

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS ADJUSTMENT	)	CASE NO.
FILING OF SENTRA CORPORATION	)	2026-00292

ORDER

On October 1, 2026, Sentra Corporation (Sentra) filed its proposed Gas Cost Recovery (GCR) rate report to be effective November 1, 2026. Sentra's previous GCR rate was approved in Case No. 2026-00171.¹ Sentra also filed a motion for confidential treatment of certain information submitted with its GCR report.

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 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.²

¹ Case No. 2026-00171, *Electronic Purchased Gas Adjustment Filing of Sentra Corporation* (Ky. PSC July 31, 2026).

² KRS 278.274(2); KRS 278.274(3)(c); and KRS 278.274(3)(d).

DISCUSSION

Proposed GCR Rate

Sentra's report in the current proceeding includes revised rates designed to pass on to customers its expected change in gas costs. Sentra's report sets out an Expected Gas Cost (EGC) of \$3.9529 per Mcf, which is the same EGC proposed in its previous filing, Case No. 2026-00171.³ On Schedule II of its current GCR rate report, Sentra calculated the EGC using total expected gas costs of \$171,785.13,⁴ which is also the same amount used in Case No. 2026-00171.⁵ Additionally, the gas cost adder of \$0.4000 per dekatherm (Dth), that Sentra's supplier adds to the three-month NYMEX average,⁶ is reflected in the current filing as \$0.4292 per Mcf,⁷ which is the same gas cost adder used in Case No. 2026-00171.⁸ As a result, Sentra's proposed EGC does not contain updated figures or expected gas costs applicable to the current filing. To correct these errors, the Commission used the updated three-month NYMEX average for November 2026 through January 2027 of \$3.7891 per Mcf,⁹ together with the updated gas cost adder of \$0.4296 per Mcf.¹⁰ The Commission then applied the resulting gas cost of \$4.2187 per Mcf to the

³ Case No. 2026-00171, (filed July 1, 2026) GCR Rate Report at 2.

⁴ Sentra's GCR Rate Report at 3.

⁵ Case No. 2026-00171, July 1, 2026 GCR Rate Report at 3.

⁶ Sentra's GCR Rate Report at 7.

⁷ Sentra's GCR Rate Report at 3.

⁸ Case No. 2026-00171, July 1, 2026 GCR Rate Report at 3.

⁹ The rate of \$3.7891 per Mcf is based on the average of the NYMEX futures prices for November 2026, December 2026, and January 2027, which is \$3.5280 per Dth. The average NYMEX price was multiplied by the twelve-month average heat factor of 1.0740 to convert the price to an equivalent rate per Mcf, resulting in \$3.7891 per Mcf.

¹⁰ To convert the \$0.4000 per Dth to an equivalent rate per Mcf for the current proceeding, it was multiplied by the reported twelve-month average heat factor of 1.0740, resulting in \$0.4296 per Mcf.

sales for the preceding twelve months. Fixing these errors results in total expected gas cost of \$179,388.41 and a revised EGC of \$4.2187 per Mcf.

Sentra's report sets out a current quarter Actual Adjustment (AA) of \$0.0255 per Mcf. The proposed AA was calculated using hard coded total sales of 1,096.10 Mcf, 378.10 Mcf, and 64.60 Mcf for May, June, and July, respectively.¹¹ While these figures represent the actual sales for those months and are supported by the usage reports provided by Sentra,¹² hard coding the total sale amounts into the calculation prevents the formula from properly applying the five percent line loss limiter. Specifically, the calculation should account for the applicable five percent line loss limiter when determining the appropriate level of recoverable gas costs. Correcting this error results in a revised current quarter AA of (\$0.0050) per Mcf.

Sentra's report proposed a total AA of \$1.1072 per Mcf, consisting of the current quarter AA of \$0.0255 per Mcf and first, second, and third previous AA components of \$0.0299 per Mcf, \$0.1331 per Mcf, and \$0.9187 per Mcf, respectively.¹³ The \$0.0299 per Mcf AA component should be revised to (\$0.0299) per Mcf, as it was originally approved in Case No. 2026-00080 for the purpose of refunding \$1,125.10 to customers.¹⁴ Additionally, consistent with the final Order in Case No. 2026-00080, the (\$0.0299) per Mcf AA should replace the \$0.1331 per Mcf AA currently included as the second previous

¹¹ Sentra's GCR Rate Report at 5.

¹² Sentra's Usage Reports.

¹³ Sentra's GCR Rate Report at 2.

¹⁴ Case No. 2026-00080, *Electronic Purchased Gas Adjustment Filing of Sentra Corporation* (Ky. PSC July 31, 2026) Order at 15.

AA component.¹⁵ The first previous AA should be revised to \$0.7647 per Mcf, which was the amount approved in Sentra's most recent GCR filing, Case No. 2026-00171.¹⁶ Finally, the \$0.9187 per Mcf AA component should be removed from the calculation because that amount expired and was removed from the AA calculation in Case No. 2026-00171.¹⁷ The revised total AA is \$0.7298 per Mcf, which is a \$0.0050 per Mcf decrease from the previous total AA of \$0.7348 per Mcf.¹⁸ These revisions ensure that the AA components included in the total AA rate are consistent with the amounts previously approved by the Commission. The Commission notes that the total AA rate of \$0.7298 per Mcf consists of the following components:

Current Quarter AA Component:	(\$0.0050) per Mcf
Previous Quarter AA Component:	\$0.7647 per Mcf
Second Previous Quarter AA Component:	(\$0.0299) per Mcf
Third Previous Quarter AA Component:	\$0.0000 per Mcf
Total AA Component:	\$0.7298 per Mcf

Sentra's report proposes a current quarter Balance Adjustment (BA) of \$2.4262 per Mcf. However, this calculation is inconsistent with the Commission's final Order in Case No. 2026-00080. In that proceeding, the Commission calculated a consolidated BA of \$0.8172 per Mcf and determined that Sentra should not calculate a current quarter BA until it filed its GCR rate report for rates effective August 1, 2027.¹⁹ Because the current filing is not for rates effective August 1, 2027, the current quarter BA proposed by Sentra

¹⁵ Case No. 2026-00080, July 31, 2026 Order at 15-16.

¹⁶ Case No. 2026-00171, July 31, 2026 Order at 2.

¹⁷ Case No. 2026-00171, July 31, 2026 Order at 2-3.

¹⁸ Case No. 2026-00171, July 31, 2026 Order at 3.

¹⁹ Case No. 2026-00080, July 31, 2026 Order at 16.

should not be included in the calculation. Additionally, in Case No. 2026-00080, the Commission set the remaining BA quarters to zero as the consolidated BA of \$0.8172 per Mcf included any under- or -over recoveries from previous periods.²⁰ Accordingly, Sentra's proposed current quarter BA of \$2.4262 per Mcf should be set to zero and the proposed total BA of \$3.9056 per Mcf should be revised to \$0.8172 per Mcf.

Based on the corrected calculations above, the Commission finds that Sentra's corrected GCR rate is \$5.7657 per Mcf, which is an increase of \$0.2608 per Mcf from its previous GCR of \$5.5049 per Mcf. The Commission finds that the inputs, resulting components and calculation of Sentra's corrected GCR rate of \$5.7657 per Mcf are reasonable. The Commission further finds that the rates set forth in the Appendix to this Order are fair, just and reasonable and are approved for service rendered by Sentra on and after November 1, 2026.

The Commission finds that for the purpose of transparency and to maintain a record of information for future use, Sentra should submit all invoices it receives along with its monthly usage reports for each month of the reporting period when it files its future GCR rate reports. Should Sentra 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.

Motion for Confidential Treatment

Sentra filed a motion for confidential treatment, pursuant to 807 KAR 5:001, Section 13, and KRS 61.878, requesting that the Commission grant confidential treatment for an indefinite period for redacted portions of its GCR Rate Quarterly Report, specifically

²⁰ Case No. 2026-00080, July 31, 2026 Order at 16.

the identity of its gas suppliers, as well as invoices containing supplier information, prices, interconnections, and volumes.

In support of its motion, Sentra argued that public disclosure of supplier pricing and terms would result in competitive harm by adversely impacting Sentra's ability to negotiate future gas supply contracts at favorable prices and therefore would impair Sentra's ability to minimize the price of natural gas paid by Sentra's customers.²¹

Having considered the motion and the material at issue, the Commission finds that the designated material is generally recognized as confidential or proprietary and that public disclosure of the confidential information could result in commercial harm to Sentra by impairing its ability to obtain the most favorable prices for its natural gas supply, which in turn would raise the price paid by Sentra's customers for natural gas. For this reason, the Commission further finds that the designated material in the petition meets the criteria for confidential treatment and should be exempted from public disclosure pursuant to 807 KAR 5:001, Section 13, and KRS 61.878(1)(c)(1).

IT IS THEREFORE ORDERED that:

1. The rates proposed by Sentra are denied.
2. The rates set forth in the Appendix to this Order are approved for service rendered on and after November 1, 2026.
3. Sentra shall submit all invoices it receives along with its monthly usage reports for each month of the reporting period when it files its future GCR rate reports.

²¹ Sentra Corporation's Motion for Confidential Treatment (filed Oct. 1, 2026) at 1-2.

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

5. Within 20 days of the date of service of this Order, Sentra 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.

6. Sentra's October 1, 2026 motion for confidential treatment is granted.

7. The designated material granted confidential treatment by this Order shall not be placed in the public record or made available for public inspection for an indefinite period or until further order of this Commission.

8. Use of the designated material granted confidential treatment by this Order in any Commission proceeding shall comply with 807 KAR 5:001, Section 13(9).

9. Sentra shall inform the Commission if the designated material granted confidential treatment by this Order becomes publicly available or no longer qualifies for confidential treatment.

10. If a nonparty to this proceeding requests to inspect the material granted confidential treatment by this Order and the period during which the material has been granted confidential treatment has not expired, Sentra shall have 20 days from receipt of written notice of the request to demonstrate that the material still falls within the exclusions from disclosure requirements established in KRS 61.878. If Sentra is unable to make such demonstration, the requested material shall be made available for inspection. Otherwise, the Commission shall deny the request for inspection.

11. The Commission shall not make the requested material available for inspection for 30 days from the date of service of an Order finding that the material no longer qualifies for confidential treatment in order to allow Sentra to seek a remedy afforded by law.

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

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Entered on this 27th day of October, 2026.

PUBLIC SERVICE COMMISSION



Angie Hatton
Chair



Mary Pat Regan
Vice Chair



Andrew W. Wood
Commissioner



Barry L. Mayfield
Commissioner

ATTEST:



Justin McNeil
Executive Director

Case No. 2026-00292

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2026-00292 DATED OCT 27 2026

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 \$5.7657 per Mcf for service rendered on and after November 1, 2026.

Service List for Case 2026-00292

* Harlee P. Havens

Stites & Harbison

250 West Main Street, Suite 2300

Lexington, KY 40507

* Jackson Page

Sentra Corporation c/o Sentra Resources LLC

112 Orchard Lane

Tompkinsville, KY 42167

* Sentra Corporation c/o Sentra Resources LLC

112 Orchard Lane

Tompkinsville, KY 42167

* Kenneth J Gish, Jr.

Stites & Harbison

250 West Main Street, Suite 2300

Lexington, KY 40507

* Thomas Bartley

Sentra Corporation c/o Sentra Resources LLC

112 Orchard Lane

Tompkinsville, KY 42167