

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF BELFRY) CASE NO. 89-068-Z
GAS, INC.)

O R D E R

On September 25, 1989, the Commission issued its Order in Case No. 89-068 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 June 5, 1991, Belfry Gas, Inc. ("Belfry") notified the Commission that its wholesale cost of gas was decreased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective July 1, 1991, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

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

1. Belfry's notice of June 5, 1991 set out certain revisions in rates which Belfry proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$789 or 1.19 cents per Mcf.

2. Transmission filed an application with the Federal Energy Regulatory Commission for decreased rates with an effective date of July 1, 1991. Transmission's rates are subject to refund; hence, Belfry's rates should be subject to refund.

3. Belfry should file with this Commission the amount of any overcollections received from July 1, 1991 to the date the approved rates are implemented, along with a refund plan.

4. Belfry's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 89-068 dated September 25, 1989 is fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after July 1, 1991, subject to refund.

IT IS THEREFORE ORDERED that:

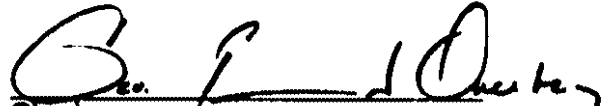
1. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after July 1, 1991, subject to refund.

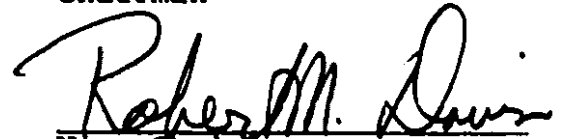
2. Within 30 days of the date of this Order, Belfry shall file with this Commission its revised tariffs setting out the rates authorized herein.

3. Within 30 days of the date of this Order, Belfry shall file the amount of excess revenues collected, along with a refund plan.

Done at Frankfort, Kentucky, this 3rd day of July, 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. 89-068-Z DATED 7/03/91

The following rates are prescribed for the customers served by Belfry Gas, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATES: Monthly

First 1,000 cu. ft.	\$8.7661 Minimum Bill
Over 1,000 cu. ft.	6.9761 Per 1,000 Cu. Ft.

The base rate for the future application of the purchased gas adjustment clause of Belfry Gas, Inc. shall be:

	<u>Commodity</u>
Columbia Gas Transmission Corporation	\$4.7021 per Mcf

A surcharge in the amount of \$3.24 per month shall be applied to each customer served for a period of 5 years.