COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF) CASE NO. NAVITAS KY NG, LLC) 2013-00132

ORDER

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 1, 2013, Navitas KY filed its proposed Gas Cost Recovery ("GCR") rate to be effective May 1, 2013.

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 Expected Gas Cost ("EGC") of \$5.8172 per Mcf, which represents an increase of \$.7465 per Mcf from the previous EGC of \$5.0707 per Mcf.

¹ Case No. 1994-00427, In the Matter of 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).

- 2. Navitas KY's notice sets out no current quarter Refund Adjustment ("RA.") Navitas KY's total RA is \$.0000, which is an increase of \$.8820 per Mcf from its previous total RA.
- 3. Navitas KY's notice sets out a current quarter AA of \$.0320 per Mcf. Navitas KY's total AA is (\$.5229) per Mcf, which is an increase of \$1.2309 per Mcf from its previous total AA of (\$1.7538) per Mcf. Due to a spreadsheet error, Navitas KY calculated a (\$.5228) per Mcf total AA.
- 4. Navitas KY's notice sets out a current quarter Balance Adjustment ("BA") in the amount of \$.0252 per Mcf. Navitas KY's total BA is (\$1.3310) per Mcf, which is a decrease of \$.4961 from its previous total BA of (\$.8349) per Mcf.
- 5. Navitas KY's GCR is \$3.9633 per Mcf, which is an increase of \$2.3633 per Mcf from its previous rate of \$1.6000 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, 2013.

IT IS THEREFORE ORDERED that:

- 1. The rates proposed by Navitas KY are denied.
- 2. The rates in the Appendix attached hereto and incorporated herein are approved for billing for service rendered on and after May 1, 2013.
- 3. Within 20 days of the date of this Order, Navitas KY shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission

ENTERED R

APR 12 2013

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00132 DATED APR 1 2 2013

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:

	Gas Cost Recovery		
	Base Rate	<u>Rate</u>	Total
Residential Commercial	\$4.62 \$3.62	\$3.9633 \$3.9633	\$8.5833 \$7.5833

Thomas Hartline Navitas KY NG, LLC 3186-D Airway Avenue Costa Mesa, CA 92626