COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT) CASE NO. FILING OF PEOPLES GAS KY, LLC) 2015-00183

ORDER

On April 29, 2004, in Case No. 2003-00411,¹ 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 19, 2015, Peoples filed its proposed Gas Cost Recovery ("GCR") rate application to be effective August 1, 2015.

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 \$4.9299 per Mcf, which is an increase of \$.1234 per Mcf from its previous EGC of \$4.8065 per Mcf.
 - 3. Peoples' notice sets out no Refund Adjustment.

¹ 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 \$.5344 per Mcf. Peoples' total ACA is (\$.3775) per Mcf, which is a decrease of \$.3865 per Mcf from the previous total ACA of \$.0090 per Mcf.
- 5. Peoples' notice sets out a current quarter Balance Adjustment ("BA") of \$.0037 per Mcf. Peoples' total BA is (\$.0322) per Mcf, which is a decrease of \$.0827 per Mcf from the previous total BA of \$.0505 per Mcf.
- 6. Peoples' GCR rate is \$4.5202 per Mcf, which is a decrease of \$.3458 per Mcf from its previous rate of \$4.8660 per Mcf.
- 7. Peoples' proposed rate, as set forth 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, 2015.

IT IS THEREFORE ORDERED that:

- 1. Peoples' proposed rate, as set forth in the Appendix to this Order, is approved for final meter readings on and after August 1, 2015.
- 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 0 8 2015

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00183 DATED JUL 8 8 2015

The following rates and charges are prescribed for the customers in the area served by Peopled 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

All Mcf

\$7.50

 Gas Cost Recovery
 Total Rate

 Base Rate
 84.5202
 \$6.6524

The minimum bill shall be \$7.50.

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