

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF PUBLIC)	CASE NO. 2003-00124
GAS COMPANY)	

ORDER

On October 10, 1987, in Case No. 9565, the Commission approved rates for Public Gas Company (Public) and provided for their further adjustment in accordance with Public s gas cost adjustment (GCA) clause.

On March 31, 2003, Public 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. Public s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Public s proposed expected gas cost (EGC) is \$7.2691 per Mcf, which is an increase of 28.61 cents per Mcf from the previous EGC of \$6.9830.
3. Public s notice sets out no current quarter refund adjustment.
4. Public s notice sets out a current quarter actual adjustment (AA) of 64.76 cents per Mcf to collect under-recovered gas costs from November and December 2002 and January 2003. Public s notice sets out a total AA of 48.93 cents per Mcf. Public incorrectly carried forward a previous quarter AA. Correcting for this results in a total AA of 48.39 cent per Mcf.

5. Public's GCA is \$7.7530 per Mcf, which is 96.07 cents per Mcf more than the previous GCA of \$6.7923.

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

2. Within 20 days of the date of this Order, Public 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. 2003-00124 DATED April 17, 2003

The following rates and charges are prescribed for the customers served by Public Gas 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	\$3.2705	\$7.7530	\$11.0235
Over 1 Mcf	\$2.1505	\$7.7530	\$ 9.9035