

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-DDD

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 July 11, 1990, Mt. Olivet Natural Gas Company, Inc. ("Mt. Olivet") notified the Commission that its wholesale cost of gas was increased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective August 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 July 11, 1990 set out certain revisions in rates which Mt. Olivet proposed to place into effect, said rates being designed to pass on the wholesale increase in price from its supplier in the amount of \$7,159 or 16.22 cents per Mcf.

2. Transmission filed an application with the Federal Energy Regulatory Commission for increased rates with an effective date of August 1, 1990. Mt. Olivet requested a waiver of the 30-day filing requirement. Pursuant to KRS 278.180, upon Mt. Olivet's showing of good cause, Mt. Olivet's request should be granted. The effective date for the increase should be August 1, 1990. Transmission's rates are subject to refund; hence, Mt. Olivet's rates should be subject to refund.

3. Mt. Olivet's adjustment in rates under the PGA 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 August 1, 1990, subject to refund.

IT IS THEREFORE ORDERED that:

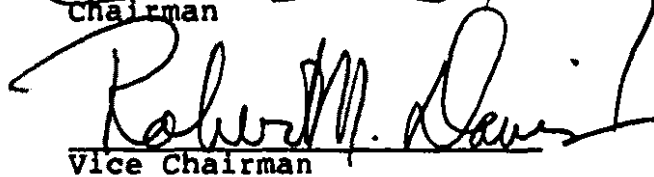
1. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after August 1, 1990, subject to refund.

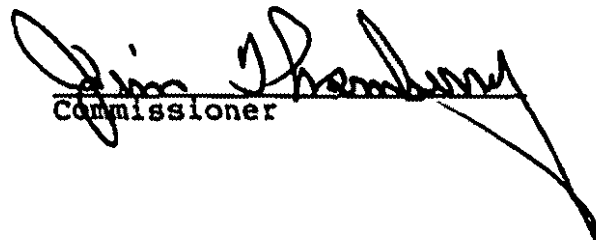
2. Within 30 days of the date of this Order, Mt. Olivet shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 1st day of August, 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-DDD DATED 8/01/90

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 this Commission prior to the date of this Order.

RATES: Monthly

First 1,000 cu. ft. or less	\$6.56	(Minimum Bill)
Next 4,000 cu. ft. per 1,000 cu. ft.	4.8343	
Next 5,000 cu. ft. per 1,000 cu. ft.	4.6343	
Next 10,000 cu. ft. per 1,000 cu. ft.	4.4843	
Over 20,000 cu. ft. per 1,000 cu. ft.	4.2843	

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

	<u>Commodity</u>
Columbia Gas Transmission Corporation	\$3.4073 per Mcf