

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF AUXIER ROAD GAS) CASE NO. 2009-00400
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.¹

On October 1, 2009, Auxier filed its proposed GCA to be effective November 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 \$6.8584 per Mcf, which is an increase of \$1.1360 per Mcf from its prior EGC of \$5.7224 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 (\$.10072) per Mcf to return over-collections of gas cost from August 2009. Auxier's total AA is (\$2.4217) per Mcf, which is a decrease of \$.1477 per Mcf from its previous total

¹ Case No. 2008-00156, Application of Auxier Road Gas Co., Inc. for an Adjustment in Rates and Certain Nonrecurring Charges (Ky. PSC April 2, 2009).

AA of (\$2.2740) per Mcf. Due to a mathematical error, the previous total AA did not include the previous quarter AA of (\$.0470). This error will be corrected in Auxier's next monthly filing when sales for September are known.

5. Auxier's notice sets out no current quarter Balance Adjustment ("BA"). Auxier will not need to calculate a BA until its February 1, 2010 filing for rates effective March 2010. The total BA of \$.0068 per Mcf represents no change from the previous total BA.

6. Auxier's Gas Cost Recovery rate is \$4.4435 per Mcf, which is an increase of \$.9883 per Mcf from its previous rate of \$3.4552 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 November 1, 2009.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix attached hereto and incorporated herein are approved for billing for service rendered on and after November 1, 2009.

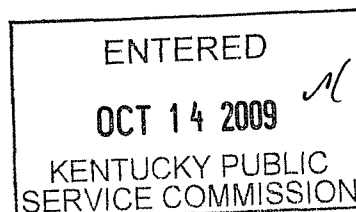
2. Within 20 days of the date of this Order, Auxier shall file with this Commission its revised tariff sheets setting out the rates approved herein.

By the Commission

ATTEST:



Executive Director



APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00400 DATED OCT 14 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	\$4.4435	\$10.8035
All Over 1 Mcf	\$ 5.0645	\$4.4435	\$ 9.5080

Kimberly R Crisp
Auxier Road Gas Company, Inc.
P. O. Box 785
Prestonsburg, KY 41653