

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF PUBLIC)	CASE NO. 9565-C
GAS COMPANY)	

ORDER

On October 10, 1987, in Case No. 9565, the Commission approved certain adjusted rates for Public Gas Company ("Public") and provided 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. The Gas Cost Adjustment ("GCA") clause was subsequently removed from Public's tariff. Public's last GCA filing under the original clause was effective April 15, 1987. On September 25, 2000, the Commission approved Public's current GCA clause.

On January 3, 2001, Public filed its GCA to be effective February 1, 2001 through April 30, 2001. Public's notice also contained a request to waive the 30-day notice requirement.

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

1. Public's notice proposes revised rates designed to pass on expected increased wholesale gas costs to its customers. Public's proposed expected gas supply cost is \$8.66 per Mcf, an increase of \$2.0775 per Mcf over the prior EGC of \$6.5825.
2. Public has no current supplier refunds to return to its customers.

3. Public's notice set out no current quarter actual adjustment and no total actual adjustment.

4. These adjustments produce a gas cost adjustment of \$8.66 per Mcf, \$2.0775 per Mcf more than the prior gas cost adjustment of \$6.5825 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 with gas supplied on and after February 2, 2001. KRS 278.180(1) allows the Commission to shorten the notice period based upon a showing of good cause; however, Public did not provide a reason for its request for a waiver of the 30-day notice requirement.

IT IS THEREFORE ORDERED that:

1. The rate in the Appendix to this Order is fair, just, and reasonable and is effective for gas supplied on and after February 2, 2001. Public did not provide sufficient notice for rates to be effective February 1, 2001.

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

Done at Frankfort, Kentucky, this 29th day of January, 2001.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9565-C DATED JANUARY 29, 2001

The following rates and charges are prescribed for the customers served by Public 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 effective date of this Order.

Rates:

	<u>Base Rate</u>	<u>Gas Cost</u>	<u>Rate per Mcf</u>
Minimum Bill - First Mcf	\$3.2705	\$8.66	\$11.9305
Over 1 Mcf	\$2.1505	\$8.66	\$10.8105