

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ADJUSTMENT OF RATES OF)	CASE NO.
AUXIER ROAD GAS COMPANY, INC.)	10288-SS

ORDER

On April 10, 1991, in Case Nos. 10288-D and 10288-E, the Commission approved the Gas Cost Adjustment ("GCA") Clause of Auxier Road Gas Company, Inc. ("Auxier") allowing for the quarterly adjustment of its rates.

On December 3, 2001, Auxier filed its GCA to be effective January 1, 2002. As this filing results in a rate decrease, the 30-day notice requirement set out in KRS 278.180(1) is not controlling since KRS 278.180(2) permits a rate decrease to be implemented within a lesser period of time.

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

1. Auxier's notice includes revised rates designed to pass on to its customers its expected decrease in wholesale gas costs. Auxier's Expected Gas Cost ("EGC") is \$3.7195 per Mcf, 21.54 cents per Mcf less than the prior EGC of \$3.9349.
2. Auxier's notice sets out no current refund adjustment.
3. Auxier's notice sets out a current quarter actual adjustment ("AA") of (3.10) cents per Mcf. Auxier's notice includes a total AA of (\$2.2062) per Mcf which is an increase of 7.99 cents per Mcf from the previous total AA.

4. Auxier's notice sets out a current quarter balance adjustment ("BA") of .4 cent per Mcf. The total BA of 1.12 cent per Mcf represents no change from the previous total BA.

5. Auxier's gas cost recovery rate is \$1.5245 per Mcf, which is 13.55 cents less than the previous rate of \$1.66 per Mcf.

6. The rates in the Appendix to this Order are fair, just and reasonable, in the public interest, and should be approved for service rendered by Auxier on and after January 1, 2002.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are approved for service rendered on and after January 1, 2002.

2. Within 20 days of the date of this Order, Auxier shall file with this Commission its revised tariffs setting out the rates approved herein.

Done at Frankfort, Kentucky, this 13th day of December, 2001.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 10288-SS DATED 12/13/2001

The following rates and charges are prescribed for the customers served by Auxier Road Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain in effect under authority of this Commission prior to the effective date of this Order.

RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First Mcf (Minimum Bill)	\$5.11	\$1.5245	\$ 6.6345
All Over 1 Mcf	4.2599	1.5245	\$ 5.7844