

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF AUXIER ROAD GAS) CASE NO. 2009-00486
COMPANY, INC.)

ORDER

On April 2, 2009, in Case No. 2008-00156, the Commission approved the Gas Cost Adjustment (“GCA”) clause of Auxier Road Gas Company, Inc. (“Auxier”) allowing for the monthly adjustment of its rates.¹

On December 10, 2009, Auxier filed its proposed GCA to be effective January 1, 2010. Auxier requested a waiver of the 30-day notice requirement for rates to go into effect.

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

1. Auxier’s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Auxier’s notice sets out an Expected Gas Cost (“EGC”) of \$6.7632 per Mcf, which is a decrease of \$.0456 per Mcf from its prior EGC of \$6.8088 per Mcf.
3. Auxier’s notice sets out no current refund adjustment.

¹ Case No. 2008-00156, Application of Auxier Road Gas Company, Inc. for an Adjustment in Rates and Certain Nonrecurring Charges (Ky. PSC Apr. 2, 2009).

4. Auxier's notice sets out a current month Actual Adjustment ("AA") of \$.0003 per Mcf. Commission Staff made an additional adjustment to the current AA to correct under-recoveries resulting from an error in stating July purchase volumes in an earlier filing. This adjustment results in a current month AA of \$.0012. Auxier's proposed total AA of (\$2.4559) per Mcf included an expired previous quarter AA. Correcting for this produces an AA of (\$2.1655) per Mcf, which is an increase of \$.2907 per Mcf from its previous total AA of (\$2.4562) per Mcf.

5. Auxier's notice sets out no current quarter Balance Adjustment ("BA"). The total BA of \$.0068 per Mcf represents no change from the previous total BA.

6. Auxier's gas cost recovery rate is \$4.6045 per Mcf, which is an increase of \$.2451 per Mcf from its previous rate of \$4.3594 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 Auxier on and after January 1, 2010.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Auxier are hereby denied.
2. The rates in the Appendix attached hereto and incorporated herein are approved for billing for service rendered on and after January 1, 2010.
3. Within 20 days of the date of this Order, Auxier shall file with this Commission its revised tariff sheets setting out the rates approved herein.

By the Commission

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DEC 22 2009
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2009-00486

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2009-00486 DATED DEC 22 2009

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

RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First Mcf (Minimum Bill)	\$ 6.36	\$4.6045	\$10.9645
All Over 1 Mcf	\$ 5.0645	\$4.6045	\$ 9.6690

Kimberly R Crisp
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