

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST)	
ADJUSTMENT FILING OF)	CASE NO. 2000-158-A
BURKESVILLE GAS COMPANY, INC.)	

ORDER

On November 20, 2000, in Case No. 2000-158, the Commission approved certain adjusted rates for Burkesville Gas Company, Inc. (“Burkesville”), and provided for their further adjustment on a quarterly basis in accordance with Burkesville’s gas cost adjustment (“GCA”) clause.

On March 30, 2001, Burkesville filed its GCA to be effective May 1, 2001.

After reviewing the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Burkesville’s notice proposed revised rates designed to pass on expected increased wholesale gas cost to its customers. Burkesville’s proposed expected gas cost (“EGC”) is \$8.3063 per Mcf, an increase of \$2.6271 per Mcf over the prior EGC of \$5.6792.

2. Burkesville had no supplier refunds. Its notice set out no refund adjustment.

3. Burkesville’s notice set out a current actual adjustment (“AA”) of 17.49 cents per Mcf to collect under-recovered gas costs for the months of November and December 2000 and January 2001. Burkesville incorrectly used its GCA rather than its EGC from November and December 2000 and January 2001 to calculate the current

quarter AA. Correcting for this produces a current quarter AA of 6.65 cents per Mcf. Burkesville proposed a total AA of 48.57 cents per Mcf. Burkesville carried forward incorrect amounts in effect from prior filings in calculating its total AA. Correcting for this and the current quarter AA produces a total AA of 28.28 cents per Mcf. The total AA reflects an increase of 6.65 cents per Mcf from the previous total AA.

4. These adjustments produce a gas cost recovery rate of \$8.5891 per Mcf, \$2.6936 per Mcf more than the prior rate of \$5.8955.

5. The rate adjustment in the Appendix to this Order is fair, just, and reasonable, is in the public interest, and should be effective for service rendered on and after May 1, 2001.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Burkesville are hereby denied.
2. The rates in the Appendix to this Order are fair, just, and reasonable and are effective for service rendered on and after May 1, 2001.
3. Within 30 days of the date of this Order, Burkesville shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 24th day of April, 2001.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2000-158-A DATED APRIL 24, 2001

The following rates and charges are prescribed for the customers served by
Burkesville 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.

RATES:

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
Residential	\$4.25	\$8.5891	\$12.8391
Industrial	\$3.90	\$8.5891	\$12.4891