

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT	)	CASE NO.
FILING OF PUBLIC GAS COMPANY, INC.	)	2016-00136

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 (“GCA”) 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 March 31, 2016, Public filed its proposed Gas Cost Recovery (“GCR”) rate application to be effective May 1, 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.
2. Public’s notice sets out an Expected Gas Cost (“EGC”) of \$4.3510 per Mcf, which is an increase of \$.1431 per Mcf from the previous EGC of \$4.2079 per Mcf.
3. Public’s notice sets out no current quarter Refund Adjustment.

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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).

4. Public's notice sets out a current quarter Actual Cost Adjustment ("ACA") of \$.0592 per Mcf. Public's total ACA is (\$.3377) per Mcf, which is an increase of \$.1424 per Mcf from the previous total ACA of (\$.4801) per Mcf.

5. Public's GCR rate is \$4.0133 per Mcf, which is an increase of \$.2855 per Mcf from the previous GCR rate of \$3.7278 per Mcf.

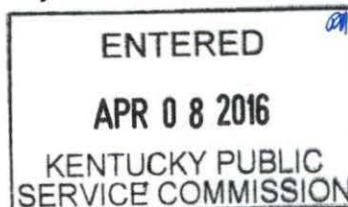
6. The rate as proposed by Public and set forth in the Appendix to this Order is fair, just, and reasonable and should be approved for service rendered by Public on and after May 1, 2016.

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 after May 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



ATTEST:

  
Acting Executive Director *for*

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00136 DATED **APR 08 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	\$.40133	\$ .71047

\*Dennis Horner  
Kentucky Frontier Gas  
4891 Independence Street, Suite 200  
Wheat Ridge, COLORADO 80033

\*Public Gas Company, Inc.  
4891 Independence Street, Suite 200  
Wheat Ridge, CO 80033