

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT) CASE NO.
FILING OF BLUEGRASS GAS SALES, INC.) 2017-00438

ORDER

On July 17, 2012, in Case No. 2011-00364,¹ the Commission approved rates for Bluegrass Gas Sales, Inc. (“Bluegrass”) and provided for their further adjustment on a quarterly basis in accordance with Bluegrass’s purchased gas cost adjustment clause.

On November 16, 2017, Bluegrass filed its proposed Gas Cost Recovery (“GCR”) rate application to be effective January 1, 2018. On December 4, 2017, Bluegrass filed a revised application.

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

1. Bluegrass’s revised application includes revised rates designed to pass on to its customers its expected change in gas costs.
2. Bluegrass’s revised application sets out an Expected Gas Cost (“EGC”) of \$4.7610 per Mcf, which is a decrease of \$.0557 per Mcf from its previous EGC of \$4.8167 per Mcf.
3. Bluegrass’s revised application sets out no Refund Adjustment.

¹ Case No. 2011-00364, *Alternative Rate Filing Adjustment of Bluegrass Gas Sales, Inc.* (Ky. PSC July 17, 2012).

4. Bluegrass's revised application sets out a current quarter Actual Cost Adjustment ("ACA") of (\$.0266) per Mcf. Bluegrass's total ACA is \$.1543 per Mcf, which is a decrease of \$.0385 per Mcf from its previous total ACA of \$.1928 per Mcf.

5. Bluegrass's revised application sets out a current quarter Balance Adjustment ("BA") of (\$.0024) per Mcf. Bluegrass's total BA is (\$.0252) per Mcf, which is a decrease of \$.0032 per Mcf from its previous total BA of (\$.0220) per Mcf.

6. Due to a spreadsheet rounding error, Bluegrass's revised application erroneously sets out a GCR rate of \$4.8902 per Mcf. Bluegrass's corrected GCR rate is \$4.8901 per Mcf, which is a decrease of \$.0974 per Mcf from its previous GCR rate of \$4.9875 per Mcf.

7. The rate set forth in the Appendix to this Order is fair, just, and reasonable and should be approved for service rendered by Bluegrass on and after January 1, 2018.

IT IS THEREFORE ORDERED that:

1. The rate proposed by Bluegrass is denied.
2. The rate set forth in the Appendix to this Order is approved for service rendered on and after January 1, 2018.
3. Within 20 days of the date of this Order, Bluegrass shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

By the Commission

ENTERED
DEC 19 2017
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2017-00438

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00438 DATED **DEC 19 2017**

The following rates and charges are prescribed for the customers in the area 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>
Customer Charge	\$10.0000		
All Mcf	\$ 5.1416	\$4.8901	\$ 10.0317

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