

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS)	CASE NO.
ADJUSTMENT FILING OF DELTA NATURAL)	2021-00461
GAS COMPANY, INC.)	

ORDER

On December 16, 2021, Delta Natural Gas Company, Inc. (Delta) filed its proposed Gas Cost Recovery (GCR) rate report to be effective January 24, 2022. Delta's previous GCR rate was approved in Case No. 2021-00380.¹

The Commission's standard of review for GCR rates is well settled as stated in KRS 278.274(1):

In determining whether proposed natural gas utility rates are just and reasonable, the commission shall review the utility's gas purchasing practices. The commission may disallow any costs or rates which are deemed to result from imprudent purchasing practices on the part of the utility.

Further, the utility has the burden to prove the rates are just and reasonable and the Commission may reduce the purchased gas component of the utility's rates or the rates charged by an affiliated company to the extent the amount is deemed to be unjust or unreasonable.²

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

¹ Case No. 2021-00380, *Electronic Purchased Gas Adjustment Filing of Delta Natural Gas Company* (Ky. PSC Oct. 22, 2021).

² KRS 278.274(2); KRS 278.274(3)(c), and KRS 278.274(3)(d).

1. Delta's GCR report includes revised rates designed to pass on to its customers its expected change in gas costs.

2. Delta's GCR report sets out an Expected Gas Cost (EGC) of \$4.3002 per Mcf, which is a decrease of \$1.1937 per Mcf from its previous EGC of \$5.4939 per Mcf.

3. Delta's GCR report sets out no Refund Adjustment.

4. Delta's GCR report sets out a current quarter Actual Adjustment (AA) of \$0.6594 per Mcf. Delta's total AA is \$0.9582 per Mcf, which is an increase of \$0.4026 per Mcf from its previous total AA of \$0.5556 per Mcf.

5. Delta's GCR report sets out a current quarter Balancing Adjustment (BA) of \$0.0221 per Mcf. Delta's total BA is \$0.0505 per Mcf, which is an increase of \$0.0154 per Mcf from its previous total BA of \$0.0351 per Mcf.

6. Delta's GCR rate is \$5.3089 per Mcf, which is a decrease of \$0.7757 per Mcf from its previous GCR rate of \$6.0846 per Mcf.

7. Should Delta 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.

8. The rates set forth in the Appendix to this Order are fair, just and reasonable and should be approved for final meter readings by Delta on and after January 24, 2022.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Delta and set forth in the Appendix to this Order are approved for final meter readings on and after January 24, 2022.

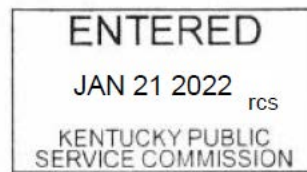
2. Within 20 days of the date of entry of this Order, Delta shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets

setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

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

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By the Commission



ATTEST:


Executive Director

Case No. 2021-00461

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2021-00461 DATED JAN 21 2022

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

Gas Cost Recovery rate

The Gas Cost Recovery rate shall be \$5.3089 per Mcf for service rendered on and after January 24, 2022.

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