

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF THE)	CASE NO. 2003-00148
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 April 30, 2003, ULH&P filed its GCA to be effective May 31, 2003.

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 \$6.835 per Mcf, which is an increase of 29.8 cents per Mcf from the previous EGC of \$6.537.
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 a current quarter actual adjustment (AA) of 43.7 cents per Mcf. The total AA of 63.9 cents per Mcf represents an increase of 62.7 cents from the previous total AA.

5. ULH&P's notice sets out a current balancing adjustment (BA) of .4 cent per Mcf. The total BA of 6.2 cents per Mcf represents a decrease of 3.7 cents from the previous total BA.

6. ULH&P's gas cost recovery rate (GCR) is \$7.531 per Mcf, which is 88.8 cents per Mcf more than its previous GCR of \$6.643.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by ULH&P on and after May 31, 2003.

IT IS THEREFORE ORDERED that:

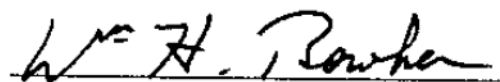
1. The rates in the Appendix to this Order are approved for final meter readings on and after May 31, 2003.

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 28th day of May, 2003.

By the Commission

ATTEST:


Deputy Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2003-00148 DATED May 28, 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 Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.2334	plus	\$.7531	\$.9865

RATE GS
GENERAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.2049		\$.7531	\$.9580