



SENTRA
CORPORATION

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June 24, 2020

**Kentucky Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0615**

Please review in Item 4 on the order for Case No. 2019-00465 the statement "Sentra did not use the correct EGC of \$4.9219 approved in Case No. 2019-00098..." The estimated gas cost approved in Case No. 2019-00098 was \$4.0325.

We request the KY PSC to adjust our future gas cost recovery rate to correct this error. Thank you for your assistance.

Sincerely,

John Osgatharp
Office Manager

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT) CASE NO.
FILING OF SENTRA CORPORATION) 2019-00465

ORDER

On December 30, 2019, Sentra Corporation (Sentra) filed its proposed Gas Cost Recovery (GCR) rate report to be effective February 1, 2020.

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

1. Sentra's report includes revised rates designed to pass on to its customers its expected change in gas costs.
2. Sentra's report sets out an Expected Gas Cost (EGC) of \$3.7413 per Mcf, which is a decrease of \$.3032 per Mcf from its previous EGC of \$4.0445 per Mcf.
3. Sentra's report sets out no supplier Refund Adjustment.
4. Sentra's report sets out a current quarter Actual Adjustment (AA) of (\$.1117) per Mcf. Sentra did not use the correct EGC of \$4.9219 approved in Case No. 2019- 00098¹ that was in effect for the months of August, September, and October 2019. Correcting this produces a current quarter AA of (\$.1554) per Mcf. Sentra's corrected total AA is (\$.6714) per Mcf, which is a decrease of \$.8385 per Mcf from its previous total AA of \$.1671 per Mcf.
5. Sentra's report sets out a quarter Balancing Adjustment (BA) of (\$.1382)

¹ Case No. 2019-00098, *Purchased Gas Adjustment Filing of Sentra Corporation* (Ky. PSC. July 31, 2019).

better represented by \$.267, instead of the fluctuating Greystone Adder rates used by Sentra in its EGC calculation. Sentra's EGC calculation reports a sales volume for the 12 months ended January 31, 2019, of 69,859.30 Mcf and a purchase volume of 71,947 Mcf. A review of the monthly sales information that was filed in Sentra's prior GCR rate reports indicates that 34,929.65 Mcf should be used for Sentra's sales volume and 35,973.50 Mcf should be used for Sentra's purchase volume. Correcting for this produces a total expected cost of purchases for the 12 months ended January 31, 2019, to be \$140,854.24. Sentra's corrected EGC is \$4.0325 per Mcf, which is a decrease of \$.7563 per Mcf from its previous EGC of \$4.7888 per Mcf.

3. Sentra's report sets out no supplier Refund Adjustment.

4. Sentra's report sets out a current quarter Actual Adjustment (AA) of \$.2251 per Mcf. Sentra used the incorrect EGC in effect for November and December 2018, and January 2019, in the calculation of its current quarter AA. Because Sentra failed to file a GCR report for rates effective November 1, 2018, the EGC rate in effect for November and December 2018, and January 2019, is \$4.3913 per Mcf as approved in Case No. 2018-00243.² Correcting the EGC in effect and the sales volumes produce a current quarter AA of \$.0774 per Mcf.

In calculating its total AA, Sentra erroneously included an expired AA of (\$.9986) per Mcf in the calculation. The quarter AA of (\$.4545) per Mcf that was approved in Case No. 2018-00243³ was effective August 1, 2018, through July 31, 2019, and will be expired concurrent with this Order's approved effective date. Correcting this produces a total AA

² Case No. 2018-00243, *Purchased Gas Adjustment Filing of Sentra Corporation* (Ky. PSC July 26, 2018).

³ Case No. 2018-00243, *Purchased Gas Adjustment Filing of Sentra Corporation* (Ky. PSC July 26, 2018).