

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS            )  
ADJUSTMENT FILING OF DELTA        )     CASE NO. 9331-K  
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 June 13, 1988, Delta Natural Gas Company, Inc. ("Delta"), filed its quarterly GCA which is to become effective August 1, 1988, and is to remain in effect until November 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 June 13, 1988 set out certain revisions in rates which Delta proposed to place into effect, said rates being designed to pass on the overall wholesale increase in gas costs from its suppliers in the amount of 10.85 cents per Mcf.

(2) Delta's notice set out a total refund adjustment of 3.56 cents per Mcf, replacing the previous adjustment of 3.60 cents per Mcf.

(3) Delta's notice set out a current quarter actual adjustment in the amount of 21.16 cents per Mcf to compensate for

previous over-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 2.44 cents per Mcf to compensate for under-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 \$2.8470 per Mcf. This is an increase of \$0.1222 per Mcf from the rate previously in effect. The increase represents the combined effect of the supplier increase, 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 August 1, 1988.

(7) In Delta's filing dated June 13, 1988, Delta requested confidentiality for Schedules II, VI, and VII. Confidentiality should be granted for Schedules VI and VII; the Commission is still in the process of reviewing Delta's request concerning Schedule II. Schedule II will be accorded confidential treatment, along with Delta's producer contracts for which it has requested confidentiality in the past, until the Commission has completed its investigation and reached its decision.

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 August 1, 1988.

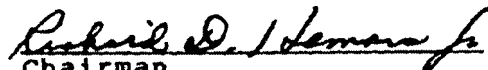
(2) The gas cost recovery rate shall be \$2.8470 per Mcf effective with final meter readings on and after August 1, 1988.

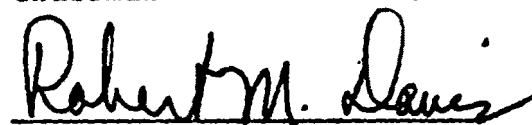
(3) Within 30 days of the date of this Order, Delta shall file with this Commission its revised tariffs setting out the rates authorized herein.

(4) Delta's request for confidentiality is hereby granted for Schedules VI and VII of its GCA filing.

Done at Frankfort, Kentucky, this 22nd day of July, 1988.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

\_\_\_\_\_  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 9331-K DATED 7/22/88

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>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
	plus		equals
General Service			
Monthly Customer Charge			\$3.98
1 - 1,000 Mcf	\$2.0379	\$2.8470	\$4.8849 per Mcf
1,001 - 5,000 Mcf	1.8920	2.8470	4.7390 per Mcf
5,001 - 10,000 Mcf	1.5858	2.8470	4.4328 per Mcf
Over 10,000 Mcf	1.2795	2.8470	4.1265 per Mcf
Interruptible (2)			
1 - 1,000 Mcf	\$1.7826	\$2.8470	\$4.6296 per Mcf
1,001 - 5,000 Mcf	1.6368	2.8470	4.4838 per Mcf
5,001 - 10,000 Mcf	1.3306	2.8470	4.1776 per Mcf
Over 10,000 Mcf	1.0243	2.8470	3.8713 per Mcf