

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF VALLEY GAS, INC. FOR)	
AN ADJUSTMENT OF RATES PURSUANT TO THE)	CASE NO. 95-231
ALTERNATIVE RATE FILING PROCEDURE FOR)	
SMALL UTILITIES)	

O R D E R

On May 12, 1995, Valley Gas, Inc. ("Valley Gas") filed with the Commission a Motion to Use Alternative Rate Filing and To Use 1994 Financial Report. Valley Gas further states that it was previously granted permission to use the alternative rate filing procedure in its prior two rate cases.¹ 807 KAR 5:076 applies to utilities with 400 or fewer customers, or \$200,000 or less of gross annual revenues. Valley Gas does not meet the minimum requirements for using this procedure in that it has more than 400 customers and \$200,000 in annual revenues.

Valley Gas has 500 customers and annual revenues of \$277,000. Valley Gas has its 1994 Annual Report on file with the Commission as required by 807 KAR 5:076 and use of the alternative rate filing procedure is feasible for this utility. Valley Gas, in all other respects, substantially meets the requirements for the alternative filing procedure. Therefore the Commission finds that good cause


¹ Case No. 92-407, The Application of Valley Gas, Inc. for an Adjustment of Rates Pursuant to the Alternative Rate Filing Procedure for Small Utilities and Case No. 89-103, The Application of Valley Gas, Inc. for a Rate Adjustment Pursuant to the Alternative Rate Filing Procedure for Small Utilities.

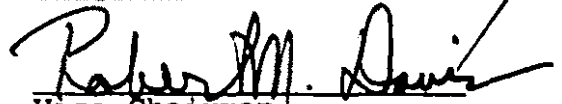
exists to grant the deviation and Valley Gas should be allowed to use the alternative rate filing procedure for small utilities.

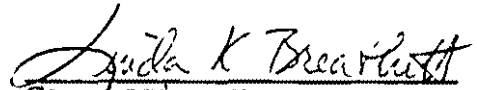
IT IS THEREFORE ORDERED that Valley Gas's request for a deviation from the requirements of 807 KAR 5:076 is hereby granted.

Done at Frankfort, Kentucky, this 25th day of May, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director