

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT) CASE NO.
FILING OF SENTRA CORPORATION) 2018-00243

ORDER

On July 11, 2018, Sentra Corporation (Sentra) filed its proposed Gas Cost Recovery (GCR) rate application to be effective August 1, 2018. After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Sentra's application includes revised rates designed to pass on to its customers its expected change in gas costs.
2. Sentra's application sets out an Expected Gas Cost (EGC) of \$4.3913 per Mcf.
3. Sentra's application sets out no supplier Refund Adjustment.
4. Sentra's application sets out a current quarter Actual Adjustment (AA) of (\$.9160) per Mcf. Sentra did not use the correct Actual Sales Volumes of 4,935.7 Mcf for February 2018, 4,435.5 Mcf for March 2018, and 3,693.2 Mcf for April 2018. Sentra also failed to include the \$4.5082 per Mcf EGC in effect that was approved in Case No. 2017-00258.¹ Correcting this produces a current quarter AA of (\$.4545) per Mcf.

In calculating its total AA, Sentra erroneously included an expired AA of \$.0228 per Mcf in the calculation. Sentra also failed to include the previous quarter AA of (\$.9986)

¹ Case No. 2017-00258, *Purchased Gas Adjustment of Sentra Corporation* (Ky. PSC July 26, 2017).

per Mcf that was approved in Case No. 2018-00124.² Correcting this produces a total AA of (\$1.4531) per Mcf.

5. Sentra's application sets out no Balancing Adjustment (BA). As described in Case No. 2018-00124, Sentra should have proposed a current quarter BA to reconcile the Total Cost Difference of (\$1,050.55) from the AA approved effective May 1, 2017, with the actual recoveries of gas cost through the AA over the 12 months ending April 30, 2018. Using sales volumes of 35,409.6 Mcf for this period produces a current quarter BA and a total BA of \$.0113 per Mcf.

Sentra's next GCR rate application for rates effective November 1, 2018, should include a revised BA that will reconcile the \$.0228 per Mcf AA approved effective August 1, 2017, with actual recoveries of gas cost through the AA over the 12 months ended July 31, 2018.

6. Sentra's corrected GCR rate is \$2.9495 per Mcf.

7. The rate set forth in Appendix A to this Order is fair, just, and reasonable and should be approved for service rendered by Sentra on and after August 1, 2018.

8. Also on July 11, 2018, Sentra filed a petition (Petition) requesting prospective correction of the base rate set forth in the appendix to Case No. 2018-00124, which inadvertently applied the GCR rate to base rates in effect prior to those approved in Case No. 2016-00384³. In compliance with the Order issued in Case No. 2018-00124, Sentra filed a tariff and billed customers using the incorrect base rates. Sentra states that

² Case No. 2018-00124, *Purchased Gas Adjustment Filing of Sentra Corporation* (Ky. PSC Apr. 24, 2018).

³ Case No. 2016-00384, *Application of Sentra Corporation for Rate Adjustment Pursuant to 807 KAR 5:076* (Ky. PSC Sept. 14, 2017).

it does not propose to recover the under-billing for services rendered between May 1, 2018, and July 31, 2018. The Commission finds that discovery is necessary to determine the amount of the under recovery, and, therefore, this case should remain open pending Sentra's responses to the data requests set forth in Appendix B to this Order and the Commission's final determination regarding the treatment of the under recovery.

IT IS THEREFORE ORDERED that:

1. The rate proposed by Sentra is denied.
2. The rate set forth in Appendix A to this Order is approved for service rendered on and after August 1, 2018. Although Sentra's GCR rate application did not provide 30 days' notice to the Commission as required by its tariff, KRS 278.180(2) authorizes the Commission to make a reduction in rates effective in less than 30 days.
3. Within 20 days of the date of entry of this Order, Sentra 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 shall remain open pending the Commission's final determination regarding the amount and treatment of the under recovery.
5. Sentra's Petition for correction is held in abeyance pending discovery regarding the under recovery.
6. Sentra shall file with the Commission, within 20 days of the date of this Order, the original and three copies in paper medium of the information requested in Appendix B to this Order.

7. a. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed, and shall include the name of the witness responsible for responding to the questions related to the information provided, with a copy to all parties of record.

b. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by the signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. Any party shall make timely amendment to any prior response if it obtains information that indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. Any party filing a paper containing personal information shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that the personal information cannot be read.

By the Commission

ENTERED
JUL 26 2018
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2018-00243

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2018-00243 DATED **JUL 26 2018**

The following rates and charges are prescribed for the customers in the area served by Sentra Corporation. 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.

Gas Cost Recovery rate

The Gas Cost Recovery rate shall be \$2.9495 per Mcf for service rendered on and after August 1, 2018.

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00243 DATED **JUL 26 2018**

1. Provide separately, the actual customer usage in Mcf for May, June, and July 2018.
2. Provide a copy of a residential customer bill and a copy of an industrial bill for May, June, and July 2018. Information regarding the customers' identity including name, address, and account number should be redacted.

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