

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF THE UNION LIGHT,) CASE NO. 7268-V
HEAT AND POWER COMPANY)

O R D E R

On April 13, 1979, the Commission issued its Order in Case No. 7268, approving certain rates and providing under certain conditions for adjustment of such rates when the wholesale cost of gas is increased, decreased or a refund is received under the provisions of the Gas Cost Adjustment set forth therein.

On September 30, 1980, Columbia Gas Transmission Corporation ("Transmission") filed with the Federal Energy Regulatory Commission ("FERC") a general rate increase proposed to become effective November 1, 1980. That filing was suspended by FERC for a period of five months until April 1, 1981.

On March 13, 1981, Transmission filed with FERC a revised tariff that is to become effective April 1, 1981. The Commission has no jurisdiction in that case.

On April 21, 1981, Transmission filed with FERC, a revision to their filing of March 13, 1981, to become effective April 1, 1981.

On April 30, 1981, the Applicant notified the Commission that Transmission's filing of April 21, 1981, resulted in a decrease in the gas cost adjustments applicable to firm and off-peak customers. The Applicant has proposed to determine the amount of over billing

from April 1, 1981, to the effective date of the revised tariffs filed April 21, 1981, and include that amount in future refunds to customers.

The notice set out certain revisions in rates which the Applicant proposed to place in effect, said rates being designed to decrease the cost of natural gas of its supplier in the amount of \$64,284.

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

1. The Applicant's supplier, Transmission, has filed with the FERC for decreased rates to become effective April 1, 1981.

2. This decrease reflects Transmission's rates as filed with FERC on April 21, 1981, and to be effective April 1, 1981.

3. The Commission should allow the Applicant to place into effect, subject to refund, the rates set out in Appendix A as soon as Transmission's filing is "accepted" by FERC.

4. The Applicant's adjustment in rates under the Purchased Gas Adjustment Clause approved by the Commission in its Order in Case No. 7268, dated April 13, 1979, is fair, just and reasonable, in the public interest and should be effective with gas supplied on and after the date the decreased cost of wholesale gas becomes effective.

5. The Commission should allow the Applicant to determine the amount of over billing from April 1, 1981, to the effective date of the revised tariffs filed April 21, 1981, and include that amount in future refunds to customers.

IT IS THEREFORE ORDERED that said purchased gas adjustment sought by the Applicant and adjusted as aforesaid mentioned be and the same is hereby approved to be effective subject to refund, with gas supplied on and after the date the decreased cost of wholesale gas becomes effective, as set out in Appendix A attached hereto and made a part hereof.

IT IS FURTHER ORDERED that Union Light, Heat and Power Company shall maintain their records in such manner as will enable them, or the Commission, or any of their 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 for the purpose of the future application of the Gas Cost Adjustment Clause of the Applicant the average cost shall be:

	<u>Per MCF</u>
Firm Sales	3.1788
Off-Peak	2.9290

IT IS FURTHER ORDERED that the Applicant shall determine the amount of over billing from April 1, 1981, to the effective date of the revised tariffs filed April 21, 1981, and include that amount in future refunds to customers.

IT IS FURTHER ORDERED that the information furnished this Commission by Applicant on April 30, 1981, constitutes full compliance with the Commission's Order in Case No. 7268, 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 the decreased cost of wholesale gas becomes effective
Applicant shall file with this Commission its revised tariff
sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 21st day of May, 1981.

PUBLIC SERVICE COMMISSION

Marlin N. Cook
By the Commission

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 7268-V DATED
MAY 21, 1981

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

Rate GS

Net Monthly Bill

	<u>PGA ¢ Per</u> <u>100 Cu. Ft.*</u>	<u>Rate</u>
First 1,000 Cubic Feet at 10.05¢	10.05¢	54.60¢ per 100 Cubic Feet
Next 1,000 Cubic Feet at 10.05¢	10.05¢	42.02¢ per 100 Cubic Feet
Next 4,000 Cubic Feet at 10.05¢	10.05¢	39.10¢ per 100 Cubic Feet
Next 144,000 Cubic Feet at 10.05¢	10.05¢	38.12¢ per 100 Cubic Feet
Additional Cubic Feet at 10.05¢	10.05¢	37.46¢ per 100 Cubic Feet

Special Contract Gas Rates

<u>Off-Peak Rate</u>	<u>PGA</u>	<u>Rate</u>
All Consumption	11.04¢	34.34¢ per 100 Cubic Feet
<u>Firm Rate</u>		
All Consumption	10.05¢	35.59¢ per 100 Cubic Feet

* Reflects Firm Refunding Rate of 1.10¢ as approved in Case No. 7268-Q