

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS	)	
ADJUSTMENT FILING OF MIKE	)	CASE NO. 2004-00267
LITTLE GAS COMPANY, INC.	)	

ORDER

On October 22, 2003, in Case No. 2003-00141, the Commission approved rates for Mike Little Gas Company, Inc. ("Mike Little"), and provided for their further adjustment in accordance with Mike Little's gas cost adjustment ("GCA") clause.

On June 29, 2004, Mike Little filed its proposed GCA to be effective August 1, 2004.

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

1. Mike Little's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Mike Little's expected gas cost ("EGC") is \$10.2371 per Mcf, which is an increase of \$1.2009 per Mcf from the previous EGC of \$9.0362.
3. Mike Little's notice sets out no current quarter refund adjustment ("RA"), and it had no RAs remaining from previous quarters.
4. Mike Little's notice sets out a current quarter actual adjustment ("AA") of .91 cent per Mcf. Mike Little's notice sets out a total AA of 30.79 cents per Mcf. Mike Little incorrectly calculated the AA for the third previous quarter. Correcting for this error

produces a total AA of 30.49 cents per Mcf, which is a decrease of 1.53 cents per Mcf from the previous total AA.

5. Mike Little's GCA is \$10.5420 per Mcf, which is \$1.1856 per Mcf more than the previous rate of \$9.3564.

6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Mike Little on and after August 1, 2004.

IT IS THEREFORE ORDERED that:

1. Mike Little's proposed rates are denied.
2. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after August 1, 2004.
3. Within 20 days of the date of this Order, Mike Little shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 20<sup>th</sup> day of July, 2004.

By the Commission

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2004-00267 DATED JULY 20, 2004

The following rates and charges are prescribed for the customers in the area served by Mike Little 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.

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
First 1 Mcf – Minimum Bill	\$5.50	\$10.5420	\$16.0420
Over 1 Mcf	4.3271	10.5420	14.8691