COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF COLUMBIA GAS OF	j	CASE NO. 2014-00269
KENTUCKY, INC.)	

ORDER

On December 13, 2013, in Case No. 2013-00167,¹ 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 July 28, 2014, Columbia filed its proposed GCA to be effective August 28, 2014.

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 \$6.5045 per Mcf, which is a decrease of \$.1740 per Mcf from its previous EGC of \$6.6785 per Mcf.
- 3. Columbia's notice sets out a rate for Banking and Balancing Service of \$.0203 per Mcf, which is a decrease of \$.0002 per Mcf from its previous rate of \$.0205 per Mcf.

¹ Case No. 2013-00167, Application of Columbia Gas of Kentucky, Inc. for an Adjustment in Rates for Gas Service (Ky. PSC Dec. 13, 2013).

- 4. Columbia's notice sets out no current quarter supplier Refund Adjustment ("RA"). Columbia's notice sets out a total RA of \$.0000 per Mcf, which is no change from its previous total RA.
- Columbia's notice sets out its Actual Cost Adjustment ("ACA") of \$.3722
 per Mcf, which is a decrease of \$.1125 per Mcf from its previous ACA of \$.4847 per
 Mcf.
- 6. Columbia's notice sets out its Balancing Adjustment ("BA") of (\$.0051) per Mcf, which is an increase of \$1.0453 per Mcf from its previous BA of (\$1.0504) per Mcf.
- 7. Columbia's notice sets out a Special Agency Service refund adjustment of (\$.0001) per Mcf, which is an increase of \$.0002 per Mcf from its previous Special Agency Service refund adjustment of (\$.0003) per Mcf.
- 8. Columbia's notice sets out its Gas Cost Incentive Adjustment ("GCIA") of \$.0189 per Mcf, which is no change from its previous GCIA.
- 9. Columbia's approved Gas Cost Recovery rate ("GCR") is \$6.8904 per Mcf, which is an increase of \$.7590 per Mcf from the previous GCR of \$6.1314 per Mcf.
- 10. The rate in the Appendix to this Order is fair, just, and reasonable and should be approved for billing for the September 2014 billing cycle, beginning on August 28, 2014.

IT IS THEREFORE ORDERED that:

1. The rate in the Appendix to this Order is approved for billing with the final meter readings beginning on August 28, 2014.

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 rate approved herein and reflecting that it was approved pursuant to this Order.

By the Commission

ENTERED

AUG 2 7 2014

KENTUCKY PUBLIC SERVICE COMMISSION

ATTES

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2014-00269 DATED AUG 2 7 2014

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.

Gas Cost Recovery Rate

The total Gas Cost Adjustment shall be \$6.8904 per Mcf effective August 28, 2014.

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