

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF THE UNION LIGHT,) CASE NO. 9029-K
HEAT AND POWER COMPANY)

ORDER

On October 24, 1984, the Commission issued its Order in Case No. 9029, approving certain rates and providing for adjustments of these rates on a quarterly basis in accordance with the provisions of the gas cost adjustment clause set forth therein.

On May 29, 1987, The Union Light, Heat and Power Company ("Union") filed its revised quarterly gas cost adjustment which is to become effective July 1, 1987, and is to remain in effect until September 30, 1987.

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

(1) Union's notice of May 29, 1987, set out certain revisions in rates which Union proposed to place into effect, said rates being designed to pass on the wholesale net increase in gas costs from its suppliers in the amount of \$639,811 or 6.7 cents per Mcf.

(2) Union's notice set out a total refund adjustment of .1 cents per Mcf, which consists of a previous quarter adjustment of .1 cents. There is no refund adjustment for the current quarter.

(3) Union's notice set out a total actual adjustment of 9.2 cents per Mcf to compensate for previous under-recovery of gas cost by the company through the operation of its gas cost recovery procedure.

(4) Union's notice set out a total balance adjustment of (1.6) cents per Mcf to reconcile previous actual, refund and balance adjustments.

(5) Union's gas cost recovery rate for exempt customers in the amount of \$3.413 per Mcf is an increase of 5.6 cents per Mcf from the previously authorized rate; Union actually experienced a decrease in expected gas cost, but because sales for the test year used for this filing were decreased, the expected gas cost component was higher. The increase represents the combined effect of the supplier, actual and balancing adjustments.

(6) Union's adjustment in rates set out in the Appendix to this Order is fair, just and reasonable and in the public interest and should be effective with bills rendered on and after July 1, 1987, or as soon as practicable thereafter.

IT IS THEREFORE ORDERED that:

(1) The rates in the Appendix to this Order be and they hereby are authorized effective with bills rendered on and after July 1, 1987, or as soon as practicable thereafter.

(2) The gas cost recovery rate for exempt customers shall be \$3.413 per Mcf.

(3) Within 30 days of the date of this Order Union shall file with this Commission its revised tariffs setting out the rates and charges authorized herein.

Done at Frankfort, Kentucky, this 17th day of June, 1987.

PUBLIC SERVICE COMMISSION

Richard D. Weman, Jr.
Chairman

Paul H. Gill
Vice Chairman

Spencer H. Williams, Jr.
Commissioner

ATTEST:

Executive Director

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 9029-K DATED 6/17/87

The following rates and charges are prescribed for the customers served by Union Light, Heat and Power Company. 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 date of this Order.

RATE GS
GENERAL SERVICE

Customer Charge per month:	
Residential Service	\$4.50
Non-Residential Service	\$6.00

	Base Rate	Gas Cost Adjustment	Total Rate
All Gas Used	14.49¢	plus 34.13¢	equals 48.62¢ per 100 cu. ft.

Minimum Bill: The minimum monthly charge shall be the customer charge as stated above.

The "Gas Cost Adjustment" as shown above, is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 19 of this tariff.

RATE F

Special Contract - Firm Use

	Base Rate	Gas Cost Adjustment	Total Rate
All Gas Used	7.97¢	plus 34.13¢	equals 42.10¢ per 100 cu. ft.

The "Gas Cost Adjustment" as shown above, is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 19 of this tariff.

RATE OP
OFF PEAK

NET MONTHLY BILL

Computed in accordance with the following charges:

(1) Firm Use shall be billed in accordance with Rate GS, General Service;

(2) Off Peak Gas (i.e., Gas in excess of Firm Use) shall be billed in accordance with the following:

<u>Base</u>	<u>Gas</u>	<u>Total</u>
<u>Rate</u>	<u>Cost</u>	<u>Rate</u>
	<u>Adjustment</u>	

All Gas Used 5.00¢ plus 34.13¢ equals 39.13¢ per 100 cu. ft.

The "Gas Cost Adjustment" as shown above, is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 19 of this tariff.