COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT) CASE NO. FILING OF BLUEGRASS GAS SALES, INC.) 2015-00393

ORDER

On July 17, 2012, in Case No. 2011-00364¹ the Commission approved rates for Bluegrass Gas Sales, Inc. ("Bluegrass") and provided for their further adjustment on a quarterly basis in accordance with Bluegrass's purchased gas cost adjustment clause.

On November 30, 2015, Bluegrass filed its proposed Gas Cost Recovery ("GCR") rate application to be effective January 1, 2016. Bluegrass revised its application on December 7, 2015.

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

- 1. Bluegrass's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
- 2. Bluegrass's notice sets out an Expected Gas Cost ("EGC") of \$4.0974 per Mcf, which is a decrease of \$.5867 per Mcf from its previous EGC of \$4.6841 per Mcf.
 - 3. Bluegrass's notice sets out no current quarter Refund Adjustment.
- 4. Bluegrass's revised notice sets out a current quarter Actual Cost Adjustment ("ACA") of (\$.0148) per Mcf. Bluegrass's total ACA is (\$.7227) per Mcf, which is an increase of \$.0184 per Mcf from its previous total ACA of (\$.7411) per Mcf.

¹ Case No. 2011-00364, Alternative Rate Filing Adjustment of Bluegrass Gas Sales, Inc. (Ky. PSC July 17, 2012).

- 5. Bluegrass's notice sets out a current quarter Balance Adjustment ("BA") of (\$.0047) per Mcf. Bluegrass's total BA is \$.0532 per Mcf, which is an increase of \$.0336 per Mcf from its previous total BA of \$.0196 per Mcf.
- 6. Bluegrass's GCR rate is \$3.4279 per Mcf, which is a decrease of \$.5347 per Mcf from its previous GCR rate of \$3.9626 per Mcf.
- 7. The amended rate as proposed by Bluegrass and set forth in the Appendix to this Order is fair, just, and reasonable and should be approved for service rendered by Bluegrass on and after January 1, 2016.

IT IS THEREFORE ORDERED that:

- 1. The amended rate proposed by Bluegrass and set forth in the Appendix to this Order is approved for service rendered by Bluegrass on and after January 1, 2016.
- 2. Within 20 days of the date of this Order, Bluegrass 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

ENTERED

DEC 1 6 2015

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00393 DATED **DEC 1 6 2015**

The following rates and charges are prescribed for the customers in the area served by Bluegrass Gas Sales, 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.

| | Base Rate | Gas Cost Recovery Rate | <u>Total</u> |
|----------------------------|---------------------|------------------------------|--------------|
| Customer Charge All Mcf | \$10.00 \$5.1416 | \$3.4279 | \$ 8.5695 |

*Bluegrass Gas Sales, Inc. 3620 Rockland Mills Road Center City, KY 42214

*Mark H O'Brien Bluegrass Gas Sales P.O. Box 23539 Anchorage, KENTUCKY 40223