

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

NOTICE OF PROPOSED ADJUSTMENT)
OF RATES, AND APPLICATION FOR)
INTERIM RATE RELIEF, FOR AUXIER) CASE NO. 8768
ROAD GAS COMPANY, INC.)

INTERIM ORDER

On March 28, 1983, Auxier Road Gas Company, Inc., ("Auxier Road") filed notice with this Commission requesting an adjustment of rates for gas service, to become effective on April 17, 1983, and interim rate relief pursuant to KRS 278.190(2). The Commission suspended Auxier Road's proposed rates for 5 months on and after April 17, 1983. A public hearing was held in the Commission's offices at Frankfort, Kentucky, on May 4, 1983, in order to address Auxier Road's request for interim rate relief, with the Consumer Protection Division of the Attorney General's Office intervening in the matter. In this Order, the Commission has granted Auxier Road's request for interim rate relief.

DISCUSSION

On March 31, 1983, the Commission issued an Order in this case which set out the general guidelines for interim rate relief. On April 20, 1983, Auxier Road submitted evidence of the necessity for interim rate relief which substantially complied with the Commission guidelines.

Auxier Road had a net loss of \$24,185 for the calendar year ending December 31, 1982. Moreover, Auxier Road is currently delinquent in payments to the Department for Local Government in the amount of \$10,400. Since gas sales will decrease substantially in the summer months, Auxier Road's cash flow will be severely impaired prior to a final decision in this case. Accordingly, in the interest of maintaining a fundamentally sound system, the Commission will allow the interim rate relief as requested.

SUMMARY

Based on the financial condition of Auxier Road, the Commission finds that an emergency exists and that Auxier Road's credit or operations will be materially impaired unless an interim increase is granted prior to the final Order of the Commission in this proceeding.

Based on a review of Auxier Road's application and its current financial condition the Commission finds that Auxier Road should be granted the interim rates in Appendix A of this Order. The Commission further finds that the interim rates should be subject to refund pending final determination of Auxier Road's request for permanent relief.

IT IS THEREFORE ORDERED that Auxier Road be and it hereby is authorized to place into effect the interim rates in Appendix A for service rendered on and after the date of this Order.

IT IS FURTHER ORDERED that the revenue from these interim rates shall be collected subject to refund.

IT IS FURTHER ORDERED that Auxier Road shall maintain its records in such manner as will enable it, the Commission or any of its customers to determine the amounts to be refunded and to whom due in the event a refund is ordered by the Commission.

IT IS FURTHER ORDERED that Auxier Road shall furnish this Commission within 30 days of the date of this Order its revised tariff sheet setting forth the interim rates approved herein.

Done at Frankfort, Kentucky, this 6th day of June, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A'

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 8768 DATED June 6, 1983.

The following rates and charges are prescribed for the customers in the area served by Auxier Road Gas Company, Inc. 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 effective date of this Order.

RATES: Monthly

Minimum Bill, one (1) Mcf	\$9.002
All Over one (1) Mcf	8.202 per Mcf