

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	CASE NO.
FILING OF KENTUCKY FRONTIER GAS,)	2018-00334
LLC)	

ORDER

On September 28, 2018, Kentucky Frontier Gas, LLC (Frontier), filed its Gas Cost Recovery (GCR) rate application for rates effective November 1, 2018. Frontier filed an amended application on October 25, 2018.

In Case No. 2018-00013, the Commission approved a waiver of the five percent Lost and Unaccounted for gas (L&U) limit and stated that Frontier could recover L&U of up to 10 percent, but only until November 1, 2018.¹ Frontier's amended application for rates effective November 1, 2018 returned to using the standard five percent L&U limit in the calculation of its EGC. Its amended application reflects L&U for the 12 months ended July 31, 2018, of 6.2 percent.

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

1. Frontier's amended application includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Frontier's amended application sets out an Expected Gas Cost (EGC) of \$5.6339 per Mcf.

¹ Case No. 2018-00013, *Purchased Gas Adjustment Filing of Kentucky Frontier Gas, LLC* (Ky. PSC Jan. 30, 2018).

3. Frontier's amended application sets out no Refund Adjustment.
4. Frontier's amended application sets out a current quarter Actual Adjustment (AA) of (\$.1915) and a total AA of (\$.1107) per Mcf.
5. Frontier's Balance Adjustment will continue to be unavailable until it files its GCR rate application for rates effective November 1, 2019.
6. Frontier's GCR rate is \$.55232 per Ccf or \$5.5232 per Mcf, which is a decrease of \$.2126 per Mcf from its previous rate of \$5.7358 per Mcf.
7. Consistent with the Final Order in Case No. 2018-00119,² Frontier should continue to add the following gas cost reconciliation rates to the GCR rates for customers in the indicated service areas:

Frontier: \$.0285 per Mcf

Public: (\$.2334) per Mcf

8. The rates as set forth in the Appendix to this Order are fair, just, and reasonable, and should be approved for service rendered by Frontier on and after November 1, 2018. Frontier should separately reflect on each customer's bill the gas cost reconciliation rate applicable to the customer's service area.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Frontier and set forth in the Appendix to this Order are approved for final meter readings by Frontier on and after November 1, 2018.
2. Each customer's bill shall separately reflect the approved gas cost reconciliation rate applicable to the customer's service area.

² Case No. 2018-00119, Purchased Gas Adjustment Filing of Kentucky Frontier Gas, LLC. (Ky. PSC Apr. 12, 2018).

3. Within 20 days of the date of entry of this Order, Frontier 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. The individual gas cost reconciliation rates for Frontier and the former Public system shall be included in the compliance tariffs.

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

By the Commission



ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2018-00334 DATED **OCT 30 2018**

The following rates and charges are prescribed for the customers in the area served by Kentucky Frontier Gas, LLC. 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 rate

The Gas Cost Recovery rate shall be \$.55232 per Ccf for service rendered on and after November 1, 2018.

For customers in the indicated service areas the following volumetric charges shall be added through April 30, 2019:

Frontier:	\$.00285 per Ccf
Public:	(\$.02334) per Ccf

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