

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF BELFRY) CASE NO. 7341-X
GAS, INC.)

O R D E R

On July 19, 1979, the Commission issued its Order in Case No. 7341 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 June 26, 1987, Belfry Gas, Inc., ("Belfry") notified the Commission that its wholesale cost of gas was decreased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective April 1, 1987, and submitted with its notice certain information in compliance with its purchased gas adjustment ("PGA") 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) Belfry's notice of June 26, 1987, set out certain revisions in rates which Belfry proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$13,717 or 16 cents per

Mcf. Belfry calculated its decrease as 18 cents instead of 16 cents per Mcf because it incorrectly added 5 percent line loss to its decrease instead of subtracting it.

(2) Transmission applied with the Federal Energy Regulatory Commission for a decrease to become effective April 1, 1987.

(3) Belfry should report to this Commission the amount of any excess revenues collected from April 1, 1987, to the date the proposed rates are implemented, along with a refund plan.

(4) Belfry's corrected adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 7341, dated July 19, 1979, is fair, just, and reasonable and in the public interest and should be effective with gas supplied on and after April 1, 1987.

IT IS THEREFORE ORDERED that:

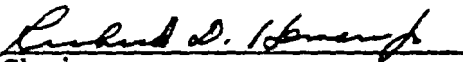
(1) The rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after April 1, 1987, in place of the rates proposed by Belfry.


(2) Within 30 days of the date of this Order Belfry shall file with this Commission its revised tariffs setting out the rates authorized herein.

(3) Within 30 days of the date of this Order Belfry shall file with this Commission the amount of overcollections, if any, along with a refund plan.

Done at Frankfort, Kentucky, this 21st day of July, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION
IN CASE NO. 7341-X DATED 7/21/87

The following rates are prescribed for the customers served by Belfry Gas, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATES: Monthly

First 1,000 cu. ft.	\$7.42 Minimum Bill
Over 1,000 cu. ft.	4.91 per 1,000 cu. ft.

The base rate for the future application of the purchased gas adjustment clause of Belfry Gas, Inc., shall be:

	<u>Commodity</u>
Columbia Gas Transmission Corporation Schedule SGS	\$3.7017 per Mcf