

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF JOHNSON)	CASE NO. 99-155-B
COUNTY GAS COMPANY, INC.)	

ORDER

On September 1, 1999, in Case No. 99-155, the Commission approved certain adjusted rates for Johnson County Gas Company, Inc. ("Johnson County") and provided for their further adjustment in accordance with Johnson County's gas cost adjustment ("GCA") clause.

On January 10, 2001, Johnson County filed its GCA to be effective February 2, 2001.

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

1. Johnson County's notice of January 10, 2001 proposed revised rates to pass on its expected increase in gas costs to its customers. Johnson County's proposed expected gas cost ("EGC") is \$13.40, \$6.1267 per Mcf more than the previously approved EGC of \$7.2733.

2. Johnson County's notice set out no refund adjustment.

3. Johnson County's notice proposed no current quarter actual adjustment ("AA"). Johnson County notice proposed no total AA either.

4. Johnson County proposed no balancing adjustment ("BA"). Johnson County proposed no total BA either.

5. Johnson County's gas cost recovery rate of \$13.40 per Mcf is based on the January 2001 price of its wholesale gas supplier, Interstate Natural Gas Company ("Interstate"). This is \$6.1267 per Mcf more than the previously approved rate of \$7.2733.

6. The notice provided to Johnson County by Interstate reflected Johnson County's wholesale purchase price only for the month of January 2001. As such, Johnson County's GCA of \$13.40 per Mcf should be effective for only one month.

7. Johnson County's adjustment in rates is fair, just, and reasonable, in the public interest, and should be effective for one month of final meter readings beginning February 9, 2001. Johnson County did not provide sufficient notice for a rate increase to be effective February 2, 2001.

8. Johnson County should file a new GCA within 10 days from the date of this Order to reflect the February 2001 wholesale purchase price from Interstate.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Johnson County are approved.
2. The rates in the Appendix are fair, just, and reasonable and are approved effective for one month of final meter readings beginning February 9, 2001.
3. Within 10 days from the date of this Order, Johnson County shall file a new GCA based on its February 2001 wholesale purchase price from Interstate.
4. Within 30 days of the date of this Order, Johnson County shall file with the Commission its revised tariffs setting out the rates authorized in this Order.

Done at Frankfort, Kentucky, this 8th day of February, 2001.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 99-155-B DATED FEBRUARY 8, 2001

The following rates and charges are prescribed for the customers in the area served by Johnson County 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 effective date of this Order.

RATES:

Residential

<u>Monthly</u>	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
Minimum Bill 0-1 Mcf	\$6.9542	\$13.40	\$20.3542
All additional Mcf	\$5.9542	\$13.40	\$19.3542

Commercial

<u>Monthly</u>			
All Mcf	\$6.3042	\$13.40	\$19.7042