

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF AUXIER ROAD GAS) CASE NO. 2010-00211
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 May 27, 2010, Auxier filed its proposed GCA to be effective July 1, 2010.

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 \$6.7308 per Mcf, which is a decrease of \$.2964 per Mcf from its prior EGC of \$7.0272 per Mcf.
3. Auxier’s notice sets out no current Refund Adjustment.
4. Auxier’s notice sets out a current month Actual Adjustment (“AA”) of (\$.2042) per Mcf. Auxier’s total AA is (\$.5455) per Mcf, which is a decrease of \$.6183 per Mcf from its previous total AA of \$.0728 per Mcf.

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).

5. Auxier's notice sets out no current quarter Balance Adjustment ("BA"). Auxier proposed a total BA of \$.1212 per Mcf, which includes an expired previous quarter BA of (\$.0015) per Mcf. Correcting for this produces a total BA of \$.1227 per Mcf, which represents an increase of \$.0015 per Mcf from the previous total BA of \$.1212 per Mcf.

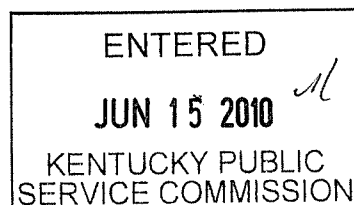
6. Auxier's Gas Cost Recovery rate is \$6.3080 per Mcf, which is a decrease of \$.9132 per Mcf from its previous rate of \$7.2212 per Mcf.

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 July 1, 2010.

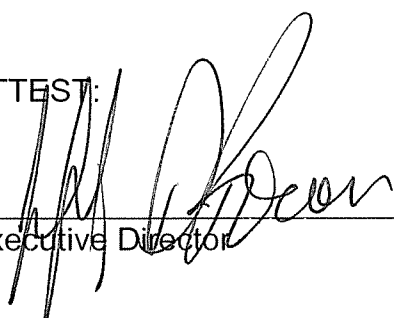
IT IS THEREFORE ORDERED that:

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 July 1, 2010.
3. Within 20 days of the date of this Order, Auxier shall file its revised tariffs with this Commission setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00211 DATED JUN 15 2010

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	\$6.3080	\$12.6680
All Over 1 Mcf	\$ 5.0645	\$6.3080	\$11.3725

Kimberly R Crisp
Auxier Road Gas Company, Inc.
P. O. Box 785
Prestonsburg, KY 41653