

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF COLUMBIA GAS OF) CASE NO. 2011-00155
KENTUCKY, INC.)

ORDER

On October 26, 2009, in Case No. 2009-00141,¹ the Commission approved rates for Columbia Gas of Kentucky, Inc. (“Columbia”) and provided for their further adjustment in accordance with Columbia’s Gas Cost Adjustment (“GCA”) clause.

On April 29, 2011, Columbia filed its proposed GCA to be effective May 31, 2011.

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

1. Columbia’s notice includes rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Columbia’s Expected Gas Cost (“EGC”) is \$6.7939 per Mcf, a decrease of \$.4240 per Mcf from its last EGC of \$7. 2179 per Mcf.
3. Columbia’s notice sets out a rate for Banking and Balancing Service of \$.0207 per Mcf.

¹ Case No. 2009-00141, Application of Columbia Gas of Kentucky, Inc. for an Adjustment in Rates (Ky. PSC Oct. 26, 2009).

4. Columbia's notice sets out a current quarter supplier Refund Adjustment ("RA") of (\$.0041) per Mcf. Columbia's notice sets out a total RA of (\$.0080) per Mcf, which represents a decrease of \$.0022 per Mcf from the prior RA of (\$.0058) per Mcf.

5. Columbia's notice sets out its previously approved annual Actual Cost Adjustment of (\$.2466) per Mcf.

6. Columbia's notice sets out its previously approved Balancing Adjustment of (\$1.1047) per Mcf.

7. Columbia's notice sets out a Special Agency Service refund adjustment of (\$.0002) per Mcf, which represents no change from the previous rate.

8. Columbia's notice sets out its previously approved Gas Cost Incentive Adjustment of \$.0207 per Mcf.

9. Columbia's approved Gas Cost Recovery ("GCR") rate is \$5.4551 per Mcf, which is a decrease of \$.4262 per Mcf from the previous GCR of \$5.8813 per Mcf.


10. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for the June 2011 billing cycle, beginning on May 31, 2011.

IT IS THEREFORE ORDERED that:

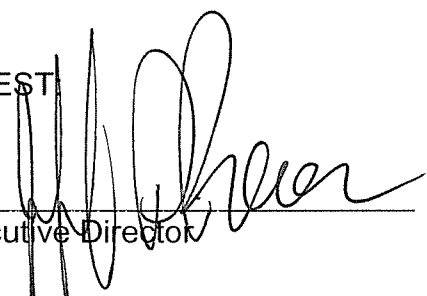
1. The rates in the Appendix to this Order are approved for billing with the final meter readings beginning on May 31, 2011.

2. Within 20 days of the date of this Order, Columbia shall file its revised tariff sheets with this Commission setting out the rates authorized herein, reflecting that they were approved pursuant to this Order.

By the Commission

ENTERED 
MAY 19 2011
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00155 DATED **MAY 19 2011**

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, 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.

Gas Cost Recovery Rate

The total Gas Cost Recovery Rate shall be \$5.4551 per Mcf effective May 31, 2011.

Judy M Cooper
Director, Regulatory Services
Columbia Gas of Kentucky, Inc.
2001 Mercer Road
P. O. Box 14241
Lexington, KY 40512-4241