

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

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 in accordance with the provisions of Western Lewis's gas cost adjustment ("GCA") clause.

On March 9, 2001, Western Lewis filed its GCA to be effective April 1, 2001. On March 20, 2001, Western Lewis supplemented its filing with calculations for the current quarter Actual Adjustment ("AA") and the current quarter Balance Adjustment. Western Lewis has modified its GCA clause to allow it to file a GCA monthly until further notice.

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 decrease in gas costs to its customers. Western Lewis's proposed expected gas cost ("EGC") is \$6.8360 per Mcf, a decrease of \$1.4181 per Mcf from the prior EGC of \$8.2541.

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

3. Western Lewis proposed a current AA of \$1.1230. Western Lewis proposed a total AA of (1.84) cents per Mcf. Correcting for the current AA, the total AA should be \$1.2037 to collect the current under-recovery as well as under and over-recoveries from previous quarters.

4. Western Lewis proposed a current balance adjustment ("BA") of (.42) cent per Mcf. Western Lewis used the wrong cost difference and previous AA in its calculation of the BA. Using the cost difference and AA effective January 1, 2000, results in a current quarter BA of .7 cent per Mcf. Western Lewis proposed a total BA of .22 cent per Mcf. Correcting for the current quarter BA results in a total BA of 1.02 cent per Mcf.

5. These combined adjustments produce a corrected gas cost recovery rate ("GCR") of \$8.0499 per Mcf, 18.8 cents per Mcf less than the prior rate of \$8.2379.

6. The revised rates in the Appendix to this Order are fair, just, and reasonable, are in the public interest, and should be approved for bills rendered on and after April 1, 2001.

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 bills rendered on and after April 1, 2001.
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 30th day of March, 2001.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 92-331-HH DATED MARCH 30, 2001

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	
	<u>Base Rate</u>	<u>Rate</u>	<u>Total</u>
First 1,000 cubic feet or less (Minimum Bill)	\$3.9883	\$8.0499	\$12.0382
Next 4,000 cubic feet per 1,000 cubic feet	1.4565	8.0499	9.5064
Next 5,000 cubic feet per 1,000 cubic feet	1.3970	8.0499	9.4469
Over 10,000 cubic feet per	1.2228	8.0499	9.2727