COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS)CASE NO.ADJUSTMENT FILING OF SENTRA)2020-00419CORPORATION))

<u>ORDER</u>

On December 28, 2020, Sentra Corporation (Sentra) filed its proposed Gas Cost Recovery (GCR) rate report to be effective February 1, 2021. On January 12, 2021, Sentra filed supplemental information to its GCR rate report. Sentra's previous GCR rate was approved in Case No. 2020-00323.¹

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 \$4.0440 per Mcf, which is a decrease of \$.3889 per Mcf from its previous EGC of \$4.4329 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 \$.0112 per Mcf. Sentra's total AA is (\$.5296) per Mcf, which is an increase of \$.0987 per Mcf from its previous total AA of (\$.6283) per Mcf.

¹ Case No. 2020-00323, *Electronic Purchased Gas Adjustment Filing of Sentra Corporation* (Ky. PSC Oct. 29, 2020).

Sentra's AA calculation was modified in Case No. 2020-00211² to include the collection of the transportation fee charged to Sentra from Clay Gas Utility District (Clay Gas).³ 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 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. Additionally the guarters used to calculate the current guarter BA also resulted in an additional undercollection for Sentra. The Commission finds that it will continue to review the possible undercollections in Sentra's GCR report filing. The last guarter AA without the modification to include the cost of transportation was (\$.4570) per Mcf approved in Case No. 2020-00078⁴ and is set to expire in Sentra's GCR report for rates effective for the May 2021 billing cycle. Additionally the GCR report with the reporting period for the 12 months ending April 30, 2021, includes the Mcf information on the last three months in which the guarter AA will be in effect. The Commission finds that this additional information is necessary to properly calculate the total undercollection for transportation costs.

5. Sentra's report sets out a current quarter Balancing Adjustment (BA) of (\$.0027) per Mcf. Sentra's total BA is (\$.0206) per Mcf, which is a decrease of \$.0688 per Mcf from its previous total BA of \$.0482 per Mcf.

² Case No. 2020-00211, *Electronic Purchased Gas Adjustment Filing of Sentra Corporation* (Ky. PSC July 24, 2020).

³ Case No. 2020-00211, Sentra's Transportation Fee Correction Letter, (filed on June 29, 2020).

⁴ Case No. 2020-00078, *Electronic Purchased Gas Adjustment Filing of Sentra Corporation* (Ky. PSC Apr. 15, 2020).

6. Sentra's GCR rate is \$3.4938 per Mcf, which is a decrease of \$.3590 per Mcf from its previous GCR rate of \$3.8528 per Mcf.

7. The rate set forth in Appendix to this Order is fair, just and reasonable and should be approved for service rendered by Sentra on and after February 1, 2021.

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.

IT IS THEREFORE ORDERED that:

1. The rate proposed by Sentra and set forth in the Appendix to this Order is approved for service rendered on and after February 1, 2021.

2. Sentra shall submit all information noted in finding paragraph 8 as part of all future GCR filings.

3. 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.

4. This case is closed and removed from the Commission's docket.

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By the Commission



ATTEST:

Sidwell

Executive Director

Case No. 2020-00419

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2020-00419 DATED JAN 28 2021

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 \$3.4938 per Mcf for service rendered on and after February 1, 2021.

*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