

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST)	
ADJUSTMENT FILING OF)	CASE NO. 2004-00438
BURKESVILLE GAS COMPANY, INC.)	

ORDER

On November 20, 2000, in Case No. 2000-00158,¹ the Commission approved rates for Burkesville Gas Company, Inc. ("Burkesville") and provided for their further adjustment on a quarterly basis in accordance with Burkesville's gas cost adjustment ("GCA") clause.

On November 9, 2004, Burkesville filed its proposed GCA to be effective December 10, 2004. On December 2, 2004, Burkesville supplied additional information in response to Staff's information request.

After reviewing the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Burkesville's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.

2. Burkesville's proposed expected gas cost ("EGC") is \$11.1002 per Mcf. Burkesville incorrectly adjusted for line loss in its total expected cost of purchases. Correcting for this error produces an EGC of \$11.5298 per Mcf, which is \$2.5204 per Mcf more than the prior EGC of \$9.0094.

¹ Case No. 2000-00158, The Application of Burkesville Gas Company, Inc. for a Rate Adjustment Pursuant to the Alternative Rate Filing Procedure for Small Utilities, Order dated November 20, 2000.

3. Burkesville's notice sets out no refund adjustment.

4. Burkesville's notice sets out a current actual adjustment ("AA") of (7.92) cents per Mcf. Burkesville's total AA is (7.92) cents per Mcf, which is a decrease of 21.42 cents per Mcf from the previous total AA.

5. Burkesville's GCA is \$11.4506 per Mcf, which is \$2.3062 per Mcf more than the previous rate of \$9.1444.

6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Burkesville on and after December 10, 2004.

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 December 10, 2004.

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

Done at Frankfort, Kentucky, this 6th day of December, 2004.

By the Commission

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2004-00438 DATED December 7, 2004

The following rates and charges are prescribed for the customers served by
Burkesville 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.

RATES:

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
Residential	\$4.25	\$11.4506	\$15.7006
Industrial	\$3.90	\$11.4506	\$15.3506