

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF THE)
UNION LIGHT, HEAT AND POWER)
COMPANY) CASE NO. 2002-00151

ORDER

On January 31, 2002, in Case No. 2001-092, the Commission approved rates for The Union Light, Heat and Power Company (ULH&P) and provided for their further adjustment in accordance with ULH&P s gas cost adjustment (GCA) clause.

On April 26, 2002, ULH&P filed its GCA to be effective May 31, 2002.

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

1. ULH&P s notice includes rates designed to pass on to its customers its expected increase in wholesale gas costs. ULH&P s expected gas cost (EGC) is \$4.695 per Mcf, which is an increase of \$1.313 per Mcf from the previous EGC of \$3.382.

2. ULH&P s notice sets out no current refund adjustment (RA). The total RA of .6 cent per Mcf represents no change from the previous total RA.

3. ULH&P s notice sets out a current actual adjustment (AA) of (19) cents per Mcf. The total AA of (90.9) cents per Mcf is a decrease of \$1.173 per Mcf from the previous total AA.

4. ULH&P's notice sets out a current balancing adjustment (BA) of 4.1 cents per Mcf. The total BA of 9.4 cents per Mcf is an increase of 7 cents per Mcf from the previous total BA.

5. ULH&P's gas cost recovery rate (GCR) is \$3.874 per Mcf, which is 21 cents per Mcf more than its previous GCR of \$3.664.

6. 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 ULH&P on and after May 31, 2002.

IT IS THEREFORE ORDERED that:

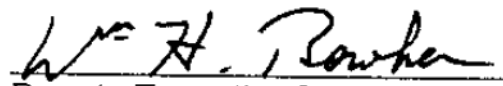
1. The rates in the Appendix to this Order are approved for final meter readings on and after May 31, 2002.

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

Done at Frankfort, Kentucky, this 20th day of May, 2002.

By the Commission

ATTEST:


Deputy Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2002-00151 DATED May 20, 2002

The following rates and charges are prescribed for the customers served by The Union Light, Heat and Power 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.

GAS SERVICE RATES

RATE RS
RESIDENTIAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.2334	plus	\$.3874	\$.6208

RATE GS
GENERAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.2049		\$.3874	\$.5923