

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES OF
VALLEY GAS, INC.)
)CASE NO.
89-103O R D E R

On April 28, 1989, Valley Gas, Inc. ("Valley Gas") filed an application to adjust its general gas rates. The application was filed pursuant to Commission Regulation 807 KAR 5:076, which is the alternative rate filing procedure intended for use by small utilities. Valley Gas does not meet the minimum requirements for using this procedure in that it has in excess of 400 customers and \$200,000 in annual revenues. In its filing, however, Valley Gas sought a deviation from these minimum filing requirements in order to use this procedure.

Valley Gas has 505 customers and annual revenues from 1988 gas sales of \$249,898.57. Further, Valley Gas has 1987 and 1988 Annual Reports 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 exists to grant the deviation and Valley Gas should be allowed to use the alternative rate filing procedure for small utilities.

BE IT SO ORDERED.

Done at Frankfort, Kentucky, this 18th day of May, 1989.

ATTEST:

PUBLIC SERVICE COMMISSION



For the Commission

 Executive Director