

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)
COMPANY, INC.) CASE NO. 8041-C

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 July 9, 1981, Ohio River Gas Company, Inc., ("Applicant") notified the Commission that its supplier, Texas Gas Transmission Corporation ("Texas") had filed with the Federal Energy Regulatory Commission ("FERC"), increased rates to become effective August 1, 1981.

The rate adjustment proposed herein is based upon Texas Gas filing with FERC to provide for changes in the cost of gas purchased, costs associated with advance payments and the cost of transportation of gas by others.

The estimated annual increase in revenue as a result of the Applicant's filing of July 9, 1981, is \$40,312 or 45.0¢ 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 increased rates to become effective August 1, 1981.

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

(3) The estimated annual increase in revenue as a result of the Applicant's filing of July 9, 1981, is \$40,312 or 45.0¢ per Mcf.

(4) The Applicant's base supplier rate for purchased gas will be as follows:

Texas Gas Transmission Corporation	<u>Monthly Demand Charge</u>	<u>Commodity Charge</u>
Rate G-4	\$2.93	275.26¢

(5) 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 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 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:

Texas Gas Transmission Corporation	<u>Demand</u>	<u>Commodity</u>
Rate G-4	\$2.93	\$275.26¢

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 July 9, 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 23rd day of July, 1981.

PUBLIC SERVICE COMMISSION



For the Commission

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8041-C DATED
JULY 23, 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: 3.84¢ per Ccf of gas used during the billing period.