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-C NATURAL GAS COMPANY, INC.)

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 June 24, 1985, Delta Natural Gas Company, Inc., ("Delta") filed its quarterly gas cost adjustment which is to become effective August 1, 1985, and is to remain in effect until November 1, 1985. On July 15, 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 July 15, 1985, set out certain revisions in rates which Delta proposed to place into effect, said rates being designed to pass on the overall wholesale decrease in gas costs from its suppliers in the amount of 33.05 cents per Mcf. (2) Delta's notice set out a total refund adjustment of 3.59 cents per Mcf, replacing the previous adjustment of 7.51 cents per Mcf. This adjustment includes a current quarter supplier refund of \$9,426 plus interest which is due Delta's customers.

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(3) Delta's notice set out a current quarter actual adjustment in the amount of 47.33 cents per Mcf to compensate for previous over-recovery of gas cost by the company through the operation of its gas cost recovery procedure.

(4) Delta's notice set out a balance adjustment of 26.16 cents per Mcf to compensate for over- and under-collections which occurred as a result of previous gas cost, refund and balance adjustments.

(5) Delta proposed a gas cost recovery rate in the amount of \$4.0843 per Mcf. This is a decrease of \$0.4420 per Mcf from the rate previously in effect. The decrease represents the combined effect of the supplier decrease, refund, actual and balance adjustments.

(6) 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 August 1, 1985.

-2-

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with final meter readings on and after August 1, 1985.

IT IS FURTHER ORDERED that the gas cost recovery rate shall be \$4.0843 per Mcf effective with final meter readings on and after August 1, 1985.

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 5th day of August, 1985.

PUBLIC SERVICE COMMISSION

12 hairman Chairman Vice

did not participate Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9059-C DATED August 5, 1985.

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

17

		Gas Cost		
		Recovery		
	Base Rate	Rate	Total F	late
		olus	equals	
General Service				
Monthly Customer Charge			\$3.90	
1 - 1,000 Mcf	\$1.9739	\$4.0843	\$6.0582	per Mcf
1,001 - 5,000 Mcf	1.8311	4.0843		per Mcf
5,001 - 10,000 Mcf	1.5311	4.0843	5.6154	per Mcf
Over 10,000 Mcf	1.2311	4.0843	5.3154	per Mcf
Interruptible (2)				
1 - 1,000 Mcf	\$1,7239	\$4.0843	\$5.8082	per Mcf
1,001 - 5,000 Mcf	1.5811	4.0843		per Mcf
5,001 - 10,000 Mcf	1.2811	4.0843		per Mcf
Over 10,000 Mcf	0,9811	4.0843		per Mcf