COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| ELECTRONIC PURCHASED GAS ADJUSTMENT FILING OF PEOPLES |) | |
|---|--------------|--|
| |) CASE NO. | |
| GAS KY, LLC. |) 2018-00197 | |

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 25, 2018, Peoples filed its proposed Gas Cost Recovery ("GCR") rate application to be effective August 1, 2018.

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

- Peoples' notice includes a revised rate designed to pass on to its customers its expected change in gas costs.
- 2. Peoples' Expected Gas Cost ("EGC") is \$4.7265 per Mcf, which is an increase of \$.7086 per Mcf from its previous EGC of \$4.0179 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 \$.8460 per Mcf. Peoples' total ACA is \$.8323 per Mcf, which is an increase of \$.6001 per Mcf from the previous total ACA of \$.2322 per Mcf.
- 5. Peoples' notice sets out a current quarter Balance Adjustment ("BA") of \$.0225 per Mcf. Peoples' total BA is \$.0756 per Mcf, which is an increase of \$.1539 per Mcf from the previous total BA of (\$.0783) per Mcf.
- 6. Peoples' GCR rate is \$5.6344 per Mcf, which is an increase of \$1.4626 per Mcf from its previous rate of \$4.1718 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 August 1, 2018.

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 August 1, 2018.
- 2. Within 20 days of the date of entry 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.
 - 3. This case is closed and removed from the Commission's docket.

By the Commission

ENTERED

JUL 05 2018

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2018-00197 DATED JUL 0 5 2018

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:

All Mcf

Customer Charge \$7.50

Gas Cost
Recovery
Base Rate
Rate

\$ 2.1322 \$ 5.6344 \$ 7.7666

Total Rate

The minimum bill shall be \$7.50.

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