

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST RECOVERY)	CASE NO.
FILING OF SIGMA GAS CORPORATION)	2003-00337

O R D E R

On October 27, 1998, in Case No. 1998-00244, the Commission approved rates for Sigma Gas Corporation (Sigma) and provided for their further adjustment on a quarterly basis in accordance with Sigma s gas cost adjustment (GCA) clause.

On September 2, 2003, Sigma filed its proposed GCA to be effective October 1, 2003.

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

1. Sigma s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Sigma s Expected Gas Cost (EGC) is \$8.0628 per Mcf, \$1.3864 per Mcf less than the prior EGC of \$9.4492.
3. Sigma's notice sets out no current refund adjustment.
4. Sigma's notice sets out a current quarter actual adjustment (AA) of (30.56) cents per Mcf. Sigma s notice includes a total AA of (23.41) cents per Mcf, which is a decrease of 39.26 cents per Mcf from the previous total AA.

5. Sigma's notice sets out a current quarter balance adjustment (BA) of 4.8 cents per Mcf. The total BA of 4.1 cents per Mcf represents an increase of 6.6 cents per Mcf from the previous total BA.

6. Sigma's gas cost recovery rate is \$7.8697 per Mcf, which is \$1.7130 less than the previous rate of \$9.5827 per Mcf.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Sigma on and after October 1, 2003.

IT IS THEREFORE ORDERED that:

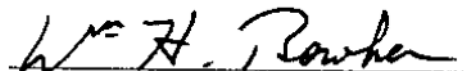
1. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after October 1, 2003.

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

Done at Frankfort, Kentucky, this 25th day of September, 2003.

By the Commission

ATTEST:


Deputy Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2003-00337 DATED September 25, 2003

The following rates and charges are prescribed for the customers in the area served by Sigma Gas Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

	<u>Base Rate</u>	<u>Gas Cost Recovery</u>	<u>Total</u>
First Mcf (Minimum Bill)	\$6.25	\$7.8697	\$14.1197
All Over 1st Mcf	\$4.5522	\$7.8697	\$12.4219