

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF AUXIER ROAD GAS)	CASE NO. 2010-00101
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 March 2, 2010, Auxier filed its proposed GCA to be effective April 1, 2010.

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 \$7.3499 per Mcf, which is a decrease of \$.2651 per Mcf from its prior EGC of \$7.6150 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 \$.053, which Commission Staff carried out four places to \$.0525 per Mcf. Auxier’s proposed total AA is (\$.1683) per Mcf. Auxier omitted a previous month AA of \$.0012

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).

per Mcf in its calculation of its total AA, and proposed a negative AA instead of a positive AA. Correcting this error produces a total AA of \$.1678 per Mcf, which is an increase of \$1.6728 per Mcf from its previous total AA of (\$1.5050) per Mcf. Staff's calculations are shown in Appendix B.

5. Auxier's notice sets out no current quarter Balance Adjustment ("BA"). The total BA of \$.0056 per Mcf remains unchanged from the previous quarter.

6. Auxier's gas cost recovery rate is \$7.5233 per Mcf, which is an increase of \$1.4077 per Mcf from its previous rate of \$6.1156 per Mcf.

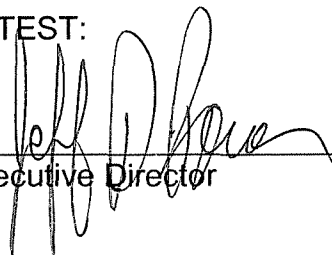
7. The rates in the Appendix to this Order are fair, just and reasonable, and should be approved for billing for service rendered by Auxier on and after April 1, 2010.

IT IS THEREFORE ORDERED that:

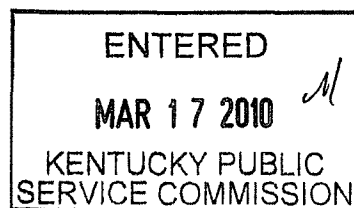
1. The rates proposed by Auxier are hereby denied.
2. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after April 1, 2010.
3. Within 20 days of the date of this Order, Auxier shall file with this Commission its revised tariff sheets setting out the rates approved herein, reflecting that they were approved pursuant to this Order.

By the Commission

ATTEST:



Executive Director



APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00101 DATED MAR 17 2010

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	\$7.5233	\$13.8833
All Over 1 Mcf	\$ 5.0645	\$7.5233	\$12.5878

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00101 DATED MAR 17 2010

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$7.3499
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	\$0.1678
Balance Adjustment (BA)	\$/Mcf	\$0.0056
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$7.5233

To be effective for service rendered from April 1 to April 30 2010

A. EXPECTED GAS COST CALCULATION	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$729,744.78
/Sales for the 12 months ended January 31, 2010	\$/Mcf	99,286.00
Expected Gas Cost	\$/Mcf	\$7.3499

B. REFUND ADJUSTMENT CALCULATION	<u>Unit</u>	<u>Amount</u>
Supplier Refund Adjustment for Reporting Period (Sch III)	\$/Mcf	\$0.0000
+Previous Quarter Supplier Refund Adjustment	\$/Mcf	
+Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	
+Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	
=Refund Adjustment (RA)	\$ Mcf	\$0.0000

C. ACTUAL ADJUSTMENT CALCULATION	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Sch IV)	\$/Mcf	\$0.0525
	\$/Mcf	(\$0.0685)
	\$/Mcf	\$0.0503
	\$/Mcf	\$0.0012
	\$/Mcf	(\$0.0965)
	\$/Mcf	(\$0.1007)
	\$/Mcf	\$0.0150
	\$/Mcf	(\$0.0993)
	\$/Mcf	(\$0.0003)
	\$/Mcf	\$0.4141
=Actual Adjustment (AA)	\$ Mcf	\$0.1678

D. BALANCE ADJUSTMENT CALCULATION	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)		\$0.0000
	\$/Mcf	(\$0.0012)
	\$/Mcf	\$0.0098
	\$/Mcf	(\$0.0015)
	\$/Mcf	(\$0.0015)
=Balance Adjustment (BA)	\$ Mcf	\$0.0056

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