

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	CASE NO.
FILING OF VALLEY GAS, INC.)	2016-00105

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 February 29, 2016, Valley Gas filed its Gas Cost Recovery ("GCR") rate application to be effective April 1, 2016.

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 \$5.0254 per Mcf, which is an increase of \$.1754 per Mcf from the previous EGC of \$4.8500 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 \$.0182 per Mcf. Valley Gas's total ACA is (\$.6164) per Mcf, which is an increase of \$.6375 per Mcf from its previous total ACA of (\$1.2539) per Mcf.

5. Valley Gas's GCR rate is \$4.4090 per Mcf, which is an increase of \$.8129 per Mcf from the previous GCR rate of \$3.5961 per Mcf.

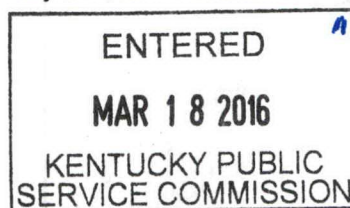
6. The rate set forth in the Appendix to this Order is fair, just, and reasonable and should be approved for service rendered by Valley Gas on and after April 1, 2016.

IT IS THEREFORE ORDERED that:

1. The rate proposed by Valley Gas and set forth in the Appendix to this Order is approved for service rendered on and after April 1, 2016.

2. Within 20 days of the date of this Order, Valley Gas 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:


Acting Executive Director 

*Kerry R Kasey
Secretary
Valley Gas, Inc.
401 S First Street
P. O. 366
Irvington, KY 40146

*Valley Gas, Inc.
401 S First Street
P. O. Box 366
Irvington, KY 40146