

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF DELTA) CASE NOS. 90-342-S
NATURAL GAS COMPANY, INC.) and 90-342-T

O R D E R

On February 1, 1996, and May 1, 1996, the Commission issued its Orders in Case Nos. 90-342-S and 90-342-T, respectively. These Orders removed storage costs from the Expected Gas Cost ("EGC") portion of the Gas Cost Adjustment ("GCA") rates of Delta Natural Gas Company, Inc. ("Delta") pending the Commission's decision regarding the proposed storage rate from Deltran, Inc. ("Deltran"). On May 9, 1996, the Commission approved Deltran's proposed tariff, including rules and regulations for gas storage service.¹ The fee for such service was effective May 1, 1996, pursuant to a Deltran tariff revision filed with the Commission on March 29, 1996.

The Commission finds that Delta's EGC filed March 29, 1996, should be included in Delta's GCA rates for the remainder of the calendar quarter beginning May 1, 1996, pursuant to the Commission's approval of the Deltran tariff. Delta's approved EGC should be \$3.3769 per Mcf, with the resulting gas cost recovery

¹ Case No. 95-531, Proposed Contract Between Deltran, Inc. and Delta Natural Gas Company, Inc. for Underground Natural Gas Storage Service, Order dated May 9, 1996.

("GCR") rate of \$3.6922. Any discrepancies in collections resulting from the May 1, 1996 effective date of the Deltran fee and the effective date of the rates contained in the Appendix to this Order may be included for recovery in a future actual adjustment component of Delta's GCA filing.

IT IS THEREFORE ORDERED that:


1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for final meter readings on and after the date of this Order.

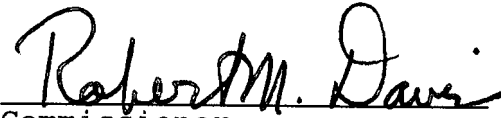
2. Within 30 days of the date of this Order, Delta shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 31st day of May, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NOS. 90-342-S AND 90-342-T DATED MAY 31, 1996.

The following rates and charges are prescribed for the customers in the area 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 effective date of this Order.

RATE SCHEDULES

AVAILABILITY

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

RATES

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
	plus	equals	
General Service			
Monthly Customer Charge			
Residential			\$5.95
Nonresidential			18.36
1 - 1,000 Mcf	\$2.4650	\$3.6922	6.1572 per Mcf
1,001 - 5,000 Mcf	2.0650	3.6922	5.7572 per Mcf
5,001 - 10,000 Mcf	1.6650	3.6922	5.3572 per Mcf
Over 10,000 Mcf	1.2650	3.6922	4.9572 per Mcf
Interruptible (2)			
Monthly Customer Charge			\$185.00
1 - 1,000 Mcf	\$1.7000	\$3.6922	5.3922 per Mcf
1,001 - 5,000 Mcf	1.3000	3.6922	4.9922 per Mcf
5,001 - 10,000 Mcf	.9000	3.6922	4.5922 per Mcf
Over 10,000 Mcf	.5000	3.6922	4.1922 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 (\$.0001) per Mcf.