COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS) ADJUSTMENT FILING OF B & H GAS) CASE NO. 91-127-E COMPANY, INC.)

ORDER

On March 12, 1993, B & H Gas Company, Inc. ("B & H") filed its quarterly gas cost adjustment ("GCA"), which it proposed to become effective April 1, 1993. In that filing, B & H proposed to pass through an increase from its affiliated supplier, B & S Oil and Gas Company ("B & S") in the amount of 10 cents per Mcf, with the new contract price proposed to be paid in the amount of \$3.65 per Mcf.

IT IS HEREBY ORDERED that within 10 days of the date of this Order, B & H shall justify the reasonableness of the proposed rate of B & S. Such justification shall include, but not be limited to, other contract prices for gas in the area, prices for pipeline gas in the area, any improved quality or security of supply of B & S, and any alternate sources of supply available to B & H.

Done at Frankfort, Kentucky, this 7th day of April, 1993.

PUBLIC SERVICE COMMISSION

ATTEST:

Executive Direc