

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MODIFICATION TO WESTERN KENTUCKY)	
GAS COMPANY, A DIVISION OF ATMOS)	
ENERGY CORPORATION, GAS COST)	
ADJUSTMENT TO INCORPORATE AN)	CASE NO. 2001-00317
EXPERIMENTAL PERFORMANCE-BASED)	
RATEMAKING MECHANISM (PBR))	

ORDER

On October 24, 2001, Western Kentucky Gas Company (Western), a division of Atmos Energy Corporation, filed a letter with the Commission requesting that the Commission extend the term of Western s experimental Rate Schedule Performance-Based Ratemaking (PBR) beyond the March 31, 2002 scheduled termination date. The termination date was extended to March 31, 2002 by Order dated June 15, 2001 in this case. Western filed its final report on the results of the PBR mechanism on September 28, 2001, and requested that the program be extended for a period of 5 years commencing April 1, 2002. Western notes that the Commission s procedural order may not allow the Commission to enter a final Order prior to March 31, 2002. Western requests that the Commission enter an Order extending the existing Rate Schedule PBR until such time as the Commission has entered its final Order in this case, plus an additional period of 60 days thereafter, in order to allow Western time to request bids and negotiate a final contract with a gas supplier.

The Commission finds it reasonable to allow the experimental Rate Schedule PBR to continue until such time as a final Order containing the Commission's findings on the 3-year experimental term of the program is issued.

IT IS THEREFORE ORDERED that Western's experimental Rate Schedule PBR, which had been scheduled to terminate on March 31, 2002, shall be continued beyond that date until the Commission concludes its review of the 3-year experimental term of the program and issues a final Order containing its findings thereon.

Done at Frankfort, Kentucky, this 28th day of January, 2002.

By the Commission

ATTEST:


Executive Director