

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS	)	
ADJUSTMENT FILING OF COLUMBIA	)	CASE NO. 2003-00154
GAS OF KENTUCKY, INC.	)	

O R D E R

On December 13, 2002, in Case No. 2002-00145, the Commission approved rates for Columbia Gas of Kentucky, Inc. ( Columbia ) and provided for their further adjustment in accordance with Columbia s gas cost adjustment ( GCA ) clause.

On May 2, 2003, Columbia filed its proposed GCA to be effective June 1, 2003.

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

1. Columbia s notice includes rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Columbia s expected gas cost ( EGC ) is \$7.7232 per Mcf, a decrease of \$1.4439 per Mcf from its last EGC of \$9.1671.
3. Columbia s notice sets out a rate for Banking and Balancing Service of 2.10 cents per Mcf.
4. Columbia s notice sets out no take-or-pay refund adjustment.
5. Columbia s notice sets out no transportation take-or-pay refund adjustment.
6. Columbia s notice sets out a current refund adjustment ( RA ) of .12 cent per Mcf. Columbia s notice sets out a total RA of .71 cent per Mcf. This represents a decrease of .12 cent from the prior RA.

7. Columbia s notice sets out an annual actual cost adjustment ( ACA ) of 25.7 cents per Mcf. This represents no change from the previous rate.

8. Columbia s notice sets out its 6-month balancing adjustment ( BA ) of 13.43 cents per Mcf to reconcile variances from previous refund and balancing adjustments. This represents no change from the previous rate.

9. Columbia s notice sets out a Special Agency Service refund adjustment of .07 cent per Mcf. This represents no change from the previous rate.

10. Columbia s approved gas cost recovery rate ( GCR ) is \$8.1067 per Mcf, which is \$1.4451 per Mcf less than its previous GCR of \$9.5518.

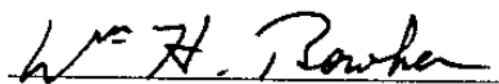
11. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing with the final meter readings of the first billing cycle on and after June 1, 2003.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order are approved for billing with the final meter readings of the first billing cycle on and after June 1, 2003.

Done at Frankfort, Kentucky, this 28<sup>th</sup> 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. 2003-00154 DATED May 28, 2003

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, 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.

#### Gas Cost Recovery Rate

The total Gas Cost Recovery Rate shall be \$8.1067 per Mcf during the period covered by the bill.