

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING     )  
OF B.T.U. GAS COMPANY                     )     CASE NO. 2011-00405

ORDER

On October 31, 2011, in Case No. 2011-00374,<sup>1</sup> the Commission approved a Gas Cost Adjustment (“GCA”) clause for B.T.U. Gas Company (“BTU”) providing for the quarterly adjustment of BTU’s rates to reflect its most current wholesale gas supply cost.

On October 3, 2011, BTU filed its proposed interim GCA effective November 1, 2011, pursuant to its proposed GCA tariff which it had filed August 25, 2011 with a proposed effective date of September 25, 2011.

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

1. BTU’s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.

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<sup>1</sup> Case No. 2011-00374, Filing of B.T.U. Gas Company, Inc. for Approval of a Gas Cost Recovery Tariff (Ky. PSC Oct. 31, 2011).

2. BTU's notice sets out an Expected Gas Cost ("EGC") of \$4.2999 per Mcf, which represents an increase of \$1.1999 per Mcf from its previous gas cost of \$3.10 per Mcf which was established in the record of Case No. 1995-00103.<sup>2</sup>

3. BTU's notice sets out no current quarter Refund Adjustment ("RA").

4. BTU's notice sets out no current quarter Actual Adjustment ("AA"). The AA will be unavailable to BTU until its filing of March 1, 2012 for rates to be effective April 1, 2012.

5. BTU's GCA is \$4.2999 per Mcf, which is an increase of \$1.1999 per Mcf from its previous gas cost of \$3.10 per Mcf.

6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by BTU on and after November 2, 2011. BTU did not give the 30 days' notice required for its rates to be effective November 1, 2011.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for billing for service rendered on and after November 2, 2011.

2. Within 20 days of the date of this Order, BTU shall file revised tariffs with this Commission for its customers setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

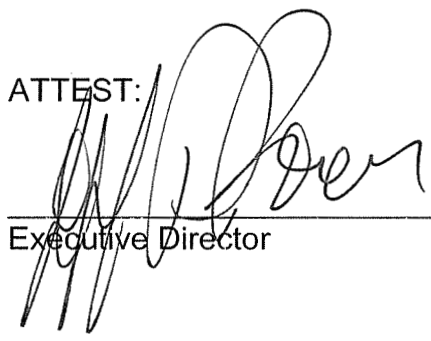
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<sup>2</sup> Case No. 1995-00103, Tariff Filing of B.T.U. Pipeline, Inc. to Establish Rates and Conditions for Service (Ky. PSC July 19, 1996).

By the Commission

ENTERED *pa*  
OCT 31 2011  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
\_\_\_\_\_  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2011-00405 DATED OCT 31 2011

The following rates and charges are prescribed for the customers in the area served by B.T.U. Gas Company, Inc. 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.

RATE SCHEDULES

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
First Mcf (Minimum Bill)	\$ 3.9000	\$4.2999	\$8.1999
Over 1 Mcf	\$ 2.9700	\$4.2999	\$7.2699

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