

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)	CASE NO.
ADJUSTMENT FILING OF THE UNION)	2003-00028
LIGHT, HEAT AND POWER COMPANY)	

O R D E R

On January 31, 2002, in Case No. 2001-00092, the Commission approved rates for The Union Light, Heat and Power Company (ULH&P) and provided for their further adjustment in accordance with ULH&P s gas cost adjustment (GCA) clause.

On January 28, 2003, ULH&P filed its GCA of \$6.202 per Mcf to be effective March 1, 2003. The Commission finds that, pursuant to KRS 278.190, further proceedings are necessary in order to determine the reasonableness of the proposed increase in gas supply cost, and that such proceedings cannot be completed prior to the proposed effective date.

ULH&P, pursuant to 807 KAR 5:001, is to file with the Commission the original and 4 copies of the information in Appendix A, with a copy to all parties of record. The information requested herein is due not later than 7 days from the date of this Order. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the person who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information requested herein has been previously provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request.

IT IS THEREFORE ORDERED that:

1. The proposed rates are hereby suspended for 5 months from March 1, 2003 up to and including July 31, 2003.

2. Nothing contained herein shall prevent the Commission from entering a final decision in this case prior to the termination of the suspension period.

3. ULH&P shall file with the Commission the original and 4 copies of the information in Appendix A, with a copy to all parties of record. The information requested herein is due not later than 7 days from the date of this Order.

Done at Frankfort, Kentucky, this 24th day of February, 2003.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00028 DATED February 24, 2003

1. Refer to Schedule III, Actual Adjustment Details for the Three Month Period Ended November 30, 2002.

a. The Supply Volume Per Books for the month of September reflects an Other Volumes (Specify) Adjustment of (427,349) Mcf. Provide a detailed explanation of this adjustment to the supply volumes purchased.

b. The Supply Cost Per Books indicates that ULH&P received a Management Fee from Mirant in September and October, but not in November. Explain why Schedule III does not reflect a management fee being received in November. If a fee should have been included, resubmit the schedule with the correct amount.

2. Refer to the Attachments titled Determination of Total Supply Cost, for the months of September, October and November 2002. Each month's calculation includes IT monthly charges entered by Gas Supply. Provide a detailed description of these charges.