COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

DELTA NATURAL GAS COMPANY, INC.)
APPLICATION FOR ADJUSTMENT OF)
RATES UNDER PURCHASED GAS)
ADJUSTMENT CLAUSE)

ORDER

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 adjustments of rates when the wholesale cost of gas is increased, decressed or refunds are received.

On July 13, 1982, Delta notified the Commission that its wholesale cost of gas would be decreased by one of its suppliers, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

On July 12, 1982, Delta received from Tennessee Gas Pipeline Company ("Tennessee"), notification of a retroactive decrease in its wholesale rate effective June 1, 1982, pursuant to a Federal Energy Regulatory Commission ("FERC") Order in Docket No. RP-82-12. Delta has requested that they be allowed to adjust its rates to become effective July 1, 1982, and to compute the amount of over-billings occurring in June, 1982 and to apply this amount to the account "Purchased Gas Refund Payable to Customers."

The estimated annual decrease in revenue as a result of Delta's filing of July 13, 1982, is \$126,575 or \$0.0219 per MCF.

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

- (1) Delta received of one of its suppliers, Tennessee, notification of a retroactive rate decrease effective June 1, 1982.
- (2) Delta proposed to adjust its rates to become effective July 1, 1982, and to compute the amount of over-billings that occurred in June, 1982 and apply that amount to the account "Purchased Gas Refund Payable to Customers."
- (3) Delta's adjustment in rates under the purchased gas adjustment provisions 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 July 1, 1982.

IT IS THEREFORE ORDERED that the purchased gas adjustment in Appendix A attached hereto is hereby approved to be effective on and after July 1, 1982.

IT IS FURTHER ORDERED that Delta shall compute the amount of new-billings that occurred in June, 1982 and apply that amount to the account "Purchased Gas Refund Payable to Customers."

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

IT IS FURTHER ORDERED that the information furnished this Commission by Delta on July 13, 1982, constitutes full compliance with the Commission's requirement and Order in Case No. 8256 and any other information ordinarily required to be filed under this Commission's regulations is hereby waived.

Done at Frankfort, Kentucky, this 23rd day of July, 1982.

PUBLIC SERVICE COMMISSION



ATTEST:		
Secretary	 	

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 8256-H DATED July 23, 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, Bath County, Camargo, Montgomery County, Frenchburg, Menifee County, Kingston-Terrill, Madison County, Stanton, Clay City, Powell County, Garrard County, Berea, Salt Lick, Midland, Nicholasville, Wilmore, Jessamine County, Jeffersonville, Clearfield, Farmers, Rowan County, Middlesboro, Pineville, Bell County, Barbourville, Knox County, Williamsburg, Whitley County, London, Laurel 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	\$4.8591
		10,000		4.6091
Over	-	10,000	Mcf	4.3591

Interuptible--

1	_	5,000 Mcf	\$4,6091
5,001	-	10,000 Mcf	4.3591
Over	-	10,000 Mcf	4.1091

PURCHASED GAS ADJUSTMENT

Delta Natural Gas Company

Applicable to all rate schedules

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

Supplier	Rate/Mcf or DTH
Columbia Gas Transmission Corporation	
Rate Schedule CDS	
Demand (DTH) Commodity (DTH)	\$ 3.08 3.6077
Rate Schedule SGS (DTH) Columbia LNG Corporation	\$ 3.8102 5.4553*
*Includes Transporation Charge of	\$ 0.3503
Tennessee Gas Pipeline Company Gas Rate (DTH) Commodity	\$ 3.0947 0.7332
Graham-Michaelis Corporation	\$ 2.00
Flat Lick Evans Wiehoff Hall-Martin Goff Weaver Martin Energy Company Laurel Valley Wiser Oil Company Al J. Keyser L P Energy Storage	\$ 0.35 0.94 1.39 0.40 0.40 1.85 1.75 3.2708 2.6355 1.50 2.00 0.8479