

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

A PURCHASED GAS ADJUSTMENT)
FILING BY OHIO RIVER GAS) CASE NO. 8041-B
COMPANY, INC.)

O R D E R

On May 12, 1981, the Commission entered its Order in Case No. 8041, in which it prescribed new base rates and a purchased gas adjustment clause setting forth the wholesale rates upon which future purchased gas adjustments should be used when the wholesale cost of gas is increased, decreased or refunds are received.

On July 9, 1981, Ohio River Gas Company, Inc., ("Applicant") notified the Commission that its supplier, Texas Gas Transmission Corporation ("Texas"), had filed with the Federal Energy Regulatory Commission ("FERC") decreased rates to become effective May 1, 1981.

The rate adjustment proposed herein is based upon on Order from FERC issued June 29, 1981, in Docket No. TA 81-2-18, wherein Texas was directed to file a revised tariff sheet to eliminate from its tariff the current adjustment of 2.0¢ per Mcf for the Louisiana First Use Tax.

Due to the retroactive nature of the Texas Gas decrease, the Applicant requests that the new rate to the Applicant be made effective July 1, 1981. The Applicant should report to this Commission any excess revenues collected during the period May 1, 1981, through the date of this Order, along with a plan to refund any excess collections.

The estimated annual decrease in revenue as a result of the Applicant's filing of July 9, 1981, is \$1,792 or 2.0¢ per Mcf.

The Applicant, in compliance with its tariff and previous Orders of this Commission, submitted with its notice certain information including verification of the rates and charges of its supplier.

After reviewing this evidence of record and being advised, the Commission is of the opinion and finds that:

(1) The Applicant's supplier, Texas Gas, has filed for decreased rates to be effective retroactively to May 1, 1981.

(2) The application filed July 9, 1981, reflected Texas Gas's rates as filed with the FERC on July 1, 1981, to be effective retroactively to May 1, 1981.

(3) The Applicant shall report to the Commission any excess revenues collected during the period of May 1, 1981, through the date of this Order along with a plan to refund any excess collections to its customers.

(4) The estimated annual decrease in revenue as a result of the Applicant's filing of July 9, 1981, is \$1,792 or 2.0¢ per Mcf.

(5) The Applicant's base supplier rate for purchased gas will be as follows:

| Texas Gas Transmission Corporation | <u>Monthly Demand Charge</u> | <u>Commodity Charge</u> |
|------------------------------------|------------------------------|-------------------------|
| Rate G-4 | \$2.94 | 230.19¢ |

(6) The Applicant's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8041, dated May 12, 1981, is fair, just, reasonable, in the public interest and should be effective with gas supplied on and after the date of the decreased cost of wholesale gas becomes effective.

IT IS THEREFORE ORDERED that the purchased gas adjustment sought by the Applicant as set out in Appendix A attached hereto and made a part hereof, be and the same, is hereby approved to be effective with gas supplied on and after July 1, 1981.

IT IS FURTHER ORDERED that for the purpose of the future application of the purchased gas adjustment clause of Applicant, the base rate for purchased gas shall be:

| | | |
|------------------------------------|---------------|------------------|
| Texas Gas Transmission Corporation | <u>Demand</u> | <u>Commodity</u> |
| Rate G-4 | \$2.94 | 230.19¢ |

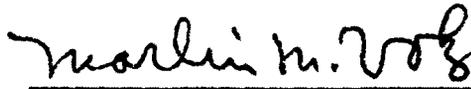
IT IS FURTHER ORDERED that the Applicant shall report to this Commission any excess revenues collected during the period May 1, 1981, through the date of this Order, along with a plan to refund any excess collections.

IT IS FURTHER ORDERED that within 30 days after the date of this Order, Applicant shall file with this Commission its revised tariff sheets setting out the rates approved herein.

IT IS FURTHER ORDERED that the information furnished this Commission by Applicant on July 9, 1981, constitutes full compliance with the Commission's requirements and Order in Case No. 8041, and any other information ordinarily required to be filed under the Commission's regulations is hereby waived.

Done at Frankfort, Kentucky, this 23rd day of July, 1981.

PUBLIC SERVICE COMMISSION


For the Commission

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8041-B DATED
JULY 23, 1981

The following rates are prescribed for the customers in the area served by Ohio River Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES:

Applicable to All Rate Schedules

Purchased Gas Adjustment

To each bill rendered under all rate schedules there shall be added an amount equal to: (.66¢) per Ccf of gas used during the billing period.