

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS)	CASE NO.
ADJUSTMENT FILING OF DELTA NATURAL)	2021-00380
GAS COMPANY, INC.)	

ORDER

On September 24, 2021, Delta Natural Gas Company, Inc. (Delta) filed its proposed Gas Cost Recovery (GCR) rate report to be effective October 27, 2021. Delta's previous GCR rate was approved in Case No. 2021-00246.¹

The Commission's standard of review for GCR rates is well settled as stated in KRS 278.274(1):

In determining whether proposed natural gas utility rates are just and reasonable, the commission shall review the utility's gas purchasing practices. The commission may disallow any costs or rates which are deemed to result from imprudent purchasing practices on the part of the utility.

Further, the utility has the burden to prove the rates are just and reasonable and the Commission may reduce the purchased gas component of the utility's rates or the rates charged by an affiliated company to the extent the amount is deemed to be unjust or unreasonable.²

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

¹ Case No. 2021-00246, *Electronic Purchased Gas Adjustment Filing of Delta Natural Gas Company* (Ky. PSC July 15, 2021).

² KRS 278.274(2); KRS 278.274(3)(c), and KRS 278.274(3)(d).

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 \$5.4939 per Mcf, which is a decrease of \$0.0950 per Mcf from its previous EGC of \$5.5889 per Mcf.

3. Delta's GCR report sets out no Refund Adjustment.

4. Delta's GCR report sets out a current quarter Actual Adjustment (AA) of (\$0.0764) per Mcf. Delta's total AA is \$0.5556 per Mcf, which is an increase of \$0.1450 per Mcf from its previous total AA of \$0.4106 per Mcf.

5. Delta's GCR report sets out a current quarter Balancing Adjustment (BA) of \$0.0179 per Mcf. Delta's total BA is \$0.0351 per Mcf, which is an increase of \$0.0977 per Mcf from its previous total BA of (\$0.0626) per Mcf.

6. Delta's GCR rate is \$6.0846 per Mcf, which is an increase of \$0.1477 per Mcf from its previous GCR rate of \$5.9369 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 set forth in the Appendix to this Order is fair, just and reasonable and should be approved for final meter readings by Delta on and after October 27, 2021.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Delta and set forth in the Appendix to this Order are approved for final meter readings on and after October 27, 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 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.

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By the Commission

ENTERED
OCT 22 2021 rds
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2021-00380

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2021-00380 DATED OCT 22 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>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
Residential			
All Mcf	\$ 4.3185	\$ 6.0846	\$10.4031
Small Non-Residential			
All Mcf	\$ 4.3185	\$ 6.0846	\$10.4031
Large Non-Residential			
First 1–200 Mcf	\$ 4.3185	\$ 6.0846	\$10.4031
Next 201–1,000 Mcf	2.6696	6.0846	8.7542
Next 1,001–5,000 Mcf	1.8735	6.0846	7.9581
Next 5,001–10,000 Mcf	1.4735	6.0846	7.5581
Over 10,000 Mcf	1.2735	6.0846	7.3581
Interruptible			
First 1–1,000 Mcf	\$ 1.6000	\$ 6.0846	\$ 7.6846
Next 1,001–5,000 Mcf	1.2000	6.0846	7.2846
Next 5,001–10,000 Mcf	0.8000	6.0846	6.8846
Over 10,000 Mcf	0.6000	6.0846	6.6846

*Emily Bennett
Delta Natural Gas Company, Inc.
3617 Lexington Road
Winchester, KY 40391

*John B Brown
Chief Financial Officer
Delta Natural Gas Company, Inc.
3617 Lexington Road
Winchester, KY 40391

*Monica Braun
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KENTUCKY 40507-1801

*Delta Natural Gas Company, Inc.
3617 Lexington Road
Winchester, KY 40391