

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT)
FILING OF WESTERN LEWIS-)
RECTORVILLE WATER AND GAS DISTRICT) CASE NO. 92-331-DD

ORDER

On May 12, 1993, in Case No. 92-331, the Commission approved adjustments to the rates of Western Lewis-Rectorville Water and Gas District ("Western Lewis") to recover its purchased gas cost on a quarterly basis in accordance with the provisions of Western Lewis's gas cost adjustment ("GCA") clause.

On August 31, 2000, Western Lewis filed its GCA to be effective from October 1, 2000 to December 31, 2000.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. In its notice, Western Lewis proposed revised rates to pass on its expected increase in gas costs to its customers. Western Lewis's proposed expected gas cost ("EGC") is \$6.6721 per Mcf, an increase of \$2.0439 per Mcf from the prior EGC of \$4.6282.

2. Western Lewis's notice set out no refund adjustment.

3. Western Lewis's proposed current actual adjustment ("AA") is (2.5) cents per Mcf. Western Lewis's proposed total AA of (24.14) cents per Mcf reflects the

current net over-recovery, as well as previous quarters' under- and over-recoveries. The total AA represents a 7.24 cent per Mcf increase from the previous quarter total AA.

4. Western Lewis's notice set out a current balance adjustment ("BA") of (1.37) cent per Mcf to reconcile a previous quarter AA. Western Lewis used the incorrect sign in its proposed current quarter BA. Correcting for this produces a current quarter BA of 1.37 cent per Mcf. Western Lewis's notice set out a total BA of (2.49) cents per Mcf. Adjusting for the correct current quarter BA produces a total BA of .25 cent per Mcf which reflects the current under-recovery as well as previous quarters' under- and over-recoveries. The total BA represents an increase of 4.08 cents per Mcf from the previous total BA.

5. These combined adjustments produce a corrected gas cost recovery rate ("GCR") of \$6.4332 per Mcf, \$2.1571 per Mcf more than the prior rate of \$4.2761.

6. The revised rates in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for service rendered on and after October 1, 2000.

IT IS THEREFORE ORDERED that:

1. Western Lewis's proposed rates are denied.
2. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for service rendered on and after October 1, 2000.

3. Within 30 days of the date of this Order, Western Lewis shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 12th day of September, 2000.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 92-331-DD DATED SEPTEMBER 12, 2000

The following rates and charges are prescribed for the customers served by Western Lewis–Rectorville Water and Gas District. 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 effective date of this Order.

RETAIL RATES:

Customer Charge	\$1.00 per month		
<u>Monthly Usage</u>		Gas Cost Recovery Rate	<u>Total</u>
	<u>Base Rate</u>		
First 1,000 cubic feet or less (Minimum Bill)	\$3.9883	\$6.4332	\$10.4215
Next 4,000 cubic feet per 1,000 cubic feet	1.4565	6.4332	7.8897
Next 5,000 cubic feet per 1,000 cubic feet	1.3970	6.4332	7.8302
Over 10,000 cubic feet per	1.2228	6.4332	7.6560