COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)CASE NO.FILING OF BLUEGRASS GAS SALES, INC.)2018-00399

<u>ORDER</u>

On December 3, 2018, Bluegrass Gas Sales, Inc. (Bluegrass), filed its proposed Gas Cost Recovery (GCR) rate application to be effective January 1, 2019. After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Bluegrass's application includes revised rates designed to pass on to its customers its expected change in gas costs.

 Bluegrass's application sets out an Expected Gas Cost (EGC) of \$4.7038 per Mcf.

3. Bluegrass's application sets out no Refund Adjustment.

4. Bluegrass's application sets out a current quarter Actual Cost Adjustment (ACA) of (\$.0004) per Mcf and a total ACA of (\$.1847) per Mcf.

5. Bluegrass's application sets out a current quarter Balance Adjustment (BA) of \$.0056 per Mcf and a total BA of (\$.0343) per Mcf.

6. Bluegrass's application sets out a GCR rate of \$4.4847 per Mcf. Due to a spreadsheet rounding error, Bluegrass erroneously set out an incorrect GCR rate. Bluegrass's corrected GCR rate is \$4.4848 per Mcf, which is an increase of \$.0737 per Mcf from its previous GCR rate of \$4.4111 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 Bluegrass on and after January 2, 2019. Bluegrass did not provide the 30 days' notice required for its rate to be effective January 1, 2019.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Bluegrass are denied.

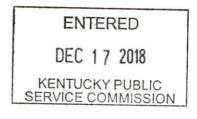
2. The rates set forth in the Appendix to this Order are approved for service rendered on and after January 2, 2019.

3. Within 20 days of the date of entry of this Order, Bluegrass 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.

4. This case is closed and removed from the Commission's docket.

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By the Commission



ATTEST:

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Executive Director

Case No. 2018-00399

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2018-00399 DATED DEC 1 7 2018

The following rates and charges are prescribed for the customers in the area served by Bluegrass Gas Sales, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

	Gas Cost Recovery	
Base Rate	Rate	Total
\$5.1416	\$4.4848	\$ 9.6264

All Mcf

*Mark H O'Brien Bluegrass Gas Sales P.O. Box 23539 Anchorage, KENTUCKY 40223

*Bluegrass Gas Sales, Inc. 3620 Rockland Mills Road Center City, KY 42214