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John W. Clay
Vice Chairman

Caroline Pitt Clark
Commissioner

May 16, 2008

CERTIFICATE OF SERVICE

RE: Case No. 2008-00162
Burkesville Gas Company

I, Stephanie Stumbo, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on May 16, 2008.

Executive Director

SS/rs
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST)
ADJUSTMENT FILING OF) CASE NO. 2008-00162
BURKESVILLE GAS COMPANY, INC.)

ORDER

On November 20, 2000, in Case No. 2000-00158,¹ the Commission approved rates for Burkesville Gas Company, Inc. ("Burkesville") and provided for their further adjustment on a quarterly basis in accordance with Burkesville's gas cost adjustment ("GCA") clause.

On May 2, 2008, Burkesville filed its proposed GCA to be effective June 1, 2008.

After reviewing the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Burkesville's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Burkesville's proposed expected gas cost ("EGC") is \$15.4317 per Mcf, which is \$2.9053 per Mcf more than the prior EGC of \$12.5264.
3. Burkesville's notice sets out no refund adjustment.
4. Burkesville's notice sets out a current actual cost adjustment ("ACA") of (\$.7829) per Mcf. Burkesville's notice sets out a total ACA of (\$3.0139) per Mcf.

¹ Case No. 2000-00158, The Application of Burkesville Gas Company, Inc. for a Rate Adjustment Pursuant to the Alternative Rate Filing Procedure for Small Utilities.

Burkesville carried forward an incorrect previous quarter ACA in its filing.² Correcting for this produces a total ACA of (\$3.0140) per Mcf, which is a decrease of \$.7829 per Mcf from the previous total ACA.

5. Burkesville's GCA is \$12.4177 per Mcf, which is \$2.1224 per Mcf more than the previous rate of \$10.2953.

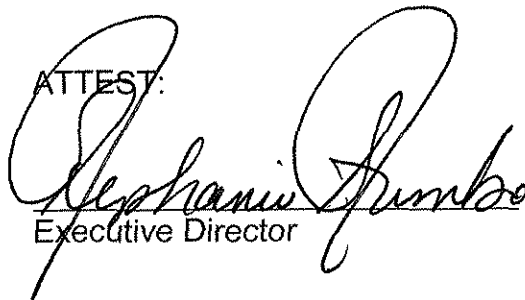
6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Burkesville on and after June 1, 2008.

IT IS THEREFORE ORDERED that:

1. Burkesville's proposed rates are denied.
2. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after June 1, 2008.
3. Within 20 days of the date of this Order, Burkesville shall file with the Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 16th day of May, 2008.

By the Commission

ATTEST:

Executive Director

² The prior quarter ACA should be (\$2.2311) per Mcf.

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00162 DATED MAY 16, 2008

The following rates and charges are prescribed for the customers served by Burkesville Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Residential	\$4.25	\$12.4177	\$16.6677
Industrial	\$3.90	\$12.4177	\$16.3177