

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF LOUISVILLE)
GAS AND ELECTRIC COMPANY) CASE NO. 2000-080-D

ORDER

On September 27, 2000, in Case No. 2000-080, the Commission approved certain adjusted rates for Louisville Gas and Electric Company ("LG&E") and provided for their further adjustment on a quarterly basis in accordance with its gas supply clause ("GSC").

On March 30, 2001, LG&E filed its GSC to be effective from May 1, 2001 through May 31, 2001.

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

1. LG&E's notice proposes revised rates designed to pass on expected increased wholesale gas costs to its customers. LG&E's proposed expected gas supply cost is 64.535 cents per 100 cubic feet, or \$6.4535 per Mcf, which is 27.63 cents per Mcf more than the previous expected gas supply cost of \$6.1772 per Mcf.

2. LG&E has no current supplier refunds to return to its customers.

3. LG&E's notice set out a current actual adjustment ("AA") of 94.84 cents per Mcf. The proposed total AA of \$1.1610 per Mcf is an increase of 99.64 cents per Mcf and reflects under- and over-collections from three previous quarters.

4. LG&E's notice set out a Balance Adjustment ("BA") of 1.28 cents per Mcf. The BA is designed to collect remaining under-collections from previous actual and balance adjustments.

5. LG&E's notice set out its Performance-Based Rate Recovery Component ("PBRRC") of \$.0810 per Mcf which is designed to collect LG&E's portion of PBR savings from the 12-month period ending October 31, 2000.

6. These adjustments produce a gas supply cost component of 77.083 cents per 100 cubic feet or \$7.7083 per Mcf, \$1.2821 per Mcf more than the prior gas supply cost component of \$6.4262 per Mcf.

7. The rate adjustment in the Appendix to this Order is fair, just, and reasonable, is in the public interest, and should be effective with gas supplied on and after May 1, 2001.

IT IS THEREFORE ORDERED that:

1. The rate in the Appendix to this Order is fair, just, and reasonable and is effective for gas supplied on and after May 1, 2001.

2. Within 30 days of the date of this Order, LG&E shall file with this Commission its revised tariffs setting out the rates authorized in this Order.

Done at Frankfort, Kentucky, this 30th day of April, 2001.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2000-080-D DATED APRIL 30, 2001

The following rates and charges are prescribed for the customers served by Louisville Gas and Electric 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 effective date of this Order.

Gas Supply Cost Component

The total Gas Supply Cost Component shall be 77.083 cents per 100 cubic feet during the period covered by the bill.