

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALTERNATIVE RATE FILING ADJUSTMENT)	CASE NO.
OF BLUEGRASS GAS SALES, INC.)	2011-00364

ORDER

On September 2, 2011, Bluegrass Gas Sales, Inc. ("Bluegrass Gas") filed a request for a deviation from 807 KAR 5:076, Section 1, which permits only utilities with 500 or fewer customers or \$300,000 or less gross annual revenue to apply for an adjustment of rates under the Alternative Rate Filing procedure for small utilities ("ARF"). While it had 666 customers as of December 31, 2010 and had annual revenues of \$467,740 for the year ending December 31, 2010,¹ Bluegrass Gas states that it is a relatively small natural gas distribution company and has not had a rate case since the mid-nineties. It further states that the simplified application will provide the Commission with adequate information. The Commission finds that the requested deviation should be granted.

On September 26, 2011, Bluegrass Gas filed its response to the Commission's September 16, 2011 deficiency notice that its application failed to meet the requirements of 807 KAR 5:076, Section 4(2)(c), which requires an applicant using ARF procedures to:

[p]ublish notice once a week for three (3) consecutive weeks
in a prominent manner in a newspaper of general circulation

¹ Annual Report of Bluegrass Gas Sales, Inc. to the Public Service Commission for the Calendar Year Ended December 31, 2010 at 9 and 11.

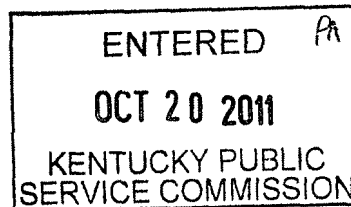
in its service area, the first publication to be made by the date the application is filed.

In its response, Bluegrass Gas includes a table of the counties, newspapers and dates of publication of its public notice to its customers and requests a deviation from the requirement that the first notice be published prior to the filing of its application. The Commission finds that the requested deviation should be granted and that the date of filing of the application should be September 26, 2011.


IT IS THEREFORE ORDERED that:

1. Bluegrass Gas is authorized to file its application for rate adjustment under the procedures set forth in 807 KAR 5:076.
2. Bluegrass Gas's request to deviate from 807 KAR 5:076, Section 4, regarding the date of its first publication of notice is granted.
3. Bluegrass Gas's application is considered filed as of September 26, 2011.

By the Commission



ATTEST:



Executive Director

Mark H O'Brien
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