

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	CASE NO.
FILING OF PEOPLES GAS KY, LLC)	2014-00431

ORDER

On April 29, 2004, in Case No. 2003-00411,¹ the Commission approved rates for Equitable Gas Company, a division of Equitable Resources, Inc. (“Equitable”), and provided for their further adjustment on a quarterly basis in accordance with Equitable’s Purchased Gas Adjustment clause. Equitable is regulated pursuant to KRS 278.485 and 807 KAR 5:026, the statute and regulation governing gathering systems that provide service to retail customers who tap onto such systems. Peoples Gas KY, LLC (“Peoples”) acquired Equitable on December 17, 2013.

On January 20, 2015, Peoples filed its proposed Gas Cost Recovery (“GCR”) rate application to be effective February 1, 2015.²

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

1. Peoples’ notice includes a revised rate designed to pass on to its customers its expected change in wholesale gas costs.

¹ Case No. 2003-00411, *Application of Equitable Gas Company to Increase Rates Pursuant to KRS 278.485* (Ky. PSC Apr. 29, 2004).

² On January 9, 2015, pursuant to 807 KAR 5:001, Section 8(3), Peoples submitted its GCR rate application electronically, but did not file a paper copy of the application until January 20, 2015. The Electronic Filing Procedures, at 807 KAR 5:001, Section 8(12)(a)2, require that a paper copy be filed with the Commission no later than the second business day following the successful electronic transmission. Therefore, Peoples’ application was not considered filed until January 20, 2015.

2. Peoples' Expected Gas Cost ("EGC") is \$5.4128 per Mcf, which is a decrease of \$.4510 per Mcf from its previous EGC of \$5.8638 per Mcf.

3. Peoples' notice sets out no Refund Adjustment.

4. Peoples' notice sets out a current quarter Actual Cost Adjustment ("ACA") of (\$.3754) per Mcf. Peoples' total ACA is \$.0260 per Mcf, which is a decrease of \$.1237 per Mcf from the previous total ACA of \$.1497 per Mcf.

5. Peoples' notice sets out a current quarter Balance Adjustment ("BA") of (\$.0603) per Mcf. Peoples' total BA is \$.0362 per Mcf, which is a decrease of \$.0467 per Mcf from the previous total BA of \$.0829 per Mcf.

6. Peoples' GCR rate is \$5.4750 per Mcf, which is a decrease of \$.6214 per Mcf from its previous rate of \$6.0964 per Mcf.

7. The rate in the Appendix to this Order is fair, just, and reasonable and should be approved for final meter readings on and after February 1, 2015. Although Peoples' GCR rate application did not provide 30 days' notice to the Commission as required by Peoples' tariff, KRS 278.180(2) authorizes the Commission to make a reduction in rates effective in less than 30 days.

IT IS THEREFORE ORDERED that:

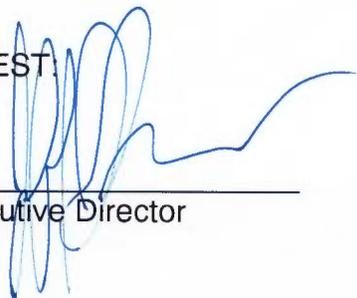
1. The rate in the Appendix to this Order is approved for final meter readings on and after February 1, 2015.

2. Within 20 days of the date of this Order, Peoples 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.

By the Commission

ENTERED
JAN 26 2015
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2014-00431 DATED **JAN 26 2015**

The following rates and charges are prescribed for the customers in the area served by Peoples Gas KY, LLC. 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:

Customer Charge		\$7.50	
	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
All Mcf	\$2.1322	\$5.4750	\$ 7.6072

The minimum bill shall be \$7.50.

Andrew Weisner
Legal Specialist
Peoples Gas KY, LLC
375 North Shore Drive
Suite 600
Pittsburgh, PA 15212