COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST RECOVERY)
FILING OF B & H GAS COMPANY) CASE NO. 91-127-T

ORDER

On January 13, 1992, in Case No. 91-127, the Commission approved certain adjusted rates for B & H Gas Company, Inc. ("B & H") and provided for their further adjustment in accordance with B & H's gas cost adjustment ("GCA") clause.

On October 20, 2000, B & H filed its GCA to be effective October 1, 2000 and requested a waiver of the 30-day notice requirement. B & H also filed a copy of its new gas supply contract with its affiliate, B & S Oil & Gas Company ("B & S"). The Commission finds that, pursuant to KRS 278.190, further proceedings are necessary in order to determine the reasonableness of the proposed increase in gas supply cost contained in the contract with B & S and that such proceedings cannot be completed prior to the proposed effective date. B & H requested a waiver of the 30-day notice and proposed an effective date of October 1, 2000. KRS 278.180 establishes the 30-day notice period and while that can, upon good cause, be reduced to 20 days, the notice period cannot be waived in its entirety. B & H has failed to show good cause why the 30-day notice period should be waived. Therefore the requested waiver is denied and the earliest possible effective date is November 19, 2000, 30 days from the date of filing.

IT IS THEREFORE ORDERED that:

1. The proposed rates are hereby suspended for five months from November

19, 2000 up to and including April 18, 2001.

2. Nothing contained herein shall prevent the Commission from entering a final

decision in this case prior to the termination of the suspension period.

3. B & H shall file with the Commission the original and three copies of the

information requested in Appendix A, with a copy to all parties of record. The information

requested herein is due no later than November 30, 2000. Each copy of the data

requested should be placed in a bound volume with each item tabbed. When a number of

sheets are required for an item, each sheet should be appropriately indexed, for example,

Item 1(a), Sheet 2 of 6. Include with each response the name of the person who will be

responsible for responding to questions relating to the information provided. Careful

attention should be given to copied material to ensure that it is legible.

Done at Frankfort, Kentucky, this 20th day of November, 2000.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 91-127-T DATED NOVEMBER 20, 2000

1. Refer to the page of the application labeled "Cost of Gas Purchases Based on Wholesale Rates." The narrative on that schedule refers to a rate calculation and an attached sheet. The attached sheet was not included with the application. Provide the missing attachment.