

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF)
GASCO DISTRIBUTION SYSTEMS, INC.) CASE NO. 2009-00137

O R D E R

On February 16, 1995,¹ the Commission approved rates for Gasco Distribution Systems, Inc. ("Gasco") and provided for their further adjustment on a quarterly basis in accordance with its Gas Cost Adjustment clause.

On March 31, 2009, Gasco filed its proposed Gas Cost Recovery ("GCR") rate to be effective May 1, 2009. Gasco supplemented its filing on April 1, 2009 with a corrected gas cost rate.

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

1. Gasco's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Gasco's proposed Expected Gas Cost ("EGC") is \$8.2455 per Mcf. Recalculating the EGC to reflect the corrected gas cost rate provided by Gasco results

¹ Case No. 1994-00427, *The Application of Gasco Distribution Systems, Inc. for a Certificate of Convenience and Necessity to Provide Local Gas Distribution Service to Albany, Ky. and for Transfer of the Albany Gas Utility Company* (Ky. PSC Feb. 16, 1995).

in an EGC of \$7.1330 per Mcf, which is a decrease of \$2.5192 per Mcf from the previous EGC of \$9.6522 per Mcf.

3. Gasco's notice sets out no current quarter Refund Adjustment.

4. Gasco's notice sets out a current quarter Actual Adjustment ("AA") of (\$.4470) per Mcf. Gasco's total AA is \$3.4556 per Mcf, which is a decrease of \$.6781 per Mcf from its previous total AA of \$4.1337 per Mcf.

5. Gasco's notice sets out no current quarter Balance Adjustment ("BA") and no total BA, which is no change from its previous total BA. The BA will not be used by Gasco until its next GCR filing for rates to be effective August 1, 2009. In that filing, Gasco should file to reconcile through the BA any over/under-recoveries of gas cost resulting from the BA of \$.2311 per Mcf that was calculated to collect from its customers \$4,470 in gas cost over the 12 months ended March 31, 2009.

6. Gasco's GCR is \$10.5886 per Mcf, which is a decrease of \$3.1973 per Mcf from its previous rate of \$13.7859 per Mcf.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Gasco on and after May 1, 2009.

IT IS THEREFORE ORDERED that:

1. Gasco's proposed rates are denied.

2. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after May 1, 2009.

3. Within 20 days of the date of this Order, Gasco shall file with the Commission its revised tariffs setting out the rates approved herein.

By the Commission

ENTERED *sw*
APR 24 2009
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00137 DATED **APR 24 2009**

The following rates and charges are prescribed for the customers served by Gasco Distribution Systems, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Residential	\$4.62	\$10.5886	\$15.2086
Commercial	\$3.62	\$10.5886	\$14.2086

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