

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS )  
ADJUSTMENT FILING OF MIKE ) CASE NO. 93-400-DD  
LITTLE GAS COMPANY, INC. )

ORDER

On December 17, 1993, in Case No. 93-400, the Commission approved the merger of Elzie Neeley Gas Company, Inc. ("Elzie Neeley") and Phelps Gas Company, Inc. ("Phelps") into Mike Little Gas Company, Inc. ("Mike Little") and provided for the adjustment of rates of the merged companies on a quarterly basis in accordance with the provisions of Mike Little's gas cost adjustment ("GCA") clause.

On December 27, 2000, Mike Little filed a gas cost adjustment ("GCA") to be effective February 1, 2001.

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

1. Mike Little's notice proposes revised rates designed to pass on its expected wholesale change in gas cost to its customers. Mike Little's proposed expected gas cost ("EGC") for the quarter is \$8.2501 per Mcf, an increase of 30.17 cents per Mcf from the previous EGC of \$7.9484.

2. Mike Little's notice sets out no current quarter refund adjustment ("RA"), and it had no RAs remaining from previous quarters.

3. Mike Little's notice sets out a current quarter actual adjustment ("AA") of 2.90 cents per Mcf to collect under-recovered gas cost from August, September and October 2000. The total AA of (8.05) cents per Mcf reflects the net over-recovery of the combined system for the current and previous three quarters, and represents an increase of .68 cent per Mcf from the previous total AA.

4. These adjustments produce a gas cost recovery rate ("GCR") of \$8.1696 per Mcf, 30.85 cents per Mcf more than the prior rate of \$7.8611.

5. The rate adjustments in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be effective for gas supplied on and after February 1, 2001.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Mike Little are approved.
2. The rates in the attached Appendix are fair, just, and reasonable and are effective for gas supplied on and after February 1, 2001.
3. Within 30 days of the date of this Order, Mike Little shall file with the Commission its revised tariffs setting out the rates authorized in this Order.

Done at Frankfort, Kentucky, this 23<sup>rd</sup> day of January, 2001.

By the Commission

ATTEST:

  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 93-400-DD DATED JANUARY 23, 2001

The following rates and charges are prescribed for the customers in the area served by Mike Little Gas Company, Inc. 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.

Monthly:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1 Mcf – Minimum Bill	\$2.8211	\$8.1696	\$10.9907
Over 1 Mcf	2.6040	8.1696	10.7736

RATES FOR CUSTOMERS FORMERLY SERVED BY  
ELZIE NEELEY GAS COMPANY

Monthly

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1 Mcf – Minimum Bill	\$3.4984	\$8.1696	\$11.6680
Over 1 Mcf	2.4658	8.1696	10.6354

RATES FOR CUSTOMERS FORMERLY SERVED BY PHELPS GAS COMPANY

Monthly

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1 Mcf – Minimum Bill	\$4.3971	\$8.1696	\$12.5667
Over 1 Mcf	2.7670	8.1696	10.9366