

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT) CASE NO.
FILING OF PEOPLES GAS KY, LLC) 2015-00307

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 Purchased Gas Adjustment 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 September 21, 2015, Peoples filed its proposed Gas Cost Recovery (“GCR”) rate application to be effective November 1, 2015. Peoples supplemented its application on September 22, 2015.

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.

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

2. Peoples' Expected Gas Cost ("EGC") is \$5.0096 per Mcf, which is an increase of \$.0797 per Mcf from its previous EGC of \$4.9299 per Mcf.

3. Peoples' notice sets out no Refund Adjustment.

4. Peoples' notice sets out a current quarter Actual Cost Adjustment ("ACA") of \$.1431 per Mcf. Peoples' total ACA is (\$.0400) per Mcf, which is an increase of \$.3375 per Mcf from the previous total ACA of (\$.3775) per Mcf.

5. Peoples' notice sets out a current quarter Balance Adjustment ("BA") of \$.0071 per Mcf. Peoples' notice sets out a total BA of \$.0055 per Mcf. Due to a spreadsheet error, Peoples miscalculated its total BA. Correcting this produces a total BA of (\$.0306) per Mcf, which is an increase of \$.0016 per Mcf from the previous total BA of (\$.0322) per Mcf.

6. Peoples' corrected GCR rate is \$4.9390 per Mcf, which is an increase of \$.4188 per Mcf from its previous rate of \$4.5202 per Mcf.

7. The rate set forth in the Appendix to this Order is fair, just, and reasonable and should be approved for final meter readings by Peoples on and after November 1, 2015.

IT IS THEREFORE ORDERED that:

1. The rate proposed by Peoples is denied

2. The rate set forth in the Appendix to this Order is approved for final meter readings by Peoples on and after November 1, 2015.

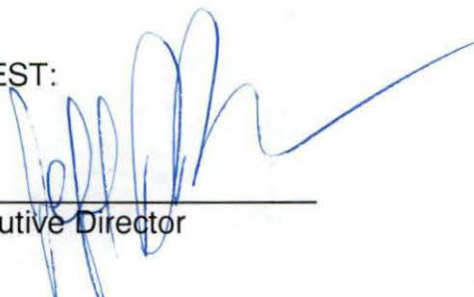
3. Within 20 days of the date of this Order, Peoples shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff

sheets setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

By the Commission

ENTERED ^{AM}
OCT 12 2015
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00307 DATED **OCT 12 2015**

The following rates and charges are prescribed for the customers in the area served by Peoples 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:

Customer Charge		\$7.50	
	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
All Mcf	\$2.1322	\$4.9390	\$ 7.0712

The minimum bill shall be \$7.50.

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