

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF
PEOPLES GAS KY, LLC

CASE NO.
2014-00004

ORDER

On April 29, 2004, in Case No. 2003-00411,¹ the Commission approved rates for Equitable Gas Company, a division of Equitable Resources, Inc. ("Equitable"), and provided for their further adjustment on a quarterly basis in accordance with Equitable's Gas Cost Adjustment ("GCA") clause. Equitable is regulated pursuant to KRS 278.485 and 807 KAR 5:026, the statute and regulation governing gathering systems that provide service to retail customers who tap onto such systems. Peoples Gas KY, LLC ("Peoples") acquired Equitable on December 17, 2013.

On December 23, 2013, Peoples filed its proposed GCA to be effective February 1, 2014.

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

1. Peoples' notice includes a revised rate designed to pass on to its customers its expected change in wholesale gas costs.
2. Peoples' Expected Gas Cost ("EGC") is \$6.6083 per Mcf, which is an increase of \$.4313 per Mcf from its previous EGC of \$6.1770 per Mcf.
3. Peoples' notice sets out no Refund Adjustment.

¹ Case No. 2003-00411, Application of Equitable Gas Company to Increase Rates Pursuant to KRS 278.485 (Ky. PSC Apr. 29, 2004).

4. Peoples' notice sets out a current quarter Actual Adjustment ("AA") of (\$.2517) per Mcf. Peoples' total AA is \$.1059 per Mcf, which is a decrease of \$.2259 per Mcf from the previous total AA of \$.3318 per Mcf.

5. Peoples' notice sets out a current quarter Balancing Adjustment ("BA") of (\$.0136) per Mcf. Peoples' total BA is (\$.0989) per Mcf, which is an increase of \$.0505 per Mcf from the previous total BA of (\$.1494) per Mcf.

6. Peoples' Gas Cost Recovery Rate is \$6.6153 per Mcf, which is an increase of \$.2559 per Mcf from its previous rate of \$6.3594 per Mcf.

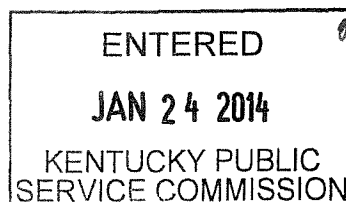
7. The rates in the Appendix to this Order are fair, just, and reasonable and should be approved for final meter readings by Peoples on and after February 1, 2014.

IT IS THEREFORE ORDERED that:

1. The rate in the Appendix to this Order, attached hereto and incorporated herein, is approved for final meter readings on and after February 1, 2014.

2. Within 20 days of the date of this Order, Peoples 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.

By the Commission



ATTEST.



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2014-00004 DATED **JAN 24 2014**

The following rates and charges are prescribed for the customers in the area served by People Gas KY, LLC. 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.

RATES:

Monthly Customer Charge \$7.50

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
All Mcf	\$2.1322	\$6.6153	\$ 8.7475

The minimum bill shall be \$7.50.

Carol Scanlon
Rate Analyst
Peoples Gas KY, LLC
375 North Shore Drive
Suite 600
Pittsburgh, PA 15212