

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF DELTA) CASE NO. 9059-B
NATURAL GAS COMPANY, INC.)

INTERIM ORDER

On December 21, 1984, the Commission issued its Order in Case No. 9059 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates on a quarterly basis in accordance with the provisions of the Gas Cost Adjustment Clause set forth therein.

On March 29, 1985, Delta Natural Gas Company, Inc., ("Delta") filed its quarterly gas cost adjustment which is to become effective May 1, 1985, and is to remain in effect until August 1, 1985. On April 26, 1985, Delta filed a revised quarterly gas cost adjustment.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Delta's notice of April 26, 1985, set out certain revisions in rates which Delta proposed to place into effect, said rates being designed to pass on the overall wholesale increase in gas costs from its suppliers in the amount of 4.47 cents per Mcf.

(2) In accordance with the Order issued December 21, 1984, in Case No. 9059, the Commission is reviewing Delta's local purchase agreements and the rates currently being offered for gas produced from wells in the Appalachian Basin. The Commission finds Delta's contract with the Wiser Oil Company especially interesting and to facilitate its investigation of this contract should allow Delta's proposed adjustment on an interim basis subject to a final decision in this Case.

(3) Delta's notice set out a total refund adjustment of 7.51 cents per Mcf, replacing the previous adjustment of 6.12 cents per Mcf. This adjustment includes a current quarter supplier refund of \$66,063 plus interest which is due Delta's customers.

(4) Delta's notice set out a current quarter actual adjustment in the amount of 41.31 cents per Mcf to compensate for previous under-recovery of gas cost by the company through the operation of its gas cost recovery procedure.

(5) Delta's notice set out a balance adjustment of 3.07 cents per Mcf to compensate for over- and under-collections which occurred as a result of previous gas cost, refund and balance adjustments.

(6) Delta proposed a gas cost recovery rate in the amount of \$4.5263 per Mcf. This is an increase of \$0.1866 per Mcf from the rate previously in effect. The increase represents the combined effect of the supplier increase, refund, actual and balance adjustments.

(7) Delta's adjustment in rates contained in the Appendix to this Order under the gas cost adjustment provisions approved by the Commission in its Order in Case No. 9059 dated December 21, 1984, should be effective with final meter readings on and after May 1, 1985.


IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective on an interim basis for final meter readings on and after May 1, 1985, subject to the issuance of a final Order in this case.

IT IS FURTHER ORDERED that the gas cost recovery rate shall be \$4.5263 per Mcf effective on an interim basis for final meter readings on and after May 1, 1985, subject to the issuance of a final Order in this case.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Delta shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 1st day of May, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9059-B DATED 5/1/85

The following rates and charges are prescribed for the customers served by Delta Natural 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 date of this Order.

RATE SCHEDULE

AVAILABILITY

Available for general use by residential, commercial, and industrial customers who purchase their entire natural gas requirements from Delta.

RATES

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
	plus		equals
General Service			
Monthly Customer Charge			\$3.90
1 - 1,000 Mcf	\$1.9739	\$4.5263	\$6.5002 per Mcf
1,001 - 5,000 Mcf	1.8311	4.5263	6.3574 per Mcf
5,001 - 10,000 Mcf	1.5311	4.5263	6.0574 per Mcf
Over 10,000 Mcf	1.2311	4.5263	5.7574 per Mcf
Interruptible (2)			
1 - 1,000 Mcf	\$1.7239	\$4.5263	\$6.2502 per Mcf
1,001 - 5,000 Mcf	1.5811	4.5263	6.1074 per Mcf
5,001 - 10,000 Mcf	1.2811	4.5263	5.8074 per Mcf
Over 10,000 Mcf	0.9811	4.5263	5.5074 per Mcf