

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT	)	
FILING OF COLUMBIA GAS OF	)	CASE NO.
KENTUCKY, INC.	)	2017-00057

ORDER

On December 22, 2016, in Case No. 2016-00162,<sup>1</sup> the Commission approved rates for Columbia Gas of Kentucky, Inc. ("Columbia") and provided for their further adjustment in accordance with Columbia's Gas Cost Adjustment ("GCA") clause.

On January 31, 2017, Columbia filed its proposed GCA to be effective March 1, 2017. After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Columbia's notice includes rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Columbia's Expected Gas Cost ("EGC") is \$5.4210 per Mcf, which is an increase of \$.4347 per Mcf from its previous EGC of \$4.9863 per Mcf.
3. Columbia's notice sets out a rate for Banking and Balancing Service of \$.0215 per Mcf, which is an increase of \$.0006 per Mcf from its previous Banking and Balancing Service rate of \$.0209 per Mcf.

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<sup>1</sup> Case No. 2016-00162, *Application of Columbia Gas of Kentucky, Inc. for an Increase in Base Rates* (Ky. PSC Dec. 22, 2016).

4. Columbia's notice sets out a current quarter supplier Refund Adjustment ("RA") of (\$.0010) per Mcf. Columbia's total RA is (\$.0020) per Mcf, which is a decrease of \$.0010 per Mcf from its previous total RA of (\$.0010) per Mcf.

5. Columbia's notice sets out a current quarter Actual Cost Adjustment ("ACA") of \$.3956 per Mcf. Columbia's total ACA is \$.2369 per Mcf, which is an increase of \$.3956 per Mcf from its previous total ACA of (\$.1587) per Mcf.

6. Columbia's notice sets out a Balancing Adjustment ("BA") of \$.0000 per Mcf, which is an increase of \$.4702 per Mcf from its previous BA of (\$.4702) per Mcf.

7. Columbia's notice sets out a Special Agency Service ("SAS") refund adjustment of \$.0000 per Mcf, which is no change from its previous SAS refund adjustment.

8. Columbia's notice sets out a Performance Based Rate ("PBR") Adjustment of \$.3668 per Mcf, which is no change from its previous PBR Adjustment.

9. Columbia's GCA is \$6.0227 per Mcf, which is an increase of \$1.2995 per Mcf from the previous GCA of \$4.7232<sup>2</sup> per Mcf.

10. Columbia did not provide the 30 days' notice, as required pursuant to KRS 278.180, for its increase in rates to be effective March 1, 2017. The rates as proposed by Columbia and set forth in the Appendix to this Order are fair, just and reasonable and should be approved for billing beginning on March 2, 2017, which is the earliest that the proposed rates could become effective.

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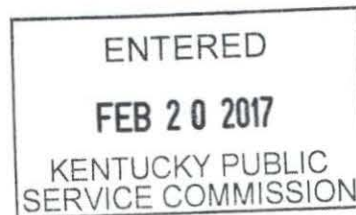
<sup>2</sup> *Id.*, January 30, 2017 Order.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Columbia and set forth in the Appendix to this Order are approved for billing beginning on March 2, 2017.

2. Within 20 days of the date of this Order, Columbia 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. 2017-00057 DATED **FEB 20 2017**

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, 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.

CURRENTLY EFFECTIVE BILLING RATES

<u>SALES SERVICE</u>	<u>Base Rate</u>	<u>Gas Cost Adjustment<sup>1/</sup></u>		<u>Total Billing Rate</u>
	<u>Charge</u>	<u>Demand</u>	<u>Commodity</u>	
	\$	\$	\$	\$
<u>RATE SCHEDULE GSR</u>				
Delivery Charge per Mcf	3.5665	2.0757	3.9470	9.5892
<u>RATE SCHEDULE GSO</u>				
<u>Commercial or Industrial</u>				
First 50 Mcf or less per billing period	3.0181	2.0757	3.9470	9.0408
Next 350 Mcf per billing period	2.3295	2.0757	3.9470	8.3522
Next 600 Mcf per billing period	2.2143	2.0757	3.9470	8.2370
Over 1,000 Mcf per billing period	2.0143	2.0757	3.9470	8.0370
<u>RATE SCHEDULE IS</u>				
First 30,000 Mcf per billing period	0.6285		3.9470 <sup>2/</sup>	4.5755
Next 70,000 Mcf per billing period	0.3737		3.9470 <sup>2/</sup>	4.3207
Over 100,000 Mcf per billing period	0.3247		3.9470 <sup>2/</sup>	4.2717
Firm Service Demand Charge				
Demand Charge times Daily Firm				
Volume (Mcf) in Customer Service Agreement		7.0290		7.0290

<sup>1/</sup> The Gas Cost Adjustment, as shown, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets 48 through 51 of Columbia's Tariff. The Gas Cost Adjustment applicable to a customer who is receiving service under Rate Schedule GS or IUS and received service under Rate Schedule SVGTS shall be \$5.4210 per Mcf only for those months of the prior 12 months during which they were served under Rate Schedule SVGTS.

<sup>2/</sup> IS Customers may be subject to the Demand Gas Cost, under the conditions set forth on Sheets 14 and 15 of Columbia's tariff.

RATE SCHEDULE IUS

Delivery Charge per Mcf	1.1544	2.0757	3.9470	7.1771
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TRANSPORTATION SERVICE

RATE SCHEDULE SS

Standby Service Demand Charge per Mcf				
Demand Charge times Daily Firm				
Volume (Mcf) in Customer Service Agreement	7.0290			7.0290
Standby Service Commodity Charge per Mcf			3.9470	3.9470

RATE SCHEDULE DS

Banking and Balancing Service				
Rate per Mcf	0.0215			0.0215

RATE SCHEDULE MLDS

Banking and Balancing Service				
Rate per Mcf	0.0215			0.0215

RATE SCHEDULE SVGTS

Base Rate  
\$

General Service Residential (SGVTS GSR)

Delivery Charge per Mcf	3.5665
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General Service Other—Commercial or Industrial (SVGTS GSO)

First 50 Mcf or less per billing period	3.0181
Next 350 Mcf per billing period	2.3295
Next 600 Mcf per billing period	2.2143
Over 1,000 Mcf per billing period	2.0143

Intrastate Utility Service

Delivery Charge per Mcf	1.1544
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Billing Rate  
\$

Actual Gas Cost Adjustment<sup>3/</sup>

(.0034)

RATE SCHEDULE SVAS

Balancing Charge—per Mcf	1.8834
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<sup>3/</sup> The Gas Cost Adjustment is applicable to a customer who is receiving service under Rate Schedule SVGTS and received service under Rate Schedule GS, IS, or IUS for only those months of the prior twelve months during which they were served under Rate Schedule GS, IS, or IUS.

\*Judy M Cooper  
Director, Regulatory Services  
Columbia Gas of Kentucky, Inc.  
2001 Mercer Road  
P. O. Box 14241  
Lexington, KY 40512-4241

\*Columbia Gas of Kentucky, Inc.  
290 W Nationwide Blvd  
Columbus, OH 43215