

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

\* \* \* \* \*

In the Matter of:

THE NOTICE OF PURCHASED GAS     )  
ADJUSTMENT FILING OF WESTERN    )     CASE NO. 8839-I  
KENTUCKY GAS COMPANY             )

ORDER

On December 1, 1983, the Commission issued its Order in Case No. 8839 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On October 8, 1984, Western Kentucky Gas Company ("Western") notified the Commission that it had received notice of a decrease in rates from its supplier, Texas Gas Transmission Corporation ("Texas Gas"), and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

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

(1) On September 20, 1984, Texas Gas filed decreased rates with the Federal Energy Regulatory Commission to be effective September 18, 1984. These rates are in compliance with a Settlement Agreement as approved under Docket No. CP83-485 by Order issued September 18, 1984.

(2) Western's wholesale cost of gas from local producers which tracks Texas Gas' rate will be decreased retroactive to September 18, 1984.

(3) Western's notice of October 8, 1984, set out certain revisions in rates which Western proposed to place into effect, said rates being designed to pass on the overall decrease in gas cost from its suppliers in the amount of \$259,449 or .64 cents per Mcf.

(4) Inasmuch as the filing of revised tariffs by Texas Gas was too late for Western to make timely filings, Western has proposed to implement reduced rates effective November 1, 1984, and refund any excess revenues collected during the period from September 18, 1984, to November 1, 1984, to its customers.

(5) Western's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8839, dated December 1, 1983, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after September 18, 1984.

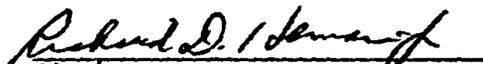
IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after September 18, 1984.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Western shall report to the Commission any excess revenues collected during the period from September 18, 1984, to November 1, 1984, along with a plan to refund any excess collections.

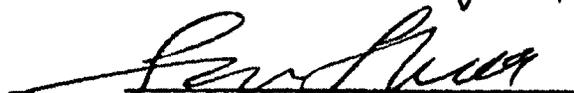
IT IS FURTHER ORDERED that within 30 days of the date of this Order Western shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 17th day of October, 1984.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

\_\_\_\_\_  
Acting Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 8839-I DATED 10/17/84

The following rates and charges are prescribed for the customers in the area served by Western Kentucky Gas Company. 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 date of this Order.

RATES:

Applicable to: All Gas Rates Schedules

Purchased Gas Adjustment

To each bill rendered under the above named rate schedules there shall be added an amount equal to: (\$0.0181) per Mcf of gas used during the billing period.

The base rates for the future application of the purchased gas adjustment clause of Western Kentucky Gas Company shall be:

Texas Gas Transmission Corp.	<u>Demand</u>	<u>Commodity</u>	<u>Gas Rate</u>
G-2	\$5.06	\$3.2456	-0-
G-3	5.85	3.2914	-0-
G-4	6.38	3.3264	-0-
Tennessee Gas Pipeline Co.			
GS-2	-0-	.6656/Mcf	3.1307/Mcf
Local Producers	-0-	-0-	3.4838/Mcf