

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT) CASE NO.
FILING OF B&H GAS COMPANY) 2020-00056

ORDER

On February 27, 2020, B&H Gas Company (B&H) filed its Gas Cost Recovery (GCR) rate report with rates proposed to be effective April 1, 2020.

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

1. B&H's report includes revised rates designed to pass on to its customers its expected change in wholesale gas costs from its supplier B&S Oil & Gas Company (B&S), an affiliate pursuant to KRS 278.010(18).

2. B&H's report sets out an Expected Gas Cost (EGC) of \$4.5680 per Mcf, which is a decrease of \$.9071 per Mcf from its previous EGC of \$5.4751 per Mcf.

3. B&H's report sets out no Refund Adjustment (RA) as B&H has appealed the Commission's Orders in Case No. 2015-00367 to Franklin Circuit Court, and moved the Circuit Court to temporarily enjoin the RA from going into effect pending a final adjudication of the appeal.¹ On September 19, 2017, the Franklin Circuit Court granted a temporary injunction, staying the implementation of the (\$3.0000) per Mcf RA pending

¹ Franklin Circuit Court, Case No. 17-CI-722, *B&H Gas Company and B&S Oil and Gas Company v. Kentucky Public Service Commission and Attorney General of the Commonwealth of Kentucky, By and Through His Office of Rate Intervention*.

final adjudication of B&H's appeal of the Commission's final Order in Case No. 2015-00367. Accordingly, the RA will not be included in B&H's April 1, 2020 GCR rate.

4. B&H's GCR rate is \$4.5680 per Mcf, which is a decrease of \$.9071 per Mcf from its previous GCR of \$5.4751 per Mcf.

5. The rates proposed by B&H and set forth in the Appendix to this Order are fair, just, and reasonable and should be approved for service rendered by B&H on and after April 1, 2020.

6. Should B&H purchase sustainable natural gas from a renewable source during the reporting period of any future GCR reports then the supplier, cost, and amount must be documented in its cover letter to the Commission.

IT IS THEREFORE ORDERED that:

1. The rates proposed by B&H and set forth in the Appendix to this Order are approved for service rendered on and after April 1, 2020.

2. Within 20 days of the date of this Order, B&H shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

3. This case is closed and removed from the Commission's docket.

By the Commission

ENTERED
MAR 12 2020
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2020-00056 DATED **MAR 12 2020**

The following rates and charges are prescribed for the customers served by B&H Gas Company. 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.

RETAIL RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 2 Mcf	\$4.7938	\$4.5680	\$13.9298*
Next 8 Mcf, per Mcf	1.9788	4.5680	6.5468
Next 20 Mcf, per Mcf	1.5611	4.5680	6.1291
Over 30 Mcf, per Mcf	1.3103	4.5680	5.8783

*Charge includes 2 Mcf of natural gas ($\$4.7938 + (4.5680 \times 2)$).

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