

Sullivan and Associates CPA PLLC

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July 13, 2022

Linda Birdwell
Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, KY 40602


RE: Bluegrass Gas Sales, Inc. (BGS)
Case No. 2021-00483 Filing Deficiencies
Dated June 30, 2022

Dear Ms. Birdwell:

Please consider this the company response to the correspondence referenced above:

1. 807 KAR 5:076 Section 5 (4) – Customer notice of proposed rate adjustment does not meet regulatory requirements. – Bluegrass Gas Sales has amended the original Proposed Rate Adjustment to include Dollar amount changes and average usage and effect on average bills. We have attached the document to this letter submitting it to the PSC for its review.

Respectfully,


Daniel M. Sullivan
Accountant

Cc Mark O'Brien, Julie Parsons

NOTICE OF APPLICATION OF BLUEGRASS GAS SALES, INC. TO ADJUST RATES FOR NATURAL GAS SERVICE (Amended)

Pursuant to the Kentucky Public Service Commission's regulation 807 KAR 5:076, Bluegrass Gas Sales, Inc. ("BGS") gives notice that an application will be filed on or around June 9, 2021, with the Kentucky Public Service Commission seeking approval to adjust its rates for natural gas service. This rate adjustment will apply to all BGS's customers. The proposed rates will produce additional annual revenue of approximately \$125,353. The increase is to be effective on or around September 1, 2022, or sooner if approved by the Kentucky Public Service Commission. If BGS's application is approved, monthly natural gas bills will increase as follows:

<i>Description</i>	<i>Total \$ Change</i>	<i>Percentage Change</i>
All Customers	\$125,353	36.32%

<i>Description</i>	<i>Existing Customer Charge</i>	<i>Proposed Customer Charge</i>	<i>\$ Amount Difference in Customer Charge</i>	<i>Proposed Total \$ Increase Amount in Customer Charge</i>	<i>% of Proposed Increase</i>
All Customers	\$10	\$17.50	\$7.50	\$59,910	75.00%

<i>Description</i>	<i>Existing Gas Base Rates (Per Mcf)</i>	<i>Proposed Gas Base Rates (Per Mcf)</i>	<i>\$ Amount Difference in Gas Base</i>	<i>Proposed Total \$ Increase Amount in Change (per Mcf)</i>	<i>% of Proposed Increase</i>
All Customers	\$5.1416	\$6.41	\$1.2684	\$65,443	24.67%

<i>Description</i>	<i>2020 Average Usage Per Customer</i>	<i>Average Customer Monthly cost – Current Rate**</i>	<i>Average Customer Monthly Cost – Proposed Rate</i>	<i>\$ Amount Difference in Gas Base Year</i>	<i>Proposed Change in Average Monthly Cost</i>
All Customers	6.46 Mcf	\$43.21	\$58.90	\$15.69	36.31%

Base Rates only, no Gas Cost included.

BGS has also proposed to increase its current Reconnect fee from \$25.00 to \$75.00 for customers.

<i>Customer Class</i>	<i>Current Fee</i>	<i>Proposed Fee</i>	<i>\$ Change</i>	<i>% Change</i>
All Customers	\$25.00	\$75.00	50.00	200%

The rates contained in this notice are the rates proposed by BGS. However, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates that are higher or lower than those proposed by BGS. BGS has available for inspection at its office the application which it submitted to the Kentucky Public Service Commission. A person may examine this application at BGS's office located at 3620 Rockland Mills Rd, Center, Kentucky 42214. You may contact the office at (270) 565-5757 or you can email us at bluegrassgas@scrtv.com. A person may also examine the application at the Kentucky Public Service Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m. (subject to the PSC's COVID 19 State of Alert policy), or through the Public Service Commission's website at <http://psc.ky.gov>. Comments regarding the application may be submitted to the Kentucky Public Service Commission through its website or by mail to the Kentucky Public Service Commission, PO Box 615,

Frankfort, Kentucky, 40602. You may contact the Kentucky Public Service Commission at (502) 564-3940. A person may submit a timely written request for intervention to the Kentucky Public Service Commission, PO Box 615, Frankfort, KY, 40602, establishing the grounds for the request including the status and interest of the party. If the Kentucky Public Service Commission does not receive a written request for intervention within thirty (30) days of the initial publication of this notice, the Kentucky Public Service Commission may take final action on the application