

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

ORDER

On August 31, 1993, in Case No. 92-346, the Commission approved 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 June 29, 2001, ULH&P submitted a request for a waiver of the 30-day notice requirement, which the Commission granted by Order dated July 13, 2001. On July 12, 2001, ULH&P filed its GCA to be effective July 31, 2001. After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. ULH&P’s notice includes rates designed to pass on to its customers expected decreases in wholesale gas costs. ULH&P’s expected gas cost (“EGC”) is \$4.402 per Mcf, which is a decrease of 58.1 cents per Mcf from the previous EGC of \$4.983.
2. ULH&P’s notice sets out no current refund adjustment (“RA”). The total RA of 1.9 cents per Mcf reflects previous adjustments.
3. ULH&P’s notice sets out no current actual adjustment (“AA”). The total AA of \$1.764 per Mcf reflects previous adjustments.
4. ULH&P’s notice sets out no current balancing adjustment (“BA”). The total BA of (3.1) cents per Mcf reflects previous adjustments.

5. ULH&P proposes a Firm Standby Rate of \$.888 per Mcf and an Interruptible Standby Rate of \$.396 per Mcf.

6. ULH&P's gas cost recovery rate ("GCR") is \$6.116 per Mcf, which is 58.1 cents per Mcf less than its previous GCR of \$6.697.

7. The rates in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for final meter readings on and after July 31, 2001. KRS 278.180(2) permits an effective date less than 20 days from the filing date in the case of a reduction in rates. Therefore, the rates approved herein should be effective for final meter readings on and after July 31, 2001.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for final meter readings on and after July 31, 2001.

2. Within 20 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 30th day of July, 2001.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 92-346-LL DATED JULY 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	\$.6116	\$.8318

RATE GS
GENERAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.2007		\$.6116	\$.8123

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 3.96 cents per Ccf.

Take-or-Pay Recovery Charge

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