COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT)	
FILING OF WESTERN LEWIS-)	CASE NO. 2003-0042
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 Lewiss gas cost adjustment (GCA) clause.

On November 12, 2003, Western Lewis filed its proposed GCA to be effective December 1, 2003. Western Lewis requests a waiver of the 30-day notice period because it did not receive its expected gas rates from its supplier until after November 1, 2003. As KRS 278.180 permits the Commission to shorten the required notice period for good cause, the Commission finds the request should be granted.

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

- Western Lewis's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
- 2. Western Lewis s proposed expected gas cost (EGC) is \$5.8126 per Mcf, which is 2.81 cents per Mcf more than the prior EGC of \$5.7845.
 - 3. Western Lewis s notice sets out no refund adjustment.
- 4. Western Lewis s notice sets out a current quarter actual adjustment (AA) of 7.22 cents per Mcf. Western Lewis did not adjust for line loss for July and September

2003. Correcting for this produces a current quarter AA of 2.22 cents per Mcf. Western

Lewis s total AA is (50.75) cents per Mcf, which is a decrease of 1.07 cent per Mcf from

the previous total AA.

5. Western Lewis's notice sets out a current quarter balance adjustment

(BA) of (78.84) cents per Mcf. Western Lewis incorrectly calculated the dollar amount

of the balance adjustment. Correcting for this produces a current quarter BA of 4.86

cents per Mcf. Western Lewis s total BA is .6 cent per Mcf, which is an increase of 3.92

cents per Mcf from the previous total BA.

6. Western Lewis s gas cost recovery rate (GCR) is \$5.3111 per Mcf, which

is 5.66 cents per Mcf more than the previous rate of \$5.2545.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and

should be approved for billing for service rendered by Western Lewis on and after

December 1, 2003.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for billing for service

rendered on and after December 1, 2003.

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 21st day of November, 2003.

By the Commission

ATTEST:

Executive Director

Case No. 2003-00421

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00421 DATED November 21, 2003

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

	Base Rate	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
First 1,000 cubic feet or less (Minimum Bill)	\$3.9883	\$5.3111	\$ 9.2994
Next 4,000 cubic feet per 1,000 cubic feet	1.4565	5.3111	6.7676
Next 5,000 cubic feet per 1,000 cubic feet	1.3970	5.3111	6.7081
Over 10,000 cubic feet per 1,000 cubic feet	1.2228	5.3111	6.5339