COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF PUBLIC GAS COMPANY)	CASE NO. 2010-00004

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 January 4, 2010, Public filed its proposed GCA to be effective February 1, 2010.

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 \$8.6537 per Mcf, which is an increase of \$.2431 per Mcf from the previous EGC of \$8.4106 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 (\$.0973) per Mcf. People's total AA of (\$1.0807) per Mcf is an increase of \$.2622 per Mcf from the previous total AA of (\$1.3429) 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 \$7.5730 per Mcf, which is an increase of \$.5053 per Mcf from the previous GCA of \$7.0677 per Mcf.
- 6. Public did not give the 30 days' notice required for an increase in rates to take effect February 1, 2010.
- 7. 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 February 3, 2010.

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 February 3, 2010.
- 2. Within 20 days of the date of this Order, Public shall file its revised tariffs with this Commission setting out the rates authorized herein, reflecting that they were approved pursuant to this Order.

By the Commission

JAN 2 5 2010 A

SERVICE COMMISSION

ATTEST

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00004 DATED JAN 2 5 2010

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	\$7.5730	\$10.8435
Over 1 Mcf	\$2.1505	\$7.5730	\$9.7235

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