

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC PURCHASED GAS)	
ADJUSTMENT OF KENTUCKY)	CASE NO.
FRONTIER GAS, LLC)	2023-00427
)	

AMENDED REFUND PLAN

Comes now Kentucky Frontier Gas, LLC (“Kentucky Frontier”) by and through the undersigned counsel, and does hereby state as follows for its amended refund plan pursuant to the Commission’s March 28, 2024 Order in Case No. 2023-00067, *Electronic Application for Revised Quarterly Gas Cost Recovery Schedules of Kentucky Frontier Gas, LLC*, and Kentucky Frontier respectfully states as follows:

1. The Commission’s March 28, 2024 Order in Case No. 2023-00067, stated that within 30 days of the date of service of that Order, Kentucky Frontier shall file in Case No. 2023-00427, a statement describing how Kentucky Frontier intends to refund or collect any over/under-collection resulting from placing into effect, subject to refund, the suspended GCR rates of Case No. 2023-00427 on and after February 2, 2024.¹
2. Kentucky Frontier filed its refund plan in this proceeding on April 26, 2024.

¹ Case No. 2023-00067, *Electronic Application for Revised Quarterly Gas Cost Recovery Schedules of Kentucky Frontier Gas, LLC* (Ky PSC Mar.28, 2024). Order, at p. 20.

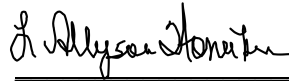
3. After filing its refund plan, Kentucky Frontier discovered that it had used an incorrect rate in its refund plan. The correct GCA rate for this proceeding using the Commission approved method is \$3.0385.
4. Using the correct number in the refund calculation results in a refund of \$2.6929/Mcf on a total of 93,272 Mcf. This is calculated by taking Kentucky Frontier's rate that was put into effect subject to refund of \$5.7314/Mcf and subtracting the Commission-approved GCA rate of \$3.0385/Mcf.
5. Kentucky Frontier had not yet billed the monthly usage for April when the Commission's Order was issued, therefore the April usage was billed at the lower rate. April was billed at \$2.1583 per MCF, which was \$0.8802 /Mcf lower than the approved \$3.0385 on 26,420 Mcf of sales. This reduces the total refund due by about \$23,255.
6. Kentucky Frontier sells less gas through the summer months and refunding this amount during that time will put a financial strain on the company.
7. To avoid a financial strain on the company, Kentucky Frontier proposes to refund customers who had small usage during the months of February, March and April 2024, resulting in a low refund amount, before bills are mailed in June 2024. Kentucky Frontier will refund/credit the full amount to most customers who have a total credit of \$20 or less. In July, Kentucky Frontier will refund most credits of \$25 or less; and increase in \$5 increments for each month until November 2024. This will give credits to the customers having a credit of \$45 or less. This will refund approximately 2250 customer accounts for a total of approximately \$53,000.

8. Applying these lump sum credits to customer accounts will ease the administrative burden of tracking monthly credits for 4400 customers, as well as begin the refund process sooner than originally proposed without putting a financial strain on Kentucky Frontier.
9. Starting in November 2024, when gas sales are increased, Kentucky Frontier will begin a \$0.50/Mcf credit to all customers still owed a credit.
10. In May 2025, Kentucky Frontier will see where the credits stand, based on the number of Mcf's sold through the winter heating months, and if credits are still owed, will revisit the lump sum payments that are being used from May to November 2024. The lump sum payments are easier to do in Kentucky Frontier's billing system, however, it will be impossible financially for Kentucky Frontier to do lump sum payments for all customers.
11. Allowing Kentucky Frontier to refund the amount in this way will keep Kentucky Frontier out of a poor financial situation and will provide the customers with the required refunds. Any refunds still outstanding at the end of a fifteen-month period will be credited at that time.

WHEREFORE, based on the foregoing, Kentucky Frontier gives the Commission notice of its amended plan to refund as requested by the Commission's March 28, 2024 Order in this matter.

Dated this 20th day of May, 2024.

Respectfully submitted,

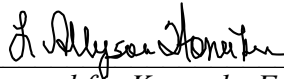


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CERTIFICATE OF SERVICE

This is to certify that foregoing electronic filing was transmitted to the Commission on May 20, 2024; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085, no paper copies of the filing will be made.



Counsel for Kentucky Frontier Gas, LLC