

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

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 in accordance with its gas supply clause ("GSC").

On May 1, 2001, LG&E filed its GSC to be effective from June 1, 2001 through June 30, 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 decreased wholesale gas costs to its customers. LG&E's proposed expected gas supply cost is 62.461 cents per 100 cubic feet, or \$6.2461 per Mcf, which is 20.74 cents per Mcf less than the previous expected gas supply cost of \$6.4535 per Mcf.

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

3. LG&E's notice sets out no current actual adjustment ("AA"). The proposed total AA of \$1.1610 per Mcf reflects under- and over-collections from prior periods.

4. LG&E's notice sets out no current Balance Adjustment ("BA"). The total BA of 1.28 cents per Mcf currently in effect is designed to collect remaining under-collections from previous actual and balance adjustments.

5. LG&E's notice sets out its Performance-Based Rate Recovery Component ("PBRRC") of 8.10 cents 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 75.009 cents per 100 cubic feet or \$7.5009 per Mcf, 20.74 cents per Mcf less than the prior gas supply cost component of \$7.7083 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 June 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 June 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 rate authorized in this Order.

Done at Frankfort, Kentucky, this 17th day of May, 2001.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2000-080-E DATED MAY 17, 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 75.009 cents per 100 cubic feet during the period covered by the bill.