

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF)
PURCHASED GAS ADJUSTMENT)
FILING OF WESTERN) CASE NO. 8227-S
KENTUCKY GAS COMPANY)

O R D E R

On October 9, 1981, the Commission issued its Order in Case No. 8227 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On September 2, 1983, Western Kentucky Gas Company ("Western") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Texas Gas Transmission Corporation ("Texas Gas"), effective August 1, 1983, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

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

(1) Western's notice of September 2, 1983, set out certain revisions in rates which Western proposed to place into effect, said rates being designed to pass on the

wholesale decrease in price from its supplier in the amount of \$1,267,331 or 3.57 cents per Mcf.

(2) On August 22, 1983, Texas Gas filed an application for a downward modification of its August 1, 1983, purchased gas adjustment filing with the Federal Energy Regulatory Commission.

(3) Inasmuch as the filing by Texas Gas was too late for Western to make timely filings before August 1, 1983, Western proposes an effective date of October 1, 1983. Western will incur a refund obligation in connection with purchases from Texas Gas for the months of August and September 1983.

(4) Western's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8227 dated October 9, 1981, is fair, just and reasonable and in the public interest and should be effective with bills rendered on and after October 1, 1983.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with bills rendered on and after October 1, 1983.

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

IT IS FURTHER ORDERED that within 30 days of the date of this Order Western shall file a plan to refund to its customers the amount of overcollection resulting from Texas Gas purchases during August and September 1983.

Done at Frankfort, Kentucky, this 13th day of September, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8227-S DATED SEPTEMBER 13, 1983

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

RATES:

Applicable to : All Gas Rate Schedules

Purchased Gas Adjustment

To each bill rendered under the above named rate schedules there shall be added an amount equal to: \$0.7964 per Mcf of gas used during the billing period.

The base rates for the future application of the purchased gas adjustment clause of Western Kentucky Gas Company shall be:

Texas Gas Transmission Corp.	<u>Demand</u>	<u>Commodity</u>	<u>Gas Rate</u>
G-2	\$5.28/Mcf	\$3.2287/Mcf	-0-
G-3	6.10/Mcf	3.2746/Mcf	-0-
G-4	6.64/Mcf	3.3105/Mcf	-0-
Tennessee Gas Pipeline Comp.			
G-2	8.71/Mcf	.3409/Mcf	\$2.9132/Mcf
GS-2	-0-	.8474/Mcf	2.9132/Mcf
Local Producers	-0-	-0-	3.4751/Mcf