

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS ADJUSTMENT)	CASE NO.
FILING OF VALLEY GAS, INC.)	2020-00164

ORDER

On May 27, 2020, Valley Gas, Inc. (Valley Gas) filed, in accordance with its Purchased Gas Cost Adjustment Tariff, its Gas Cost Recovery (GCR) rate report to be effective July 1, 2020.

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

1. Valley Gas's GCR report includes a revised rate designed to pass on to its customers its expected change in gas costs.
2. Valley Gas's GCR report sets out an Expected Gas Cost (EGC) of \$3.7262 per Mcf, which is an increase of \$.4726 per Mcf from the previous EGC of \$3.2536 per Mcf.
3. Valley Gas's GCR report sets out no Refund Adjustment.
4. Valley Gas's GCR report sets out a current quarter Actual Cost Adjustment (ACA) of (\$.8527) per Mcf. This produces a total ACA of (\$.5933) per Mcf, which is a decrease of \$.7616 per Mcf from its previous total ACA of \$.1683 per Mcf.
5. Valley Gas's GCR rate is \$3.1329 per Mcf, which is a decrease of \$.2890 per Mcf from the previous GCR rate of \$3.4219 per Mcf.

6. The rate set forth in the Appendix to this Order is fair, just, and reasonable and should be approved for service rendered by Valley Gas on and after July 1, 2020.

7. Valley Gas's next GCR report should include all invoices received from Constellation Energy for the prior calendar quarter. Valley Gas's future GCR reports should also include the additional information previously provided as a supplemental filing on June 13, 2018, in Case No. 2018-00177¹ as it pertains to the calculation of the future GCR rate.

8. Should Valley Gas purchase sustainable natural gas from a renewable source during the reporting period of any future GCR reports, then the supplier, cost, and amount must be documented in its cover letter to the Commission.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Valley Gas and set forth in the Appendix to this Order are approved for service rendered on and after July 1, 2020.

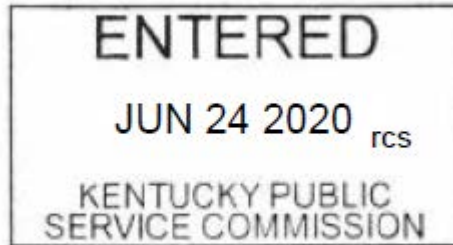
2. Valley Gas's future GCR reports shall include the information required in finding paragraph 7.

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

¹ Case No. 2018-00177, *Purchased Gas Adjustment Filing of Valley Gas, Inc.* (KY. PSC June 13, 2018).

By the Commission



ATTEST:

A handwritten signature in blue ink, consisting of stylized initials and a surname, positioned above a horizontal line.

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2020-00164 DATED JUN 24 2020

The following rates and charges are prescribed for the customers in the area served by Valley Gas, 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.

RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
All Mcf	\$3.0061	\$3.1329	\$6.1390

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