

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF EQUITABLE)
GAS COMPANY) CASE NO. 2002-00243

O R D E R

On April 12, 1993, in Case No. 1992-00326, 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 June 26, 2002, Equitable filed its proposed GCA to be effective August 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 increase in wholesale gas costs. Equitable s expected gas cost (EGC) is \$6.4860 per Mcf, which is an increase of \$1.3816 per Mcf from its previous EGC of \$5.1044.

2. Equitable s notice sets out a current quarter actual adjustment (AA) of 57.01 cents per Mcf to collect under-recovered gas cost from February, March and April 2002. Equitable s total AA is 83.88 cents per Mcf, which is \$1.0751 per Mcf more than the previous total AA.

3. Equitable's notice sets out a current quarter balancing adjustment (BA) of 38.71 cents per Mcf. Equitable's total BA is 33.64 cents per Mcf, which is 36.42 cents per Mcf more than the previous total BA.

4. Equitable's GCA is \$7.6612 per Mcf, \$2.8209 per Mcf more than its previous rate of \$4.8403.

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 August 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 August 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 15th day of July, 2002.

By the Commission

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2002-00243 DATED July 15, 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	\$7.6612	\$8.7011
Next	18 Mcf	.8178	7.6612	8.4790
Next	30 Mcf	.7179	7.6612	8.3791
Next	50 Mcf	.6290	7.6612	8.2902
All Over	100 Mcf	.5513	7.6612	8.2125

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.