

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS)	CASE NO.
ADJUSTMENT FILING OF KENTUCKY)	2021-00262
FRONTIER GAS, LLC)	

ORDER

On June 30, 2021, Kentucky Frontier Gas, LLC (Kentucky Frontier) filed its Gas Cost Recovery (GCR) rate report for rates effective August 1, 2021. Kentucky Frontier's previous GCR rate was approved in Case No. 2021-00147.¹

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

1. Kentucky Frontier's report includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Kentucky Frontier's report sets out an Expected Gas Cost (EGC) of \$6.6717 per Mcf, which is an increase of \$1.0178 per Mcf from its previous EGC of \$5.6539 per Mcf.
3. Kentucky Frontier's report sets out no Refund Adjustment.
4. Kentucky Frontier's report sets out a current quarter AA of \$.2565 per Mcf and a total AA of \$.1060 per Mcf, which is an increase of \$.4937 per Mcf from the previous total AA of (\$.3877) per Mcf.

¹ Case No. 2021-00147, *Electronic Purchased Gas Adjustment Filing of Kentucky Frontier Gas, LLC* (Ky. PSC Apr. 26, 2021).

5. Kentucky Frontier's report sets out a current quarter Balance Adjustment (BA) of \$.2805 per Mcf. In calculating its current quarter BA, Kentucky Frontier used an incorrect Total Cost Difference for the expired quarter AA and an incorrect Total Balance Adjustment for the expired quarter BA. The Total Cost Difference for the expired AA of (\$.2010) per Mcf was (\$72,394) and the Total Balance Adjustment for the expired BA of \$.0944 per Mcf was \$34,010 as approved in Case No. 2020-00115.² Correcting these produces a current quarter BA of \$.0079 per Mcf and a total BA of \$.1090 per Mcf, which is a decrease of \$.0345 per Mcf from its previous total BA of \$.1435 per Mcf.

6. Kentucky Frontier's corrected GCR rate is \$.68867 per Ccf or \$6.8867 per Mcf, which is an increase of \$1.4770 per Mcf from its previous rate of \$5.4097 per Mcf.

7. The rates set forth in the Appendix to this Order are fair, just and reasonable, and should be approved for service rendered by Kentucky Frontier on and after August 1, 2021.

8. Should Kentucky Frontier purchase sustainable natural gas from a renewable source during the reporting period of any future GCR reports, then the supplier, cost, and amount must be documented in its cover letter to the Commission.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Kentucky Frontier are denied.
2. The rates set forth in the Appendix to this Order are approved for final meter readings by Kentucky Frontier on and after August 1, 2021.
3. Within 20 days of the date of entry of this Order, Kentucky Frontier shall file with this Commission, using the Commission's electronic Tariff Filing System, revised

² Case No. 2020-00115, *Purchased Gas Adjustment Filing of Kentucky Frontier Gas, LLC* (Ky. PSC Apr. 30, 2020).

tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

4. This case is closed and removed from the Commission's docket.

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By the Commission



ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2021-00262 DATED JUL 16 2021

The following rates and charges are prescribed for the customers in the area served by Kentucky Frontier Gas, LLC. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

Gas Cost Recovery rate

The Gas Cost Recovery rate shall be \$.68867 per Ccf for service rendered on and after August 1, 2021.

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