

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ADJUSTMENT OF RATES OF	)	CASE NO.
AUXIER ROAD GAS COMPANY, INC.	)	2002-00322

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 September 3, 2002, Auxier filed its proposed GCA to be effective October 1, 2002.

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 change in wholesale gas costs.
2. Auxier s Expected Gas Cost ( EGC ) is \$5.8893 per Mcf, 64.71 cents per Mcf more than the prior EGC of \$5.2422.
3. Auxier s notice sets out no current refund adjustment.
4. Auxier s notice sets out a current quarter actual adjustment ( AA ) of (3.90) cents per Mcf. In calculating its AA, Auxier used the incorrect EGC for the months of April, May and June 2002. Auxier used \$3.3455 instead of the correct EGC in effect of \$3.1856 per Mcf. Correcting for this error produces a current quarter AA of (1.44) cent per Mcf. Auxier s total AA is (34.40) cents per Mcf, an increase of 32.45 cents per Mcf from the previous total AA.

5. Auxier's notice sets out a current quarter balance adjustment ( BA ) of (20.38) cents per Mcf. Auxier's notice sets out a total BA of (27.48) cents per Mcf, which is a decrease of 20.52 cents per Mcf from the previous total BA.

6. Auxier's gas cost recovery rate is \$5.2705 per Mcf, which is 76.64 cents more than the previous rate of \$4.5041 per Mcf.

7. 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 October 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 October 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 30<sup>th</sup> day of September, 2002.

By the Commission

ATTEST:

  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2002-00322 DATED September, 30, 2002

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>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
First Mcf (Minimum Bill)	\$5.11	\$5.2705	\$ 10.3805
All Over 1 Mcf	\$ 4.2599	\$5.2705	\$ 9.5304