

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-C
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 February 7, 2001, Johnson County filed an interim GCA to be effective March 1, 2001.

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

1. Johnson County's notice of February 7, 2001 proposed revised rates to pass on its expected decrease in gas costs to its customers. Johnson County's proposed expected gas cost ("EGC") is \$8.49, \$4.91 per Mcf less than the previously approved EGC of \$13.40.
2. Johnson County's notice set out no refund adjustment.
3. Johnson County's notice proposed neither a current quarter actual adjustment ("AA") nor a total AA.

4. Johnson County proposed neither a balancing adjustment (“BA”) nor a total BA.

5. Johnson County’s gas cost recovery rate of \$8.49 per Mcf is based on the February 2001 price of its wholesale gas supplier, Interstate Natural Gas Company (“Interstate”). This is \$4.91 per Mcf less than the previously approved rate of \$13.40.

6. The notice provided to Johnson County by Interstate reflected Johnson County’s wholesale purchase price only for the month of February 2001. As such, Johnson County’s GCA of \$8.49 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 March 1, 2001.

8. Johnson County should file a new GCA within 10 days from the date of this Order to reflect the March 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 to this Order are fair, just, and reasonable and are approved effective for one month of final meter readings beginning March 1, 2001.

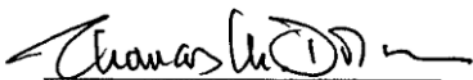
3. Within 10 days from the date of this Order, Johnson County shall file a new GCA based on its March 2001 wholesale purchase price from Interstate.

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 22nd day of February, 2001.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas M. Dixon", written over a horizontal line.

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 99-155-C DATED FEBRUARY 22, 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	\$8.49	\$15.4442
All additional Mcf	\$5.9542	\$8.49	\$14.4442

Commercial

<u>Monthly</u>			
All Mcf	\$6.3042	\$8.49	\$14.7942