

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT) CASE NO. 2009-00537
FILING OF EQUITABLE GAS COMPANY)

O R D E R

On April 29, 2004, in Case No. 2003-00411,¹ the Commission approved rates for Equitable Gas Company, a division of Equitable Resources, Inc. ("Equitable"), and provided for their further adjustment on a quarterly basis in accordance with Equitable's Gas Cost Adjustment ("GCA") clause.

On December 23, 2009, Equitable filed its proposed GCA to be effective February 1, 2010.

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

1. Equitable's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Equitable's Expected Gas Cost ("EGC") is \$7.9768 per Mcf, which is an increase of \$.0929 per Mcf from its previous EGC of \$7.8839 per Mcf.
3. Equitable's notice sets out a current quarter Actual Adjustment ("AA") of (\$.0997) per Mcf. Equitable's total AA is (\$2.4896) per Mcf, which is a decrease of \$.2233 per Mcf from the previous total AA of (\$2.2663) per Mcf.

¹ Case No. 2003-00411, Application of Equitable Gas Company to Increase Rates Pursuant to KRS 278.485 (Ky. PSC Apr. 29, 2004).

4. Equitable's notice sets out a current quarter Balancing Adjustment ("BA") of (\$.0456) per Mcf. Equitable's total BA is (\$.0716) per Mcf, which is a decrease of \$.0479 per Mcf from the previous total BA of (\$.0237) per Mcf.

5. Equitable's Gas Cost Recovery Rate is \$5.4156 per Mcf, which is a decrease of \$.1783 per Mcf from its previous rate of \$5.5939 per Mcf.

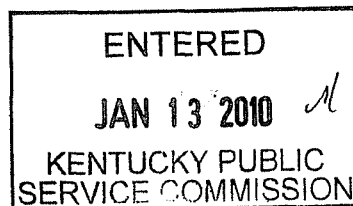
6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by Equitable on and after February 1, 2010.

IT IS THEREFORE ORDERED that:

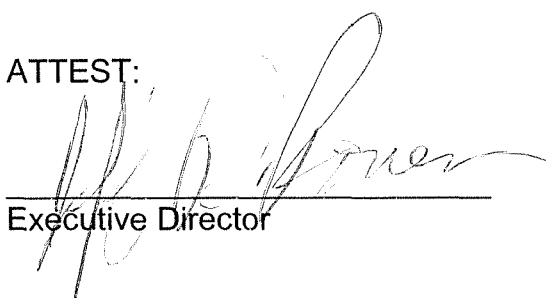
1. The rates in the Appendix to this Order, attached hereto and incorporated herein, are approved for final meter readings on and after February 1, 2010.

2. Within 20 days of the date of this Order, Equitable shall file with this Commission its revised tariffs setting out the rates authorized herein, reflecting that they were approved pursuant to this Order.

By the Commission



ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00537 DATED JAN 13 2010

The following rates and charges are prescribed for the customers in the area served by Equitable Gas Company. 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.

RATES: Monthly

Customer Charge		\$7.50	
	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
All Mcf	\$2.1322	\$5.4156	\$ 7.5478

The minimum bill shall be \$7.50

Robert M Narkevic
Manager, Rates
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