

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT)	
FILING OF WESTERN LEWIS-)	CASE NO. 2002-00076
RECTORVILLE WATER AND GAS DISTRICT)	

ORDER

On May 12, 1993, in Case No. 92-331, the Commission approved rates for Western Lewis-Rectorville Water and Gas District (Western Lewis) and provided for their further adjustment in accordance with Western Lewis s gas cost adjustment (GCA) clause.

On March 6, 2002, Western Lewis filed its proposed GCA to be effective April 1, 2002. Western Lewis requests a waiver of the 30-day notice period because it did not receive its expected gas rates from its supplier until on or about March 6, 2002. As KRS 278.180(2) permits the Commission to shorten the required notice period for good cause, the Commission finds the utility s request should be granted.

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

1. Western Lewis s notice includes revised rates designed to pass on to its customers its expected increase in wholesale gas costs. Western Lewis s proposed expected gas cost (EGC) is \$6.1695 per Mcf, which is \$2.0940 per Mcf more than the prior EGC of \$4.0755.

2. Western Lewis s notice sets out no refund adjustment.

3. Western Lewis's notice sets out a current actual adjustment (AA) of (24.15) cents per Mcf. Western Lewis incorrectly calculated its monthly cost difference for October 2001. Correcting for this produces a current actual adjustment of (24.33) cents per Mcf. Western Lewis's notice sets out a total AA of (37.73) cents per Mcf. Western Lewis included a prior quarter AA that expires April 1, 2002 in its proposed total AA. Correcting for this produces a total AA of (\$1.5021) per Mcf, which is a decrease of \$1.3663 from the previous total AA.

4. Western Lewis's notice sets out a current quarter balance adjustment (BA) of 19.54 cents per Mcf. Western Lewis's notice sets out a total BA of 19.44 cents per Mcf. Western Lewis included a prior quarter BA that expires April 1, 2002 in its proposed total BA. Correcting for this produces a total BA of 18.74 cents per Mcf, which is an increase of 18.84 from the previous total BA.

5. These combined adjustments produce a gas cost recovery rate (GCR) of \$4.8548 per Mcf, which is 91.61 cents per Mcf more than the previous rate of \$3.9387.

6. The rates in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for bills rendered by Western Lewis on and after April 1, 2002.

IT IS THEREFORE ORDERED that:


1. The rates in the Appendix to this Order are approved for bills rendered on and after April 1, 2002.

2. Within 20 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 14th day of March, 2002.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas M. Dixon", written over a horizontal line.

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00076 DATED March 14, 2002

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

Monthly usage

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
First 1,000 cubic feet or less (Minimum Bill)	\$3.9883	\$4.8548	\$8.8431
Next 4,000 cubic feet per 1,000 cubic feet	1.4565	4.8548	6.3113
Next 5,000 cubic feet per 1,000 cubic feet	1.3970	4.8548	6.2518
Over 10,000 cubic feet per	1.2228	4.8548	6.0776