lewis's notice sets out an expected gas cost ("EGC") of \$6.9570 per Mcf. Western Lewis incorrectly adjusted its allowable Mcf purchases, producing an incorrect EGC. Correcting for this error produces an EGC of \$7.7084 per Mcf, which is \$2.2219 per Mcf less than the prior EGC of \$9.9303.

3. Western Lewis's notice sets out no refund adjustment.

4. Western Lewis's notice sets out a current quarter actual adjustment ("AA") of (9.4) cents per Mcf. Western Lewis's total AA is (59.38) cents per Mcf, which is a decrease of 48.96 cents per Mcf from the previous total AA.

5. Western Lewis's notice sets out a current quarter balance adjustment ("BA") of .37 cent per Mcf. Western Lewis's notice sets out a total BA of (2.58) cents per Mcf, which is an increase of .68 cent per Mcf from the previous total BA.

6. Western Lewis's gas cost recovery rate ("GCR") is \$7.0888 per Mcf, which is \$2.7047 per Mcf less than the previous rate of \$9.7935.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Western Lewis on and after March 5, 2005.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for billing for service rendered on and after March 5, 2005.

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 24th day of February, 2005.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and flourishes, positioned above a horizontal line.

Executive Director

Case No. 2005-00074

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2005-00074 DATED FEBRUARY 24, 2005

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 or less (Minimum Bill)	\$3.9883	\$7.0888	\$ 11.0771
Next 4,000 cubic feet per 1,000 cubic feet	1.4565	7.0888	8.5453
Next 5,000 cubic feet per 1,000 cubic feet	1.3970	7.0888	8.4858
Over 10,000 cubic feet per 1,000 cubic feet	1.2228	7.0888	8.3116