

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS ADJUSTMENT	)	CASE NO.
FILING OF NATURAL ENERGY UTILITY	)	2026-00131
CORPORATION	)	

ORDER

On May 19, 2026, Natural Energy Utility Corporation (Natural Energy) filed its proposed Gas Cost Recovery (GCR) rate report to be effective July 1, 2026. Natural Energy's previous GCR rate report was suspended for one day in Case No. 2026-00042.¹

LEGAL STANDARD

The Commission's standard of review for GCR rates is well settled as stated in KRS 278.274(1):

In determining whether proposed natural gas utility rates are just and reasonable, the commission shall review the utility's gas purchasing practices. The commission may disallow any costs or rates which are deemed to result from imprudent purchasing practices on the part of the utility.

Further, the utility has the burden to prove the rates are fair, just and reasonable and the Commission may reduce the purchased gas component of the utility's rates or the rates charged by an affiliated company to the extent the amount is deemed to be unjust or unreasonable.²

¹ Case No. 2026-00042, *Electronic Purchased Gas Adjustment Filing of Natural Energy Utility Corporation* (Ky. PSC Mar. 31, 2026), suspension Order.

² KRS 278.274(2); KRS 278.274(3)(c); and KRS 278.274(3)(d).

DISCUSSION

Natural Energy's report includes revised rates designed to pass on to its customers its expected change in gas costs it calculated. Natural Energy's report sets out an Expected Gas Cost (EGC) of \$3.3824 per Mcf, which is a decrease of \$3.1250 per Mcf from its previous EGC of \$6.5074 per Mcf. Natural Energy's report sets out no Refund Adjustment. Natural Energy's report sets out a current quarter Actual Adjustment (AA) of \$1.0356 per Mcf. Natural Energy's total AA is \$0.6976 per Mcf, which is an increase of \$0.8114 per Mcf from its previous total AA of (\$0.1138) per Mcf.

Based on the calculations above, Natural Energy's proposed GCR rate is \$4.0800 per Mcf. However, because Case Nos. 2025-00379 and 2026-00042 are ongoing proceedings, the Commission's final Order in those cases will impact the GCR rate components for Natural Energy's GCR. If a charge or credit is ordered in either Case No. 2025-00379 or Case No. 2026-00042, then a charge or credit would need to be provided in this proceeding.

KRS 278.030 provides that a utility may collect fair, just and reasonable rates and that the service it provides must be adequate, efficient and reasonable. Having reviewed the proposed GCR rate report and being otherwise sufficiently advised, the Commission finds that a final Order in this matter cannot be completed before July 1, 2026. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed GCR rates for one day, until July 2, 2026, to give the Commission time to investigate the proposed GCR rates, and to allow Natural Energy to begin charging the GCR rates, subject to refund, pending a final Order in this matter, once Natural Energy

provides written notice to the Commission of its intention to do so as required by KRS 278.190(2).

IT IS THEREFORE ORDERED that:

1. Natural Energy's proposed GCR rates are suspended for one day, until July 2, 2026.

2. Natural Energy's proposed GCR rates may be placed in effect by Natural Energy on or after July 2, 2026, pending the final Order in this matter and subject to refund, provided Natural Energy files written notice to the Commission of its intention to do so as required by KRS 278.190(2).

3. If Natural Energy files notice of its intention to place the proposed GCR rates into effect after the end of the suspension period, Natural Energy shall maintain its records in such manner as will allow it, the Commission, or any customer to determine the amounts to be refunded and to whom in the event a refund is ordered upon final resolution of this matter.

4. Any party filing a paper with the Commission shall file an electronic copy in accordance with the electronic filing procedures set forth in 807 KAR 5:001, Section 8. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked. The Commission directs the parties to the Commission's July 22, 2021 Order in Case No. 2020-00085³ regarding filings with the Commission.

³ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID 19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

Entered on this 30th day of June, 2026.

PUBLIC SERVICE COMMISSION



Angie Hatton
Chair

Mary Pat Regan
Vice Chair

Andrew W. Wood
Commissioner

Barry L. Mayfield
Commissioner

ATTEST:



Linda C. Bridwell, PE
Executive Director

Service List for 2026-00131

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