

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF) CASE NO.
NAVITAS KY NG, LLC) 2016-00149

ORDER

On February 16, 1995,¹ the Commission approved rates for Gasco Distribution Systems, Inc. ("Gasco") and provided for their further adjustment on a quarterly basis in accordance with its Gas Cost Adjustment clause. On February 28, 2011, Navitas KY NG, LLC ("Navitas KY") acquired the assets of Gasco, pursuant to the Commission's approval of the transfer, and adopted Gasco's tariffs.²

On April 11, 2016, Navitas KY filed its proposed Gas Cost Recovery ("GCR") rate application to be effective May 1, 2016.

After reviewing the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Navitas KY's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.

¹ Case No. 1994-00427, *In the Matter of the Application of Gasco Distribution Systems, Inc. for a Certificate of Convenience and Necessity to Provide Local Gas Distribution Service to Albany, Ky. and for Transfer of the Albany Gas Utility Company* (Ky. PSC Feb. 16, 1995).

² Case No. 2010-00468, *Joint Application of Navitas Kentucky NG, LLC and Gasco Distribution Systems, Inc. for Approval of an Acquisition of Ownership and Control of Gas Utility Systems* (Ky. PSC Feb. 11, 2011).

2. Navitas KY's notice sets out an Expected Gas Cost ("EGC") of \$5.1560 per Mcf, which is a decrease of \$.7778 per Mcf from its previous EGC of \$5.9338 per Mcf.

3. Navitas KY's notice sets out no current quarter or total Refund Adjustment, which is no change from the previous quarter.

4. Navitas KY's notice sets out a current quarter Actual Cost Adjustment ("ACA") of (\$.1901) per Mcf. Navitas KY's total ACA is (\$.7254) per Mcf, which is a decrease of \$.1047 per Mcf from its previous total ACA of (\$.6207) per Mcf. Due to a spread sheet error, Navitas KY's application set out a total ACA of (\$.7253) per Mcf.

5. Navitas KY's notice sets out a current quarter Balance Adjustment ("BA") of \$.0164 per Mcf. Navitas KY's total BA is (\$.0465) per Mcf, which is an increase of \$.0228 per Mcf from its previous total BA of (\$.0693) per Mcf.

6. Navitas KY's corrected GCR rate is \$4.3841 per Mcf, which is a decrease of \$.8597 per Mcf from its previous GCR rate of \$5.2438 per Mcf.

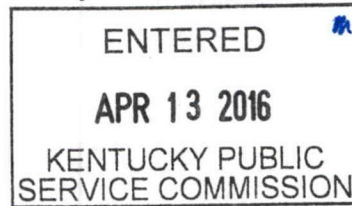
7. The rate set forth in the Appendix to this Order is fair, just, and reasonable and should be approved for service rendered by Navitas KY on and after May 1, 2016. Although Navitas KY's GCR rate filing did not provide 30 days' notice to the Commission as required by its tariff, KRS 278.180(2) authorizes the Commission to make a reduction in rates effective in less than 30 days.

IT IS THEREFORE ORDERED that:

1. The rate proposed by Navitas KY is denied.
2. The rate set forth in the Appendix to this Order is approved for service rendered by Navitas on and after May 1, 2016.

3. Within 20 days of the date of this Order, Navitas KY 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:


Acting Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00149 DATED **APR 13 2016**

The following rates and charges are prescribed for the customers in the area served by Navitas KY NG, 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 per Mcf:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Residential	\$4.62	\$4.3841	\$9.0041
Commercial	\$3.62	\$4.3841	\$8.0041

*Joseph M Irwin
Navitas KY NG, LLC
3186-D Airway Avenue
Costa Mesa, CA 92626

*Navitas KY NG, LLC
3186-D Airway Avenue
Costa Mesa, CA 92626