

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF JEFFERSON) CASE NO. 2003-00123
GAS TRANSMISSION COMPANY)

ORDER

On February 16, 1999, in Case No. 1998-00499, the Commission approved rates for Jefferson Gas Transmission Company (Jefferson) and provided for their further adjustment in accordance with Jefferson s gas cost adjustment (GCA) clause.

On March 31, 2003, Jefferson filed its proposed GCA to be effective May 1, 2003.

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

1. Jefferson s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Jefferson s proposed expected gas cost (EGC) is \$4.3607 per Mcf, which is 24.5 cents per Mcf more than the previous EGC of \$4.1157.
3. Jefferson s notice sets out no current quarter refund adjustment.
4. Jefferson s notice sets out a current quarter actual adjustment (AA) of 23.1 cents per Mcf to collect under-recovered gas costs from November and December 2002 and January 2003. Jefferson s total AA is 3.8 cents per Mcf, which is 34.51 cents per Mcf more than the previous total AA.
5. Jefferson s GCA is \$4.3987 per Mcf, which is 59.01 cents per Mcf more than the previous GCA of \$3.8086.

6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for gas supplied by Jefferson on and after May 1, 2003.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order, attached hereto and incorporated herein, are approved for gas supplied by Jefferson on and after May 1, 2003.

2. Within 20 days of the date of this Order, Jefferson shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 17th day of April, 2003.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2003-00123 DATED April 17, 2003

The following rates and charges are prescribed for the customers served by Jefferson Gas Transmission 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.

Rates:

| | <u>Base Rate</u> | <u>Gas Cost</u> | <u>Rate per Mcf</u> |
|--------------------------|------------------|-----------------|---------------------|
| Minimum Bill - First Mcf | \$3.89 | \$4.3987 | \$8.2887 |
| Over 1 Mcf | \$2.26 | \$4.3987 | \$6.6587 |