

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT )	CASE NO.
FILING OF PUBLIC GAS COMPANY )	2015-00010

ORDER

On March 27, 2013, in Case No. 2012-00431,<sup>1</sup> the Commission approved rates for Public Gas Company ("Public") and provided for their further adjustment in accordance with Public's Gas Cost Adjustment ("GCA") clause. On March 9, 2012, in Case No. 2012-00029,<sup>2</sup> the Commission entered an Order approving the transfer of Public's stock to Gas Natural, Inc.

On January 9, 2015, Public filed its proposed Gas Cost Recovery ("GCR") rate application to be effective February 1, 2015.

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

1. Public's revised notice includes a revised rate designed to pass on to its customers its expected change in wholesale gas costs.

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<sup>1</sup> Case No. 2012-00431, *Application of Public Gas Company for Rate Adjustment for Small Utilities Pursuant to 807 KAR 5:076* (Ky. PSC Mar. 27, 2013).

<sup>2</sup> Case No. 2012-00029, *Joint Application of Gas Natural, Inc. and Kentucky Energy Development, LLC for an Order Approving a Transfer and Acquisition of Ownership and Control of Public Gas Company, Inc.* (Ky. PSC Mar. 9, 2012).

2. Public's revised notice sets out an Expected Gas Cost ("EGC") of \$4.6713 per Mcf, which is a decrease of \$.9911 per Mcf from the previous EGC of \$5.6624 per Mcf.

3. Public's revised notice sets out no current quarter Refund Adjustment.

4. Public's revised notice sets out a current quarter Actual Cost Adjustment ("ACA") of \$.0639 per Mcf. Public did not adjust its current quarter ACA to limit line loss recovery for September and October 2014 to 5 percent. Public's corrected current quarter ACA is (\$.0026) per Mcf. Public's total ACA is \$.2993 per Mcf, which is an increase of \$.0151 per Mcf from the previous total ACA of \$.2842 per Mcf.

5. Public's corrected GCR is \$4.9706 per Mcf, which is a decrease of \$.9760 per Mcf from the previous GCR of \$5.9466 per Mcf.

6. The rate in the Appendix to this Order is fair, just, and reasonable and should be approved for service rendered on and after February 1, 2015. Although Public's GCR rate application did not provide 30 days' notice to the Commission as required by Public's tariff, KRS 278.180(2) authorizes the Commission to make a reduction in rates effective in less than 30 days.

IT IS THEREFORE ORDERED that:

1. The rate proposed by Public is denied.

2. The rate in the Appendix to this Order is approved for service rendered on and after February 1, 2015.

3. Within 20 days of the date of this Order, Public shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff

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

By the Commission

ENTERED  
JAN 23 2015  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2015-00010 DATED **JAN 23 2015**

The following rates and charges are prescribed for the customers served by Public Gas Company. 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.

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Customer Charge	\$ 10.00		
All Mcf	\$ 3.0914	\$ 4.9706	\$ 8.0620

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