COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF PUBLIC GAS COMPANY)	CASE NO. 2009-00397

ORDER

On October 10, 1986, in Case No. 9565,¹ the Commission approved rates for Public Gas Company ("Public") and provided for their further adjustment in accordance with Public's Gas Cost Adjustment ("GCA") clause.

On September 30, 2009, Public filed its proposed GCA to be effective November 1, 2009.

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

- 1. Public's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
- 2. Public's proposed Expected Gas Cost ("EGC") is \$8.4106 per Mcf, which is an increase of \$1.1335 per Mcf from the previous EGC of \$7.2771 per Mcf.
 - 3. Public's notice sets out no current guarter Refund Adjustment.
- 4. Public's notice sets out a current quarter Actual Adjustment ("AA") of (\$.0142) per Mcf. People's total AA of (\$1.3429) per Mcf is a decrease of \$.0871 per Mcf from the previous total AA of (\$1.2558) per Mcf.

¹ Case No. 9565, Notice of Public Gas Company, Inc. of a General Rate Adjustment (Ky. PSC Oct. 10, 1986).

- 5. Public's GCA is \$7.0677 per Mcf, which is an increase of \$1.0464 per Mcf from the previous GCA of \$6.0213 per Mcf.
- 6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Public on and after November 1, 2009.

IT IS THEREFORE ORDERED that:

- 1. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after November 1, 2009.
- 2. Within 20 days of the date of this Order, Public shall file with this Commission its revised tariffs setting out the rates authorized herein.

By the Commission

ENTERED

OCT 14 2009

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2009-00397 DATED OCT 1 4 2009

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

Rates:

	Base Rate	Gas Cost	Rate per Mcf
Minimum Bill - First Mcf	\$3.2705	\$7.0677	\$10.3382
Over 1 Mcf	\$2.1505	\$7.0677	\$9.2182

Bert R Layne Public Gas Company, Inc. 220 Lexington Green Circle Suite 130 Lexington, KY 40503