

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE EFFECT OF PURCHASED GAS ADJUSTMENT)
CLAUSE ON RATES OF PEOPLES GAS COMPANY)
OF KENTUCKY, RESULTING FROM INCREASE IN) CASE NO. 6716-H
RATES BY THE SUPPLIER, THE WISER OIL)
COMPANY, IN CASE NO. 7957)

O R D E R

On April 20, 1977, the Commission issued its Final Order in Case No. 6716 approving certain rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On October 15, 1980, the Applicant, Peoples Gas Company of Kentucky, (Wiser), notified the Commission that its supplier, Wiser Oil Company would increase its rates on and after September 29, 1980, and submitted with its motion certain information in compliance with this Commission's Order of April 20, 1977. The notice set out certain revisions in rates which are designed to increase the cost of natural gas in the amount of \$555,538.

The proposed rates of Wiser was suspended by the Commission for a period of five months and were made effective February 26, 1981.

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

1. That the Applicant's supplier has filed for increased rates and requiring said rates became effective on and after February 26, 1981.

2. That the Applicant's adjustment in rates under the Purchased Gas Adjustment Clause approved by the Commission in its Order in Case No. 6716 dated April 20, 1977, are fair, just and reasonable and in the public interest and should be allowed to be effective with gas supplied on and after February 26, 1981.

IT IS THEREFORE ORDERED that the rates including the proposed Purchased Gas Adjustment sought by the Applicant be and the same are hereby approved to be effective with gas supplied on and after February 26, 1981, as set out in Appendix "A" attached hereto and made a part hereof.

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

	<u>Commodity</u>
Wiser Oil Company	\$2.17 per MCF
General Service	

IT IS FURTHER ORDERED that the information furnished this Commission by the Applicant on October 15, 1980, constitutes full compliance with the Commission 's Order in Case No. 6716 and any other information ordinarily required to be filed under the Commission's Regulations is hereby waived.

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 effective February 26, 1980.

Done at Frankfort, Kentucky, this 31st day of March, 1981.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Secretary

APPENDIX "A"

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC
SERVICE COMMISSION IN CASE NO. 6716-H DATED
MARCH 31, 1981.

The following rates are prescribed for the customers in the area served by Peoples Gas Company. 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: Monthly

Effective
Rates as of
this Order

General Service

All Areas Except Oneida

First	2 MCF per Month	\$ 6.79
Next	4 MCF per Month	2.8215
Next	44 MCF per Month	2.7215
Next	350 MCF per Month	2.6715
All Over	400 MCF per Month	2.6215

Oneida and Environs

First	2 MCF per Month	\$ 7.13
Next	4 MCF per Month	2.9915
Next	44 MCF per Month	2.8915
Next	350 MCF per Month	2.8415
All Over	400 MCF per Month	2.7915