

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF EQUITABLE)
GAS COMPANY) CASE NO. 92-326-BB

O R D E R

On April 12, 1993, in Case No. 92-326, the Commission approved certain adjusted rates for Equitable Gas Company, a division of Equitable Resources, Inc. ("Equitable"), and provided for their further adjustment on a quarterly basis in accordance with its gas cost adjustment ("GCA") clause.

On January 6, 2000, Equitable filed its GCA to be effective February 1, 2000, through April 30, 2000.

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

1. Equitable's notice of January 6, 2000 proposes revised rates designed to pass on expected decreased wholesale gas costs to its customers. Equitable's proposed expected gas cost ("EGC") is \$4.6484 per Mcf, which includes a surcharge component of 80.54 cents per Mcf relating to the settlement of Kentucky West Virginia Gas Company Docket No. TQ 89-1-46-000, et al. before the Federal Energy Regulatory Commission. This EGC represents a decrease of \$1.0234 per Mcf from the current EGC.

2. Equitable's notice of January 6, 2000 set out a current quarter actual adjustment ("AA") of 2.32 cents per Mcf to collect under-recovered gas cost from August, September, and October 1999. Equitable's total AA of 2.78 cents per Mcf reflects the current under-recovery as well as over- and under-recoveries from previous quarters, and represents a 3.86 cent per Mcf increase from the previous total AA.

3. Equitable's notice set out a current quarter balancing adjustment ("BA") of (.3) cents per Mcf. Equitable's total BA is (3.70) cents per Mcf, and represents a .06 cent per Mcf decrease from the previous total BA.

4. These adjustments produce a revised gas cost recovery ("GCR") rate of \$4.6392 per Mcf, 98.54 cents per Mcf less than its prior GCR rate of \$5.6246 per Mcf.

5. The rate adjustment in the Appendix to this Order is fair, just, and reasonable, in the public interest, and should be effective for final meter readings on and after February 1, 2000.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable and are effective for final meter readings on and after February 1, 2000.

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

Done at Frankfort, Kentucky, this 26th day of January, 2000.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 92-326-BB DATED JANUARY 26, 2000

The following rates and charges are prescribed for the customers in the area served by Equitable Gas Company. 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

Customer Charge			\$4.45	
			Gas Cost Recovery	
		<u>Base Rate</u>	<u>Rate</u>	<u>Total Rate</u>
First	2 Mcf	\$1.0399	\$4.6392	\$5.6791
Next	18 Mcf	.8178	4.6392	5.4570
Next	30 Mcf	.7179	4.6392	5.3571
Next	50 Mcf	.6290	4.6392	5.2682
All Over	100 Mcf	.5513	4.6392	5.1905

The minimum bill shall be \$4.45

The above rates include recovery of a Kentucky West Virginia Gas Company surcharge of 61.4 cents per Dth pursuant to the settlement of Docket No. TQ 89-1-46, et. al. before the Federal Energy Regulatory Commission.