

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MODIFICATION TO WESTERN KENTUCKY)	
GAS COMPANY, A DIVISION OF ATMOS)	
ENERGY CORPORATION (WKG), GAS COST)	CASE NO. 97-513
ADJUSTMENT TO INCORPORATE AN)	
EXPERIMENTAL PERFORMANCE-BASED)	
RATEMAKING MECHANISM (PBR))	

ORDER

On November 4, 1998, Western Kentucky Gas Company ("Western") filed a motion requesting that the Commission amend its June 1, 1998 Order in the instant case in two respects. First, Western requested that the Commission change the effective date of the approved Experimental Performance Based Ratemaking Mechanism ("PBR") from June 1, 1998 to July 1, 1998. Western stated that all transactions which would involve the PBR mechanism were first made in the month of June, pursuant to the Commission's approval, and therefore the appropriate effective date for the working of the mechanism would be July 1, 1998.

Additionally, Western requested that the Commission amend its June 1, 1998 Order to specify that the first quarterly PBR report should be filed approximately 60 days after the end of the first quarter, which would be December 1, 1998.

Western further requested that the Commission approve the use of the customer circular contained as an attachment to its filing of November 4, 1998. The circular had been required to be filed in the June 1, 1998 Order in this proceeding.

After considering the evidence of record and being otherwise sufficiently advised, the Commission finds that Western's motion to amend the June 1, 1998 Order should be granted. The effective date of the PBR mechanism should be July 1, 1998, and the first quarterly report should be filed December 1, 1998.

The Commission further finds that Western's customer circular is acceptable to be used to explain the PBR mechanism to its customers.

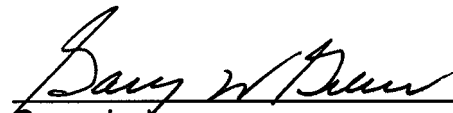
BE IT SO ORDERED.

Done at Frankfort, Kentucky, this 14th day of December, 1998.

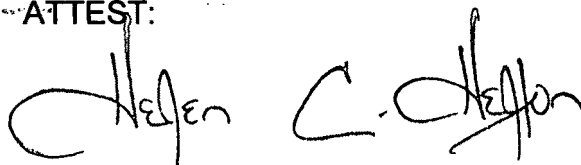
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director