

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF)	CASE NO.
PEOPLES GAS KY, LLC)	2014-00105

ORDER

On April 29, 2004, in Case No. 2003-00411,¹ the Commission approved rates for Equitable Gas Company, LLC (“Equitable”), a division of Equitable Resources, Inc., and provided for their further adjustment on a quarterly basis in accordance with Equitable’s Purchased Gas Adjustment (“PGA”) clause. Equitable was regulated pursuant to KRS 278.485 and 807 KAR 5:026, the statute and regulation governing gathering systems that provide service to retail customers who tap onto such systems. On December 17, 2013, Peoples Gas KY, LLC (“Peoples”) adopted Equitable’s tariff, and on January 24, 2014, the Commission approved new rates for Peoples, effective February 1, 2014.²

On March 24, 2014, Peoples filed its proposed Gas Cost Recovery (“GCR”) rate application to be effective May 1, 2014.

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

1. Peoples’ notice includes a revised rate designed to pass on to its customers its expected change in wholesale gas costs.

¹ Case No. 2003-00411, Application of Equitable Gas Company to Increase Rates Pursuant to KRS 278.485 (Ky. PSC Apr. 29, 2004).

² Case No. 2014-00004, Purchased Gas Adjustment Filing of Peoples Gas KY, LLC (Ky. PSC Jan. 24, 2014).

2. Peoples' Expected Gas Cost ("EGC") is \$6.9489 per Mcf, which is an increase of \$.3406 per Mcf from its previous EGC of \$6.6083 per Mcf.

3. Peoples' notice sets out no Refund Adjustment.

4. Peoples' notice sets out a current quarter Actual Cost Adjustment ("ACA") of (\$.3251) per Mcf. Peoples' total ACA is \$.2229 per Mcf, which is an increase of \$.1170 per Mcf from the previous total ACA of \$.1059 per Mcf.

5. Peoples' notice sets out a current quarter Balancing Adjustment ("BA") of \$.0046 per Mcf. Peoples' total BA is (\$.0303) per Mcf, which is an increase of \$.0686 per Mcf from the previous total BA of (\$.0989) per Mcf.

6. Peoples' GCR rate is \$7.1415 per Mcf, which is an increase of \$.5262 per Mcf from its previous rate of \$6.6153 per Mcf.

7. The rate in the Appendix to this Order is fair, just, and reasonable and should be approved for final meter readings by Peoples on and after May 1, 2014.

IT IS THEREFORE ORDERED that:

1. The rate in the Appendix to this Order, attached hereto and incorporated herein, is approved for final meter readings on and after May 1, 2014.

2. Within 20 days of the date of this Order, Peoples 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 ⁰⁷
APR 07 2014
KENTUCKY PUBLIC
SERVICE COMMISSION

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2014-00105 DATED **APR 07 2014**

The following rates and charges are prescribed for the customers in the area served by People Gas KY LLC. 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		\$7.50	
	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
All Mcf	\$2.1322	\$7.1415	\$ 9.2737

The minimum bill shall be \$7.50.

Carol Luniewski
Rate Analyst
Peoples Gas KY, LLC
375 North Shore Drive
Suite 600
Pittsburgh, PA 15212