

# B & H Gas Company

P.O. Box 447 • Betsy Layne, Kentucky 41605 • 606-478-5264

Hello B&H Gas Company Customers,

B&H Gas Company's base rates have not changed since 1991. Due to the lack of rate increases, we have operated at a loss for years. Operational losses cannot continue. It is vital that we maintain sufficient cash flow to sustain operations and to provide safe, reliable service to you and your families.

A rate increase is required to simply break even each year. As the costs associated with providing gas service increases, as they have over the past 29 years, we must be able to cover those costs through the rates charged for services. The increase required at this time is a direct result of all of those years without.

Below are the details of the adjustment we have requested:

Pursuant to the procedures set forth in 807 KAR 5:076, please take notice that on or before November 6, 2020, B & H Gas Company will seek approval by the Kentucky Public Service Commission for an adjustment of its monthly rates for natural gas service. The rate adjustment will apply to all B & H Gas Company customers. The increase will be effective on May 6, 2021, or sooner if approved by the Kentucky Public Service Commission.

If approved, the rates will increase as follows:

Present Rate			Proposed Rate			Change (\$)	Change (%)	
Base Rate	Gas Cost Rate	Total	Base Rate	Gas Cost Rate	Total			
Customer Charge	\$0	\$0	Customer Charge	\$17.9500	\$17.9500	\$17.9500	New	
First 2 MCF	\$4.7938	\$3.6655 x 2	First 2 MCF	\$22.2000	\$3.6655 x 2	\$29.5310	\$17.4062	144%
Next 8 MCF	\$1.9788	\$3.6655	Next 18 MCF	\$9.7000	\$3.6655	\$13.3655	\$7.7212	137%
Next 20 MCF	\$1.5611	\$3.6655	Over 20 MCF	\$7.7000	\$3.6655	\$11.3655	\$6.1389	117%
Over 30 MCF	\$1.3103	\$3.6655					\$6.3897	128%

The average customer used approximately 5.3 MCFs per month in 2019. Based upon the average monthly usage in 2019, the average customer's bill would be \$29.06 at the present rates. Based upon the average monthly usage in 2019, the average customer's bill would be \$87.58 at proposed rates. The minimum bill at present rates is \$12.12. The minimum bill at proposed rates is \$47.48.

This application may be examined at the offices of B&H Gas Company located at 497 George Road, Betsy Layne, Kentucky.

This application may be examined at the Kentucky Public Service Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the Commission's Web site at <http://psc.ky.gov>.

Comments regarding the application may be submitted to the Public Service Commission through the Commission's Web site or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602.

The rates contained in this notice are the rates proposed by B&H Gas Company. The Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

A person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the Commission may take final action on the application.

Thank you.