### COMMONWEALTH OF KENTUCKY

#### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF PEOPLES GAS KY, LLC

CASE NO. 2014-00203

#### ORDER

On April 29, 2004, in Case No. 2003-00411,<sup>1</sup> the Commission approved rates for Equitable Gas Company, a division of Equitable Resources, Inc. ("Equitable"), and provided for their further adjustment on a quarterly basis in accordance with Equitable's Purchased Gas Adjustment clause. Equitable is regulated pursuant to KRS 278.485 and 807 KAR 5:026, the statute and regulation governing gathering systems that provide service to retail customers who tap onto such systems. Peoples Gas KY, LLC ("Peoples") acquired Equitable on December 17, 2013.

On June 23, 2014, Peoples filed its proposed Gas Cost Recovery ("GCR") rate application to be effective August 1, 2014.

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

- 1. Peoples' notice includes a revised rate designed to pass on to its customers its expected change in wholesale gas costs.
- 2. Peoples' Expected Gas Cost ("EGC") is \$6.5635 per Mcf, which is a decrease of \$.3854 per Mcf from its previous EGC of \$6.9489 per Mcf.
  - 3. Peoples' notice sets out no Refund Adjustment.

<sup>&</sup>lt;sup>1</sup> Case No. 2003-00411, Application of Equitable Gas Company to Increase Rates Pursuant to KRS 278.485 (Ky. PSC Apr. 29, 2004).

- 4. Peoples' notice sets out a current quarter Actual Cost Adjustment ("ACA") of \$.9209 per Mcf. Peoples' total ACA is \$1.2092 per Mcf, which is an increase of \$.9863 per Mcf from the previous total ACA of \$.2229 per Mcf.
- 5. Peoples' notice sets out a current quarter Balancing Adjustment ("BA") of \$.0864 per Mcf. Peoples' total BA is \$.0738 per Mcf, which is an increase of \$.1041 per Mcf from the previous total BA of (\$.0303) per Mcf.
- 6. Peoples' GCR rate is \$7.8465 per Mcf, which is an increase of \$.7050 per Mcf from its previous rate of \$7.1415 per Mcf.
- 7. The rate in the Appendix to this Order is fair, just, and reasonable and should be approved for final meter readings by Peoples on and after August 1, 2014.

IT IS THEREFORE ORDERED that:

- 1. The rate in the Appendix to this Order, attached hereto and incorporated herein, is approved for final meter readings on and after August 1, 2014.
- 2. Within 20 days of the date of this Order, Peoples shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

By the Commission

**ENTERED** 

JUL 02 2014

KENTUCKY PUBLIC SERVICE COMMISSION

ATTES1

Executive Director

#### APPENDIX

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2014-00203 DATED JUL 9 2 2014

The following rates and charges are prescribed for the customers in the area served by People Gas KY LLC. 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:

**Customer Charge** 

\$7.50

Gas Cost
Recovery
Rate

All Mcf

\$2.1322

\$7.8465

\$9.9787

The minimum bill shall be \$7.50.

Peoples Gas KY LLC 375 North Shore Drive, Suite 600 Pittsburgh, PENNSYLVANIA 15212

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