

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED)
GAS ADJUSTMENT FILING OF) CASE NO. 8568-MM
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 June 10, 1987, Pendleton County Water District, Gas Division, ("Pendleton") notified the Commission that it received an increase in rates from its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective May 11, 1987, 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 June 10, 1987, set out certain revisions in rates which Pendleton proposes to place into effect, said rates being designed to pass on a wholesale increase in rates from its supplier in the amount of \$28,368 or 16.20 cents per Mcf. In setting out its present and proposed monthly rates, Pendleton

used incorrect rates instead of those actually approved by the Commission.

(2) Transmission filed an application for increased rates with the Federal Energy Regulatory Commission to become effective May 11, 1987.

(3) A legislative change in KRS Chapter 278, effective July 15, 1986, requires 30 days notice of a change in rates with the Commission having the discretion to shorten the required period to 20 days upon showing of good cause. Reduction in rates will, as always, be made effective with the date of the supplier decrease. Increases in rates will be effective with 20 days notice providing that:

(a) The effective date from the supplier is not more than 20 days in the future, in which case the actual effective date will be used; and

(b) The company has included in its filing a specific request that a tariff sheet or some other notification from the supplier be considered a showing of good cause for 20 days notice. Pendleton included a request for a showing of good cause for 20 days notice. The effective date will, therefore, be 20 days after Pendleton's notice, or June 30, 1987.

(4) Pendleton's corrected 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 June 30, 1987.

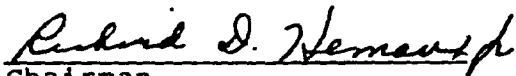
IT IS THEREFORE ORDERED that:

(1) The rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after June 30, 1987.

(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.

Done at Frankfort, Kentucky, this 30th day of June, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8568-MM DATED 6/30/87

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)	\$5.26	Per Month
1 - 2 Mcf	4.9134	Per Mcf
2 - 6 Mcf	4.8881	Per Mcf
Over 6 Mcf	4.8831	Per Mcf

Commercial:

0 - 1 Mcf (Minimum Charge)	\$5.83	Per Month
1 - 20 Mcf	4.8831	Per Mcf
20 - 30 Mcf	4.8781	Per Mcf
30 - 40 Mcf	4.8731	Per Mcf
40 - 50 Mcf	4.8681	Per Mcf
Over 50 Mcf	4.8631	Per Mcf

SMALL INDUSTRIAL:

All Mcf	\$4.1318	Per Mcf
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SPECIAL CONTRACTS:

Firm Gas Service:

MAGO Construction Co., Inc.,	\$3.9255	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:

	<u>Commodity</u>
Columbia Gas Transmission Corporation Schedule SGS	\$3.4246 Per Dth