

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF JOHNSON)	CASE NO. 2002-00424
COUNTY GAS COMPANY, INC.)	

ORDER

On September 1, 1999, in Case No. 1999-00155, the Commission approved rates for Johnson County Gas Company, Inc. (Johnson County) and provided for their further adjustment in accordance with Johnson County s gas cost adjustment (GCA) clause.

On November 26, 2002, Johnson County filed its proposed GCA to be effective January 1, 2003.

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

1. Johnson County s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Johnson County proposes an expected gas cost (EGC) of \$6.1877, which is 68.59 cents per Mcf more than the previously approved EGC of \$5.5018.
3. Johnson County s notice sets out no refund adjustment.
4. Johnson County s notice sets out a current quarter actual adjustment (AA) of (.59) cent per Mcf. Johnson County s notice sets out a total AA of (47.12) cents per Mcf, which is 6.9 cents per Mcf more than the previous total AA.

5. Johnson County's notice sets a current quarter balancing adjustment (BA) of (.83) cent per Mcf. Johnson County's notice sets a total BA of (.83) cent per Mcf. Johnson County did not carry forward the quarterly BA of (2.24) cents per Mcf from its last filing. Correcting for this results in a total BA of (3.07) cents per Mcf, which is .83 cent per Mcf less than the previous total BA.

6. Johnson County's gas cost recovery rate is \$5.6858 per Mcf, which is 74.66 cents per Mcf more than the previous rate of \$4.9392.

7. Johnson County's adjustment in rates is fair, just, and reasonable, in the public interest, and should be approved for service rendered by Johnson County on and after January 1, 2003.

IT IS THEREFORE ORDERED that:

1. Johnson County's proposed rates are denied.
2. The rates in the Appendix, attached hereto and incorporated herein, are approved for service rendered on and after January 1, 2003.
3. Within 20 days of the date of this Order, Johnson County shall file with the Commission its revised tariffs setting out the rates approved herein.

Done at Frankfort, Kentucky, this 26th day of December, 2002.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2002-00424 DATED December 26, 2002

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

RATES:

Residential

<u>Monthly</u>	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
Minimum Bill 0-1 Mcf	\$6.9542	\$5.6858	\$12.6400
All additional Mcf	\$5.9542	\$5.6858	\$11.6400

Commercial

<u>Monthly</u>			
All Mcf	\$6.3042	\$5.6858	\$11.9900