

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS	)	
ADJUSTMENT FILING OF THE	)	CASE NO. 92-346-HH
UNION LIGHT, HEAT AND POWER	)	
COMPANY	)	

ORDER

On August 31, 1993, in Case No. 92-346, the Commission approved certain adjusted rates for The Union Light, Heat and Power Company ("ULH&P") and provided for their further adjustment in accordance with ULH&P's gas cost adjustment ("GCA") clause.

On March 9, 2001, ULH&P filed its GCA to be effective March 30, 2001. ULH&P requested a waiver of the 30-day notice requirement on February 28, 2001. The Commission granted ULH&P's request in its Order dated March 6, 2001. ULH&P submitted an additional request on March 20, 2001 for a waiver of the 30-day notice for three GCA filings that will be effective March 30, 2001, May 1, 2001 and May 31, 2001. After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. ULH&P's notice of March 9, 2001 proposed revised rates designed to pass on its expected decreased wholesale gas costs to its customers. ULH&P's proposed expected gas cost ("EGC") of \$6.596 per Mcf includes a take-or-pay recovery component of 0 cent per Mcf, and is a decrease of \$1.05 per Mcf from the previous EGC of \$7.646.

2. ULH&P's notice of March 9, 2001 set out no current refund adjustment ("RA"). The total refund adjustment of 2.1 cents per Mcf reflects previous quarter adjustments.

3. ULH&P's notice of March 9, 2001 set out no current actual adjustment ("AA"). The total AA of 36.7 cents per Mcf reflects previous quarter adjustments.

4. ULH&P's notice of March 9, 2001 set out no current balancing adjustment ("BA"). The total BA of (.8) cent per Mcf reflects previous quarter adjustments.

5. ULH&P proposed a Firm Standby Rate of \$.888 per Mcf and an Interruptible Standby Rate of \$.421 per Mcf.

6. The combined effect of the above adjustments is ULH&P's gas cost recovery rate ("GCR") of \$6.934 per Mcf, which is \$1.05 per Mcf less than its previous GCR of \$7.984 per Mcf.

ULH&P's adjustment in rates contained in the Appendix to this Order is fair, just, and reasonable, in the public interest, and should be approved effective with bills rendered on and after March 30, 2001. ULH&P requested a waiver of the 30-day notice requirement for the GCA filings effective on March 30, May 1 and May 31, 2001 on the basis that it could more accurately calculate the expected gas cost if the filing date were closer to the effective date. Therefore, the rates for the current filing should be effective for final meter readings on and after March 30, 2001. The request to shorten the notice period for the GCAs to be effective May 1 and May 31, 2001 should also be approved. The grounds cited by ULH&P constitute good cause to shorten the notice period pursuant to KRS 278.180(1).

IT IS THEREFORE ORDERED that:

1. ULH&P's request to shorten the 30-day notice requirement for its GCA filings to be effective March 30, May 1 and May 31, 2001 is granted.

2. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for bills rendered on and after March 30, 2001.

3. Within 30 days from the date of this Order, ULH&P shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 28<sup>th</sup> day of March, 2001.

By the Commission

ATTEST:

*W. H. Fowler*  
Deputy Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 92-346-HH DATED MARCH 28, 2001

The following rates and charges are prescribed for the customers served by The Union Light, Heat and Power 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.

GAS SERVICE RATES

RATE RS  
RESIDENTIAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$ .2202	plus	\$ .6934	\$ .9136

RATE GS  
GENERAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$ .2007		\$ .6934	\$ .8941

RATE SS  
STANDBY SERVICE

Firm Standby Service

For the volume specified in the written agreement, the customer shall pay an additional charge of 8.88 cents per Ccf.

Interruptible Standby Service

For the volume specified in the written agreement, the customer shall pay an additional charge of 4.21 cents per Ccf.

Take-or-Pay Recovery Charge

The T-O-P charge to be billed during the month of April 2001 is 0 cents per Ccf.