

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF BLUEGRASS GAS SALES, INC.) CASE NO. 2013-00086

ORDER

On July 17, 2012, in Case No. 2011-00364 the Commission approved rates for Bluegrass Gas Sales, Inc. ("Bluegrass") and provided for their further adjustment on a quarterly basis in accordance with Bluegrass's gas cost adjustment ("GCA") clause.¹

On March 1, 2013, Bluegrass filed its proposed GCA to be effective April 1, 2013.

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

1. Bluegrass's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Bluegrass's notice sets out an Expected Gas Cost ("EGC") of \$5.2492 per Mcf, which is a decrease of \$.2419 per Mcf from its previous EGC of \$5.4911 per Mcf.
3. Bluegrass's notice sets out no current quarter Refund Adjustment.
4. Bluegrass's notice sets out a current quarter Actual Adjustment ("AA") of \$.1448 per Mcf. Bluegrass's total AA is (\$.8621) per Mcf, which is an increase of \$.4783 per Mcf from its previous total AA of (\$1.3404) per Mcf.
5. Bluegrass's notice sets out a current quarter Balance Adjustment ("BA") of (\$.0066) per Mcf. Revising the total BA calculation to reflect the correct previous

¹ Case No. 2011-00364, Alternative Rate Filing Adjustment of Bluegrass Gas Sales, Inc. (Ky. PSC July 17, 2012).

quarter BA of (\$.0076) instead of (\$.0075) per Mcf produces a total BA of (\$.0324) per Mcf, which is a decrease of \$.0210 per Mcf from its previous total BA of (\$.0114) per Mcf.

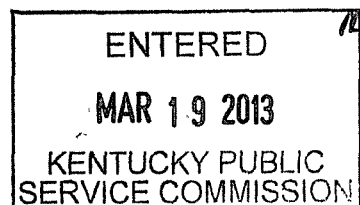
6. Bluegrass's GCA is \$4.3547 per Mcf, which is an increase of \$.2154 per Mcf from its previous rate of \$4.1393 per Mcf.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Bluegrass on and after April 1, 2013.

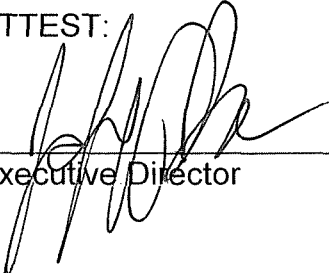
IT IS THEREFORE ORDERED that:

1. The rates proposed by Bluegrass are denied.
2. The rates in the Appendix to this Order are fair, just and reasonable, and should be approved for billing for service rendered on and after April 1, 2013.
3. Within 20 days of the date of this Order, Bluegrass shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and 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. 2013-00086 DATED **MAR 19 2013**

The following rates and charges are prescribed for the customers served by Bluegrass Gas Sales, Inc. 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 Rate</u>	<u>Total</u>
Customer Charge	\$10.00		
All Mcf	\$5.1416	\$4.3547	\$ 9.4963

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