

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF AUXIER ROAD GAS)	CASE NO. 2009-00251
COMPANY, INC.)	

ORDER

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

On July 1, 2009, Auxier filed its proposed GCA to be effective August 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 \$5.8471 per Mcf, which is a decrease of \$.1372 per Mcf from its prior EGC of \$5.9843 per Mcf.
3. Auxier's notice sets out no current Refund Adjustment.
4. Auxier's notice sets out a current month Actual Adjustment ("AA") of (\$.0003) per Mcf to recover under/over-collections of gas costs from May 2009. Auxier proposed a total AA of (\$2.1747) per Mcf. An unexpired previous quarter AA of (\$.3138) was not included in the calculation. Correcting this error produces a total AA of

¹ 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).

(\$2.4886) per Mcf, which is a decrease of \$.0004 per Mcf from its previous total AA of (\$2.4882) per Mcf.

5. Auxier's notice sets out no current quarter Balance Adjustment ("BA"). The total BA of (\$.0015) represents no change from its previous total BA.

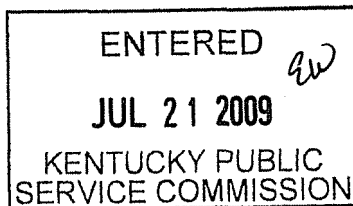
6. Auxier's Gas Cost Recovery Rate is \$3.3570 per Mcf, which is a decrease of \$.1376 per Mcf from its previous rate of \$3.4946 per Mcf.

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

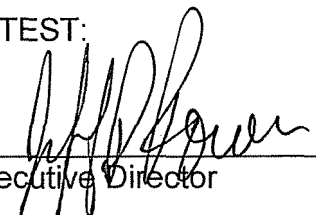
IT IS THEREFORE ORDERED that:

1. Auxier's proposed rates are denied.
2. The rates in the Appendix attached hereto and incorporated herein are approved for billing for service rendered on and after August 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



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00251 DATED **JUL 21 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	\$3.3570	\$9.7170
All Over 1 Mcf	\$ 5.0645	\$3.3570	\$8.4215

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