



225 North Shore Drive  
Pittsburgh, PA 15212

[www.peoples-gas.com](http://www.peoples-gas.com)

**Carol Scanlon**  
Rate Consultant  
Phone: 412-208-6931  
Email: [Carol.Scanlon@peoples-gas.com](mailto:Carol.Scanlon@peoples-gas.com)

**VIA ELECTRONIC FILING**

June 21, 2016

Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40602

RE: Peoples Gas KY LLC  
GCR Filing Proposed to Become Effective August 1, 2016  
Case No. 2016-00210

Dear Mr. Derouen:

Enclosed for filing on behalf of Peoples Gas KY LLC (Peoples KY) is the Gas Cost Recovery (GCR) filing for the calendar quarter ended April 30, 2016, for rates proposed to become effective August 1, 2016. Also included are Eleventh Revised Sheet No. 2 and Tenth Revised Sheet No. 4, to Peoples KY PSC Kentucky No. 1 Tariff, which are being filed pursuant to the Purchased Gas Adjustment Provision of that Tariff. A hard copy will follow via regular mail delivery.

This filing proposes a GCR rate of \$3.4453 per Mcf of sales, an increase of \$0.1312 per Mcf from the current PGA, which was approved in Case No. 2016-00119 effective May 1, 2016.

For the purposes of forecasting its Expected Gas Cost (EGC), Peoples KY is assuming purchases based on the Appalachian Index price of gas for Columbia Transmission. This price is developed by averaging the estimated cost of gas over 3 months beginning August 2016.

Schedule 1 of the filing is a summary of the proposed PGA rate components. Schedule 2 is a summary of the expected gas costs based on purchases for the 12 months ended April 2016. Schedule 3 is a listing by month of Peoples KY's sales to its customer's for the 12 months ended April 2016. Schedules 4 and 5 are summaries of ACA components.

Sincerely,



Carol Scanlon

Enclosures