

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT	)	
FILING OF WESTERN LEWIS-	)	CASE NO. 2002-00194
RECTORVILLE WATER AND GAS DISTRICT	)	

ORDER

On May 12, 1993, in Case No. 1992-00331, 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 June 7, 2002, Western Lewis filed its proposed GCA to be effective July 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 June 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 decrease in wholesale gas costs. Western Lewis s proposed expected gas cost ( EGC ) is \$4.9140 per Mcf, which is 18.33 cents per Mcf less than the prior EGC of \$5.0973.

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

3. Western Lewis's notice sets out a current actual adjustment ( AA ) of 30.29 cents per Mcf. Western Lewis used incorrect sales volumes in its calculation of its AA. Correcting for this error produces a current quarter AA of (3.57) cents per Mcf. Western Lewis's notice sets out a total AA of (\$1.1992) per Mcf. Correcting for the current quarter AA produces a total AA of (\$1.5378), which represents a decrease of 3.57 cents per Mcf from the previous total AA.

4. Western Lewis's notice sets out no current quarter balance adjustment ( BA ). Western Lewis's notice sets out a total BA of 18.74 cents per Mcf, which represents no change from the previous total BA.

5. These combined adjustments produce a gas cost recovery rate ( GCR ) of \$3.5636 per Mcf, which is 21.9 cents per Mcf less than the previous rate of \$3.7826.

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 July 1, 2002.

IT IS THEREFORE ORDERED that:

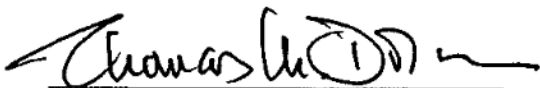
1. The rates in the Appendix to this Order are approved for bills rendered on and after July 1, 2002.

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 26<sup>th</sup> day of June, 2002.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas H. O'Dell", written over a horizontal line.

Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00194 DATED JUNE 26, 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		
<u>Monthly usage</u>			
	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1,000 cubic feet or less (Minimum Bill)	\$3.9883	\$3.5636	\$7.5519
Next 4,000 cubic feet per 1,000 cubic feet	1.4565	3.5636	5.0201
Next 5,000 cubic feet per 1,000 cubic feet	1.3970	3.5636	4.9606
Over 10,000 cubic feet per	1.2228	3.5636	4.7864