

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF)	CASE NO.
PUBLIC GAS COMPANY)	2014-00113

ORDER

On March 27, 2013, in Case No. 2012-00431,¹ the Commission approved rates for Public Gas Company ("Public") and provided for their further adjustment in accordance with Public's Gas Cost Adjustment ("GCA") clause. On March 9, 2012, in Case No. 2012-00029,² the Commission entered an Order approving the transfer of Public's stock to Gas Natural, Inc.

On March 31, 2014, Public filed its proposed Gas Cost Recovery ("GCR") rate application to be effective May 1, 2014.

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

1. Public's notice includes a revised rate designed to pass on to its customers its expected change in wholesale gas costs.
2. Public's revised notice sets out an Expected Gas Cost ("EGC") of \$6.2032 per Mcf, which is an increase of \$.1651 per Mcf from the previous EGC of \$6.0381 per Mcf.

¹ Case No. 2012-00431, Application of Public Gas Company for Rate Adjustment for Small Utilities Pursuant to 807 KAR 5:076 (Ky. PSC Mar. 27, 2013).

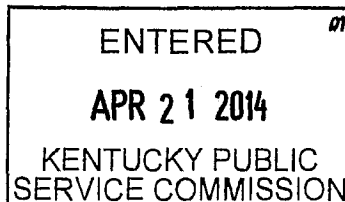
² Case No. 2012-00029, Joint Application of Gas Natural, Inc. and Kentucky Energy Development, LLC for an Order Approving a Transfer and Acquisition of Ownership and Control of Public Gas Company, Inc. (Ky. PSC Mar. 9, 2012).

3. Public's revised notice sets out no current quarter Refund Adjustment.
4. Public's revised notice sets out a current quarter Actual Cost Adjustment ("ACA") of \$.0417 per Mcf. Public's total ACA is (\$.0642) per Mcf, which is an increase of \$.0031 per Mcf from the previous total ACA of (\$.0673) per Mcf.
5. Public's GCR is \$6.1390 per Mcf, which is an increase of \$.1682 per Mcf from the previous GCR of \$5.9708 per Mcf.
6. The rate in the Appendix to this Order is fair, just, and reasonable and should be approved for service rendered by Public on and after May 1, 2014.

IT IS THEREFORE ORDERED that:

1. The rate in the Appendix attached hereto and incorporated herein is approved for service rendered on and after May 1, 2014.
2. Within 20 days of the date of this Order, Public shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were 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. 2014-00113 DATED **APR 21 2014**

The following rates and charges are prescribed for the customers served by Public Gas Company. 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.

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Customer Charge	\$10.00		
All Mcf	\$3.0914	\$6.1390	\$ 9.2304

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