

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING) CASE NO.
OF NAVITAS KY NG, LLC) 2019-00241

ORDER

This matter arises upon a public comment filed by B&W Pipeline, LLC (B&W), the operator of an interstate pipeline that, among other things, transports gas to Navitas KY NG, LLC (Navitas), and is subject to Federal Energy Regulatory Commission (FERC) jurisdiction. B&W also operates an intrastate pipeline that is subject to the jurisdiction of the Tennessee Public Utility Commission, formerly known as the Tennessee Regulatory Authority (TRA). On July 8, 2019, Navitas filed its quarterly gas cost recovery (GCR) report, which presented two options for calculating the GCR based on two transportation charges from B&W. One option applied volumetric rates charged by B&W that were approved by the TRA. The second option applied volumetric rates charged by B&W that were approved by the FERC. Navitas requested that the Commission authorize Navitas to use the TRA-approved rates.

B&W filed public comments on July 16, 2019, July 29, 2019, and August 8, 2019, that provided information regarding TRA and FERC proceedings involving B&W and Navitas that could impact the Commission's determination of which transportation charge is the appropriate charge to use in calculating Navitas's GCR rate.

Relevant here, in the August 8, 2019 public comment, B&W asserted that B&W's gas sales to Navitas are in interstate commerce and under the rate jurisdiction of FERC

pursuant to the FERC Order of May 17, 2019.¹ Therefore, according to B&W, the Commission must apply the FERC-approved rates in calculating Navitas's GCR.

Based on B&W's August 8, 2019 public comment and the case record, the Commission finds that the record is not sufficiently developed and that Navitas should file support for its position that the Commission has the authority to disregard the FERC rate order and adopt the TRA rates instead.

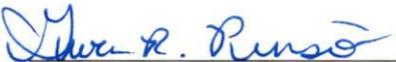
IT IS THEREFORE ORDERED that, within 15 days of the date of this Order, Navitas shall file a response to B&W's August 8, 2019 public comment that addresses Navitas's position that the Commission has the authority to disregard the FERC rate order and adopt the TRA rates.

¹ B&W Public Comment (filed July 16, 2019), Attachment C, *B&W Pipeline, LLC*, FERC Docket No. PR17-54-000 (May 17, 2019).

By the Commission

ENTERED
AUG 14 2019
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


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