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January 29, 2019

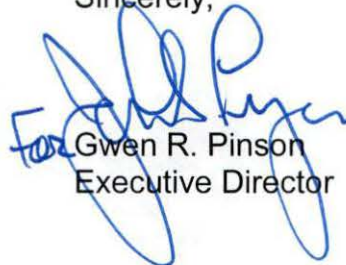
PARTIES OF RECORD

Re: Case No. 2018-00432

Attached is a copy of a memorandum which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the memorandum please do so within five days of receipt of this letter.

If you have any questions, please contact Andrew Bowker, Staff Attorney, at 502-782-2580.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gwen R. Pinson".

Gwen R. Pinson
Executive Director

Attachment

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File No. 2018-00432

FROM: Sarah Jankowski, Rate Analyst

DATE: January 29, 2019

RE: Informal Conference of January 28, 2019

Pursuant to the Commission Staff's (Staff) Notice of Informal Conference issued on January 24, 2019, a telephonic informal conference was held in this matter on January 28, 2019. Representatives of Sentra Corporation (Sentra) participated in the telephonic conference with Commission Staff. A copy of the attendance roster is attached.

The purpose of the conference was to discuss Sentra's purchase gas adjustment (PGA) application and any regulatory matters pertaining to the case. Staff explained the PGA mechanism, its components, and its regulatory requirements. Sentra expressed concerns about being able to recover its under-collection of gas cost from the winter months due to the utility selling most of its gas during the colder months. Staff explained to Sentra that the low gas cost recovery rate was due to Sentra's over collection of gas from prior months. As mentioned in Case No. 2018-00124¹, Sentra did not file its PGA applications as required by its tariff for the prior two quarters at the time of its April 2018 filing. This resulted in the current quarter Actual Adjustment reconciling the last nine months of gas costs instead of the typical adjustment for three months. Due to the PGA serving as a mechanism for reflecting the costs of natural gas and pipeline transportation costs on a dollar-for-dollar basis, Sentra is required to return its over-collection back to its ratepayers. Other regulatory matters pertaining to PSC regulations were also discussed.

Staff informed Sentra that they could write to the Kentucky Public Service Commission's Executive Director and request a Staff Opinion should they require future assistance regarding the PSC's regulations.

There being no further business, the informal conference adjourned.

Attachment

¹ Case No. 2018-00124, *Purchased Gas Adjustment Filing of Sentra Corporation* (Ky. PSC Apr. 24, 2018)

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