

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF EQUITABLE)	CASE NO. 92-326-JJ
GAS COMPANY)	

O R D E R

On April 12, 1993, in Case No. 92-326, the Commission approved rates for Equitable Gas Company, a division of Equitable Resources, Inc. (Equitable), and provided for their further adjustment on a quarterly basis in accordance with Equitable s gas cost adjustment (GCA) clause.

On December 26, 2001, Equitable filed its GCA to be effective February 1, 2002.

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

1. Equitable s notice includes revised rates designed to pass on to its customers its expected decrease in wholesale gas costs. Equitable s expected gas cost (EGC) is \$4.9534 per Mcf, which is a decrease of 5.49 cents per Mcf from its previous EGC of \$5.0083.

2. Equitable s notice sets out a current quarter actual adjustment (AA) of (15.19) cents per Mcf to return over-recovered gas cost from August, September, and October 2001. Equitable incorrectly used its GCA rather than its EGC in calculating its current quarter AA. Correcting for this error results in a current quarter AA of (8.39) cents per Mcf. Equitable s total AA is 80.23 cents per Mcf, which is .1 cent per Mcf less than the previous total AA.

3. Equitable's notice sets out a current quarter balancing adjustment (BA) of (1.02) cent per Mcf. Equitable's total BA is (2.17) cents per Mcf, which is 1.11 cent per Mcf less than the previous total BA.

4. Equitable's GCA is \$5.7340 per Mcf, 6.7 cents per Mcf less than its previous rate of \$5.8010.

5. The rates in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for final meter readings by Equitable on and after February 1, 2002.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order, attached hereto and incorporated herein, are approved for final meter readings on and after February 1, 2002.

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

Done at Frankfort, Kentucky, this 23rd day of January, 2002.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 92-326-JJ DATED January 23, 2002

The following rates and charges are prescribed for the customers in the area served by Equitable 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 date of this Order.

RATES: Monthly

Customer Charge			\$4.45	
		<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
First	2 Mcf	\$1.0399	\$5.7340	\$6.7739
Next	18 Mcf	.8178	5.7340	6.5518
Next	30 Mcf	.7179	5.7340	6.4519
Next	50 Mcf	.6290	5.7340	6.3630
All Over	100 Mcf	.5513	5.7340	6.2853

The minimum bill shall be \$4.45

The above rates include recovery of a Kentucky West Virginia Gas Company surcharge of 61.4 cents per Dth pursuant to the settlement of Docket No. TQ 89-1-46, et. al. before the Federal Energy Regulatory Commission.