

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT) CASE NO.
FILING OF BLUEGRASS GAS SALES, INC.) 2018-00079

ORDER

On July 17, 2012, in Case No. 2011-00364,¹ the Commission approved rates for Bluegrass Gas Sales, Inc. (“Bluegrass”), and provided for their further adjustment on a quarterly basis in accordance with Bluegrass’s purchased gas cost adjustment clause.

On February 22, 2018, Bluegrass filed its proposed Gas Cost Recovery (“GCR”) rate application, to be effective April 1, 2018.

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

1. Bluegrass’s notice includes revised rates designed to pass on to its customers its expected change in gas costs.
2. Bluegrass’s notice sets out an Expected Gas Cost (“EGC”) of \$4.5362 per Mcf, which is a decrease of \$.2248 per Mcf from its previous EGC of \$4.7610 per Mcf.
3. Bluegrass’s notice sets out no Refund Adjustment.
4. Bluegrass’s notice sets out a current quarter Actual Cost Adjustment (“ACA”) of (\$.2274) per Mcf. Bluegrass’s total ACA is (\$.1200) per Mcf, which is a decrease of \$.2743 per Mcf from its previous total ACA of \$.1543 per Mcf.

¹ Case No. 2011-00364, *Alternative Rate Filing Adjustment of Bluegrass Gas Sales, Inc.* (Ky. PSC July 17, 2012).

5. Bluegrass's notice sets out a current quarter Balance Adjustment ("BA") of \$.0009 per Mcf. Bluegrass did not use the correct \$0.0008 per Mcf BA previously approved in Case No. 2016-00396² in the calculation of its current quarter BA. Bluegrass's corrected current quarter BA is (\$.0007) per Mcf. Bluegrass's recalculated total BA is (\$.0255) per Mcf, which is a decrease of \$.0003 per Mcf from its previous total BA of (\$.0252) per Mcf.

6. Bluegrass's corrected GCR rate is \$4.3907 per Mcf, which is a decrease of \$.4994 per Mcf from its previous GCR rate of \$4.8901 per Mcf.

7. The rate set forth in the Appendix to this Order is fair, just, and reasonable and should be approved for service rendered by Bluegrass on and after April 1, 2018.

IT IS THEREFORE ORDERED that:

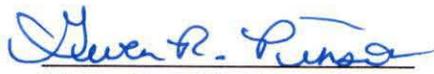
1. The rate proposed by Bluegrass is denied.
2. The rate set forth in the Appendix to this Order is approved for service rendered on and after April 1, 2018.
3. Within 20 days of the date of entry of this Order, Bluegrass shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

² Case No. 2016-00396, *Purchased Gas Adjustment Filing of Bluegrass Gas Sales, Inc.* (Ky. PSC Dec. 15, 2016).

By the Commission

ENTERED
FEB 28 2018
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00079 DATED FEB 28 2018

The following rates and charges are prescribed for the customers in the area served by Bluegrass Gas Sales, 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.

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Customer Charge	\$10.00		
All Mcf	\$5.1416	\$4.3907	\$ 9.5323

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