

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-GGG

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 September 13, 1990, Mt. Olivet Natural Gas Company, Inc. ("Mt. Olivet") notified the Commission that it had received overcollections due to the difference between the implementation date and the effective date of a decrease in supplier rate from Columbia Gas Transmission Corporation ("Transmission").

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

(1) Mt. Olivet's notice of September 13, 1990 set out a refund factor of 21.28 cents per Mcf to return \$310 of overcollections.

(2) The refund should begin with gas supplied on and after October 1, 1990 and should remain in effect for 2 months or until such time as the full amount plus interest has been returned to Mt. Olivet's customers.

(3) Mt. Olivet should refund the amount reported in its notice plus interest at a rate equal to the average of the "3-Month Commercial Paper Rate" less 1/2 of 1 percent to cover the cost of refunding. These monthly rates are reported in the Federal Reserve Statistical Release.


IT IS THEREFORE ORDERED that:

(1) Mt. Olivet shall apply a 21.28 cent per Mcf refund factor to the approved rates beginning with gas supplied on and after October 1, 1990, which shall remain in effect for 2 months or until the total amount of the refund plus interest is returned to its customers.

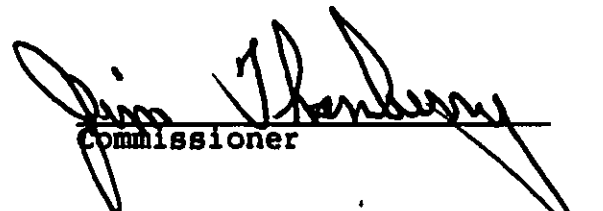
(2) Within 30 days of the date the refund is terminated, Mt. Olivet shall file with this Commission a summary statement showing a reconciliation of customer billings and the amount refunded.

Done at Frankfort, Kentucky, this 8th day of October, 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-GGG DATED OCTOBER 8, 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.

<u>Rates:</u>	Monthly		
First	1,000 cu. ft. or less	\$6.56	(Minimum Bill)
Next	4,000 cu. ft. per 1,000 cu. ft.	4.8368	
Next	5,000 cu. ft. per 1,000 cu. ft.	4.6368	
Next	10,000 cu. ft. per 1,000 cu. ft.	4.4868	
Over	20,000 cu. ft. per 1,000 cu. ft.	4.2868	

***Refund factor of .2128 will be refunded per Mcf until refund is made according to this filing.

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

	<u>Demand</u>	<u>Commodity</u>
Columbia Gas Transmission Corporation	-	\$3.4073 per Dth