

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST ADJUSTMENT)	
FILING OF BURKESVILLE GAS)	CASE NO. 90-290-L
COMPANY, INC.)	

O R D E R

On October 28, 1992, in Case No. 90-290, the Commission required Burkesville Gas Company, Inc. ("Burkesville") to file a quarterly gas cost adjustment ("GCA") clause to ensure that its rates reflect its most current cost of gas.

On October 17, 1997, Burkesville filed its GCA to be effective from November 1, 1997 to January 1, 1998.

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

1. Burkesville's notice proposed revised rates designed to pass on expected increased wholesale gas cost to its customers. Burkesville's expected gas cost ("EGC") is \$5.4968.
2. Burkesville had no supplier refunds. Its notice set out no refund adjustment.
3. Burkesville's notice set out a current quarter actual adjustment ("AA") of 54.63 cents per Mcf to collect net under-recoveries of gas cost from February 1996 through July 1997. The AA also includes a component to reconcile remaining under-

recoveries from prior period AAs. The total AA includes only the current AA, due to the expiration of the previous AAs.

4. These adjustments produce a gas cost recovery rate of \$6.0431 per Mcf, \$1.8561 more than the previous rate.

5. The rate adjustment in the Appendix to this Order is fair, just, and reasonable, in the public interest, and should be effective for service rendered on and after November 16, 1997. Burkesville did not give the 30 days notice required for rates to be effective November 1, 1997.

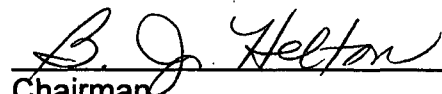
IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable and are effective for service rendered on and after November 16, 1997.

2. Within 30 days of the date of this Order, Burkesville shall file with this Commission its revised tariffs setting out the rates authorized herein.

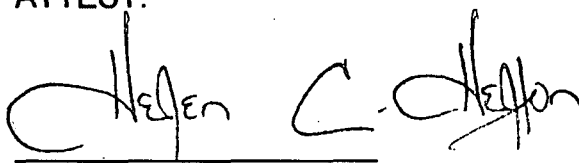
Done at Frankfort, Kentucky this 14th day of November, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director

Commissioner

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-290-L DATED NOVEMBER 14, 1997

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 this Commission prior to the date of this Order.

RATES:

	<u>Base Rate</u>	<u>Gas cost Recovery Rate</u>	<u>Total</u>
Residential	\$3.524	\$6.0431	\$9.5671