

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF EAST)	CASE NO. 90-002-U
KENTUCKY UTILITIES, INC.)	

O R D E R

On October 10, 1990, the Commission issued its Order in Case No. 90-002 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 October 1, 1992, East Kentucky Utilities, Inc. ("East Kentucky") notified the Commission that its wholesale cost of gas would be increased by its supplier, Kentucky West Virginia Gas Company ("Kentucky West"), effective October 1, 1992, and submitted with its notice certain information in compliance with its purchased gas adjustment ("PGA") clause on file with this Commission.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. East Kentucky's notice of October 1, 1992 set out certain revisions in rates which East Kentucky proposed to place into effect, said rates being designed to pass on the wholesale increase in price from its supplier in the amount of \$81,403 or 75.22 cents per Mcf.

2. Kentucky West filed with the Federal Energy Regulatory Commission for increased rates to become effective October 1, 1992. East Kentucky requested a waiver of the 30-day filing requirement. Pursuant to KRS 278.180, upon East Kentucky's showing of good cause, East Kentucky's request should be granted. The effective date for the increase should be on and after the date of this Order. Kentucky West's rates are subject to refund; hence, East Kentucky's rates should be subject to refund.

3. East Kentucky's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 90-002, dated October 10, 1990, is fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after the date of this Order, subject to refund.

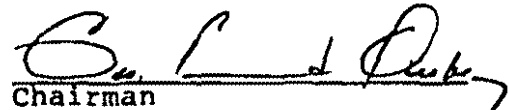
IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after the date of this Order, subject to refund.

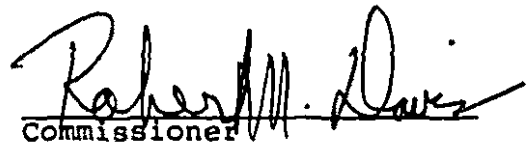
2. Within 30 days of the date of this Order, Mountain shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 23rd day of October, 1992.

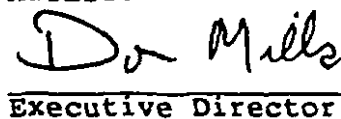
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-002-U DATED October 23, 1992.

The following rates and charges are prescribed for the customers served by East Kentucky Utilities, 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.

RATES: Monthly

First	1 Mcf	\$9.5954 per Mcf
All Over	1 Mcf	6.6405 per Mcf

Minimum Bill: \$9.60 for less than 1 Mcf

The base rate for the future application of the purchased gas adjustment clause of East Kentucky Utilities, Inc. shall be:

	<u>Commodity</u>
Kentucky-West Virginia Gas Co.	\$2.9571/Dth*
Southeastern Gas Company	\$3.50/Mcf

*Including \$0.0147 per Dth - Gas Research Institute Funding Charge and \$0.0024 per Dth Annual Charge Adjustment.