

FOR Tram, Ivel, Stanville,

Betsy Layne, and Mare Creek

P.S.C. KY. NO. 1

Original SHEET NO. 1

B & H Gas Company Inc.

CANCELLING P.S.C. KY NO. _____

RULES AND REGULATIONS

GAS COST ADJUSTMENT CLAUSE

C 7/3/95

The rates authorized herein are based upon the wholesale cost of gas to B & H Gas as computed using rates of its wholesale supplier currently in effect. In the event there is an increase or decrease in wholesale gas cost, B & H Gas shall file with this Commission the following information within 30 days:

1. A copy of the contract or wholesale supplier notification effecting the change in rate and a statement relative to the effective date of such proposed change.
2. A statement setting out gas sales for the most recent 12 months.
3. A statement setting out the details of gas purchased for the most recent 12 months showing billing from the supplier under the most recent rate and under the proposed supplier rate. The difference between the amounts so determined shall be divided by B & H Gas sales for the most recent 12 months, provided B & H Gas line loss for the same 12 month period does not exceed 5%. If lines loss exceeds 5%, the difference shall be divided by allowable sales calculated as (purchases x .95).
4. A signed and dated tariff sheet showing B & H Gas proposed rates for service based on the change in supplier rate. An increase in rates shall not be effective with less than 30 30 days notice unless a waiver is requested and granted.
5. Such other information as this Commission may request for a proper determination of the purchased gas adjustment.

In the event that B & H Gas receives from its supplier a refund, bill adjustment, or credit of amount paid to such supplier in respect of a prior period, B & H Gas will apply to the Commission within 30 days for authority to make adjustments on the rates charged to its customers under this provision as follows:

PUBLIC SERVICE COMMISSION

OF KENTUCKY

EFFECTIVE

DATE OF ISSUE	<u>June</u>	<u>1</u>	<u>1995</u>	DATE EFFECTIVE	<u>July 1,</u>	<u>1995</u>	
	MONTH	DAY	YEAR		MONTH	DAY	YEAR

ISSUED BY	<u>Bruce Rife</u>	President	<u>JUL 01 1995</u>	<u>P.O. Box 99 Stanville, KY</u>	<u>41659</u>
	NAME OF OFFICER	TITLE		ADDRESS	

BY: _____
PUBLIC SERVICE COMMISSION

FOR Tram, Ivel, Stanville,

Betsy Layne, and Mare Creek

P.S.C. KY. NO. 1

Original SHEET NO. 2

B & H Gas Company Inc.

CANCELLING P.S.C. KY NO. _____

RULES AND REGULATIONS

1. The "refundable amount" shall be the amount received by B & H Gas as a refund. Such refundable amount shall be divided by the MCF of gas that B & H Gas estimates it will sell to its customers during the four-month period commencing with the first day of the month following receipt of the refunds, thus determining a "refund factor".
2. Upon Commission approval, B & H Gas will reduce by the refund factor any purchased gas adjustment that would otherwise be applicable during such period.
3. In the event of any large or unusual refunds, B & H Gas may apply to the Commission for the right to depart from the refund procedure herein set forth.

Upon receipt of the required information, the Commission shall review the proposed increase, reduction, or refund and, within 30 days from receipt of the information required, issue its Order setting out the proper revised rates or otherwise acting to investigate or suspend the proposed rates.

C7/3/17

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 01 1995

PURSUANT TO KY KAR 5:011,
SECTION 9 (1)

BY [Signature]
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE June 1 1995 DATE EFFECTIVE July 1 1995
MONTH DAY YEAR MONTH DAY YEAR

ISSUED BY [Signature] President P.O. Box 99 Stanville, KY 41659
NAME OF OFFICER TITLE ADDRESS