

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS	)	
ADJUSTMENT FILING OF DELTA	)	CASE NO. 90-342-A
NATURAL GAS COMPANY, INC.	)	

O R D E R

On May 23, 1991, the Commission issued its Order in Case No. 90-342 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 ("GCA") Clause set forth therein.

On June 26, 1991, Delta Natural Gas Company, Inc. ("Delta") filed its quarterly GCA, which is to become effective August 1, 1991 and is to remain in effect until November 1, 1991.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Delta's notice of June 26, 1991 set out certain revisions in rates which Delta proposed to place into effect, said rates being designed to pass on to its customers the wholesale decrease in gas costs from its suppliers in the amount of 10.37 cents per Mcf, excluding take-or-pay billings. Delta's expected gas cost for the quarter beginning August 1, 1991 is \$3.2254 per Mcf.

Delta's notice set out a take-or-pay recovery component of 4.47 cents per Mcf, which decreased 3.03 cents per Mcf from its last GCA filing. Delta should be prepared to support the amount of its take-or-pay actual adjustments at the time of its GCA field reviews.

2. Delta's notice set out a total refund adjustment of .40 cents per Mcf. This adjustment is composed of past refund adjustments that are still in effect. There is no change in the total refund adjustment from the previous to the current GCA filing.

3. Delta's notice set out a current quarter actual adjustment in the amount of (42.45) cents per Mcf to compensate for over-recovery of gas cost by the company through the operation of its gas cost recovery procedure during the months of February, March, and April 1991. The total actual adjustment of (15.19) cents per Mcf, which is designed to correct the current over-collection as well as under- and over-collections from three previous quarters, results in a 14.12 cent per Mcf decrease in Delta's retail rates.

4. Delta's notice set out a balance adjustment of 58.43 cents per Mcf, to replace the previous adjustment of 4.68 cents per Mcf. This balance adjustment compensates for under-collections which occurred as a result of previous gas cost, actual, refund, and balance adjustments. The effect on retail rates is a 53.75 cent per Mcf increase.

5. The combined effect of the above adjustments is Delta's gas cost recovery rate ("GCR") in the amount of \$3.6985 per Mcf, which is an increase of 26.23 cents per Mcf from its last approved GCR.

6. Delta's adjustment in rates, set out in the Appendix to this Order, pursuant to the GCA provisions approved by the Commission in its Order in Case No. 90-342 dated May 23, 1991, is fair, just, and reasonable, in the public interest, and should be effective with final meter readings on and after August 1, 1991.

7. In its filing dated June 26, 1991, Delta requested confidentiality for Schedule VI. Confidentiality should be granted based upon Delta's showing of the likelihood of competitive injury.

IT IS THEREFORE ORDERED that:

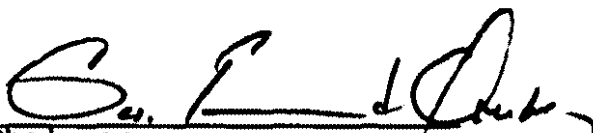
1. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with final meter readings on and after August 1, 1991.

2. Within 30 days of the date of this Order, Delta shall file with this Commission its revised tariffs setting out the rates authorized herein.

3. Delta's request for confidentiality of Schedule VI is hereby granted.

Done at Frankfort, Kentucky, this 29th day of July, 1991.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

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Commissioner

ATTEST:

  
Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-342-A DATED July 29, 1991.

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 SCHEDULES

##### AVAILABILITY

Available for general use by residential, commercial, and industrial customers.

##### RATES

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
	plus		equals
General Service			
Monthly Customer Charge			
Residential			\$5.95
Nonresidential			18.36
1 - 1,000 Mcf	\$2.4650	\$3.6985	6.1635 per Mcf
1,001 - 5,000 Mcf	2.0650	3.6985	5.7635 per Mcf
5,001 - 10,000 Mcf	1.6650	3.6985	5.3635 per Mcf
Over 10,000 Mcf	1.2650	3.6985	4.9635 per Mcf
Interruptible (2)			
Monthly Customer Charge			\$185.00
1 - 1,000 Mcf	\$1.7000	\$3.6985	5.3985 per Mcf
1,001 - 5,000 Mcf	1.3000	3.6985	4.9985 per Mcf
5,001 - 10,000 Mcf	.9000	3.6985	4.5985 per Mcf
Over 10,000 Mcf	.5000	3.6985	4.1985 per Mcf
Transportation of Gas for Others			
On-System Utilization			

To the applicable rates and charges in effect for on-system transportation customers shall be added a take-or-pay recovery component of \$.0447 per Mcf.