

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF MT. OLIVET) CASE NO. 7800-VV
NATURAL GAS COMPANY, INC.)

O R D E R

On October 13, 1980, the Commission issued its Order in Case No. 7800 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On January 20, 1987, Mt. Olivet Natural Gas Company, Inc., ("Mt. Olivet") notified the Commission that it will receive a decrease in rates from its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective January 1, 1987, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

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

(1) Mt. Olivet's notice of January 20, 1987, set out certain revisions in rates which Mt. Olivet proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$634 or 1.48 cents per Mcf.

(2) Transmission filed revised rates with the Federal Energy Regulatory Commission to be effective January 1, 1987.

(3) Mt. Olivet should report to the Commission the amount of excess revenues collected from January 1, 1987, to the date the proposed rates are implemented, along with a refund plan.

(4) Mt. Olivet's adjustments in rates under the purchased gas adjustment provisions approved by the Commission in its Order of October 13, 1980, are fair, just and reasonable and in the public interest and should be effective with gas supplied on and after January 1, 1987.

IT IS THEREFORE ORDERED that:

(1) The rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after February 1, 1987.

(2) Within 30 days of the date of this Order Mt. Olivet shall file with this Commission its revised tariffs setting out the rates authorized herein.

(3) Within 30 days of the date of this Order Mt. Olivet shall report the amount of excess revenues collected, along with a refund plan.

Done at Frankfort, Kentucky, this 4th day of February, 1987.

PUBLIC SERVICE COMMISSION

Richard D. Hemminger
Chairman

[Handwritten Signature]
Vice Chairman

[Handwritten Signature]
Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 7800-VV DATED 2/4/87

The following rates are prescribed for the customers served by Mt. Olivet Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

<u>Rates:</u>	Monthly		
First	1,000 cu. ft. or less	\$7.10	(Minimum Bill)
Next	4,000 cu. ft. per 1,000 cu. ft.	5.3477	
Next	5,000 cu. ft. per 1,000 cu. ft.	5.1477	
Next	10,000 cu. ft. per 1,000 cu. ft.	4.9977	
Over	20,000 cu. ft. per 1,000 cu. ft.	4.7977	

The base rate for the future application of the purchased gas adjustment clause of Mt. Olivet Natural Gas Company, Inc., shall be:

	<u>Demand</u>	<u>Commodity</u>
Columbia Gas Transmission Corporation	-	\$4.0254 per Dth