

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PURCHASED GAS)
ADJUSTMENT FILING) CASE NO. 6902-M
OF VALLEY GAS, INC.)

AMENDED ORDER

On February 12, 1978, the Commission issued its Order in Case No. 6902, approving a purchased gas adjustment clause permitting certain adjustments in rates and providing under certain conditions for the further adjustments of such rates when the wholesale cost of gas is increased or decreased.

On October 19, 1982, Valley Gas, Inc., ("Valley") filed Case No. 6902-M to reflect a general increase in the cost of gas from its supplier, Texas Gas Transmission Corporation ("Texas Gas"), effective November 1, 1982. This Commission approved the purchased gas adjustment, subject to refund, by Order issued November 8, 1982.

On November 29, 1982, Valley filed an amendment to Case No. 6902-M wherein it notified the Commission that on November 18, 1982, Texas Gas filed revised tariff sheets with the Federal Energy Regulatory Commission ("FERC") reflecting a decrease in its rates.

After reviewing the notice filed in this case and being advised, the Commission is of the opinion and finds that:

(1) Valley's notice of November 29, 1982, set out certain revisions in rates which Valley proposed to place into effect, said

rates being designed to pass on the wholesale decrease in cost from its supplier in the amount of \$6,727 or \$0.1029 per Mcf.

(2) Valley's supplier, Texas Gas, has filed revised tariff sheets reflecting a decrease in rates with FERC to become effective November 1, 1982.

(3) Valley shall report to the Commission any excess revenues collected from November 1, 1982, to the date the proposed rates are implemented along with a plan to refund any overcollections to its customers.

(4) Valley's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 6902 dated February 12, 1978, is fair, just and reasonable, in the public interest and should be effective with gas supplied on and after November 1, 1982.

IT IS THEREFORE ORDERED that the rates contained in Appendix A be and they hereby are approved, effective for gas supplied on and after November 1, 1982.

IT IS FURTHER ORDERED that for the purpose of the future application of the purchased gas adjustment clause of Valley the base rate for purchased gas shall be:

Commodity

Texas Gas Transmission Corporation 422,42¢ per Mcf

IT IS FURTHER ORDERED that Valley shall report to the Commission any excess revenues collected from November 1, 1982, to the date the proposed rates are implemented along with a plan to refund any excess collections.

IT IS FURTHER ORDERED that within 30 days after the date of this Order Valley shall file with this Commission its revised tariff sheets setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 14th day of December, 1982.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 6902-M AMENDED DATED
December 14, 1982.

The following rates and charges are prescribed for the customers in the area served by Valley Gas, 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: Monthly

APPLICABLE TO:

GAS RATE SCHEDULE 1

PURCHASED GAS ADJUSTMENT:

To each bill rendered under the above named rate schedule there shall be added an amount equal to 3.874¢ per 100 cubic feet of gas used during the billing period.