

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT                    )  
FILING OF NATURAL ENERGY                )    CASE NO. 2009-00380  
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 September 21, 2009 Natural Energy filed its proposed GCA to be effective October 1, 2009. Natural Energy did not give the 30 days’ notice required for rates to become effective October 1. Natural Energy’s rate change pursuant to its GCA filing will be effective October 21, 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 \$5.5682 per Mcf, which is an increase of \$1.5030 per Mcf from the previous EGC of \$4.0652 per Mcf.

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<sup>1</sup> Case No. 1991-00138, Columbia Gas of Kentucky, Inc. vs. Kentucky-Ohio Gas Company (Ky. PSC Dec. 18, 1991).

3. Natural Energy's notice sets out no current quarter or total supplier Refund Adjustment ("RA").

4. Natural Energy's notice sets out a current quarter Actual Adjustment ("AA") of \$.0166 per Mcf. In calculating its current quarter AA, Natural Energy failed to use the EGC of \$4.9113 per Mcf that was in effect for April, May, and June 2009. Correcting for this produces a current quarter AA of (\$.1043) per Mcf and a total AA of (\$1.1174) per Mcf, which is a decrease of \$.5434 per Mcf from the previous total AA of (\$.5740) per Mcf.

5. Natural Energy's GCA is \$4.4508 per Mcf, which is an increase of \$.9596 per Mcf from the previous GCA of \$3.4912 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 October 21, 2009.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Natural Energy are denied.
2. The rates in the Appendix attached hereto and incorporated herein are approved for billing for service rendered on and after October 21, 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

ENTERED  
OCT 15 2009 *sl*  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

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

Case No. 2009-00380

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2009-00380 DATED OCT 15 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:

<u>Monthly</u>	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
All Mcf	\$4.24	\$4.4508	\$ 8.6908

Minimum Bill

The minimum bill shall be \$ 8.6908

H. Jay Freeman  
General Manager  
Natural Energy Utility Corporation  
2560 Hoods Creek Pike  
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