

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|--------------------------------|---|-------------------|
| THE NOTICE OF PURCHASED GAS |) | |
| ADJUSTMENT FILING OF KENTUCKY- |) | CASE NO. 91-138-Q |
| OHIO GAS COMPANY |) | |

ORDER

On December 18, 1991, the Commission issued its Order in Case No. 91-138 approving certain adjustments in rates for Kentucky-Ohio Gas Company ("KOG") and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On December 1, 2000, KOG filed its gas cost adjustment ("GCA") to be effective January 1, 2001.

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

1. KOG's notice of December 1, 2000 proposed revised rates to pass on its expected increase in gas costs to its customers. KOG's proposed expected gas cost ("EGC") is \$7.1431 per Mcf, \$1.8294 more than the previously approved EGC of \$5.3137.
2. KOG's notice set out no supplier refund adjustment.

3. KOG's notice proposed a current quarter actual adjustment ("AA") of 22.49 cents per Mcf. KOG's notice proposed a total AA of 93.55 cents per Mcf, 1.78 cents per Mcf more than its previously approved total AA.

4. KOG's notice proposed a gas cost recovery rate of \$8.0786 per Mcf, \$1.8472 more than the previously approved rate of \$6.2314.

5. KOG's adjustment in rates is fair, just, and reasonable, in the public interest, and should be effective with service rendered on and after January 1, 2001.

IT IS THEREFORE ORDERED that:

1. The rates proposed by KOG are approved.
2. The rates in the Appendix are fair, just, and reasonable and are approved effective for final meter readings on and after January 1, 2001.
3. Within 30 days of the date of this Order, KOG shall file with the Commission its revised tariffs setting out the rates authorized in this Order.

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

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 91-138-Q DATED DECEMBER 20, 2000

The following rates and charges are prescribed for the customers in the area served by Kentucky-Ohio Gas Company. 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 effective date of this Order.

RATES:

| <u>Monthly</u> | <u>Base Rate</u> | <u>Gas Cost Recovery Rate</u> | <u>Total Rate</u> |
|----------------|------------------|---------------------------------------|-----------------------|
| All Mcf | \$4.24 | \$8.0786 | \$12.3186 |

Minimum Bill

The minimum bill shall be \$12.32