

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF COLUMBIA GAS OF)	CASE NO. 2010-00186
KENTUCKY, INC.)	

O R D E R

On October 26, 2009, in Case No. 2009-00141,¹ the Commission approved rates for Columbia Gas of Kentucky, Inc. ("Columbia") and provided for their further adjustment in accordance with Columbia's Gas Cost Adjustment ("GCA") clause.

On April 28, 2010, Columbia filed its proposed GCA to be effective May 28, 2010.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Columbia's notice includes rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Columbia's Expected Gas Cost ("EGC") is \$6.0895 per Mcf, a decrease of \$1.9951 per Mcf from its last EGC of \$8.0846 per Mcf.
3. Columbia's notice sets out a rate for Banking and Balancing Service of \$.0208 per Mcf.
4. Columbia's notice sets out no Transportation Take-or-Pay Refund Adjustment.

¹ Case No. 2009-00141, Application of Columbia Gas of Kentucky, Inc. for an Adjustment in Rates (Ky. PSC Oct. 26, 2009).

5. Columbia's notice sets out a current quarter supplier Refund Adjustment of (\$.0019) per Mcf. Columbia's notice sets out a total RA of (\$.0082) per Mcf, which represents a decrease of \$.0019 per Mcf from the prior RA of (\$.0063) per Mcf.

6. Columbia's notice sets out its annual Actual Cost Adjustment ("ACA") of (\$2.9537) per Mcf, which represents no change from the previous ACA.

7. Columbia's notice sets out its Balancing Adjustment ("BA") of \$1.2853 per Mcf, which represents no change from the previous BA.

8. Columbia's notice sets out a Special Agency Service refund adjustment of (\$.0002) per Mcf, which represents no change from the previous rate.

9. Columbia's notice sets out its Gas Cost Incentive Adjustment of \$.0042 per Mcf, which represents no change from the previous rate.

10. Columbia's approved Gas Cost Recovery ("GCR") rate is \$4.4169 per Mcf, which is a decrease of \$1.9970 per Mcf from the previous GCR of \$6.4139 per Mcf.

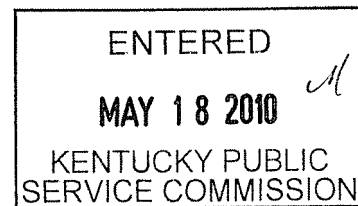
11. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for the billing cycle of June 2010, beginning on May 28, 2010.

IT IS THEREFORE ORDERED that:

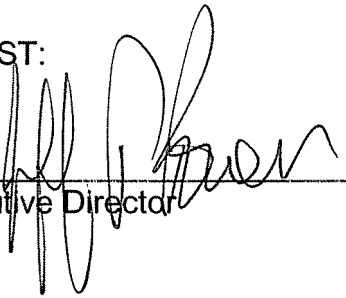
1. The rates in the Appendix to this Order are approved for billing with the final meter readings beginning on May 28, 2010.

2. Within 20 days of the date of this Order, Columbia shall file with this Commission its revised tariffs setting out the rates authorized herein, reflecting that they were approved pursuant to this Order.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00186 DATED **MAY 18 2010**

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Gas Cost Recovery Rate

The total Gas Cost Recovery Rate shall be \$4.4169 per Mcf effective May 28, 2010.

Judy M Cooper
Director, Regulatory Services
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