

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS	)	
ADJUSTMENT FILING OF THE	)	CASE NO. 92-346-II
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 April 11, 2001, ULH&P filed its GCA to be effective May 1, 2001. ULH&P submitted a 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 April 11, 2001 proposed revised rates designed to pass on its expected increased wholesale gas costs to its customers. ULH&P's proposed expected gas cost ("EGC") of \$6.765 per Mcf includes a take-or-pay recovery component of 0 cent per Mcf, and is an increase of 16.9 cents per Mcf from the previous EGC of \$6.596.

2. ULH&P's notice of April 11, 2001 set out no current quarter refund adjustment ("RA"). The total refund adjustment of 2.1 cents per Mcf reflects previous quarter adjustments.

3. ULH&P's notice of April 11, 2001 set out no current quarter actual adjustment ("AA"). The total AA of 36.7 cents per Mcf reflects previous quarter adjustments.

4. ULH&P's notice of April 11, 2001 set out no current quarter 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 \$7.103 per Mcf, which is 16.9 cents per Mcf more than its previous GCR of \$6.934 per Mcf.

ULH&P's adjustment in rates contained in the Appendix to this Order is fair, just, and reasonable, is in the public interest, and should be approved effective with bills rendered on and after May 1, 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. The Commission granted ULH&P's request in its last GCA Order. Therefore, the rates for the current filing should be effective for final meter readings on and after May 1, 2001.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for bills rendered on and after May 1, 2001.

2. 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 30<sup>th</sup> day of April, 2001.

By the Commission

ATTEST:

  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 92-346-II DATED APRIL 30, 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	\$ .7103	\$ .9305

RATE GS  
GENERAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$ .2007		\$ .7103	\$ .9110

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.