

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF) CASE NO.
NAVITAS KY NG, LLC) 2016-00218

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 June 24, 2016, Navitas KY filed its proposed Gas Cost Recovery ("GCR") rate application to be effective August 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 \$5.8267 per Mcf, which is an increase of \$.6707 per Mcf from its previous EGC of \$5.1560 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 (\$.1394) per Mcf. Navitas KY's total ACA is (\$.4751) per Mcf, which is an increase of \$.2503 per Mcf from its previous total ACA of (\$.7254) per Mcf.

5. Navitas KY's notice sets out a current quarter Balance Adjustment ("BA") of (\$.0499) per Mcf. Navitas KY's total BA is \$.1726 per Mcf, which is an increase of \$.2191 per Mcf from its previous total BA of (\$.0465) per Mcf.

6. Navitas KY's corrected GCR rate is \$5.5242 per Mcf, which is an increase of \$1.1401 per Mcf from its previous GCR rate of \$4.3841 per Mcf. Due to a spreadsheet error, Navitas KY erroneously set out a GCR of \$5.5243 per Mcf.

7. The rates set forth in the Appendix to this Order are fair, just, and reasonable and should be approved for service rendered by Navitas KY on and after August 1, 2016.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Navitas KY are denied.
2. The rates set forth in the Appendix to this Order are approved for service rendered by Navitas on and after August 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 rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission

ENTERED
JUL 21 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00218 DATED **JUL 21 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	\$5.5242	\$10.1442
Commercial	\$3.62	\$5.5242	\$ 9.1442

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