

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED)	CASE NO.
GAS ADJUSTMENT FILING OF)	8568-W
PENDLETON COUNTY WATER)	AND
DISTRICT, GAS DIVISION)	8568-X

O R D E R

On December 8, 1982, the Commission issued its Order in Case No. 8568 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 9, 1985, Pendleton County Water District, Gas Division, ("Pendleton") notified the Commission in Case No. 8568-V that its wholesale cost of gas would be increased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective September 1, 1985. On August 26, 1985, the Commission granted Pendleton permission to adjust its rate accordingly.

On August 27, 1985, Pendleton requested permission in Case No. 8568-X to pass on a wholesale increase in price from Transmission to be effective August 1, 1985.

On August 27, 1985, Pendleton also filed Case No. 8568-W, proposing to revise its rates effective September 1, 1985, said rates being designed to pass on another increase from Transmission.

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

(1) Transmission initially filed an application for increased rates to be effective September 1, 1985, with the Federal Energy Regulatory Commission ("FERC").

(2) Transmission then filed with FERC an application for rates to be effective August 1, 1985, which represented an increase in rates over those in effect prior to August 1, 1985.

(3) Transmission also filed with FERC for revised rates to be effective September 1, 1985, that represented an additional increase over those to be effective August 1, 1985; these rates were, however, less than those originally approved for September 1, 1985.

(4) The rates Pendleton proposed in Case No. 8568-X constitute an increase over the rates already in effect for the period August 1 to August 31, 1985. Pendleton did not give the 20 days notice the Commission requires to increase its rates effective August 1, 1985.

(5) The rates Pendleton proposed in Case No. 8568-W to be effective September 1, 1985, represent an actual decrease from the rates approved by the Commission on August 26, 1985, to be effective September 1, 1985. The decrease from the rates approved in Case No. 8568-V is in the amount of \$1,281 or .8 cents per Mcf.

(6) Pendleton's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8568 dated December 8, 1982, is fair, just and

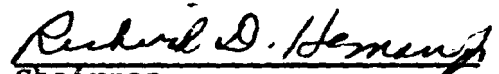
reasonable and in the public interest and should be effective with gas supplied on and after September 1, 1985.

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 1, 1985.

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

Done at Frankfort, Kentucky, this 9th day of September, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 8568-W and 8568-X DATED 9/9/85

The following rates are prescribed for the customers served by Pendleton County Water District, Gas Division. 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 effective date of this Order.

RATES: MONTHLY

RATES PER UNIT

Residential:

0 - 1 Mcf (Minimum Charge)	\$5.90 Per Month
1 - 2 Mcf	\$5.53027 Per Mcf
2 - 6 Mcf	\$5.50497 Per Mcf
Over 6 Mcf	\$5.49997 Per Mcf

Commercial:

0 - 1 Mcf (Minimum Charge)	\$5.49997 Per Month
1 - 20 Mcf	\$5.49497 Per Mcf
20 - 30 Mcf	\$5.48997 Per Mcf
30 - 40 Mcf	\$5.48497 Per Mcf
40 - 50 Mcf	\$5.47997 Per Mcf
Over 50 Mcf	\$6.45 Per Mcf

Small Industrial:

All Mcf	\$4.7607 Per Mcf
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Special Contracts:

Firm Gas Service:	
MAGO Construction Company, Inc.	\$4.5044 Per Mcf

For the purpose of the future application of the purchased gas adjustment clause of Pendleton County Water District, Gas Division, the base rate for purchased gas shall be:

Commodity

Columbia Gas Transmission Corporation	\$4.0363 Per Dth
Schedule SGS	