

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

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 June 14, 1990, Mt. Olivet Natural Gas Company, Inc. ("Mt. Olivet") notified the Commission that its wholesale cost of gas was decreased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective May 1, 1990, 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 otherwise sufficiently advised, the Commission finds that:

1. Mt. Olivet's notice of June 14, 1990 set out certain revisions in rates which Mt. Olivet proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$9,369 or 21.23 cents per Mcf.

2. Transmission applied with the Federal Energy Regulatory Commission for decreased rates with an effective date of May 1, 1990. These rates are subject to refund; hence, Mt. Olivet's rates should be subject to refund.

3. Mt. Olivet should file with this Commission the amount of any overcollections received from May 1, 1990 to the date the approved rates are implemented, along with a refund plan.

4. Mt. Olivet's adjustment in rates under the PGA adjustment provisions approved by the Commission in its Order in Case No. 9918 dated August 10, 1987 is fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after May 1, 1990, subject to refund.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after May 1, 1990, subject to refund.

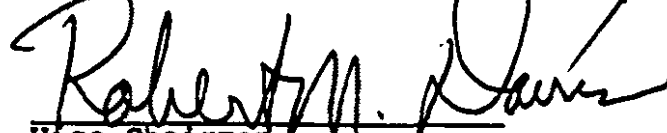
2. Within 30 days of the date of this Order, Mt. Olivet shall file with this Commission its revised tariffs setting out the rates authorized herein.

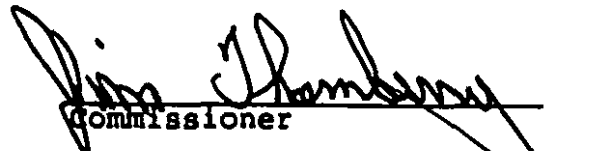
3. Within 30 days of the date of this Order, Mt. Olivet shall file the amount of excess revenues collected, along with a refund plan.

Done at Frankfort, Kentucky, this 6th day of July, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9918-BBB DATED July 6, 1990.

The following rates are prescribed for the customers served by Mt. Olivet Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Rates: Monthly

First	1,000 cu. ft. or less	\$6.40	(Minimum Bill)
Next	4,000 cu. ft. per 1,000 cu. ft.	4.6705	
Next	5,000 cu. ft. per 1,000 cu. ft.	4.4705	
Next	10,000 cu. ft. per 1,000 cu. ft.	4.3205	
Over	20,000 cu. ft. per 1,000 cu. ft.	4.1205	

The base rate for the future application of the purchased gas adjustment clause of Mt. Olivet Natural Gas Company, Inc. shall be:

Demand Commodity

Columbia Gas Transmission Corporation - \$3.2551 per Dth