

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

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

O R D E R

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 March 7, 1983, Valley Gas, Inc., ("Valley") notified the Commission that its wholesale cost of gas would be decreased by its supplier Texas Gas Transmission Corporation ("Texas Gas") and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with the Commission.

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

(1) Valley's notice of March 7, 1983, set out certain revisions in rates to pass on (a) a decrease of 4.13 cents per mcf from its supplier, Texas Gas, and (b) an increase of 7.39 cents per mcf to reflect the completion of a refund previously ordered in Case No. 6902-K. The net result is an

increase in Valley's retail rates in the annual amount of \$1,962 or 3.26 cents per mcf.

(2) Valley's notice of March 7, 1983, does not provide the Commission with the 20-day notice as required by statute. Therefore, the proposed rates should be effective with gas supplied on and after March 27, 1983.

(3) 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 and in the public interest and should be effective with gas supplied on and after March 27, 1983.

IT IS THEREFORE ORDERED that the rates in Appendix A be and they hereby are approved, effective for gas supplied on and after March 27, 1983.

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 418.29¢ per Mcf

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

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 6902-N DATED MARCH 28,
1983

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 0.326¢ per 100 cubic feet of gas used during the billing period.