

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS ADJUSTMENT	)	CASE NO.
FILING OF NATURAL ENERGY UTILITY	)	2026-00042
CORPORATION	)	

ORDER

On February 19, 2026, Natural Energy Utility Corporation (Natural Energy) filed its proposed Gas Cost Recovery (GCR) rate report to be effective April 1, 2026. Natural Energy's previous GCR rate report was suspended in Case No. 2025-00379.<sup>1</sup>

LEGAL STANDARD

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 fair, just and reasonable and the Commission may reduce the purchased gas component of the utility's rates or the rates charged by an affiliated company to the extent the amount is deemed to be unjust or unreasonable.

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<sup>1</sup> Case No. 2025-00379, *Electronic Purchased Gas Adjustment Filing of Natural Energy Utility Corporation* (Ky. PSC Dec. 23, 2025) suspension Order.

## DISCUSSION

In spite of the complications arising from Case No. 2025-00379, Natural Energy's report appears to propose revised rates designed to pass on to its customers the expected change in gas costs. Natural Energy's report sets out an Expected Gas Cost (EGC) of \$6.5074 per Mcf, which is an increase of \$3.3828 per Mcf from its previous EGC of \$3.1246 per Mcf. Natural Energy's report sets out no Refund Adjustment. Natural Energy's report sets out a current quarter Actual Adjustment (AA) of \$0.1636 per Mcf. Natural Energy's total AA is (\$0.1138) per Mcf, which is an increase of \$0.5546 per Mcf from its previous total AA of (\$0.6684) per Mcf.

Based on the calculations above, Natural Energy's proposed GCR rate is \$6.3936 per Mcf. However, because Case No. 2025-00379 is an ongoing proceeding, the Commission's final Order in that case will impact the GCR rate components for Natural Energy's GCR. If a change or credit is ordered in Case No. 2025-00379, then a change or credit would need to be provided in this proceeding.

KRS 278.030 provides that a utility may collect fair, just and reasonable rates and that the service it provides must be adequate, efficient and reasonable. Having reviewed the proposed GCR rate report and being otherwise sufficiently advised, the Commission finds that a final Order in this proceeding cannot be completed before April 1, 2026. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed GCR rates for one day, until April 2, 2026, to give the Commission time to investigate the proposed GCR rates, and to allow Natural Energy to begin charging the GCR rates, subject to refund, pending a final Order, once Natural Energy provides written notice to the Commission of its intention to do so as required by KRS 278.190(2).

In addition, Natural Energy shall file on or before April 16, 2026, its responses to Commission Staff's (Staff) request for information attached to this Order as an Appendix, and shall respond to any future requests for information propounded by Staff by the date or dates set forth on any such requests.

The Commission directs Natural Energy to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>2</sup> in which the Commission mandated the use of electronic filing procedures listed in 807 KAR 5:001, Section 8. The Commission finds that electronic filing procedures should be used, consistent with the filing procedures set forth in Case No. 2020-00085.

IT IS THEREFORE ORDERED that:

1. Natural Energy's proposed GCR rates are suspended for one day, until April 2, 2026.
2. Natural Energy's proposed GCR rates may be placed in effect by Natural Energy on or after April 2, 2026, pending the final Order in this matter and subject to refund, provided Natural Energy files written notice to the Commission of its intention to do so as required by KRS 278.190(2).
3. The record of Case No. 2025-00379 is incorporated by reference into the record of this case.
4. If Natural Energy files notice of its intention to place the proposed GCR rates into effect after the end of the suspension period, Natural Energy shall maintain its records

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<sup>2</sup> Case No. 2020-00085, Electronic Emergency Docket Related to the Novel Coronavirus COVID19 (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

in such manner as will allow it, the Commission, or any customer to determine the amounts to be refunded and to whom in the event a refund is ordered upon final resolution of this matter.

5. Natural Energy shall file its responses to the request for information attached as an Appendix on or before April 16, 2026.

6. Any Under- or Over-recoveries of gas costs that would have otherwise been reconciled in its case, shall be reconciled in the GCR rate report filed by Natural Energy in their next filings.

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PUBLIC SERVICE COMMISSION

  
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Chairman

  
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Commissioner

  
\_\_\_\_\_  
Commissioner

ATTEST:

  
\_\_\_\_\_  
Executive Director



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MAR 31 2026 jdc  
KENTUCKY PUBLIC  
SERVICE COMMISSION

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2026-00042 DATED MAR 31 2026

#### COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO NATURAL ENERGY UTILITY CORPORATION

Natural Energy Utility Corporation (Natural Energy), pursuant to 807 KAR 5:001, shall file with the Commission an electronic version of the following information. The information requested is due on or before April 16, 2026. The Commission directs Natural Energy to the Commission's July 22, 2021 Order in Case No. 2020-00085<sup>1</sup> regarding filings with the Commission. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the question to which the response is made and shall include the name of the witness responsible for responding to the questions related to the information provided. 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 a signed certification of the preparer or the 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.

Natural Energy shall make timely amendment to any prior response if Natural Energy obtains information that indicates the response was incorrect or incomplete when

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<sup>1</sup> Case No. 2020-00085, Electronic Emergency Docket Related to the Novel Coronavirus COVID19 (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).

made or, though correct or complete when made, is now incorrect or incomplete in any material respect.

For any request to which Natural Energy fails or refuses to furnish all or part of the requested information, Natural Energy shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied and scanned material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Natural Energy shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the TCO Settlement Refund Report in Case No. 2026-00022, at 78 of 159.<sup>2</sup>
  - a. Confirm that Natural Energy is owed a refund from Columbia Gas Transmission (Columbia).
  - b. If not, explain why no refund is owed.
  - c. Confirm whether Natural Energy plans to file a refund report for the \$3,652.13 received from Columbia with its next quarterly GCR rate report.

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<sup>2</sup> Case No. 2026-00022, *Electronic Purchased Gas Adjustment Filing of Columbia Gas of Kentucky, Inc.* (Ky. PSC Feb. 27, 2026), Application, TCO\_Settlement\_Refund\_Report\_for\_RA, Appendix A, at 78 of 159.

d. If not, explain why and what Natural Energy intends to do with the refund from Columbia.

2. Provide all invoices received from gas suppliers for any gas that was supplied on or after January 1, 2026, to the most recent reporting period.

3. Refer to Case No. 2025-00379, Natural Energy's Notice to Implement Rates.<sup>3</sup>

a. Confirm the rates that Natural Energy charged customers for the quarter January to March.

b. Confirm whether Natural Energy placed these rates into effect on January 2, 2026. If not confirmed, provide the date the rates were placed into effect.

4. Refer to Case No. 2025-00379, provide any Under- or Over-collection of gas costs for the reporting period from January through March 2026. Provide this information in a detailed report in an Excel spreadsheet format with all formulas, columns, and rows unprotected and fully accessible.

5. Refer to Case No. 2025-00379, Notice to Implement Rates. Provide the records referenced in the notice to determine the amounts to be refunded, if any.

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<sup>3</sup> Case No. 2025-00379, *Electronic Purchased Gas Adjustment Filing of Natural Energy Utility Corporation* (filed Dec. 23, 2025), Notice to Implement Rates.

## Service List for 2026-00042

\* Mark T Baldock

CPA

Natural Energy Utility Corporation

2560 Hoods Creek Pike

Ashland, KY 41102

\* Natural Energy Utility Corporation

2560 Hoods Creek Pike

Ashland, KY 41102

\* Monica Braun

STOLL KEENON OGDEN PLLC

300 West Vine Street

Suite 2100

Lexington, KY 40507-1801