

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-N
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 June 25, 1993, Johnson County filed its quarterly GCA, which was to become effective July 1, 1993 and is to remain in effect until October 1, 1993.

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

1. Johnson County's notice of June 25, 1993 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 expected wholesale decrease in gas costs from its suppliers in the amount of 4.90 cents per Mcf. Johnson County's expected gas cost is \$3.4420 per Mcf.

2. Johnson County's notice set out no refund adjustment.

3. Johnson County proposed an actual adjustment ("AA") in the amount of (54.3) cents per Mcf to compensate for over-recovery

of gas cost through the operation of its gas cost recovery procedure during the months of January, February, and March 1993. Johnson County's total AA of (24.7) 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 a current quarter balance adjustment in the amount of (.98) cents per Mcf to reconcile remaining over-recoveries from a previous actual adjustment. Johnson County's total balance adjustment of (.56) per Mcf is designed to incorporate the current and previous quarter's balance adjustment.

5. The combined effect of the above adjustments is Johnson County's gas cost recovery rate ("GCR") in the amount of \$3.1894 per Mcf, which is a decrease of 24.08 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 the date of this Order.

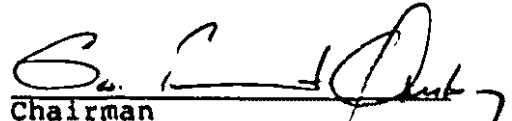
IT IS THEREFORE ORDERED that:

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

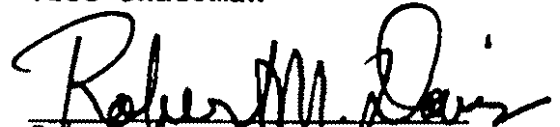
2. Within 30 days of the date of this Order, Johnson County shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 26th day of July, 1993.

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-N DATED July 26, 1993

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	\$3.1894	\$2.5159	\$8.6924

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.