

COMMONWEALTH OF KENTUCKY
BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of:

A PURCHASED GAS ADJUSTMENT)
FILING BY OHIO RIVER GAS) CASE NO. 6671-W
COMPANY, INC.)

O R D E R

On January 18, 1977, the Commission entered its Final Order in Case No. 6671, in which it prescribed new base rates and a Purchased Gas Adjustment Clause setting forth the wholesale rates upon which future purchased gas adjustments should be based when the wholesale cost of gas is increased, decreased or refunds are received.

On December 5, 1980, Ohio River Gas Company, Inc., (Applicant) notified the Commission that its supplier Texas Gas Transmission Corporation (Texas Gas), revised its filing for the November 1, 1980, rate increase to reflect the elimination of the Surcharge for Deferred Demand Charges.

On November 26, 1980, Texas Gas tendered for filing proposed changes in its FPC Tariff, Third Revised Volume No. 1, to become effective November 1, 1980.

As a result of Texas Gas' retroactive rate adjustment the Company's current purchased gas tracking factor reflects an overstatement of the increase in supplier rates effective November 1, 1980. Gas costs calculated at the new proposed rate in Texas Gas' November 26, 1980, filing are \$862 less than costs determined by using the rate filed by Texas Gas on September 29, 1980. This difference amounts to .8¢ per Mcf of gas purchased or .08¢ per 100 cubic feet.

The Applicant, in compliance with its tariff and previous Orders of this Commission, submitted with its Notice certain information including verification of the rates and charges of its supplier.

After reviewing this evidence of record and being advised, the Commission is of the opinion and finds:

(1) That the Applicant's supplier, Texas Gas, has filed for decreased rates to become effective November 1, 1980.

(2) That the Application filed December 5, 1980, reflected Texas Gas' rates as filed with the FERC on November 26, 1980, to be effective November 1, 1980.

(3) That the Applicant's Base Supplier Rate for purchased gas will be as follows:

| | <u>Monthly Demand Charge</u> | <u>Commodity Charge</u> |
|------------------------------------|------------------------------|-------------------------|
| Texas Gas Transmission Corporation | | |
| Rate G-4 | \$2.94 | 220.91¢ |

(4) That the Applicant's adjustment in rates under the Purchased Gas Adjustment provisions approved by the Commission in its Order in Case No. 6671, dated January 18, 1977, is fair, just, reasonable and in the public interest and should be effective subject to refund with gas supplied on and after the date the increased cost of wholesale gas becomes effective.

IT IS THEREFORE ORDERED that the Purchased Gas Adjustment sought by the Applicant as set out in Appendix "A" attached hereto and made a part hereof, be and the same, is hereby approved to be effective, subject to refund, with gas supplied on and after the date the increased cost of wholesale gas becomes effective.

IT IS FURTHER ORDERED that for the purpose of the future Application of the Purchased Gas Adjustment Clause of Applicant the Base Rate for purchased gas shall be:

| | <u>Demand</u> | <u>Commodity</u> |
|------------------------------------|---------------|------------------|
| Texas Gas Transmission Corporation | | |
| Rate G-4 | \$2.94 | 220.91¢ |

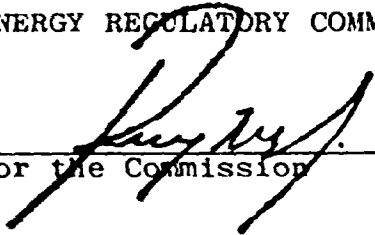
IT IS FURTHER ORDERED that Ohio River Gas Company, Inc., shall maintain its record in such manner as will enable it, or the Commission, or any of its customers, to determine the amount to be refunded and to whom due in the event a refund is ordered by the Commission.

IT IS FURTHER ORDERED that within thirty (30) days after the date of this Order, Applicant shall file with this Commission its revised tariff sheets setting out the rates approved herein.

IT IS FURTHER ORDERED that the information furnished this Commission by Applicant on December 5, 1980, constitutes full compliance with the Commission's requirements and Order in Case No. 6671, and any other information ordinarily required to be filed under the Commission's regulations is hereby waived.

Done at Frankfort, Kentucky, this 31st day of December, 1980.

ENERGY REGULATORY COMMISSION



For the Commission

ATTEST:

Secretary

APPENDIX "A"

APPENDIX TO AN ORDER OF THE ENERGY REGULATORY
COMMISSION IN CASE NO. 6671-W DATED DECEMBER 31, 1980

The following rates are prescribed for the customers in the area served by Ohio River Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES:

Applicable to All Rate Schedules

Purchased Gas Adjustment

To each bill rendered under all rate schedules there shall be added an amount equal to: 14.44¢ per Mcf of gas used during the billing period.