

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|                             |   |                     |
|-----------------------------|---|---------------------|
| NOTICE OF PURCHASED GAS     | ) |                     |
| ADJUSTMENT FILING OF THE    | ) | CASE NO. 2003-00093 |
| UNION LIGHT, HEAT AND POWER | ) |                     |
| COMPANY                     | ) |                     |

ORDER

On January 31, 2002, in Case No. 2001-00092, 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 March 7, 2003, ULH&P filed its GCA to be effective April 1, 2003. On March 21, 2003, ULH&P revised its filing in order to reduce its Expected Gas Cost ( EGC ). ULH&P requests a waiver of the 30-day notice period in order to implement a more accurate gas price in a timely manner. As KRS 278.180(1) permits the Commission to shorten the required notice period for good cause, the Commission finds the utility s request should be granted.

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 change in wholesale gas costs.
2. ULH&P s EGC is \$6.537 per Mcf, which is an increase of 44.1 cents per Mcf from the previous EGC of \$6.096.
3. ULH&P s notice sets out no current refund adjustment ( RA ). The total RA of .5 cent per Mcf represents no change from the previous total RA.

4. ULH&P's notice sets out no current actual adjustment ( AA ). The total AA of 1.2 cents per Mcf represents no change from the previous total AA.

5. ULH&P's notice sets out no current balancing adjustment ( BA ). The total BA of 9.9 cents per Mcf represents no change from the previous total BA.

6. ULH&P's gas cost recovery rate ( GCR ) is \$6.643 per Mcf, which is 44.1 cents per Mcf more than its previous GCR of \$6.202.

7. 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 April 1, 2003.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for final meter readings on and after April 1, 2003.

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 27<sup>th</sup> day of March, 2003.

By the Commission

ATTEST:

  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2003-00093 DATED March 27, 2003

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<br/>Rate</u> |      | <u>Gas<br/>Cost<br/>Adjustment</u> | <u>Total<br/>Rate</u> |
|--|----------------------|------|------------------------------------|-----------------------|
| Commodity Charge for<br>All Ccf Consumed | \$ .2334             | plus | \$ .6643                           | \$ .8977              |

RATE GS  
GENERAL SERVICE

|  | <u>Base<br/>Rate</u> |  | <u>Gas<br/>Cost<br/>Adjustment</u> | <u>Total<br/>Rate</u> |
|--|----------------------|--|------------------------------------|-----------------------|
| Commodity Charge for<br>All Ccf Consumed | \$ .2049             |  | \$ .6643                           | \$ .8692              |