

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF COLUMBIA GAS OF)	CASE NO. 2011-00284
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 July 29, 2011, Columbia filed its proposed GCA to be effective August 29, 2011. Columbia filed a revised GCA on August 17, 2011, to correct an error in its initial filing.

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 \$6.9009 per Mcf, an increase of \$.1070 per Mcf from its last EGC of \$6.7939 per Mcf.
3. Columbia's revised notice sets out a rate for Banking and Balancing Service of \$.0207 per Mcf.

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

4. Columbia's revised notice sets out a current quarter supplier Refund Adjustment of (\$.0041) per Mcf. Columbia's notice sets out a total RA of (\$.0121) per Mcf, which represents a decrease of \$.0041 per Mcf from the prior RA of (\$.0080) per Mcf.

5. Columbia's revised notice sets out an Actual Cost Adjustment ("ACA") of (\$.1605) per Mcf, which is an increase of \$.0861 per Mcf from the previous ACA of (\$.2466) per Mcf.

6. Columbia's revised notice sets out a Balancing Adjustment ("BA") of (\$1.1070) per Mcf, which is a decrease of \$.0023 from the previous BA of (\$1.1047) per Mcf.

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

8. Columbia's revised notice sets out its previously approved Gas Cost Incentive Adjustment of \$.0207 per Mcf.

9. Columbia's approved Gas Cost Recovery rate ("GCR") is \$5.6418 per Mcf, which is an increase of \$.1867 per Mcf from the previous GCR of \$5.4551 per Mcf.

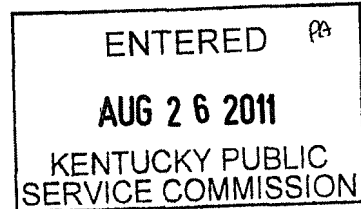
10. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for the September 2011 billing cycle, beginning on August 29, 2011.

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 August 29, 2011.

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. 2011-00284 DATED **AUG 26 2011**

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 \$5.6418 per Mcf effective August 29, 2011.

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