

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF BELFRY) CASE NO. 7341-DD
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 May 10, 1988, Belfry Gas, Inc. ("Belfry"), notified the Commission that its wholesale cost of gas was increased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective March 1, 1988, and submitted with its notice certain information in compliance with its purchased gas adjustment ("PGA") clause on file with this Commission.

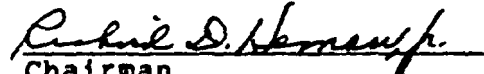
After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) The rates proposed by Belfry to be effective March 1, 1988, have been superseded by a subsequent rate change for which Transmission has applied with the Federal Energy Regulatory Commission. Belfry's proposed rates will not be placed into effect and should be denied.

IT IS THEREFORE ORDERED that the rates proposed by Belfry be
and they hereby are denied.

Done at Frankfort, Kentucky, this 19th day of May, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director