

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST)	
ADJUSTMENT FILING OF)	CASE NO. 2000-158-D
BURKESVILLE GAS COMPANY, INC.)	

ORDER

On November 20, 2000, in Case No. 2000-158, the Commission approved rates for Burkesville Gas Company, Inc. ("Burkesville") and provided for their further adjustment on a quarterly basis in accordance with Burkesville's gas cost adjustment ("GCA") clause.

On September 27, 2001, Burkesville filed its GCA to be effective November 1, 2001.

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

1. Burkesville's notice includes revised rates designed to pass on to its customers its expected decrease in wholesale gas costs. Burkesville's proposed expected gas cost ("EGC") is \$7.1855 per Mcf. Burkesville incorrectly calculated its total EGC by using its sales volume rather than its purchase volumes. Correcting for this error produces an EGC of \$7.1298 per Mcf, which is a decrease of 8.74 cents per Mcf from the previous EGC of \$7.2172.

2. Burkesville's notice sets out no refund adjustment.

3. Burkesville's notice sets out a current actual adjustment ("AA") of (10.67) cents per Mcf. Burkesville's notice sets out a total AA of 6.59 cents per Mcf, which is a decrease of 21.17 cents per Mcf from the previous total AA.

4. Burkesville's GCA is \$7.1957 per Mcf, which is 29.91 cents per Mcf less than the previous rate of \$7.4948.

5. 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 Burkesville on and after November 1, 2001.

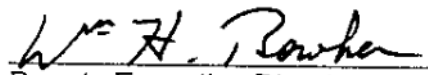
IT IS THEREFORE ORDERED that:

1. Burkesville's proposed rates are denied.
2. The rates in the Appendix, attached hereto and incorporated herein, are approved for service rendered on and after November 1, 2001.
3. Within 20 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 16th day of October, 2001.

By the Commission

ATTEST:


Deputy Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2000-158-D DATED OCTOBER 16, 2001

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	\$4.25	\$7.1957	\$11.4457
Industrial	\$3.90	\$7.1957	\$11.0957