#### COMMONWEALTH OF KENTUCKY

### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT	)		
FILING OF NATURAL ENERGY	)	CASE NO.	2009-00196
UTILITY CORPORATION	)		

#### ORDER

On December 18, 1991, in Case No. 1991-00138, the Commission approved rates for Natural Energy Utility Corporation ("Natural Energy") and provided for their further adjustment in accordance with Natural Energy's Gas Cost Adjustment ("GCA").<sup>1</sup>

On May 29, 2009, Natural Energy filed its proposed GCA to be effective July 1, 2009.

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

- 1. Natural Energy's notice includes revised rates 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 \$4.0652 per Mcf, which is a decrease of \$.8461 per Mcf from the previous EGC of \$4.9113 per Mcf.
- 3. Natural Energy's notice sets out no current quarter or total supplier Refund Adjustment ("RA").

<sup>&</sup>lt;sup>1</sup> Case No. 1991-00138, Columbia Gas of Kentucky, Inc. vs. Kentucky-Ohio Gas Company.

- 4. Natural Energy's notice sets out a current quarter Actual Adjustment ("AA") of \$.0303 per Mcf. In calculating its current quarter AA, Natural Energy failed to use the EGC of \$6.4687 per Mcf that was in effect for January, February, and March 2009. Correcting for this produces a current quarter AA of (\$.6943) per Mcf and a total AA of (\$.5740) per Mcf, which is a decrease of \$1.5113 per Mcf from the previous total AA of \$.9373 per Mcf.
- 5. Natural Energy's GCA is \$3.4912 per Mcf, which is a decrease of \$2.3574 per Mcf from the previous GCA of \$5.8486 per Mcf.
- 6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Natural Energy on and after July 1, 2009.

#### IT IS THEREFORE ORDERED that:

1. The rates proposed by Natural Energy are denied.

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- 2. The rates in the Appendix attached hereto and incorporated herein are approved for billing for service rendered on and after July 1, 2009.
- 3. Within 20 days of the date of this Order, Natural Energy shall file with the Commission its revised tariff sheets setting out the rates authorized herein.

By the Commission

ATTEST:

Executive Director

#### **APPENDIX**

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2009-00196 DATED JUN 1 6 2009

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:

		Gas Cost Recovery	Total
Monthly	Base Rate	Rate	Rate
All Mcf	\$4.24	\$3.4912	\$ 7.7312

# Minimum Bill

The minimum bill shall be \$7.7312

H. Jay Freeman General Manager Natural Energy Utility Corporation 2560 Hoods Creek Pike Ashland, KY 41102