

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF PUBLIC) CASE NO. 2006-00003
GAS COMPANY)

ORDER

On October 10, 1986, in Case No. 9565,¹ 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 January 3, 2006, Public filed its proposed GCA to be effective February 1, 2006.

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 \$12.4931 per Mcf, which is a decrease of \$1.3622 per Mcf from the previous EGC of \$13.8553.
3. Public's notice sets out no current quarter refund adjustment.
4. Public's notice sets out a current quarter actual adjustment ("AA") of 9.77 cents per Mcf. Public's notice sets out a total AA of 1.26 cent per Mcf, which is an increase of 16.23 cents per Mcf from the previous total AA.

¹ Case No. 9565, Notice of Public Gas Company, Inc. of a General Rate Adjustment, Effective May 12, 1986.

5. Public's GCA is \$12.5057 per Mcf, which is \$1.1999 per Mcf less than the previous GCA of \$13.7056.

6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Public on and after February 1, 2006.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after February 1, 2006.

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 27th day of January, 2006.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00003 DATED January 27, 2006.

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	\$12.5057	\$15.7762
Over 1 Mcf	\$2.1505	\$12.5057	\$14.6562