

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE REQUEST OF B&H GAS COMPANY)
FOR APPROVAL OF EMERGENCY PURCHASES)
OF NATURAL GAS FROM KENTUCKY WEST) CASE NO. 8752
VIRGINIA GAS COMPANY FOR 120 DAYS)
AND APPROVAL OF A SURCHARGE)

O R D E R

On December 1, 1982, B&H Gas Company ("B&H") notified the Commission that it will not have sufficient gas to supply its customers during December 1982, and January, February and March 1983, and requested approval to make emergency purchases from Kentucky West Virginia Gas Company ("Kentucky West") for a period of 120 days, and to recover the additional cost of the emergency purchases by applying a surcharge to customer bills on a usage basis.

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

1. B&H has filed adequate information in requesting emergency purchases and a surcharge to recover the cost. Therefore, no hearing is necessary in this filing.

2. B&H does not have sufficient gas to supply its customers' needs at the present time. Its request for emergency deliveries of natural gas from Kentucky West is in the best interest of the customer and should be approved.

3. The rate to be charged for the emergency purchases will be the same rate charged city gate customers under rate schedule GSS-1 of Kentucky West's FERC Tariff No. 1. At this time the rate is \$3.4745 per dekatherm. B&H should notify the Commission if its supplier's rate is increased or decreased so that B&H can adjust its surcharge accordingly.

4. The additional cost for the emergency purchases will be approximately \$13,252 and should be collected in the form of a surcharge to be added to the existing rates of B&H. The surcharge should be 60.47 cents per Mcf and should be applied to the billing for the months of January, February, March, and April 1983.

5. B&H should maintain its records in such a manner that at the end of April 1983 any overcollection or under-collection can be readily determined.

6. B&H should file with the Commission a statement of gas costs and revenues collected at the end of April 1983, and, if necessary, a plan to balance its account with Kentucky West.

IT IS THEREFORE ORDERED that B&H's request to make emergency gas purchases from Kentucky West is in the public interest and is hereby approved for a period of 120 days beginning December 1, 1982.

IT IS FURTHER ORDERED that B&H shall recover the additional cost of emergency purchases from Kentucky West in the

form of a surcharge to be added to the present rates now being charged by B&H. The amount of the surcharge shall be 60.47 cents per Mcf and shall be applied to the billings for the months of January, February, March and April 1983.

IT IS FURTHER ORDERED that B&H shall notify the Commission if its supplier's rate is increased or decreased so that B&H can adjust its surcharge accordingly.

IT IS FURTHER ORDERED that B&H shall maintain its records in such a manner that at the end of April 1983 any overcollection or undercollection can be readily determined.

IT IS FURTHER ORDERED that B&H shall file with the Commission a statement of gas costs and revenues collected at the end of April 1983, and, if necessary, a plan to balance its account with Kentucky West.

IT IS FURTHER ORDERED that within 30 days from the date of this Order B&H shall file its revised tariff sheets setting out the rates approved herein.

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

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8752 DATED January 13, 1983

The following rates are prescribed for the customers in the area served by B&H Gas Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect prior to the date of this Order.

RATES: Monthly

First	2 Mcf	\$4.1040 (Minimum Bill)
Next	8 Mcf	1.8020 per Mcf
Next	20 Mcf	1.5520 per Mcf
Over	30 Mcf	1.4020 per Mcf

There shall be a surcharge in the amount of 60.47 cents per Mcf applied to billings for the months of January, February, March and April 1983.