

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF)	CASE NO.
VALLEY GAS, INC.)	2014-00021

ORDER

On November 5, 2013, in Case No. 2013-00150,¹ the Commission approved rates for Valley Gas, Inc. ("Valley Gas") and provided for their further adjustment on a quarterly basis in accordance with Valley Gas's Gas Cost Recovery ("GCR") rate.

On January 27, 2014, Valley Gas filed an interim GCR, in accordance with the terms of its tariff, to reflect a significant change in its supplier rates. Valley Gas proposes that the interim GCR be effective March 1, 2014.

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

1. Valley Gas's notice includes a revised rate designed to pass on to its customers its expected change in wholesale gas costs.
2. Valley Gas's proposed Expected Gas Cost ("EGC") is \$6.0530 per Mcf, which is an increase of \$1.0752 per Mcf from the previous EGC of \$4.9778 per Mcf.
3. Valley Gas's notice sets out no current quarter Refund Adjustment.
4. Valley Gas's notice sets out a current quarter Actual Adjustment ("AA") of (\$.0186) per Mcf. Valley Gas's total AA is (\$.0824) per Mcf, which is no change from its previous total AA.

¹ Case No. 2013-00150, Application of Valley Gas, Inc. for an Alternative Rate Adjustment (Ky. PSC Nov. 5, 2013).

5. Valley Gas's notice sets out a GCR of \$5.9706 per Mcf, which is an increase of \$1.0752 per Mcf from the previous GCR of \$4.8954 per Mcf.

6. The rate in the Appendix, attached to this Order, is fair, just, and reasonable and should be approved for service rendered by Valley Gas on and after March 1, 2014.

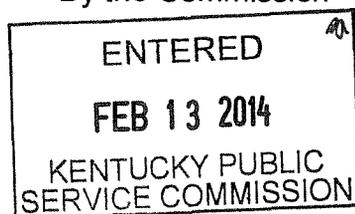
IT IS THEREFORE ORDERED that:

1. The rate in the Appendix is approved for service rendered on and after March 1, 2014.

2. Valley Gas shall file its second quarter GCR report with the Commission on or about March 1, 2014, for the calendar quarter of April through June, 2014.

3. Within 20 days of the date of this Order, Valley 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



ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2014-00021 DATED FEB 13 2014

The following rates and charges are prescribed for the customers served by Valley Gas, 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:

Customer Charge

\$15.00

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
All Mcf	\$3.0061	\$5.9706	\$8.9767

Kerry R Kasey
Secretary
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