COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF) NAVITAS KY NG, LLC) CASE NO. 2012-00134

<u>ORDER</u>

On February 16, 1995,¹ the Commission approved rates for Gasco Distribution Systems, Inc. ("Gasco") and provided for their further adjustment on a quarterly basis in accordance with its Gas Cost Adjustment clause. On February 28, 2011, Navitas KY NG, LLC ("Navitas KY") acquired the assets of Gasco pursuant to the Commission's approval of the transfer, and adopted Gasco's tariffs.²

On April 9, 2012, Navitas KY filed its proposed Gas Cost Recovery ("GCR") rate to be effective May 1, 2012.

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

1. Navitas KY's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs. Navitas KY's notice sets out an

¹ Case No. 1994-00427, The Application of Gasco Distribution Systems, Inc. for a Certificate of Convenience and Necessity to Provide Local Gas Distribution Service to Albany, Ky and for Transfer of the Albany Gas Utility Company (Ky. PSC Feb. 16, 1995).

² Case No. 2010-00468, Joint Application of Navitas Kentucky NG, LLC and Gasco Distribution Systems, Inc. for Approval of an Acquisition of Ownership and Control of Gas Utility Systems (Ky. PSC Feb. 11, 2011).

Expected Gas Cost ("EGC") of \$4.9969 per Mcf, which represents a decrease of \$3.1457 per Mcf from the previous EGC of \$8.1426 per Mcf.

2. Navitas KY's notice sets out a current quarter Refund Adjustment ("RA") in the amount of (\$.8664) per Mcf to return a supplier refund in the amount of \$23,938 to customers. Correcting an error in transferring the RA from Schedule III to Schedule I of its application results in an RA of (\$.8820) per Mcf. Navitas KY's total RA is (\$.8820) per Mcf, which is a decrease of \$.8820 per Mcf from Navitas KY's previous gas cost rate.

3. Navitas KY's notice sets out a current quarter AA of (\$1.1989) per Mcf. Navitas KY's total AA is (\$.2556) per Mcf, which is a decrease of \$1.1989 per Mcf from its previous total AA of \$.9433 per Mcf.

4. Navitas KY's notice sets out a current quarter Balance Adjustment ("BA") of \$.5213 per Mcf. Navitas KY's total BA is (\$.2263) per Mcf, which represents an increase of \$.5213 per Mcf from its previous total BA of (\$.7476) per Mcf.

5. Navitas KY's GCR is \$3.6330 per Mcf, which is a decrease of \$4.7053 per Mcf from its previous rate of \$8.3383 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 Navitas KY on and after May 1, 2012.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix attached hereto and incorporated herein are approved for billing for service rendered on and after May 1, 2012.

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

By the Commission



ATT Director

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APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2012-00134 DATED APR 2 4 ZUIZ

The following rates and charges are prescribed for the customers served by Navitas KY NG, LLC. 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.

RATES:

	Base Rate	Gas Cost Recovery <u>Rate</u>	Total
Residential	\$4.62	\$3.6330	\$8.2530
Commercial	\$3.62	\$3.6330	\$7.2530

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