

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	CASE NO.
FILING OF PUBLIC GAS COMPANY)	2015-00107

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 April 1, 2015, Public filed its proposed Gas Cost Recovery (“GCR”) rate application to be effective May 1, 2015.

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

1. Public’s revised notice includes a revised rate designed to pass on to its customers its expected change in wholesale gas costs.

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).

2. Public's revised notice sets out an Expected Gas Cost ("EGC") of \$4.4849 per Mcf, which is a decrease of \$.1864 per Mcf from the previous EGC of \$4.6713 per Mcf.

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 \$.3174 per Mcf. Public did not use the correct EGC in effect for November 2014 through January 2015. Correcting this produces a current quarter ACA of (\$.0832) per Mcf. Public's total ACA is \$.1744 per Mcf, which is a decrease of \$.1249 per Mcf from the previous total ACA of \$.2993 per Mcf.

5. Public's corrected GCR is \$4.6593 per Mcf, which is a decrease of \$.3113 per Mcf from the previous GCR of \$4.9706 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, 2015.

IT IS THEREFORE ORDERED that:

1. The rate proposed by Public is denied.

2. The rate in the Appendix to this Order is approved for service rendered by Public on and after May 1, 2015.

3. Within 20 days of the date of this Order, Public shall file with this Commission, using the Commission's electronic Tariff Filing System, a revised tariff sheet setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

By the Commission

ENTERED
APR 22 2015
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00107 DATED **APR 22 2015**

The following rates and charges are prescribed for the customers in the area 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	\$4.6593	\$ 7.7507

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