

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-UUU
NATURAL GAS COMPANY, INC.	)	

AMENDED ORDER

On July 9, 1991, the Commission issued its Order in Case No. 9918-UUU approving a revision in rates as proposed by Mt. Olivet Natural Gas Company, Inc. ("Mt. Olivet") pursuant to its purchased gas adjustment ("PGA") clause on file with this Commission. The revised rates were effective July 1, 1991 based on the filing at the Federal Energy Regulatory Commission ("FERC") by Mt. Olivet's wholesale supplier, Columbia Gas Transmission Corporation ("Transmission"), of revised rates to be effective July 1, 1991.

Although Transmission filed a revised tariff with FERC to decrease its rates effective July 1, 1991, FERC accepted the tariff sheets for filing, docketed the case as RP91-161-000, and suspended the rates to become effective December 1, 1991, subject to refund and further examination. The Commission takes administrative notice of FERC's suspension of Transmission's filing which effectively renders moot the rate adjustment previously approved for Mt. Olivet.

Further, the Commission takes administrative notice of a recent tariff filing by Transmission with FERC in Docket No. RP91-41, et al. whereby a monthly refund adjustment will be applied to its customers' take-or-pay billings, including Mt. Olivet.

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

1. The Commission's Order in Case No. 9918-UUU, dated July 9, 1991, should be vacated and Mt. Olivet's request to adjust rates should be denied.

2. Transmission's tariff filing upon which authorization of Mt. Olivet's rate adjustment was based was subsequently suspended by FERC until December 1, 1991.

3. Mt. Olivet's PGA clause on file with this Commission is not designed to adequately address the monthly refund adjustment Transmission will be making to its take-or-pay billings.

4. Mt. Olivet should attend an informal conference with Commission Staff to discuss the impact of Transmission's FERC tariff filing for take-or-pay billings and necessary revisions of its PGA clause on August 19, 1991 at 1:30 p.m. in the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky.

IT IS THEREFORE ORDERED that:

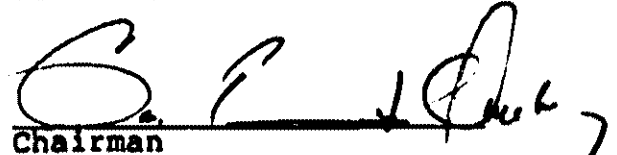
1. The Commission's Order in Case No. 9918-UUU, dated July 9, 1991, is hereby vacated and Mt. Olivet's request to adjust rates is hereby denied.

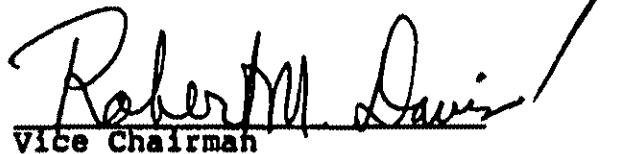
2. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after July 1, 1991, subject to refund.

3. Mt. Olivet shall attend an informal conference with Commission Staff on August 19, 1991 at 1:30 p.m., Eastern Standard Time, in the second floor conference room at the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 1st day of August, 1991.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

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Commissioner

ATTEST:

  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 9918-UUU DATED 8/01/91

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	\$7.20	(Minimum Bill)
Next	4,000 cu. ft. per 1,000 cu. ft.	5.4790	
Next	5,000 cu. ft. per 1,000 cu. ft.	5.2790	
Next	10,000 cu. ft. per 1,000 cu. ft.	5.1290	
Over	20,000 cu. ft. per 1,000 cu. ft.	4.9290	

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	-	\$4.0659 per Dth