

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF) CASE NO.
NATURAL ENERGY UTILITY CORPORATION) 2013-00321

ORDER

On May 20, 2002, Natural Energy Utility Corporation adopted the tariffs, including a Gas Cost Adjustment (“GCA”) Clause, for furnishing gas service to the customers previously served by American Natural Gas Corporation.¹

On August 26, 2013, Natural Energy filed its proposed GCA to become effective October 1, 2013.

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

1. Natural Energy’s notice includes a revised rate designed to pass on to its customers its expected change in wholesale gas costs.
2. Natural Energy’s notice sets out an Expected Gas Cost (“EGC”) of \$4.0800 per Mcf. Natural Energy miscalculated its Total Expected Gas Cost by failing to multiply its Average Expected Cost per Mcf Purchased by its Mcf purchase volume of 107,000 Mcf on Schedule II. Correcting this produces an EGC of \$4.0543 per Mcf, which is an increase of \$.1531 per Mcf from the previous EGC of \$3.9012 per Mcf.
3. Natural Energy’s notice sets out no current quarter or total supplier Refund Adjustment.

¹ Natural Energy Utility Corporation Tariff, PSC Ky. No. 1, First Revised Sheet No. 17 (effective Apr. 15, 2006).

4. Natural Energy's notice sets out a current quarter Actual Adjustment ("AA") of \$.1215 per Mcf. Natural energy did not adjust its June sales volume for greater than 5 percent line loss. Correcting this produces a current quarter AA of \$.1205. Natural Energy's total AA is \$.4177 per Mcf, which is an increase of \$.2258 per Mcf from the previous total AA of \$.1919 per Mcf.

5. Natural Energy's GCA is \$4.4720 per Mcf, which is an increase of \$.3789 per Mcf from the previous GCA of \$4.0931 per Mcf.

6. The rate in the Appendix to this Order is fair, just, and reasonable, and should be approved for billing for service rendered by Natural Energy on and after October 1, 2013.

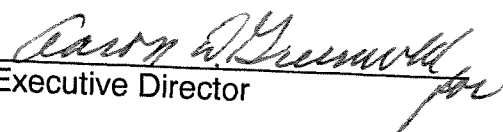
IT IS THEREFORE ORDERED that:

1. The rate proposed by Natural Energy is denied.
2. The rate in the Appendix, attached hereto and incorporated herein, is approved for billing for service rendered on and after October 1, 2013.
3. Within 20 days of the date of this Order, Natural Energy shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

By the Commission

ENTERED
SEP 20 2013
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2013-00321

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00321 DATED **SEP 20 2013**

The following rates and charges are prescribed for the customers in the area served by Natural Energy Utility Corporation. 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>Monthly</u>	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
All Mcf	\$4.24	\$4.4720	\$8.7120

Minimum Bill

The minimum bill shall be \$8.7120

H. Jay Freeman
General Manager
Natural Energy Utility Corporation
2560 Hoods Creek Pike
Ashland, KY 41102