

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS	)	CASE NO.
ADJUSTMENT FILING OF COLUMBIA GAS OF	)	2021-00403
KENTUCKY, INC.	)	

ORDER

On October 29, 2021, Columbia Gas of Kentucky, Inc. (Columbia Kentucky) filed its proposed Gas Cost Adjustment (GCA) report to be effective November 29, 2021. Columbia Kentucky filed an amended GCA report on November 2, 2021. Columbia Kentucky's previous rate was approved in Case No. 2021-00308.<sup>1</sup>

The Commission's standard of review for GCR rates is well settled as stated in KRS 278.274(1):

In determining whether proposed natural gas utility rates are just and reasonable, the commission shall review the utility's gas purchasing practices. The commission may disallow any costs or rates which are deemed to result from imprudent purchasing practices on the part of the utility.

Further, the utility has the burden to prove the rates are just and reasonable and the Commission may reduce the purchased gas component of the utility's rates or the rates charged by and affiliated company to the extent the amount is deemed to be unjust or unreasonable.<sup>2</sup>

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<sup>1</sup> Case No. 2021-00308, *Electronic Purchased Gas Adjustment Filing of Columbia Gas of Kentucky, Inc.* (Ky. PSC Aug. 17, 2021).

<sup>2</sup> KRS 278.274(2); KRS 278.274(3)(c), and KRS 278.274(3)(d).

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

1. Columbia Kentucky's report includes revised rates designed to pass on to its customers its expected change in gas costs.

2. Columbia Kentucky's amended report sets out an Expected Gas Cost (EGC) of \$6.8033 per Mcf, which is an increase of \$1.1336 per Mcf from its previous EGC of \$5.6697 per Mcf.

3. Columbia Kentucky's amended report sets out a rate for Banking and Balancing Service of \$0.0320 per Mcf.

4. Columbia Kentucky's amended report sets out no supplier Refund Adjustment (RA), which is no change from its previous total RA.

5. Columbia Kentucky's amended report sets out a current quarter Actual Cost Adjustment (ACA) of \$0.5476 per Mcf. Columbia Kentucky's total ACA is \$0.2640 per Mcf, which is an increase of \$0.6434 per Mcf from its previous total ACA of (\$0.3794) per Mcf.

6. Columbia Kentucky's amended report sets out a Balancing Adjustment (BA) of \$0.0070 per Mcf, which is an increase of \$0.0499 per Mcf from its previous BA of (\$0.0429) per Mcf.

7. Columbia Kentucky's amended report sets out no Special Agency Service (SAS) refund adjustment.

8. Columbia Kentucky's amended report sets out a Performance-Based Rate (PBR) Adjustment of \$0.1555 per Mcf.

9. Columbia Kentucky's GCA is \$7.2298 per Mcf, which is an increase of \$1.8269 per Mcf from the previous GCA of \$5.4029 per Mcf.

10. The rates as proposed by Columbia Kentucky and set forth in the Appendix to this Order are fair, just and reasonable and should be approved for billing with the final meter readings beginning on November 29, 2021.

11. Should Columbia Kentucky purchase sustainable natural gas from a renewable source during the reporting period of any future GCA reports then the supplier, cost, and amount must be documented in its cover letter to the Commission.

12. As ordered by the Commission in Case No. 2018-00150,<sup>3</sup> Columbia Kentucky's future GCA reports should include an electronic version containing supporting calculations in Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Columbia Kentucky and set forth in the Appendix to this Order are approved for billing beginning on November 29, 2021.

2. Within 20 days of the date of entry of this Order, Columbia Kentucky 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. Columbia Kentucky's future GCA reports shall include the information required in finding paragraph 12.

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<sup>3</sup> Case No. 2018-00150, *Purchased Gas Adjustment Filing of Columbia Gas of Kentucky, Inc.* (Ky. PSC May 16, 2018).

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

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By the Commission

ENTERED  
NOV 22 2021 rcs  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director

Case No. 2021-00403

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2021-00403 DATED NOV 22 2021

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, Inc. 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.

CURRENTLY EFFECTIVE BILLING RATES

<u>SALES SERVICE</u>	<u>Base Rate</u>	<u>Gas Cost Adjustment<sup>1/</sup></u>		<u>Total</u>
	<u>Charge</u>	<u>Demand</u>	<u>Commodity</u>	<u>Billing</u>
	\$	\$	\$	\$
<u>RATE SCHEDULE GSR</u>				
Deliver Charge per Mcf	3.5665	1.6097	5.6201	10.7963
<u>RATE SCHEDULE GSO</u>				
<u>Commercial or Industrial</u>				
First 50 Mcf or less per billing period	3.0181	1.6097	5.6201	10.2479
Next 350 Mcf per billing period	2.3295	1.6097	5.6201	9.5593
Next 600 Mcf per billing period	2.2143	1.6097	5.6201	9.4441
Next 1,000 Mcf per billing period	2.0143	1.6097	5.6201	9.2441
<u>RATE SCHEDULE IS</u>				
First 30,000 Mcf per billing period	0.6285		5.6201 <sup>2/</sup>	6.2486
Next 70,000 Mcf per billing period	0.3737		5.6201 <sup>2/</sup>	5.9938
Over 100,000 Mcf per billing period	0.3247		5.6201 <sup>2/</sup>	5.9448
Firm Service Demand Charge				
Demand Charge times Daily Firm				
Volume (Mcf) in Customer Service Agreement		9.2423		9.2423

<sup>1/</sup> The Gas Cost Adjustment, as shown, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets 48 through 51 of Columbia Kentucky's Tariff. The Gas Cost Adjustment applicable to a customer who is receiving service under Rate Schedule GS or IUS and received service under Rate Schedule SVGTS shall be \$6.8033 per Mcf only for those months of the prior 12 months during which they were served under Rate Schedule SVGTS

<sup>2/</sup> IS customers may be subject to the Demand Gas Cost under the conditions set forth on Sheets 14 and 15 of Columbia Kentucky's Tariff.

RATE SCHEDULE IUS

Deliver Charge per Mcf	1.1544	1.6097	5.6201	8.3842
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TRANSPORTATION SERVICE

RATE SCHEDULE SS

Standby Service Demand Charge per Mcf				
Demand Charge times Daily Firm				
Volume (Mcf) in Customer Service Agreement		9.2423		9.2423
Standby Service Commodity Charge per Mcf			5.6201	5.6201

RATE SCHEDULE DS

Banking and Balancing Service				
Rate per Mcf		0.0320		0.0320

RATE SCHEDULE MLDS

Banking and Balancing Service				
Rate per Mcf		0.0320		0.0320

RATE SCHEDULE SVGTS

Base Rate  
\$

General Service Residential (SGVTS GSR)

Delivery Charge per Mcf	3.5665
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General Service Other—Commercial or Industrial (SVGTS GSO)

First 50 Mcf or less per billing period	3.0181
Next 350 Mcf per billing period	2.3295
Next 600 Mcf per billing period	2.2143
Over 1,000 Mcf per billing period	2.0143

Intrastate Utility Service

Delivery Charge per Mcf	1.1544
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Base Rate  
\$

Actual Gas Cost Adjustment<sup>3</sup>

\$0.4850

RATE SCHEDULE SVAS

Balancing Charge-per Mcf	\$1.1970
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<sup>3</sup> The Gas Cost Adjustment is applicable to a customer who is receiving service under Rate Schedule SVGTS and received service under Rate Schedule GS, IS, or IUS for only those months of the prior 12 months during which they were served under Rate Schedule GS, IS, or IUS.

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