

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT )  
FILING OF AUXIER ROAD GAS ) CASE NO. 2009-00200  
COMPANY, INC. )

ORDER

On April 2, 2009, in Case No. 2008-00156, the Commission approved the Gas Cost Adjustment (“GCA”) clause of Auxier Road Gas Company, Inc. (“Auxier”) allowing for the monthly adjustment of its rates.<sup>1</sup>

On June 1, 2009, Auxier 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. Auxier’s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Auxier’s notice sets out an Expected Gas Cost (“EGC”) of \$5.9843 per Mcf, which is a decrease of \$1.2992 per Mcf from its prior EGC of \$7.2835 per Mcf.
3. Auxier’s notice sets out no current Refund Adjustment.
4. Auxier’s notice sets out a current quarter Actual Adjustment (“AA”) of \$.4141 per Mcf to recover remaining under/over-collections of gas cost from its previous quarterly AA mechanism. In the future, Auxier will file monthly AA adjustments pursuant

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<sup>1</sup> Case No. 2008-00156, Application of Auxier Road Gas Company, Inc. for an Adjustment in Rates and Certain Nonrecurring Charges (Ky. PSC Apr. 2, 2009).

to its revised GCA clause. Auxier's total AA is (\$2.4882) per Mcf, which is an increase of \$.3511 per Mcf from its previous total AA of (\$2.8393) per Mcf.

5. Auxier's notice sets out no current quarter or total Balance Adjustment ("BA"). Auxier had previously calculated and collected BAs, based on previous quarters' AAs and combined into one 24-month AA, which will expire March 3, 2010. The under/over-recoveries resulting from BAs previously placed into effect related to those superseded AAs will be corrected through a current quarter BA of (\$.0015) which will remain in effect for 12 months. The total BA of (\$.0015) is a decrease of \$.0015 per Mcf from Auxier's previous total BA of \$0.0000. Calculation of the BA collections is attached as Appendix B.

6. Auxier's gas cost recovery rate is \$3.4946 per Mcf, which is a decrease of \$.9496 per Mcf from its previous rate of \$4.4442 per Mcf.

7. The rates in Appendix A to this Order are fair, just and reasonable, and should be approved for billing for service rendered by Auxier on and after July 1, 2009.

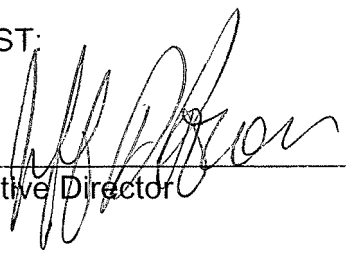
IT IS THEREFORE ORDERED that:

1. Auxier's proposed rates are denied.
2. The rates in Appendix A, 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, Auxier shall file with this Commission its revised tariff sheets setting out the rates approved herein.

By the Commission

ENTERED  
JUN 11 2009 *sl*  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
\_\_\_\_\_  
Executive Director

Case No. 2009-00200

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2009-00200 DATED JUN 11 2009

The following rates and charges are prescribed for the customers served by Auxier Road Gas Company, Inc. 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>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First Mcf (Minimum Bill)	\$ 6.36	\$3.4946	\$9.8546
All Over 1 Mcf	\$ 5.0645	\$3.4946	\$8.5591

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2009-00200 DATED JUN 11 2009

Calculation of Collections Through Incorrect Use of Balance Adjustment  
Mcf Sales through

Case No.	Effective Date	March 31, 2009*	Factor	Refunded/Collected
2008-00190	July 1, 2008	85,194	\$0.0170	\$1,448.30
2008-00361	October 2, 2008	74,499	(\$0.0180)	(\$1,340.98)
2008-00496	January 1, 2009	40,808	\$0.0010	\$40.81
<b>Total to be refunded to customers due to incorrect use of BA</b>				<b>-\$148.12</b>
Twelve months sales				101759
<b>Current quarter BA</b>				<b>-\$0.0015</b>

\*Mcf Sales by month

Jul-08	3,612
Aug-08	3,597
Sep-08	3,486
Oct-08	6,027
Nov-08	11,622
Dec-08	16,042
Jan-09	16,341
Feb-09	13,772
Mar-09	10,695

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