

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS            )  
ADJUSTMENT FILING OF MT. OLIVET        )  
NATURAL GAS COMPANY, INC.                )        CASE NO. 97-389-E

O R D E R

On April 24, 1998, in Case No. 97-389, the Commission approved certain adjusted rates for Mt. Olivet Natural Gas Company, Inc. ("Mt. Olivet") and provided for their further adjustment on a quarterly basis in accordance with its gas cost adjustment ("GCA") clause.

On June 7, 1999, Mt. Olivet filed its GCA proposed to be effective from July 1, 1999 to October 1, 1999.

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

1. Mt. Olivet's notice proposed revised rates designed to pass on its expected wholesale decrease in gas costs to its customers. The proposed EGC of \$2.8472 per Mcf is 80.50 cents per Mcf less than its prior EGC.
2. Mt. Olivet has no current supplier refunds to return to its customers.
3. The notice set out a current quarter actual adjustment ("AA") of (54.62) cents per Mcf to reconcile gas cost from January, February, and March 1999. The total AA of (\$1.0140) per Mcf reflects the current over-collection as well as under- and over-collections from previous quarters. The total AA represents a decrease of 48.61 cents per Mcf from

the previous total AA.

4. These adjustments produce a gas cost recovery rate of \$1.8332 per Mcf, \$1.2911 per Mcf less than the prior rate of \$3.1242.

5. The rate adjustments in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved with gas supplied on and after July 1, 1999.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for gas supplied on and after July 1, 1999.

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 in this Order.

Done at Frankfort, Kentucky, this 7<sup>th</sup> day of July, 1999.

By the Commission

ATTEST:

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Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 97-389-E DATED JULY 7, 1999

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

Rates: Monthly

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1,000 cu. ft. or less	\$3.1996	\$1.8332	\$5.0328
Next 4,000 cu. ft. per 1,000 cu. ft.	1.4143	1.8332	3.2475
Next 5,000 cu. ft. per 1,000 cu. ft.	1.2095	1.8332	3.0427
Next 10,000 cu. ft. per 1,000 cu. ft.	1.0578	1.8332	2.8910
Over 20,000 cu. ft. per 1,000 cu. ft.	0.8501	1.8332	2.6833