

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-YYY

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 3, 1991, Mt. Olivet Natural Gas Company, Inc. ("Mt. Olivet") filed its quarterly gas cost adjustment ("GCA"), which is to become effective October 1, 1991 and is to remain in effect until January 1, 1992.

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

1. Mt. Olivet's notice of September 3, 1991 set out certain revisions in rates which Mt. Olivet proposed to place into effect, said rates being designed to pass on to its customers the wholesale increase in gas costs from its suppliers. Mt. Olivet's expected gas cost ("EGC") for the quarter beginning October 1, 1991 is \$4.7912 per Mcf.

2. Mt. Olivet's notice set out a refund adjustment in the amount of 1.6 cents per Mcf to return supplier refunds, including interest of \$612, to its customers.

3. Mt. Olivet's notice included no actual adjustment. This adjustment will be unavailable to Mt. Olivet until its GCA clause has been in effect for 2 quarters.

4. The combined effect of the above adjustments is Mt. Olivet's gas cost recovery rate ("GCR") in the amount of \$4.7896 per Mcf, which is an increase of 47.96 cents per Mcf from its last approved rates.

5. Mt. Olivet's adjustment in rates set out in the Appendix to this Order, pursuant to the GCA 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 the date of this Order.

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 the date of this Order.

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 3rd day of October, 1991.

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-YYY DATED 10/03/91

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.

Rates: Monthly

	<u>Base Rate</u>	<u>Recovery Rate</u>	<u>Total</u>
First 1,000 cu. ft. or less	2.98	4.7896	7.77
Next 4,000 cu. ft. per 1,000 cu. ft.	1.2613	4.7896	6.0509
Next 5,000 cu. ft. per 1,000 cu. ft.	1.0613	4.7896	5.8509
Next 10,000 cu. ft. per 1,000 cu. ft.	0.9113	4.7896	5.7009
Over 20,000 cu. ft. per 1,000 cu. ft.	0.7113	4.7896	5.5009