

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF)	CASE NO.
NATURAL ENERGY UTILITY CORPORATION)	2011-00462

ORDER

On December 18, 1991, in Case No. 1991-00138, the Commission approved rates for Natural Energy Utility Corporation ("Natural Energy") and provided for their further adjustment in accordance with Natural Energy's Gas Cost Adjustment ("GCA").¹

On November 29, 2011, Natural Energy filed its proposed GCA to become effective January 1, 2012.

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

1. Natural Energy's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Natural Energy's notice sets out an Expected Gas Cost ("EGC") of \$4.5675 per Mcf, which is an increase of \$.0474 per Mcf from the previous EGC of \$4.5201 per Mcf.
3. Natural Energy's notice sets out no current quarter or total supplier Refund Adjustment.

¹ Case No. 1991-00138, Columbia Gas of Kentucky, Inc. vs. Kentucky-Ohio Gas Company (Ky. PSC Dec. 18, 1991).

4. Natural Energy's notice sets out a current quarter Actual Adjustment ("AA") of (\$.0054) per Mcf. In calculating its total AA, Natural Energy used the \$.0418 previous quarter AA it had proposed rather than the \$.0404 per Mcf AA approved by the Commission in Case No. 2011-00361.² Natural Energy's total AA should be (\$.3847) per Mcf, which is a decrease of \$.0051 per Mcf from the previous total AA of (\$.3796) per Mcf.

5. Natural Energy's GCA is \$4.1828 per Mcf, which is an increase of \$.0423 per Mcf from the previous GCA of \$4.1405 per Mcf.

6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Natural Energy on and after January 1, 2012.

IT IS THEREFORE ORDERED that:

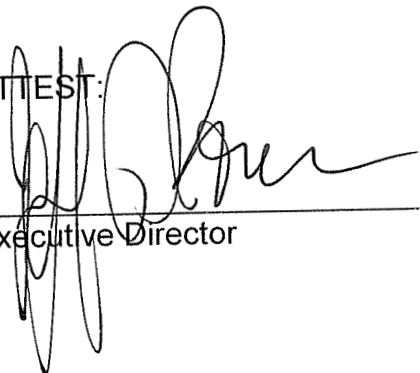
1. The rates proposed by Natural Energy are denied.
2. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after January 1, 2012.
3. Within 20 days of the date of this Order, Natural Energy shall file its revised tariff sheets with the Commission setting out the rates authorized herein and reflecting that they were approved pursuant to this Order.

² Case No. 2011-00361, Purchased Gas Adjustment Filing of Natural Energy Utility Corporation (Ky. PSC Sept. 19, 2011).

By the Commission

ENTERED ^{PA}
DEC 20 2011
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2011-00462

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00462 DATED **DEC 20 2011**

The following rates and charges are prescribed for the customers in the area served by Natural Energy Utility Corporation. 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.

RATES:

<u>Monthly</u>	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
All Mcf	\$4.24	\$4.1828	\$8.4228

Minimum Bill

The minimum bill shall be \$8.4228

H. Jay Freeman
President
Natural Energy Utility Corporation
2560 Hoods Creek Pike
Ashland, KENTUCKY 41102