

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS            )  
ADJUSTMENT FILING OF DELTA        )     CASE NO. 9331-I  
NATURAL GAS COMPANY, INC.         )

O R D E R

On December 19, 1985, the Commission issued its Order in Case No. 9331 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates on a quarterly basis in accordance with the provisions of the Gas Cost Adjustment ("GCA") Clause set forth therein.

On December 16, 1987, Delta Natural Gas Company, Inc., ("Delta") filed its quarterly GCA which is to become effective February 1, 1988, and is to remain in effect until May 1, 1988.

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

(1) Delta's notice of December 16, 1987, set out certain revisions in rates which Delta proposed to place into effect, said rates being designed to pass on the overall wholesale decrease in gas costs from its suppliers in the amount of .51 cents per Mcf.

(2) Delta's notice set out a total refund adjustment of 3.96 cents per Mcf, replacing the previous adjustment of .54 cents per Mcf.

(3) Delta's notice set out a current quarter actual adjustment in the amount of 8.20 cents per Mcf to compensate for

previous under-recovery of gas cost by the company through the operation of its gas cost recovery procedure.

(4) Delta's notice set out a balance adjustment of 2.55 cents per Mcf to compensate for over-collections which occurred as a result of previous gas cost, refund and balance adjustments.

(5) Delta proposed a gas cost recovery rate in the amount of \$2.6085 per Mcf. This is a decrease of \$0.0818 per Mcf from the rate previously in effect. The decrease represents the combined effect of the supplier decrease, refund, actual and balance adjustments.

(6) Delta's adjustment in rates contained in the Appendix to this Order under the GCA provisions approved by the Commission in its Order in Case No. 9331 dated December 19, 1985, is fair, just, and reasonable and should be approved to be effective with final meter readings on and after February 1, 1988.

(7) Delta supplied certain back-up information to its actual adjustment in response to an Order dated January 14, 1988. Delta should supply this same information in each future GCR filing. It should also supply detailed information concerning Delta Resources' total purchases, broken down by supplier, volumes purchased, price per Mcf and volumes transported per customer; and Delta Resources' total sales broken down by volumes sold and price per Mcf. Delta should also separately set out any agency activities of Delta Resources, including any compensation received.

(8) In its informational filing in this case dated January 21, 1988, Delta requested confidentiality for all of

Schedule II and Schedule IV, page 2 of 2, of its GCA filing and for the entirety of its informational filing. Confidentiality should be granted for the filing dated January 21, 1988, as well as for Schedule IV, page 2 of 2, of its GCA filing dated December 16, 1987. Confidentiality should not be granted, however, for Schedule II of the GCA filing, as this information is held as public information for all Local Distribution Companies.

IT IS THEREFORE ORDERED that:

(1) The rates in the Appendix to this Order be and they hereby are authorized effective with final meter readings on and after February 1, 1988.

(2) The gas cost recovery rate shall be \$2.6085 per Mcf effective with final meter readings on and after February 1, 1988.

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

(4) Delta shall supply back-up information identical to that requested in the Commission's Order of January 14, 1988, as well as that requested in this Order, in each future GCA filing.

(5) Within 20 days of the date of this Order, Delta shall provide the additional information requested herein, which shall be held confidential.

(6) Delta's request for confidentiality is hereby granted for Schedule IV, page 2 of 2, of its GCA filing and for the entirety of its informational filing dated January 21, 1988. Confidentiality is hereby denied for Schedule II of its GCA filing.

Done at Frankfort, Kentucky, this 29th day of January, 1988.

PUBLIC SERVICE COMMISSION

Richard D. Kemnitz  
Chairman

Robert M. Davis  
Vice Chairman

Spencer N. Williams  
Commissioner

ATTEST:

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Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 9331-I DATED 1/29/88

The following rates and charges are prescribed for the customers 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 this Commission prior to the date of this Order.

RATE SCHEDULES

AVAILABILITY

Available for general use by residential, commercial, and industrial customers who purchase their entire natural gas requirements from Delta.

RATES

<u>Rate</u>	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
		plus	equals
General Service			
Monthly Customer Charge			\$3.98
1 - 1,000 Mcf	\$2.0379	\$2.6085	\$4.6464 per Mcf
1,001 - 5,000 Mcf	1.8920	2.6085	4.5005 per Mcf
5,001 - 10,000 Mcf	1.5858	2.6085	4.1943 per Mcf
Over 10,000 Mcf	1.2795	2.6085	3.8880 per Mcf
Interruptible (2)			
1 - 1,000 Mcf	\$1.7826	\$2.6085	\$4.3911 per Mcf
1,001 - 5,000 Mcf	1.6368	2.6085	4.2453 per Mcf
5,001 - 10,000 Mcf	1.3306	2.6085	3.9391 per Mcf
Over 10,000 Mcf	1.0243	2.6085	3.6328 per Mcf