COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS) ADJUSTMENT FILING OF MOUNTAIN) CASE NO. 10398-Q UTILITIES, INC.)

ORDER

On March 21, 1989, the Commission issued its Order in Case No. 10398 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 April 1, 1991, Mountain Utilities, Inc. ("Mountain") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Kentucky West Virginia Gas Company ("Kentucky West"), effective March 6, 1991, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. On April 1, 1991, Mountain notified the Commission that its wholesale cost of gas would be adjusted in accordance with the Kentucky West Virginia Gas Company, FERC Gas Tariff, First Revised 26th Revised Sheet No. 41, filed to be effective March 6, 1991. 2. On April 1, 1991, in Case No. 10398-P,¹ Mountain notified the Commission that its wholesale cost of gas would be adjusted in accordance with the Kentucky West Virginia Gas Company, FERC Gas Tariff, Second Revised 26th Revised Sheet No. 41, which is to be effective March 1, 1991 and supersedes and replaces the First Revised 26th Revised Sheet No. 41.

3. Mountain's proposed rates have been rendered moot by its filing in Case No. 10398-P.

IT IS THEREFORE ORDERED that the rates proposed by Mountain are hereby denied.

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

PUBLIC SERVICE COMMISSION Chairman

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ATTEST:

M Machen

Executive Director

Case No. 10398-P, The Notice of Purchased Gas Adjustment Filing of Mountain Utilities, Inc.