

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST RECOVERY     )  
FILING OF SIGMA GAS CORPORATION     )     CASE NO. 93-349-A

O R D E R

On December 15, 1993, in Case No. 93-349, the Commission approved certain rates for Sigma Gas Corporation ("Sigma") and provided by tariff for their further adjustment on a quarterly basis in accordance with its approved gas cost adjustment ("GCA") clause.

On December 22, 1995, Sigma filed its first GCA to be effective January 1, 1996 through March 31, 1996. On February 1, 1996, Sigma filed a GCA revision to reflect further increases in costs from its new supplier, Alliance Energy Services.

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

1. Sigma's revised notice of February 1, 1996 proposed revised rates designed to pass on to its customers its expected wholesale increase in gas costs. Sigma's proposed expected gas cost ("EGC") is \$4.269 per Mcf.

2. Sigma's notice of February 1, 1996 set out no current quarter refund adjustment.

3. Sigma's notice of February 1, 1996 set out no current quarter actual adjustment. This adjustment will be unavailable to Sigma until it files for rates effective July 1, 1996.

4. Sigma's gas cost recovery rate ("GCR") is \$4.269 per Mcf, \$1.1690 per Mcf more than the previously authorized rate.

5. Sigma's adjustment in rates contained in the Appendix to this Order is fair, just, and reasonable, in the public interest, and should be approved effective with bills rendered on and after the date of this Order.

6. The base rate for all over the first Mcf was misstated in Sigma's calculation of total rates. The base rate should be \$2.97 per Mcf instead of \$3.10 per Mcf.

IT IS THEREFORE ORDERED that:

1. The rate proposed by Sigma for all over the first Mcf is hereby denied.


2. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable, and are authorized to be effective with bills rendered on and after the date of this Order.


3. Within 30 days of the date of this Order, Sigma shall file with this Commission its revised tariffs setting out the rates approved herein.

Done at Frankfort, Kentucky, this 12th day of March, 1996.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 93-349-A DATED MARCH 12, 1996.

The following rates and charges are prescribed for the customers in the area served by Sigma Gas Corporation. 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.

	<u>Base Rate</u>	<u>Gas Cost Recovery</u>	<u>Total</u>
First Mcf (Minimum Bill)	3.90	4.269	8.169
All Over 1st Mcf	2.97	4.269	7.239