

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

DELTA NATURAL GAS COMPANY,)
INC., APPLICATION FOR AD-)
JUSTMENT OF RATES UNDER) CASE NO. 8256-C
PURCHASED GAS ADJUSTMENT)
CLAUSE)

O R D E R

On December 1, 1981, this Commission issued its Order in Case No. 8256, approving certain adjustments in the rates of Delta Natural Gas Company, Inc., ("Delta") and providing under certain conditions for the further adjustment of rates when the wholesale cost of gas is increased, decreased or refunds are received.

On February 1, 1982, Delta received from one of its suppliers, Columbia Gas Transmission Corporation ("Columbia") notification of a rate increase effective March 1, 1982, as reflected in Columbia's Seventy-ninth Revised Tariff Sheet No. 16 and Twenty-seventh Revised Tariff Sheet No. 16A.

On September 25, 1981, Delta entered into an agreement to purchase natural gas from LP Energy Associates produced in Bell County, Kentucky.

The notice set out certain information in compliance with its purchased gas adjustment clause on file with this Commission.

The notice also set out certain revisions in rates which Delta proposed to place into effect, said rates being designed to pass on the wholesale price of its supplier in the amount of \$2,079,481 or \$0.3716 per Mcf.

Delta, 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 suppliers.

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

(1) Delta shall experience an increase in the wholesale cost of gas purchased from Columbia effective March 1, 1982.

(2) On September 25, 1981, Delta entered into an agreement to purchase natural gas from LP Energy Associates produced in Bell County, Kentucky.

(3) Delta's adjustment in rates under the purchased gas adjustment clause approved by the Commission in its Order in Case No. 8256 dated December 1, 1981, is fair, just and reasonable, in the public interest and should be effective with gas supplied on and after March 1, 1982.

IT IS THEREFORE ORDERED that the purchased gas adjustment contained in Appendix A of this Order be and hereby is approved, effective on and after March 1, 1982.

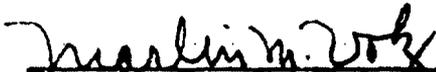
IT IS FURTHER ORDERED that Delta shall maintain its records in a manner that will enable it or the Commission or any of its customers to determine the amount to be refunded and to whom due in the event a refund is ordered by the Commission.

IT IS FURTHER ORDERED that within 30 days after the date of this Order, Delta 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 Delta on February 5, 1982, constitutes full compliance with the Commission's requirements and Order in Case No. 8256, and any other information ordinarily required to be filed under the Commission's regulations is hereby waived.

Done at Frankfort, Kentucky, this 24th day of February, 1982.

PUBLIC SERVICE COMMISSION



For the Commission

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8256-C DATED
FEBRUARY 24, 1982

The following rates and charges are prescribed for the customers in the areas served by Delta Natural 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.

RATE SCHEDULE G-GENERAL SERVICE

APPLICABILITY:

Applicable within all service areas served by Delta namely: Owingsville, Sharpsburg, Salt Lick, Midland, Bath County, Camargo, Jeffersonville, Montgomery County, Frenchburg, Menifee County, Kingston-Terrill, Berea, Madison County, Stanton, Clay City, Powell County, Garrard County, Nicholasville, Wilmore, Jessamine County, Clearfield, Farmers, Rowan County, Middlesboro, Pineville, Bell County, Barbourville, Knox County, Corbin, Williamsburg, Whitley County, London, Laurel County, Oneida, Manchester, Clay County, Leslie County, and environs of each.

AVAILABILITY:

Available for general use by residential, commercial, and industrial customers.

CHARACTER OF SERVICE:

Firm-with the reasonable limits of the company's capability to provide such service.

RATES:

GENERAL SERVICE -

| | |
|-------------------------|-------------------------------------|
| Monthly Customer Charge | \$2.75 per delivery point per month |
| 1 - 5,000 Mcf | \$4.7706 per Mcf |
| 5,001 - 10,000 Mcf | 4.5206 per Mcf |
| Over 10,000 Mcf | 4.2706 per Mcf |

INTERRUPTIBLE:

| | |
|--------------------|------------------|
| 1 - 5,000 Mcf | \$4.5206 per Mcf |
| 5,001 - 10,000 Mcf | 4.2706 per Mcf |
| Over 10,000 Mcf | 4.0206 per Mcf |

The refund factor of \$0.10 per Mcf monthly established in PGA Case No. 7202-U is to be deducted from all customers until refund is completed.

PURCHASED GAS ADJUSTMENT:

Delta Natural Gas Company, Inc.

Applicable to all rate schedules

The base rate for purchased gas for the future application of this Purchased Gas Adjustment Clause is:

| <u>Supplier</u> | <u>Rate/Mcf or Dth</u> |
|---|------------------------|
| Columbia Gas Transmission Corp. | |
| Rate Schedule CDS | |
| Demand (Dth) | \$ 3.09 |
| Commodity (Dth) | 3.6289 |
| Rate Schedule SGS (Dth) | \$ 3.8321 |
| Columbia LNG Corporation | 5.4553* |
| *Includes Transportation Charge of \$0.3503 | |
| Tennessee Gas Pipeline Company | |
| Gas rate (Dth) | \$ 2.7145 |
| Commodity | 0.6673 |
| Graham-Michaelis Corporation | \$ 1.75 |
| Flat Lick | \$ 0.35 |
| Evans | 0.94 |
| Wiehoff | 1.39 |
| Hall-Martin | 0.40 |
| Goff | 0.40 |
| Weaver | 1.83 |
| Martin Energy Co. | 1.75 |
| Laurel Valley | 3.1162 |
| Wiser Oil Company | 2.6355 |
| Al J. Keyser | \$ 1.50 |
| LP Energy | 2.00 |
| Storage | 0.8479 |