

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF)
GASCO DISTRIBUTION SYSTEMS, INC.) CASE NO. 2009-00282

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 July 22, 2009, Gasco filed its proposed Gas Cost Recovery ("GCR") rate to be effective August 1, 2009. Gasco did not comply with its tariff requirement that its GCR be filed at least 30 days prior to the beginning of the calendar quarter, which is August 1. However, Gasco's proposed GCR is a decrease from its existing GCR and, pursuant to KRS 278.180 (2), the Commission may prescribe less time in which a reduction of rates may be made. Therefore, Gasco's change in rates will be effective on and after the date of this Order.

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

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).

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 \$6.9871 per Mcf, which is a decrease of \$.1459 per Mcf from the previous EGC of \$7.1330 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 (\$.5982) per Mcf. Gasco's total AA is \$1.5171 per Mcf, which is a decrease of \$1.9385 per Mcf from its previous total AA of \$3.4556 per Mcf.

5. Gasco's notice sets out a current quarter Balance Adjustment ("BA") of (\$.0687) per Mcf. Gasco did not calculate its BA using the 12 months sales volumes of 27,311 Mcf that it used for all other calculations in its filing. Correcting for this produces a current quarter BA of (\$.0674) per Mcf. Gasco's total BA is also (\$.0674) per Mcf, which is a decrease of \$.0674 per Mcf from its previous total BA.

6. Gasco's GCR is \$8.4368 per Mcf, which is a decrease of \$2.1518 per Mcf from its previous rate of \$10.5886 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 the date of this Order.

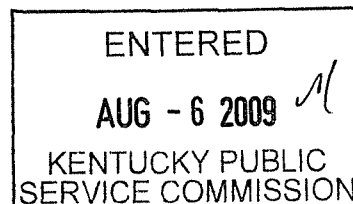
IT IS HEREBY ORDERED that:

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 the date of this Order.

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



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00282 DATED **AUG - 6 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	\$8.4368	\$13.0568
Commercial	\$3.62	\$8.4368	\$12.0568

Trina L King
Secretary
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