

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF MT. OLIVET) CASE NO. 9918-222
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 December 2, 1991, Mt. Olivet Natural Gas Company, Inc. ("Mt. Olivet") filed its quarterly gas cost adjustment ("GCA"), which is to become effective January 1, 1992 and is to remain in effect until April 1, 1992.

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

1. Mt. Olivet's notice of December 2, 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 January 1, 1992 is \$3.5931 per Mcf.

2. Mt. Olivet's notice set out a refund adjustment in the amount of 0.16 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 \$3.5915 per Mcf, which is a decrease of \$1.1981 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 January 1, 1992.


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 January 1, 1992.

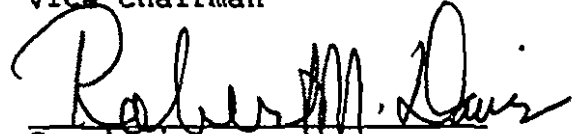
2. Within 30 days of the date of this Order, Mt. Olivet shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 20th day of December, 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-ZZZ DATED December 20, 1991.

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	\$3.5915	\$6.57
Next	4,000 cu. ft. per 1,000 cu. ft.	1.2613	3.5915	4.8528
Next	5,000 cu. ft. per 1,000 cu. ft.	1.0613	3.5915	4.6528
Next	10,000 cu. ft. per 1,000 cu. ft.	0.9113	3.5915	4.5028
Over	20,000 cu. ft. per 1,000 cu. ft.	0.7113	3.5915	4.3028