

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

A PETITION OF BURKESVILLE GAS)	
COMPANY, INC., FOR APPLICATION)	
OF A SPECIAL RATE PURSUANT TO)	CASE NO. 99-041
KRS 278.170)	

O R D E R

On January 29, 1999, Burkesville Gas Company, Inc. (Burkesville) filed a petition with the Commission seeking approval of a special rate for 3-L Enterprise, Inc. (3-L). The special rate of \$5.95 per Mcf was to remain in effect only through March 31, 1999. The intent of the contract was to give the customer the opportunity to determine if the use of natural gas would be economically feasible in the long-run.

A data request was issued February 12, 1999, and a response received on February 24, 1999. An informal conference was held on April 21, 1999. The subject of the request and the informal conference was the capability of Burkesville to serve not only its existing customers but also the additional load of 3-L using its existing capacity. Burkesville was also asked to address the issue of the contract and its terms and whether it would be extended past the March 31, 1999 expiration date.

On June 11, 1999, Burkesville filed an unsigned natural gas service agreement with 3-L to provide a maximum of 8,000 cubic feet of natural gas per hour at 3-L s meter station at Allen Creek Road, Burkesville, Kentucky on an interruptible basis. The rate

will be \$5.95 per Mcf up to October 1, 1999. Thereafter the agreement may be extended by either party.

After reviewing the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Burkesville has shown that it has sufficient capacity to serve all its customers, including 3-L. Burkesville's petition for a special rate for 3-L should be approved.

2. Burkesville should file an executed contract with 3-L for the Commission's approval.

IT IS THEREFORE ORDERED that:

1. Burkesville's petition for a special rate for 3-L effective until March 31, 1999, is hereby approved.

2. Burkesville shall file with the Commission a signed agreement with 3-L, with related cost support showing that the rate covers the cost to serve the customer, within 30 days from the date of this Order.

Done at Frankfort, Kentucky, this 3rd day of August, 1999.

By the Commission

ATTEST:

Executive Director