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December 20, 2006

Pauline Bickley
Senior Office Clerk
Western Lewis-Rectorville Water and Gas District
8000 Day Pike
Maysville, KY 41056-9344

CERTIFICATE OF SERVICE

RE: Case No. 2006-00537
Western Lewis-Rectorville Water and Gas District

I, Beth O'Donnell, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on December 20, 2006.

A handwritten signature in black ink, appearing to read "Beth O'Donnell", written over a horizontal line.

Executive Director

BOD/jc
Enclosure

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. 2006-00537

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 December 8, 2006, Western Lewis filed its proposed interim GCA to be effective January 1, 2007. Western Lewis requests a waiver of the 30-day notice period in order to incorporate a recent price change from its supplier. 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 Water and Gas District for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities.

2. Western Lewis's notice sets out an expected gas cost ("EGC") of \$10.3084 per Mcf, which is an increase of 58.21 cents per Mcf from its prior EGC of \$9.7263.

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

4. Western Lewis's notice sets out a current quarter actual adjustment ("AA") of .2 cent per Mcf. Western Lewis's total AA is (\$3.1496) per Mcf, which is a decrease of 9.2 cents per Mcf from its previous total AA.

5. Western Lewis's notice sets out a current quarter balance adjustment ("BA") of (7.74) cents per Mcf. Western Lewis's notice sets out a total BA of (22.83) cents per Mcf, which is a decrease of 6.7 cents per Mcf from its previous total BA.

6. Western Lewis's gas cost recovery rate ("GCR") is \$6.9305 per Mcf, which is an increase of 42.31 cents per Mcf from its previous rate of \$6.5074.

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 January 1, 2007.

IT IS THEREFORE ORDERED that:

1. Western Lewis's request to shorten the period in which it must provide notice of the proposed adjustment from 30 days to 20 days is granted.

2. The rates in the Appendix to this Order are approved for billing for service rendered on and after January 1, 2007.

3. 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 20th day of December, 2006.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00537 DATED DECEMBER 20, 2006

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

Monthly usage

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1,000 cubic feet or less (Minimum Bill)	\$3.9883	\$6.9305	\$10.9188
Next 4,000 cubic feet per 1,000 cubic feet	1.4565	6.9305	8.3870
Next 5,000 cubic feet per 1,000 cubic feet	1.3970	6.9305	8.3275
Over 10,000 cubic feet per 1,000 cubic feet	1.2228	6.9305	8.1533