

Previous Quarter Actual Adjustment in calculating its total AA. Correcting this produces a total AA of (\$.0098) per Mcf, which is an increase of \$.2193 per Mcf from its previous total AA of (\$.2291) per Mcf.

5. Bluegrass's notice sets out a current quarter Balance Adjustment ("BA") of \$.0286 per Mcf. Bluegrass did not use the correct expired AA of (\$.8436) per Mcf or the correct expired BA of (\$.0388) per Mcf in calculating its current BA. Correcting this produces a current BA of \$.1647 per Mcf. Revising the total BA calculation to correct the incorrectly calculated Third Previous Quarter Balance Adjustment from Case No. 2012-00527,² which should have been \$.0086 instead of \$.0076, produces a total BA of \$.1609 per Mcf, which is an increase of \$.1451 per Mcf from its previous total BA of \$.0158 per Mcf. The under-recovery of gas cost which occurred due to the miscalculation of the BA in Case No. 2012-00527 will be reconciled in Bluegrass's next GCA filing for rates effective January 1, 2014.

6. Bluegrass's GCA is \$5.6821 per Mcf, which is a decrease of \$.0575 per Mcf from its previous rate of \$5.7396 per Mcf.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Bluegrass on and after October 1, 2013.

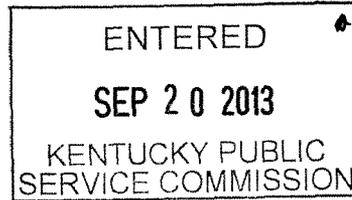
IT IS THEREFORE ORDERED that:

1. The rates proposed by Bluegrass are denied.
2. The rates in the Appendix to this Order are fair, just and reasonable, and should be approved for billing for service rendered on and after October 1, 2013.

² Case No. 2012-00527, Purchased Gas Adjustment Filing of Bluegrass Gas Sales, Inc. (Ky. PSC Dec. 11, 2012).

3. Within 20 days of the date of this Order, Bluegrass 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.

By the Commission



ATTEST:


Executive Director

Case No. 2013-00328

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00328 DATED **SEP 20 2013**

The following rates and charges are prescribed for the customers served by Bluegrass Gas Sales, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Customer Charge	\$10.00		
All Mcf	\$5.1416	\$5.6821	\$ 10.8237

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