

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST ADJUSTMENT)	
FILING OF JOHNSON COUNTY GAS)	CASE NO. 10415-K
COMPANY, INC.)	

O R D E R

On April 24, 1991, the Commission issued its Order in Case No. 91-004 approving adjustments to the rates of Johnson County Gas Company, Inc. ("Johnson County") on a quarterly basis in accordance with the provisions of the Gas Cost Adjustment ("GCA") Clause set forth therein.

On August 24, 1992, Johnson County filed its quarterly GCA, which is to become effective October 1, 1992 and is to remain in effect until January 1, 1993.

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

1. Johnson County's notice of August 24, 1992 set out certain revisions in rates which Johnson County proposed to place into effect, said rates being designed to pass on to its customers the wholesale increase in gas costs from its suppliers in the amount of 49.83 cents per Mcf. Johnson County's expected gas cost for the quarter beginning October 1, 1992 is \$3.2508 per Mcf.
2. Johnson County's notice set out no refund adjustment.
3. Johnson County proposed an actual adjustment ("AA") in the amount of 10 cents per Mcf to compensate for under-recovery

of gas cost through the operation of its gas cost recovery procedure during the months of April, May, and June 1992. Johnson County's total AA of (15.48) cents per Mcf is designed to correct the current over-recovery as well as under- and over-recoveries from previous quarters.

4. Johnson County's notice set out no balance adjustment. This adjustment will be unavailable to Johnson County until an approved actual adjustment has been in effect for 4 quarters.

5. The combined effect of the above adjustments is Johnson County's gas cost recovery rate ("GCR") in the amount of \$3.0960 per Mcf, which is an increase of 59.83 cents per Mcf from its last approved rates.

6. Johnson County'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. 91-004 dated April 24, 1991, is fair, just, and reasonable, in the public interest, and should be effective with service rendered on and after October 1, 1992.

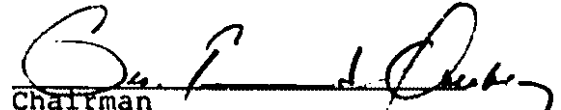
IT IS THEREFORE ORDERED that:

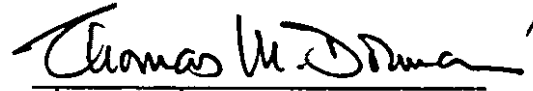
1. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable, and are approved effective with service rendered on and after October 1, 1992.

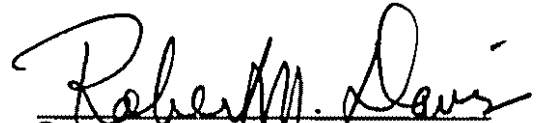
2. Within 30 days of the date of this Order, Johnson County shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 22nd day of September, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 10415-K DATED September 22, 1992.

The following rates and charges are prescribed for the customers served by Johnson County Gas Company, 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 effective date of this Order.

RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Surcharge</u>	<u>Total</u>
Customer Charge				\$3.00
All Mcf	\$2.9871	\$3.0960	\$2.5159	\$8.5990

A surcharge of \$.4155 per Mcf will be added to the above rates until the obligation owed to Kentucky West Virginia Gas Company has been discharged, or is recalculated.