

4. Bluegrass's notice sets out a current quarter Actual Adjustment ("AA") of (\$.0241) per Mcf. Bluegrass's total AA is (\$.0709) per Mcf, which is a decrease of \$.0077 per Mcf from its previous total AA of (\$.0632) per Mcf.

5. Bluegrass's notice sets out a current quarter Balance Adjustment ("BA") of \$.0003 per Mcf, which includes a correction for a previous Commission Staff calculation error. In calculating its total BA, Bluegrass used the \$.0179 previous quarter BA it had proposed rather than the \$.0169 per Mcf BA approved by the Commission in Case No. 2011-00357.² Bluegrass's total BA should be \$.0197 per Mcf, which is a decrease of \$.0057 per Mcf from its previous total BA of \$.0254 per Mcf.

6. Bluegrass's GCA is \$5.8247 per Mcf, which is a decrease of \$.0824 per Mcf from its previous rate of \$5.9071 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 Bluegrass on and after January 1, 2012.

IT IS THEREFORE ORDERED that:

1. Bluegrass's proposed rates are denied.

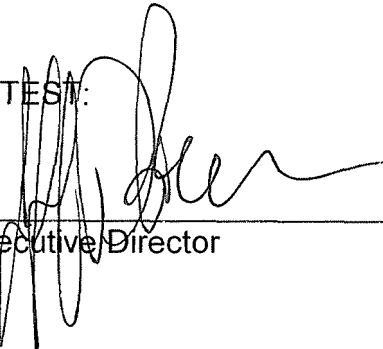
2. The rates in the Appendix, attached hereto and incorporated herein, are approved effective January 1, 2012.

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

² Case No. 2011-00357, Purchased Gas Adjustment Filing of Bluegrass Gas Sales, Inc. (Ky. PSC Sept. 19, 2011).

By the Commission

ENTERED *DA*
DEC 20 2011
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00467 DATED **DEC 20 2011**

The following rates and charges are prescribed for the customers served by Bluegrass Gas Sales, 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.

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
All Mcf (Minimum Bill)	\$4.6137	\$5.8247	\$10.4384

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