

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT     )     CASE NO.  
FILING OF PUBLIC GAS COMPANY   )     2016-00226

ORDER

On March 27, 2013, in Case No. 2012-00431,<sup>1</sup> the Commission approved rates for Public Gas Company (“Public”) and provided for their further adjustment in accordance with Public’s Gas Cost Adjustment clause. On November 24, 2015, in Case No. 2015-00299,<sup>2</sup> the Commission entered an Order approving the transfer of Public’s assets to Kentucky Frontier Gas, LLC.

On July 1, 2016, Public filed its proposed Gas Cost Recovery (“GCR”) rate application to be effective August 1, 2016. Public filed amended Schedules I and II of its application on July 12, 2016.

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

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

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<sup>1</sup> 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).

<sup>2</sup> Case No. 2015-00299, *Joint Application of Kentucky Frontier Gas, LLC and Public Gas Company for Approval of Transfer and Acquisition of Assets and Financing* (Ky. PSC Nov. 24, 2015).

2. Public's revised notice sets out an Expected Gas Cost ("EGC") of \$5.6093 per Mcf, which is an increase of \$1.2583 per Mcf from the previous EGC of \$4.3510 per Mcf.

3. Public's notice sets out no current quarter Refund Adjustment.

4. Public's notice sets out a current quarter Actual Cost Adjustment ("ACA") of \$.0844 per Mcf. Public's total ACA is \$.1457 per Mcf, which is an increase of \$.4834 per Mcf from the previous total ACA of (\$.3377) per Mcf.

5. Public's GCR rate is \$5.7550 per Mcf, which is an increase of \$1.7417 per Mcf from the previous GCR rate of \$4.0133 per Mcf.

6. The rate as proposed by Public and set forth in the Appendix to this Order is fair, just, and reasonable and should be approved for service rendered by Public on and after August 1, 2016.

IT IS THEREFORE ORDERED that:

1. The rate as proposed by Public and set forth in the Appendix to this Order is approved for service rendered on and August 1, 2016.

2. Within 20 days of the date of this Order, Public 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

Case No. 2016-00226

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00226 DATED **JUL 21 2016**

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 Ccf	\$ .30914	\$.57550	\$ .88464

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