

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED )  
GAS ADJUSTMENT FILING OF ) CASE NO. 9546-B  
MOUNTAIN UTILITIES, INC. )

O R D E R

On October 20, 1986, the Commission issued its Order in Case No. 9546 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 December 18, 1986, Mountain Utilities, Inc., ("Mountain") notified the Commission that its wholesale cost of gas would be increased by its supplier, Kentucky West Virginia Gas Company ("Kentucky West"), effective January 1, 1987, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission. After reviewing the record filed in this case and being advised, the Commission is of the opinion and finds that:

(1) Mountain's notice of December 18, 1986, set out certain revisions in rates which Mountain proposed to place into effect, said rates being designed to pass on the wholesale increase in gas cost from its supplier in the amount of \$131 or .23 cents per Mcf.

(2) Kentucky West's Gas Research Institute funding charge is to be increased effective January 1, 1987. The increase has not as yet been approved by the Federal Energy Regulatory Commission ("FERC"), and is subject to refund.

(3) Mountain's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 9546 dated October 20, 1986, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after January 1, 1987, subject to refund.

IT IS THEREFORE ORDERED that:

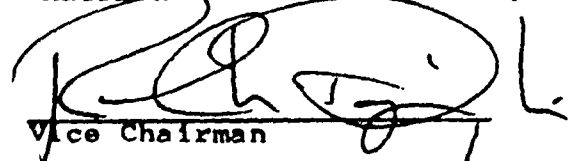
(1) The rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after January 1, 1987, subject to refund.

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

Done at Frankfort, Kentucky, this 12th day of January, 1987.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

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Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 9546-B DATED 1/12/87

The following rates and charges are prescribed for the customers served by Mountain Utilities, 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 effective date of this Order.

RATES: Monthly

First	1 Mcf	\$6.9080 per Mcf
All Over	1 Mcf	6.1480 per Mcf

Minimum Bill: \$6.91  
(When less than 1 Mcf is used)

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

Commodity

Kentucky West Virginia Gas Company	\$2.5629/Dth*
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\*Including Gas Research Institute Funding Charge of \$0.0152 per Dth.