

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF AUXIER ROAD GAS)
CO., INC. FOR AN ADJUSTMENT IN RATES) CASE NO. 2008-00156
AND CERTAIN NON-RECURRING CHARGES)

O R D E R

On April 29, 2008, Auxier Road Gas Co., Inc. ("Auxier Road") tendered to the Commission an Alternate Rate Filing ("ARF") for small utilities, pursuant to 807 KAR 5:076. In that document Auxier Road did not include any revised tariff sheets or any request for revision of its nonrecurring charges. On April 30, 2008, the Commission received a letter from Auxier Road containing adjusted tariff information in the form of tariff sheets for its Gas Cost Adjustment Clause. Those tariff sheets did not contain an effective date. On May 2, 2008, Auxier Road submitted to the Commission, by letter, a request to amend its ARF to include enclosed tariff charges. The enclosure was a tariff sheet containing adjusted nonrecurring charges. That tariff sheet did not contain any effective date.

On May 5, 2008, Auxier Road was notified that its ARF was rejected due to the filing deficiencies listed in the letter. On May 14, 2008, in response to that deficiency letter, Auxier Road attempted to cure the prior deficiencies by filing certain documents, among which was a revised tariff sheet for the nonrecurring charges and a revised Gas Cost Adjustment Clause, both with an effective date of June 15, 2008.

On May 12, 2008, Auxier Road was again notified that its ARF was rejected for the reasons contained in the letter, one of which was there was no cost justification for the nonrecurring charges. On June 4, 2008, Auxier Road again filed information to cure its deficiencies. This filing contained a revised tariff sheet of nonrecurring charges and revised tariff sheets for Auxier Road's Gas Cost Adjustment Clause, both with a June 15, 2008 effective date. Commission Staff found that the ARF met the minimum filing requirements and it was marked filed as of June 4, 2008. The ARF filing did not list any effective date for the general rates.

Tariffs submitted to the Commission may be considered effective on the date listed on the tariff sheet if proper notice is given of the filing. Auxier Road's nonrecurring gas cost charges and the Gas Cost Adjustment Clause contained effective dates of June 15, 2008. As Auxier Road's ARF was apparently filed in sections, we do not consider notice was given to the Commission until the ARF was accepted as filed on June 4, 2008. Auxier Road's notice fails to comply with KRS 278.180(1), which requires a utility to provide the Commission with 30 days' prior notice of any rate revision.

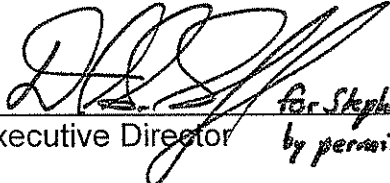
Since the issues of the proposed revised Gas Cost Adjustment Clause and the nonrecurring charges are being considered as part of the general rate proceeding and since no effective date has been given by Auxier Road for the general tariff provisions as proposed, no adjustments may be placed into effect during the pendency of this proceeding. So that there is no misunderstanding, we will suspend all tariff schedules contained in Auxier Road's filing pursuant to the provisions of KRS 278.190 for a period of 5 months.

IT IS HEREBY ORDERED that Auxier Road's proposed rate revisions, including the proposed nonrecurring charge revisions and the proposed Gas Cost Adjustment Clause revision, are suspended for 5 months from June 4, 2008 up to and including November 4, 2008.

Done at Frankfort, Kentucky, this 11th day of August, 2008.

By the Commission

ATTEST:


Executive Director *for Stephanie Stumbo*
by permission

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