

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF)	CASE NO.
NATURAL ENERGY UTILITY CORPORATION)	2016-00185

ORDER

On May 20, 2002, Natural Energy Utility Corporation (“Natural Energy”) adopted the tariffs, including a Purchased Gas Cost Adjustment Clause,¹ for furnishing gas service to the customers previously served by American Natural Gas Corporation.

On May 27, 2016, Natural Energy filed its Gas Cost Recovery (“GCR”) rate application to become effective July 1, 2016.

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

1. Natural Energy’s notice includes a revised rate designed to pass on to its customers its expected change in wholesale gas costs.
2. Natural Energy’s notice sets out an Expected Gas Cost (“EGC”) of \$3.3787, which is a decrease of \$.2807 per Mcf from the previous EGC of \$3.6594 per Mcf.
3. Natural Energy’s notice sets out no current quarter or total supplier Refund Adjustment.

¹ Natural Energy Utility Corporation Tariff, PSC Ky. No. 1, First Revised Sheet No. 17 (effective Apr. 15, 2006).

4. Natural Energy's notice sets out a current quarter Actual Cost Adjustment ("ACA") of (\$.4814) per Mcf. Natural Energy's total ACA is (\$.9404) per Mcf, which is an increase of \$.0468 per Mcf from the previous total ACA of (\$.9872) per Mcf.

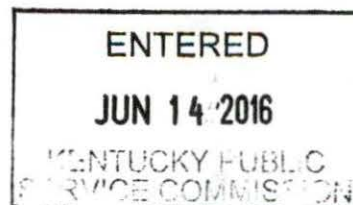
5. Natural Energy's notice sets out a GCR rate of \$2.4382 per Mcf. Natural Energy's GCR rate was miscalculated due to a spreadsheet error. Natural Energy's corrected GCR rate is \$2.4383 per Mcf, which is a decrease of \$.2339 per Mcf from the previous GCR rate of \$2.6722 per Mcf.

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

IT IS THEREFORE ORDERED that:

1. The rate proposed by Natural Energy is denied
2. The rate set forth in the Appendix to this Order is approved for service rendered by Natural Energy on and after July 1, 2016.
3. Within 20 days of the date of this Order, Natural Energy 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:

David D. Shumway

Acting Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00185 DATED **JUN 14 2016**

The following rates and charges are prescribed for the customers in the area served by Natural Energy Utility Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES:

<u>Monthly</u>	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
All Mcf	\$4.24	\$2.4383	\$6.6783

Minimum Bill

The minimum bill shall be \$6.6783

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