### COMMONWEALTH OF KENTUCKY

#### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF ) CASE NO. NATURAL ENERGY UTILITY CORPORATION ) 2013-00206

#### ORDER

On December 18, 1991, in Case No. 1991-00138, the Commission approved rates for Natural Energy Utility Corporation ("Natural Energy") and provided for their further adjustment in accordance with Natural Energy's Gas Cost Adjustment ("GCA").<sup>1</sup>

On May 23, 2013, Natural Energy filed its proposed GCA to become effective July 1, 2013.

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

- Natural Energy's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
- 2. Natural Energy's notice sets out an Expected Gas Cost ("EGC") of \$3.9780 per Mcf. Natural Energy miscalculated its Total Expected Gas Cost by failing to multiply its Average Expected Cost Per Mcf Purchased by its Mcf purchase volume of 105,000 Mcf on Schedule II. Correcting this produces an EGC of \$3.9012 per Mcf, which is a decrease of \$.0746 per Mcf from the previous EGC of \$3.9758 per Mcf.
- 3. Natural Energy's notice sets out no current quarter or total supplier Refund Adjustment.

<sup>&</sup>lt;sup>1</sup> Case No. 1991-00138, Columbia Gas of Kentucky, Inc. vs. Kentucky-Ohio Gas Company (Ky. PSC Dec. 18, 1991).

- 4. Natural Energy's notice sets out a current quarter Actual Adjustment ("AA") of \$.1734 per Mcf. Natural Energy's total AA is \$.1919 per Mcf, which is an increase of \$.3342 per Mcf from the previous total AA of (\$.1423) per Mcf.
- 5. Natural Energy's GCA is \$4.0931 per Mcf, which is an increase of \$.2596 per Mcf from the previous GCA of \$3.8335 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 Natural Energy on and after July 1, 2013.

#### IT IS THEREFORE ORDERED that:

- 1. The rates proposed by Natural Energy are denied.
- 2. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after July 1, 2013.
- 3. Within 20 days of the date of this Order, Natural Energy 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

JUN 14 2013

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST

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## **APPENDIX**

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00206 DATED JUN 1 4 2013

The following rates and charges are prescribed for the customers in the area served by Natural Energy Utility Corporation. 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.

# RATES:

	Gas Cost		
		Recovery	Total
<u>Monthly</u>	Base Rate	Rate	<u>Rate</u>
All Mcf	\$4.24	\$4.0931	\$8.3331

# Minimum Bill

The minimum bill shall be \$8.3331

H. Jay Freeman President Natural Energy Utility Corporation 2560 Hoods Creek Pike Ashland, KENTUCKY 41102