COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)FILING OF JEFFERSON GAS, LLC)CASE NO. 2011-00521

<u>ORDER</u>

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

On December 29, 2011, Jefferson filed its proposed GCA to be effective February 1, 2012.

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 \$2.4348 per Mcf, which is a decrease of \$.3526 per Mcf from the previous EGC of \$2.7874 per Mcf.

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

¹ Case No. 1998-00499, In the Matter of the 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 (\$.0344) per Mcf. Jefferson's total AA is (\$.4457) per Mcf, which is a decrease of \$.0021 per Mcf from the previous total AA of (\$.4436) per Mcf.

5. Jefferson's GCA is \$1.9891 per Mcf, which is a decrease of \$.3547 per Mcf from the previous GCA of \$2.3438 per Mcf.

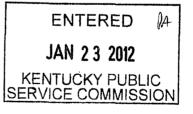
6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Jefferson on and after February 1, 2012.

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 February 1, 2012.

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



ATTES Executive Directo

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00521 DATED JAN 2 3 2012

The following rates and charges are prescribed for the customers served by Jefferson Gas, LLC. 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.

<u>Rates:</u>

	Base Rate	<u>Gas Cost</u>	Rate per Mcf
Minimum Bill - First Mcf	\$3.89	\$1.9891	\$5.8791
Over 1 Mcf	\$2.26	\$1.9891	\$4.2491

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