

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS)	CASE NO.
ADJUSTMENT FILING OF SENTRA)	2020-00211
CORPORATION)	

ORDER

On June 29, 2020, Sentra Corporation (Sentra) filed its proposed Gas Cost Recovery (GCR) rate report to be effective August 1, 2020.

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

1. Sentra's report includes revised rates designed to pass on to its customers its expected change in gas costs.
2. Sentra's report sets out an Expected Gas Cost (EGC) of \$3.4406 per Mcf, which is a decrease of \$.0157 per Mcf from its previous EGC of \$3.4563 per Mcf.
3. Sentra's report sets out no supplier Refund Adjustment.
4. Sentra's report sets out a current quarter Actual Adjustment (AA) of (\$.0828) per Mcf. Sentra's current AA calculation was modified to include the collection of the transportation fee charged to Sentra from Clay Gas Utility District (Clay Gas).¹ The GCR allows Sentra to recover pipeline transportation cost as part of the GCR report. The transportation fee has been included in previous calculations of Sentra's EGC but was omitted from Sentra's current quarter AAs. Along with its GCR rate report, Sentra provided copies of its invoices verifying the cost paid for its natural gas and for the

¹ Sentra's Transportation Fee Correction Letter, filed June 29, 2020.

transportation fee. It appears likely that the omission of the transportation fee in the AA caused the actual total cost of gas to be under reported resulting in an undercollection for Sentra for a period of years. The Commission finds that it will review the possible under collections in Sentra's next GCR report filing.

Along with its GCR report Sentra also filed a request to correct the GCR rate in Case No. 2019-00465² as the approved current quarter AA was corrected erroneously by the Commission's January 24, 2020, final Order. The Commission's January 24, 2020, final Order stated that the EGC that was in effect for the review months of August, September, and October 2019 was \$4.9219 per Mcf, instead the EGC should have been \$4.0325 per Mcf as approved in Case No. 2019-00098³. Correcting the EGC changes the AA quarter approved in Case No. 2019-00465, from (\$.1554) per Mcf to (\$.0875) per Mcf. After correcting the quarter AAs and using the Mcf sales provided in Sentra's GCR rate report the Commission finds that the difference between the previously approved AA and the corrected AA resulted in an over credit of \$715.13.⁴ The Commission finds that the over credited amount should be recovered in Sentra's current quarter AA. This produces a current quarter AA of (\$0.572) per Mcf.

The AA quarter approved in Case No. 2019-00465 that is still in effect in the calculation of the total AA should be changed to its corrected quarter of (\$.0875) per Mcf, in this case and in Sentra's next GCR report. Sentra's corrected total AA is (\$1.1951) per

² Case No. 2019-00465, *Purchased Gas Adjustment Filing Of Sentra Corporation* (Ky. PSC Jan. 24, 2020).

³ Case No. 2019-00098, *Purchased Gas Adjustment Filing Of Sentra Corporation* (Ky. PSC Jul. 31, 2019).

⁴ The \$715.13 over credit is the difference between the AA previously approved by the Commission and the corrected AA. The AA previously approved by the Commission multiplied by the Mcf sales as provided in Sentra's GCR rate report for each month the AA was in effect results in a credit of (\$39,783.01). The corrected AA multiplied by the Mcf sales as provided in Sentra's GCR rate report for each month the AA was in effect results in a credit of (\$39,067.88). The difference between the two amounts results in an over credit of \$715.13.

Mcf, which is an increase of \$.0107 per Mcf from its previous total AA of (\$1.2058) per Mcf.

5. Sentra's report sets out no current quarter Balancing Adjustment (BA). Sentra did not file a GCR rate report effective August 1, 2019. As there were no new quarter AA or quarter BA approved for the period being reconciled, the current quarter BA is set as \$0.0000. Sentra's total BA is \$.1135 per Mcf, which no change from its previous total BA.

6. Sentra's corrected GCR rate is \$2.3590 per Mcf, which is a decrease of \$.0050 per Mcf from its previous GCR rate of \$2.3640 per Mcf.

7. The rate set forth in Appendix A to this Order is fair, just, and reasonable and should be approved for service rendered by Sentra on and after August 1, 2020.

8. For the purpose of transparency and to maintain a record of information for future use the Commission finds that Sentra should continue to submit all invoices it receives, monthly usage reports, and provide the calculations used to justify the NYMEX rate per Dth and the Greystone Adder when it files its future GCR rate reports.

9. Should Sentra purchase sustainable natural gas from a renewable source during the reporting period of any future GCR reports, then the supplier, cost, and amount must be documented in its cover letter to the Commission.

10. The Commission finds that Sentra should file responses to the requests for information set forth in Appendix B to this Order when it files its next GCR report for rates effective for the November 2020 billing cycle.

a. Pursuant to the Commission's Orders in Case No. 2020-00085,⁵ issued March 16, 2020, and March 24, 2020, Sentra SHALL NOT FILE the original paper copy of all requested information at this time, but rather shall file original paper copies within 30 days of the lifting of the current state of emergency. All responses in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

b. Each response shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or an association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. Sentra shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. For any request to which Sentra fails or refuses to furnish all or part of the requested information, Sentra shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

e. Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this

⁵ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

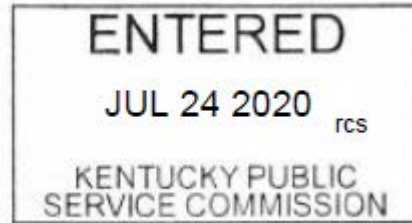
proceeding in the requested format, reference may be made to the specific location of that information in responding to this request.

f. When filing a paper containing personal information Sentra shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that the personal information cannot be read.

IT IS THEREFORE ORDERED that:

1. The rate proposed by Sentra is denied.
2. The rate set forth in the Appendix A to this Order is approved for service rendered on and after August 1, 2020.
3. Sentra shall submit all information noted in finding paragraph 8 as part of all future GCR filings.
4. Within 20 days of the date of entry of this Order, Sentra 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.
5. In order to determine whether future recoveries are necessary for undercollections, Sentra shall file responses to the requests for information set forth in Appendix B to this Order when it files its next GCR report for rates effective for the November 2020 billing cycle.
6. This case is closed and removed from the Commission's docket.

By the Commission



ATTEST:



Acting Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2020-00211 DATED JUL 24 2020

The following rates and charges are prescribed for the customers in the area served by Sentra Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

Gas Cost Recovery rate

The Gas Cost Recovery rate shall be \$2.3590 per Mcf for service rendered on and after August 1, 2020.

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2020-00211 DATED JUL 24 2020

1. Refer to Sentra's Transportation Fee Correction Letter. Provide the invoices from Greystone and Clay Gas for the months of January 2015 through April 2018; and for the months of May, June, and July 2020.

2. Refer to Sentra's Transportation Fee Correction Letter, the Gas Cost Recovery Correction table, the column labeled Sales (Mcf). Also, refer to Case No. 2019-00098,¹ the actual cost adjustment, schedule IV, the Actual Sales for the months of November 2018, December 2018, and January 2019. Explain why the Actual Sales do not match the values in the Sales (Mcf) column for the months of November 2018, December 2018, and January 2019.

3. State whether the Clay Gas transportation fee has changed since January 2015. If the contract has changed, provide a copy of any contract changes.

¹ Case No. 2019-00098, Purchased Gas Adjustment Filing Of Sentra Corporation (filed Mar. 25, 2019).

*Sentra Corporation c/o Sentra Resources LLC
112 Orchard Lane
Tompkinsville, KY 42167

*Honorable Robert C Moore
Attorney At Law
Stites & Harbison
421 West Main Street
P. O. Box 634
Frankfort, KENTUCKY 40602-0634