

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF VALLEY GAS, INC.) CASE NO. 2014-00312

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 Purchased Gas Cost Adjustment clause.

On September 2, 2014, Valley Gas filed its Gas Cost Recovery (“GCR”) rate application to be effective October 1, 2014. Valley supplemented the record of its filing on September 4, 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 \$6.2101 per Mcf, which is an increase of \$.1506 per Mcf from the previous EGC of \$6.0595 per Mcf.
3. Valley Gas’s notice sets out no current quarter Refund Adjustment.

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

4. Valley Gas's notice sets out a current quarter Actual Cost Adjustment ("ACA") of (\$.3300) per Mcf. Valley Gas's total ACA is (\$.0681) per Mcf, which is a decrease of \$.3173 per Mcf from its previous total ACA \$.2492 per Mcf.

5. Valley Gas's GCR is \$6.1420 per Mcf, which is a decrease of \$.1667 per Mcf from the previous GCR of \$6.3087 per Mcf.

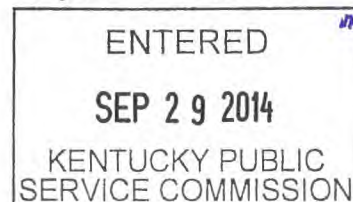
6. The rate in the Appendix to this Order is fair, just, and reasonable and should be approved for service rendered by Valley Gas on and after October 1, 2014.

IT IS THEREFORE ORDERED that:

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

2. 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. 2014-00312 DATED **SEP 29 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	\$6.1420	\$9.1481

Kerry R Kasey
Secretary
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