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. 9918-B

ORDER

On August 10, 1987, the Commission issued its Order in Case No. 9918 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 August 10, 1987, Mt. Olivet Natural Gas Company, Inc., ("Mt. Olivet") notified the Commission that it received an increase in rates from its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective May 11, 1987, and 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) The rates proposed by Mt. Olivet to be effective May 11, 1987, have been superseded by subsequent rate changes for which Transmission has applied with the Federal Energy Regulatory Commission. Mt. Olivet's proposed rates will not be placed into effect and should be denied.

IT IS THEREFORE ORDERED that:

(1) The rates proposed by Mt. Olivet be and they hereby are denied.

Done at Frankfort, Kentucky, this 1st day of September, 1987.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Deur Williams

ATTEST:

Executive Director