

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF MT. OLIVET) CASE NO. 7800-NN
NATURAL GAS COMPANY, INC.)

O R D E R

On October 13, 1980, the Commission issued its Order in Case No. 7800 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 23, 1985, Mt. Olivet Natural Gas Company, Inc., ("Mt. Olivet") notified the Commission that its wholesale cost of gas would be increased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective September 1, 1985, 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) Mt. Olivet's notice of October 23, 1985, set out certain revisions in rates which Mt. Olivet proposed to place into effect, said rates being designed to pass on the wholesale increase in price from its supplier in the amount of \$22 or .05 cents per Mcf.

(2) Transmission has filed with the Federal Energy Regulatory Commission ("FERC") an application for increased rates to be effective September 1, 1985. These rates are subject to refund.

(3) Transmission filed its application with FERC too late for Mt. Olivet to make a timely filing for increased rates effective September 1, 1985. The effective date, therefore, should be November 12, 1985, which is 20 days after Mt. Olivet's filing date.

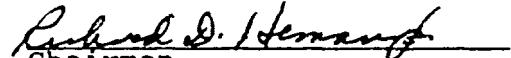
(4) Mt. Olivet's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 7800, dated October 13, 1980, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after November 12, 1985. These rates are subject to refund because Transmission's rates are subject to refund.

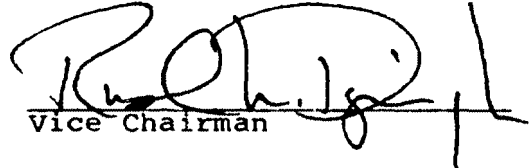
IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after November 12, 1985, subject to refund.

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

Done at Frankfort, Kentucky this 7th day of November, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 7800-NN DATED 11/7/85

The following rates are prescribed for the customers served by Mt. Olivet 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 effective date of this Order.

Rates: Monthly

First	1,000 cu. ft. or less	\$7.10	(Minimum Bill)
Next	4,000 cu. ft. per 1,000 cu. ft.	5.3594	
Next	5,000 cu. ft. per 1,000 cu. ft.	5.1594	
Next	10,000 cu. ft. per 1,000 cu. ft.	5.0094	
Over	20,000 cu. ft. per 1,000 cu. ft.	4.8094	

The base rate for the future application of the purchased gas adjustment clause of Mt. Olivet Natural Gas Company, Inc., shall be:

	<u>Demand</u>	<u>Commodity</u>
Columbia Gas Transmission Corporation	-	\$4.0368 per Dth