

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF ELAM) CASE NO. 8929-D
UTILITY COMPANY)

O R D E R

On May 2, 1984, the Commission issued its Order in Case No. 8929 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 August 15, 1984, Elam Utility Company ("Elam") notified the Commission that its wholesale cost of gas would be increased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective September 1, 1984, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission. On August 27, 1984, Elam filed revised exhibits to correct certain errors contained in its original notice.

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

(1) Elam's notice of August 27, 1984, set out certain revisions in rates which Elam proposed to place into effect, said rates being designed to pass on the wholesale increase in price from its supplier in the amount of \$7,602 or 18.56 cents per Dth.

(2) Transmission has filed an application for revised rates to become effective September 1, 1984, with the Federal Energy Regulatory Commission.

(3) The revised rates proposed by Elam contain a computational error in the industrial rate block. The rate should be \$8.22 per Mcf rather than \$9.22 as proposed.

(4) Elam's notice requested an effective date of September 1, 1984, for its proposed rates. Elam's notice does not provide the Commission with the 20 days' notice as required by statute; therefore, the revised rates should be effective on and after September 4, 1984.

(5) Elam's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8929 dated May 2, 1984, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after September 4, 1984. This adjustment should be subject to refund because Transmission's rates are subject to refund.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after September 4, 1984, subject to refund.

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

Done at Frankfort, Kentucky, this 7th day of September, 1984.

PUBLIC SERVICE COMMISSION

Richard D. Hemmick
Chairman

Robert L. Isgrig
Vice Chairman

Frank Hill
Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 8929-D DATED SEPTEMBER 7, 1984.

The following rates and charges are prescribed for the customers served by Elam Utility Company. 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

RESIDENTIAL & COMMERCIAL

Customer Charge	\$ 4.00
First 11 Mcf	8.22 per Mcf
Over 11 Mcf	9.22 per Mcf

INDUSTRIAL

Customer Charge	\$ 5.00
All Mcf	8.22 per Mcf

The base rates for the future application of the purchased gas adjustment clause of Elam Utility Company shall be:

	<u>Demand</u>	<u>Commodity</u>
Columbia Gas Transmission Corporation	-	\$4.5566 per Dth
Capitol Oil and Gas	-	3.95 per Mcf