

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF MIKE) CASE NO. 9535-A
LITTLE GAS COMPANY, INC.)

ORDER

On September 17, 1986, the Commission issued its Order in Case No. 9535 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 February 2, 1987, Mike Little Gas Company, Inc., ("Mike Little") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Kentucky West Virginia Gas Company ("Kentucky West"), effective November 1, 1986, and that its wholesale cost of gas would be increased by Kentucky West effective January 1, 1987. Mike Little 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) Mike Little's notice of February 2, 1987, set out certain revisions in rates which Mike Little proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier effective November 1, 1986, in

the amount of \$2,974 or 4.89 cents per Mcf, and the wholesale increase in price effective January 1, 1987, in the amount of \$112 or .18 cents per Mcf.

(2) Kentucky West filed an application for decreased rates to become effective November 1, 1986, with the Federal Energy Regulatory Commission and for increased rates to become effective January 1, 1987.

(3) Mike Little should report the amount of excess revenues collected from November 1, 1986, to the date the proposed rates are implemented, along with a refund plan.

(4) Mike Little's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 9535 dated September 17, 1986, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after November 1, 1986, for the decrease and January 1, 1987, for the increase.

IT IS THEREFORE ORDERED that:

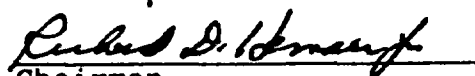
(1) The rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after November 1, 1986, for the decrease and January 1, 1987, for the increase.

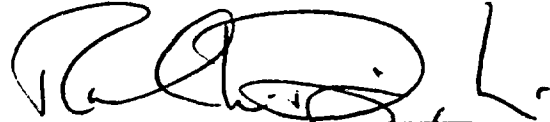
(2) Within 30 days of the date of this Order Mike Little shall file with this Commission its revised tariffs setting out the rates authorized herein.

(3) Within 30 days of the date of this Order Mike Little shall file with this Commission the amount of excess revenues collected, along with a refund plan.

Done at Frankfort, Kentucky, this 10th day of February, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9535-A DATED 2/10/87

The following rates and charges are prescribed for the customers served by Mike Little 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.

Appendix A - Effective November 1, 1986

RATES: Monthly

First 1 Mcf	- Minimum Bill	\$5.5913 Per Mcf
All Over 1 Mcf		\$5.3742 Per Mcf

Appendix B - Effective January 1, 1987

RATES: Monthly

First 1 Mcf	- Minimum Bill	\$5.593 Per Mcf
All Over 1 Mcf		\$5.3759 Per Mcf

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

Commodity

Kentucky West Virginia Gas Company	\$2.5629 per Dth
---------------------------------------	------------------

*Including \$0.0152 Gas Research Institute Funding Charge