

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) CASE NO. 8256-M
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 adjustments of rates when the wholesale cost of gas is increased, decreased or refunds are received.

On November 2, 1982, Delta notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

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

(1) On November 1, 1982, Delta received from Transmission notification of a decrease in its wholesale rates effective October 1, 1982.

(2) On September 27, 1982, Delta filed for increased rates to become effective October 1, 1982, due to Transmission receiving

an increase in its wholesale rates. Delta's filing of September 27, 1982, did not provide the Commission with the 20 day notice as required by statute, therefore, the increased rates became effective on and after October 17, 1982.

(3) Due to Delta's increased rates not becoming effective until October 17, 1982, Delta's proposed decrease in rates should not become effective until October 17, 1982.

(4) The estimated annual decrease in the cost of wholesale gas as a result of Delta's filing of November 2, 1982, is \$3,953 or \$0.0007 per Mcf.

(5) Due to the retroactive nature of Transmission's decrease, Delta should report to the Commission any excess revenues collected during the period of October 17, 1982, and the date the proposed rates are implemented, along with a plan to refund any excess collections to its customers.

(6) 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 October 17, 1982.

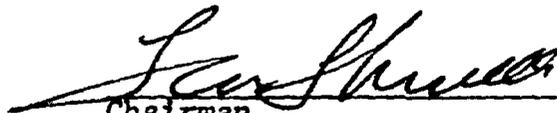
IT IS THEREFORE ORDERED that the rates contained in Appendix A be and they are approved, effective for gas supplied on and after October 17, 1982.

IT IS FURTHER ORDERED that Delta shall report to the Commission any excess revenues collected during the period of October 17, 1982, and the date the proposed rates are implemented, along with a plan to refund any excess collections.

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.

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

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8256-M DATED
NOVEMBER 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, Bath County, Camargo, 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	\$ 5.0335
5,001 - 10,000 Mcf	4.7835
Over 10,000 Mcf	4.5335

Interruptible--

1 - 5,000 Mcf	\$ 4.7835
5,001 - 10,000 Mcf	4.5335
Over - 10,000 Mcf	4.2835

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:

<u>Supplier</u>	<u>Rate/Mcf of DTH</u>
Columbia Gas Transmission Corporation	
Rate Schedule CDS	
Demand (DTH)	\$3.38
Commodity (DTH)	4.2533
Rate Schedule SGS (DTH)	4.4755
Columbia LNG Corporation	5.9477*
*Includes Transportation Charge of	\$0.3377
Tennessee Gas Pipeline Company	
Gas Rate (DTH)	\$3.0952
Commodity	0.7332
Graham-Michaelis Corporation	\$2.00
Flat Lick	\$0.35
Evans	0.94
Wiehoff	1.41
Hall-Martin	0.40
Goff	0.40
Weaver	1.85
Martin Energy Company	1.75
Laurel Valley	3.3455
Wiser Oil Company	2.6355
Al J. Keyser	1.50
L P Energy	2.00
Storage	0.8479
C N Operating Company	2.00