COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF JEFFERSON GAS, LLC

CASE NO. 2010-00261

ORDER

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On February 16, 1999, in Case No. 1998-00499,¹ the Commission approved rates for Jefferson Gas Transmission Company ("Jefferson") and provided for their further adjustment in accordance with Jefferson's Gas Cost Adjustment ("GCA") clause.

On June 30, 2010, Jefferson filed its proposed GCA to be effective August 1, 2010.

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

1. Jefferson's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.

2. Jefferson's proposed Expected Gas Cost ("EGC") is \$3.8780 per Mcf, which is a increase of \$.5908 per Mcf from the previous EGC of \$3.2872 per Mcf.

3. Jefferson's notice sets out no current quarter Refund Adjustment.

¹ Case No. 1998-00499, Deviation of Jefferson Gas Transmission Company from 807 KAR 5:026 (Ky. PSC Feb. 16, 1999).

4. Jefferson's notice sets out a current quarter Actual Adjustment ("AA") of (\$.4557) per Mcf. Jefferson's total AA is (\$1.1957) per Mcf, which is an increase of \$.5037 per Mcf from the previous total AA of (\$1.6994) per Mcf.

5. Jefferson's GCA is \$2.6823 per Mcf, which is an increase of \$1.0945 per Mcf from the previous GCA of \$1.5878 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 Jefferson on and after August 1, 2010.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order, attached hereto and incorporated herein, are approved for billing for service rendered by Jefferson on and after August 1, 2010.

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

By the Commission

ENTERED ENTERED ENTERED JUL 2 9 2010 KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST: Exec

Case No. 2010-00261

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00261 DATED JUL 2 9 2010

The following rates and charges are prescribed for the customers served by Jefferson Gas Transmission Company. 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:

	Base Rate	Gas Cost	<u>Rate per Mcf</u>
Minimum Bill - First Mcf	\$3.89	\$2.6823	\$6.5723
Over 1 Mcf	\$2.26	\$2.6823	\$4.9423

Bert Layne Jefferson Gas Transmission Co., Inc. 220 Lexington Green Circle, Ste. 130 P. O. Box 24032 Lexington, KY 40503-3333