

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	CASE NO.
FILING OF PEOPLES GAS KY, LLC)	2015-00416

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 December 21, 2015, Peoples filed its proposed Gas Cost Recovery ("GCR") rate application to be effective February 1, 2016.

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 \$3.7287 per Mcf, which is a decrease of \$1.2809 per Mcf from its previous EGC of \$5.0096 per Mcf.

¹ Case No. 2003-00411, *Application of Equitable Gas Company to Increase Rates Pursuant to KRS 278.485* (Ky. PSC Apr. 29, 2004).

3. Peoples' notice sets out no Refund Adjustment.

4. Peoples' notice sets out a current quarter Actual Cost Adjustment ("ACA") of (\$.0476) per Mcf. Peoples' total ACA is \$.2878 per Mcf, which is an increase of \$.3278 per Mcf from the previous total ACA of (\$.0400) per Mcf.

5. Peoples' notice sets out a current quarter Balance Adjustment ("BA") of \$.0063 per Mcf. Peoples' total BA is \$.0360 per Mcf, which is an increase of \$.0666 per Mcf from the previous total BA of (\$.0306) per Mcf.

6. Peoples' GCR rate is \$4.0525 per Mcf, which is a decrease of \$.8865 per Mcf from its previous rate of \$4.9390 per Mcf.


7. The rate as proposed by Peoples and 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 February 1, 2016.

IT IS THEREFORE ORDERED that:

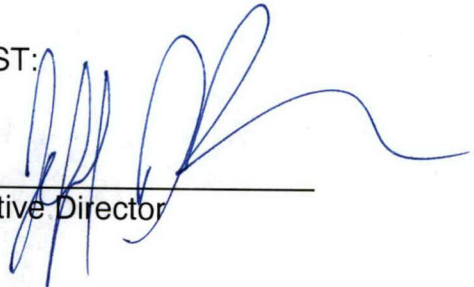
1. The rate proposed by Peoples and set forth in the Appendix to this Order is approved for final meter readings on and after February 1, 2016.

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 
JAN 21 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00416 DATED **JAN 21 2016**

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	
	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
All Mcf	\$2.1322	\$4.0525	\$ 6.1847

The minimum bill shall be \$7.50.

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