

5. Bluegrass's notice sets out a current quarter Balance Adjustment ("BA") of \$.0206 per Mcf. Bluegrass's total BA is (\$.0187) per Mcf, which is an increase of \$.0037 per Mcf from its previous total BA of (\$.0224) per Mcf.

6. Bluegrass's GCA is \$3.2788 per Mcf, which is a decrease of \$.0086 per Mcf from its previous rate of \$3.2874 per Mcf.

7. The rates in the Appendix to this Order are fair, just, and reasonable and should be approved for service rendered on and after October 1, 2012.

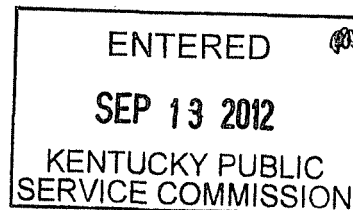
IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable and should be approved for service rendered on and after October 1, 2012.


2. Within 20 days from the date of this Order, Bluegrass shall file its revised tariff sheets with the Commission setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission

Commissioner Breathitt is abstaining from this proceeding.



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00389 DATED **SEP 13 2012**

The following rates and charges are prescribed for the customers served by Bluegrass Gas Sales, 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.

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Customer Charge	\$10.00		
All Mcf	\$4.9708	\$3.2788	\$ 8.2496

Mark H O'Brien
Bluegrass Gas Sales
P.O. Box 23539
Anchorage, KENTUCKY 40223