

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

A PURCHASED GAS ADJUSTMENT)
FILING BY OHIO RIVER GAS) CASE NO. 8041-A
COMPANY, INC.)

O R D E R

On May 12, 1981, the Commission entered its Order in Case No. 8041, 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 June 15, 1981, Ohio River Gas Company, Inc., ("Applicant") notified the Commission that its supplier, Texas Gas Transmission Corporation ("Texas Gas"), had filed with the Federal Energy Regulatory Commission ("FERC") decreased rates to be effective retroactively to May 1, 1981.

The rate adjustment proposed herein is based upon Texas Gas's filing with the FERC to implement settlement rates in its general increase filing in Docket No. RP80-101. Texas Gas has proposed that these rates be made effective retroactively to May 1, 1981.

Due to the retroactive nature of the Texas Gas decrease, the Applicant requests that the new rate to the Applicant be made effective July 1, 1981. The Applicant should report to this Commission any excess revenues collected during the period May 1, 1981, through June 30, 1981, along with a plan to refund any excess collections.

The estimated annual decrease in revenue as a result of the Applicant's filing of June 15, 1981, is \$4,100 or 4.6¢ per Mcf.

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 that:

(1) The Applicant's supplier, Texas Gas, has filed for decreased rates to be effective retroactively to May 1, 1981.

(2) The application filed June 15, 1981, reflected Texas Gas's rates as filed with the FERC on June 9, 1981, to be effective retroactively to May 1, 1981.

(3) The Applicant shall report to the Commission any excess revenues collected during the period of May 1, 1981, through June 30, 1981, along with a plan to refund any excess collections to its customers.

(4) The estimated annual decrease in revenue as a result of the Applicant's filing of June 15, 1981, is \$4,100 or 4.6¢ per Mcf.

(5) 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	232.19¢

(6) The Applicant's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8041, dated May 12, 1981, is fair, just, reasonable, in

the public interest and should be effective with gas supplied on and after the date of the decreased 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 with gas supplied on and after the date the decreased cost of wholesale gas becomes effective.

IT IS FURTHER ORDERED that Applicant shall report to the Commission any excess revenues collected during the period of May 1, 1981, through June 30, 1981, along with a plan to refund any excess collections to its customers.

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	232.19¢

IT IS FURTHER ORDERED that within 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 June 15, 1981, constitutes full compliance with the Commission's requirements and Order in Case No. 8041, and any other information ordinarily required to be filed under the Commission's regulations is hereby waived.

Done at Frankfort, Kentucky, this 1st day of July, 1981.

ATTEST:

PUBLIC SERVICE COMMISSION

Secretary

Marlin M. Volk

For the Commission

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8041-A DATED JULY 1, 1981.

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: (.46¢) per Ccf of gas used during the billing period.