

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF MIKE)	CASE NO. 2002-00406
LITTLE GAS COMPANY, INC.)	

ORDER

On December 17, 1993, in Case No. 1993-00400, the Commission approved the merger of Elzie Neeley Gas Company, Inc. (Elzie Neeley) and Phelps Gas Company, Inc. (Phelps) into Mike Little Gas Company, Inc. (Mike Little) and provided for the adjustment of rates of the merged companies on a quarterly basis in accordance with Mike Little s gas cost adjustment (GCA) clause. On April 30, 2001, the Commission approved the transfer of the Phelps portion of the Mike Little system to People s Gas, Inc.

On November 12, 2002, Mike Little filed its proposed GCA to be effective December 1, 2002. On November 18, 2002, Mike Little filed a request for a waiver of the 30 day notice, based on the argument that its supplier had increased its rates effective November 1, 2002.

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

1. Mike Little s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Mike Little s expected gas cost (EGC) is \$6.4754 per Mcf, which is an increase of 92.75 cents per Mcf from the previous EGC of \$5.5479.

3. Mike Little s notice sets out no current quarter refund adjustment (RA), and it had no RAs remaining from previous quarters.

4. Mike Little s notice sets out no current quarter actual adjustment (AA). Mike Little s notice sets out a total AA of (\$1.3713) per Mcf, which is no change from the previous total AA.

5. Mike Little s GCA is \$5.1041 per Mcf, which is 92.75 cents per Mcf more than the previous rate of \$4.1766.

6. 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 Mike Little on and after December 2, 2002. Mike Little did not provide sufficient notice for rates to be effective December 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 December 2, 2002.

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

Done at Frankfort, Kentucky, this 25th day of November, 2002.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2002-00406 DATED November 25, 2002

The following rates and charges are prescribed for the customers in the area served by Mike Little 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.

Monthly:

		<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1 Mcf	Minimum Bill	\$2.8211	\$5.1041	\$7.9252
Over 1 Mcf		2.6040	5.1041	7.7081

RATES FOR CUSTOMERS FORMERLY SERVED BY
ELZIE NEELEY GAS COMPANY

Monthly

		<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1 Mcf	Minimum Bill	\$3.4984	\$5.1041	\$8.6025
Over 1 Mcf		2.4658	5.1041	7.5699

SUMMARY OF PURCHASED GAS ADJUSTMENT FILING
for Mike Little Gas Co., Inc.

Case No.: 2002-00406
Filing Date: November 12, 2002
Proposed Effective Date: December 1, 2002
Approved Effective Date: December 2, 2002

Wholesale Gas Supplier: Equitable Energy LLC,
Columbia Gas

Wholesale Rate: Increased 92.75 cents per Mcf
Retail Rate: Increased 92.75 cents per Mcf

Gas Cost Recovery Components:

EGC	\$6.4754
RA	.0000
AA	(1.3713)
GCR	<u>\$5.1041</u>

Prepared By: Dawn McGee

Date: November 21, 2002