

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

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

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 April 4, 1986, Pendleton County Water District, Gas Division, ("Pendleton") notified the Commission that its wholesale cost of gas would be decreased by its supplier Columbia Gas Transmission Corporation ("Transmission"), effective March 1, 1986, 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) Pendleton's notice of April 4, 1986, set out certain revisions in rates which Pendleton proposed to place into effect,

said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$4,476 or 2.76 cents per Mcf.

(2) Transmission filed with the Federal Energy Regulatory Commission ("FERC") an application for decreased rates to be effective March 1, 1986.

(3) Pendleton should report to this Commission the amount of any excess revenues collected from March 1, 1986, to the date the proposed rates are implemented, along with a refund plan.

(4) 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 March 1, 1986.

IT IS THEREFORE ORDERED that:

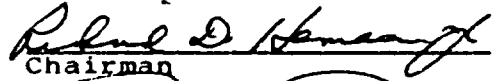
(1) The rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after March 1, 1986.

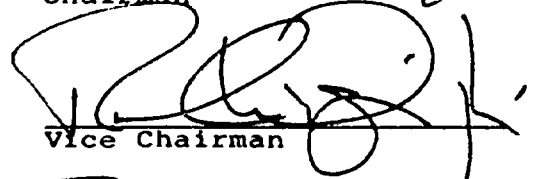
(2) Within 30 days of the date of this Order Pendleton shall file with this Commission its revised tariffs setting out the rates authorized herein.

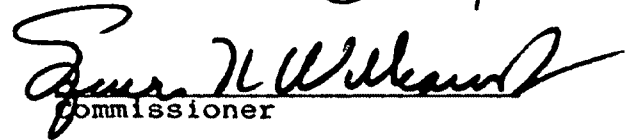
(3) Within 30 days of the date of this Order Pendleton shall file with this Commission a report detailing the amount of its excess revenues and refund plan.

Done at Frankfort, Kentucky, this 14th day of April, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8568-CC DATED 4/14/86

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 the authority of the Commission prior to the date of this Order.

RATES: MONTHLY

RATES PER UNIT

Residential:

0 - 1 Mcf (Minimum Charge)	\$5.84	Per Month
1 - 2 Mcf	5.4789	Per Mcf
2 - 6 Mcf	5.4536	Per Mcf
Over 6 Mcf	5.4486	Per Mcf

Commercial:

0 - 1 Mcf (Minimum Charge)	\$6.39	Per Month
1 - 20 Mcf	5.4486	Per Mcf
20 - 30 Mcf	5.4436	Per Mcf
30 - 40 Mcf	5.4386	Per Mcf
40 - 50 Mcf	5.4336	Per Mcf
Over 50 Mcf	5.4286	Per Mcf

SMALL INDUSTRIAL:

All Mcf	\$4.6973	Per Mcf
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SPECIAL CONTRACTS:

Firm Gas Service:

MAGO Construction Co., Inc.,	\$4.441	Per Mcf
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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
Schedule SGS

\$3.9741 Per Dth