

COMMONWEALTH OF KENTUCKY

BEFORE THE ENERGY REGULATORY COMMISSION

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In the Matter of:

THE REQUEST OF DELTA NATURAL)
GAS COMPANY, INC. FOR A)
DEVIATION FROM 807 KAR 50:015(11)) CASE NO. 7680

O R D E R

On March 14, 1979, Ms. Jane W. Hylton, Executive Vice-President, Delta Natural Gas Company, Inc., ("Delta") filed a letter with the Commission requesting an exemption from the requirements of the budget billing plan included in 807 KAR 50:015(11). In support of the request, the letter states that immediate implementation of a budget plan would materially impair or damage the credit and operations of the Company.

The Commission decided to treat this letter as an application to deviate from the provisions of Commission Regulation 307 KAR 50:015(11); therefore, the matter was set for hearing on the 20th day of April, 1979, at the Commission's office in Frankfort, Kentucky. At the hearing, at which there appeared no party of interest other than the Applicant, the Company asked that the request for an exemption also be considered on behalf of Gas Service Company, Inc., ("Gas Service"), a wholly-owned subsidiary of Delta.

By Order dated June 26, 1979, in Case No. 7417 Delta Natural Gas Company and its wholly-owned subsidiary, Gas Service Company, Inc., (collectively "the Company") were granted an exemption for six (6) months or until December 26, 1979, in order to make arrangements, either in house or with another firm, to implement a budget billing plan.

Thereafter, on December 7, 1979, the Company notified the Commission that it would be unable to implement a budget billing plan by December 26, 1979. The Company further requested an additional one year exemption. The Commission decided to treat this letter as a new application to deviate from the provisions of Commission Regulation 807 KAR 50:015(11).

The Commission, having considered the application, having reviewed the record in both Case No. 7417 and Case No. 7680, and being otherwise sufficiently advised, is of the opinion and FINDS that:

(1) The Company did indeed make "good faith" efforts to comply within the six (6) months exemption granted in Case No. 7417.

(2) The Company serves approximately 18,000 customers who would be eligible for any budget plan instituted by Applicant.

(3) Manual accounting for the possible volume of customers to apply for budget billing would be an undue burden upon the Applicant.

(4) The Applicant is currently negotiating with Western Kentucky Gas to handle its billing or provide technical assistance to set up the program.

(5) This Commission, in Case No. 7577, has granted Western Kentucky Gas an extension of time until June 1, 1980, to implement its budget billing plan.

(6) As the Company is dependent upon Western Kentucky Gas for technical assistance, it should also be granted an extension of time until June 1, 1980.


IT IS THEREFORE ORDERED, that the Applicant is granted an extension of time until June 1, 1980, to implement its budget billing plan required by 807 KAR 50:015(11).

IT IS FURTHER ORDERED, that the Applicant file with this Commission, no later than April 1, 1980, its plan for budget billing in compliance with 807 KAR 50:015(11).

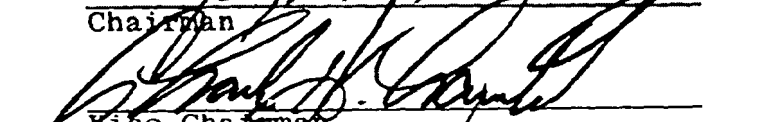
IT IS FURTHER ORDERED, that if the Company receives no notice from the Commission that said plan is disapproved, the Company shall make known to its customers the availability of its plan and place said plan in full operation no later than June 1, 1980.

Done at Frankfort, Kentucky, this 8th day of February, 1980.


ENERGY REGULATORY COMMISSION



Chairman



Vice Chairman



Commissioner

ATTEST:

Secretary