

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS	)	CASE NO.
ADJUSTMENT FILING OF DELTA NATURAL	)	2021-00140
GAS COMPANY, INC.	)	

ORDER

On March 25, 2021, Delta Natural Gas Company, Inc. (Delta) filed its proposed Gas Cost Recovery (GCR) report to be effective April 26, 2021. Delta's previous GCR rate was approved in Case No. 2020-00408.<sup>1</sup> Along with its GCR rate report, Delta filed responses to Commission Staff's Request for Information included in Appendix B in Case No. 2020-00408 providing detailed information on its customer billing of the Commission approved GCR Rate. Upon review of the requested information, the Commission has found the language used in Delta's Gas Cost Adjustment Clause Tariff may have resulted in a month lag of billing of the GCR rate to customers.

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

1. Delta's GCR report includes revised rates designed to pass on to its customers its expected change in gas costs.
2. Delta's GCR report sets out an Expected Gas Cost (EGC) of \$5.1960 per Mcf, which is an increase of \$1.9953 per Mcf from the previous EGC of \$3.2007 per Mcf.
3. Delta's GCR report sets out no Refund Adjustment.

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<sup>1</sup> Case No. 2020-00408, *Electronic Purchased Gas Adjustment Filing of Delta Natural Gas Company, Inc.* (Ky. PSC Jan. 20, 2021).

4. Delta's GCR report sets out a current quarter Actual Adjustment (AA) of \$.5496 per Mcf. Delta's total AA is \$.2478 per Mcf, which is a decrease of \$.0604 per Mcf from the previous total AA of \$.3082 per Mcf.

5. Delta's GCR report sets out a current quarter Balance Adjustment (BA) of \$.0276 per Mcf. Delta's total BA is \$.1094 per Mcf, which is an increase of \$.0084 per Mcf from the previous total BA of \$.1010 per Mcf.

6. Delta's GCR rate is \$5.5532 per Mcf, which is an increase of \$1.9433 per Mcf from the previous GCR rate of \$3.6099 per Mcf.

7. Should Delta 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.

8. The rates as proposed by Delta and set forth in Appendix A to this Order are fair, just and reasonable and should be approved for final meter readings by Delta on and after April 26, 2021.

9. Notwithstanding the reasonableness of the rates approved herein, the Commission finds that this case should remain open to investigate the reasonableness of Delta's GCR billing to customers and the language used in its GCA Clause Tariff. The GCR rates approved in this Order shall be subject to refund upon the close of the investigation.

10. The Commission finds that Delta should file responses to the requests for information set forth in Appendix B to this Order on or before May 7, 2021.

a. Pursuant to the Commission's Orders in Case No. 2020-00085,<sup>2</sup> issued March 16, 2020, and March 24, 2020, Delta 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. Delta shall make timely amendment to any prior response if it obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

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

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<sup>2</sup> Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (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.

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 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 Delta 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 rates proposed by Delta and set forth in Appendix A to this Order are approved for final meter readings on and after April 26, 2021.

2. Within 20 days of the date of entry of this Order, Delta shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

3. Delta shall file responses to the requests for information set forth in Appendix B to this Order on or before May 7, 2021.

4. This case shall remain open until the investigation of Delta's GCR billing and GCA Clause Tariff is closed.

By the Commission



ATTEST:

  
Executive Director

Case No. 2021-00140

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2021-00140 DATED APR 21 2021

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

RATE SCHEDULES

RATES

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total Rate</u>
Residential			
All Mcf	\$ 4.3185	\$ 5.5532	\$9.8717
Small Non-Residential			
All Mcf	\$ 4.3185	\$ 5.5532	\$9.8717
Large Non-Residential			
First 1–2,000 Mcf	\$ 4.3185	\$ 5.5532	\$9.8717
Next 2,001–10,000 Mcf	2.6696	5.5532	8.2228
Next 10,001–50,000 Mcf	1.8735	5.5532	7.4267
Next 50,001–100,000 Mcf	1.4735	5.5532	7.0267
Over 100,000 Mcf	1.2735	5.5532	6.8267
Interruptible			
First 1–10,000 Mcf	\$ 1.6000	\$ 5.5532	\$ 7.1532
Next 10,001–50,000 Mcf	1.2000	5.5532	6.7532
Next 50,001–100,000 Mcf	0.8000	5.5532	6.3532
Over 100,000 Mcf	0.6000	5.5532	6.1532

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2021-00140 DATED APR 21 2021

1. Explain whether the GCR rate is included as a separate line item on the bills of Delta's customers.
2. Explain whether the billing of the GCR rate is pursuant with the calendar quarters set forth in Delta's GCA Clause Tariff.
3. Refer to Delta's response to Commission Staff's Request for Information, PDF file attachment. Explain whether the bills provided are an exact duplicate copy of the bills sent to customers.
4. Refer to Delta's response to Commission Staff's Request for Information, the Excel file. Explain how Delta determined when the customer would be billed the GCR rate in accordance to Delta's GCA Clause Tariff.

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