

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF MT. OLIVET)
NATURAL GAS COMPANY, INC.) CASE NO. 9918-II

O R D E R

On August 10, 1987, the Commission issued its Order in Case No. 9918 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 October 13, 1989, Mt. Olivet Natural Gas Company, Inc. ("Mt. Olivet") notified the Commission that its wholesale cost of gas would be increased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective October 1, 1989, and submitted with its notice certain information in compliance with its purchased gas adjustment ("PGA") clause on file with this Commission.

The Commission takes administrative notice of Transmission's recent tariff filings with the Federal Energy Regulatory Commission ("FERC"). Although Transmission filed a revised tariff with FERC to increase its rates effective October 1, 1989, it concurrently requested that FERC delay implementation of this revised tariff until November 1, 1989. Subsequently, Transmission filed with FERC another revised tariff effective November 1, 1989

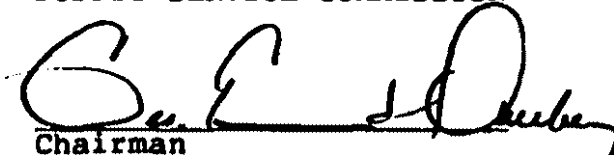
which supersedes and replaces the previous tariff revision. The subsequent Transmission tariff revision effectively renders moot the rate adjustment sought by Mt. Olivet in its notice of October 13, 1989. Mt. Olivet's subsequent notice of adjustment¹ to pass through Transmission's most recent tariff revision is recognition of this fact.

Accordingly, the Commission finds, after reviewing the record in this case and being otherwise sufficiently advised, that Mt. Olivet's proposed rates should be denied.

BE IT SO ORDERED.

Done at Frankfort, Kentucky, this 2nd day of November, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:

Executive Director

¹ Case No. 9918-JJ, Notice of Purchased Gas Adjustment Filing of Mt. Olivet Natural Gas Company, Inc.