

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT ) CASE NO.  
FILING OF BLUEGRASS GAS SALES, INC. ) 2018-00158

ORDER

On July 17, 2012, in Case No. 2011-00364,<sup>1</sup> 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 May 23, 2018, Bluegrass filed its proposed Gas Cost Recovery (“GCR”) rate application to be effective July 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 \$4.6339 per Mcf, which is an increase of \$.0977 per Mcf from its previous EGC of \$4.5362 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 \$.0685 per Mcf. Bluegrass’s total ACA is (\$.1967) per Mcf, which is a decrease of \$.0767 per Mcf from its previous total ACA of (\$.1200) per Mcf.

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<sup>1</sup> 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 (\$.0063) per Mcf. Bluegrass's total BA is (\$.0206) per Mcf, which is an increase of \$.0049 per Mcf from its previous total BA of (\$.0255) per Mcf.

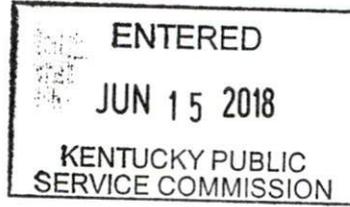
6. Bluegrass's notice sets out a GCR rate of \$4.4167 per Mcf. Due to a spreadsheet rounding error, Bluegrass erroneously set out an incorrect GCR rate. Bluegrass's corrected GCR rate is \$4.4166 per Mcf, which is an increase of \$.0259 per Mcf from its previous GCR rate of \$4.3907 per Mcf.

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 July 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 July 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.
4. This case is closed and removed from the Commission's docket.

By the Commission



ATTEST:

  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2018-00158 DATED **JUN 15 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 the authority of the Commission prior to the effective date of this Order.

|                 | <u>Base Rate</u> | <u>Gas Cost<br/>Recovery<br/>Rate</u> | <u>Total</u> |
|-----------------|------------------|---------------------------------------|--------------|
| Customer Charge | \$10.00          |                                       |              |
| All Mcf         | \$5.1416         | \$4.4166                              | \$ 9.5582    |

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