

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF)
GASCO DISTRIBUTION SYSTEMS, INC.) CASE NO. 2011-00044

O R D E R

On February 16, 1995,¹ the Commission approved rates for Gasco Distribution Systems, Inc. ("Gasco") and provided for their further adjustment on a quarterly basis in accordance with its Gas Cost Adjustment clause.

On February 7, 2011, Gasco filed its proposed Gas Cost Recovery ("GCR") rate to be effective March 1, 2011. The application is an out-of-time filing for the GCR quarter which should have begun February 1, 2011 according to Gasco's tariff.

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

1. Gasco's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Gasco's proposed Expected Gas Cost ("EGC") is \$7.3955 per Mcf, which is an increase of \$.4474 per Mcf from the previous EGC of \$6.9481 per Mcf.

¹ Case No. 1994-00427, In the Matter of the Application of Gasco Distribution Systems, Inc. for a Certificate of Convenience and Necessity to Provide Local Gas Distribution Service to Albany, Ky. and for Transfer of the Albany Gas Utility Company (Ky. PSC Feb. 16, 1995).

3. Gasco's notice sets out no current quarter Refund Adjustment.
4. Gasco's notice sets out a current quarter Actual Adjustment ("AA") of (\$.0850) per Mcf. Gasco's total AA is \$1.8550 per Mcf, which is a decrease of \$1.9125 per Mcf from its previous total AA of \$3.7675 per Mcf.
5. Gasco's notice sets out a current quarter Balance Adjustment ("BA") of \$.0628 per Mcf. Gasco's total BA is (\$1.3689) per Mcf, which is an increase of \$.4402 per Mcf from its previous total BA of (\$1. 8091) per Mcf.
6. Gasco's GCR is \$7.8816 per Mcf, which is a decrease of \$1.0249 per Mcf from its previous rate of \$8.9065 per Mcf. Due to an error in its calculation spread sheet, Gasco proposed a GCR of \$7.8815 per Mcf.
7. Gasco's out-of-time filing should be accepted and its revised GCR rate should be approved for services rendered on and after March 1, 2011 since the rate is reasonable and is a decrease from its current GCR rate.
8. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Gasco on and after March 1, 2011 pursuant to its request for waiver of the 30-day notice requirement.
9. Gasco should file a GCR application no later than April 1, 2011 for rates effective May 1, 2011.

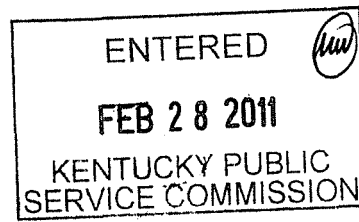
IT IS THEREFORE ORDERED that:

1. Gasco's proposed rates are denied.
2. The rates in the Appendix attached hereto and incorporated herein are approved for billing for service rendered on and after March 1, 2011.
3. Within 20 days of the date of this Order, Gasco shall file its revised tariffs

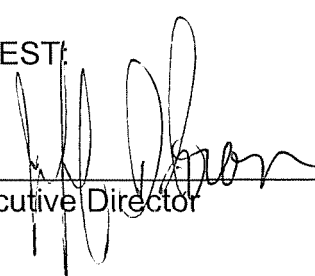
with this Commission setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

4. No later than April 1, 2011, Gasco shall file a GCR application for rates effective May 1, 2011.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00044 DATED FEB 28 2011

The following rates and charges are prescribed for the customers served by Gasco Distribution Systems, 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.

RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Residential	\$4.62	\$7.8816	\$12.5016
Commercial	\$3.62	\$7.8816	\$11.5016

Trina L King
Secretary
GASCO Distribution Systems, Inc.
4445 East Pike
Zanesville, OH 43701