

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS	)	CASE NO.
ADJUSTMENT FILING OF	)	2021-00479
KENTUCKY FRONTIER GAS, LLC	)	

ORDER

On December 29, 2021, Kentucky Frontier Gas, LLC (Kentucky Frontier) filed its Gas Cost Recovery (GCR) rate report for rates effective February 1, 2022. Kentucky Frontier's previous GCR rate was approved in Case No. 2021-00377.<sup>1</sup>

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.<sup>2</sup>

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

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<sup>1</sup> Case No. 2021-00377, *Electronic Purchased Gas Adjustment Filing Of Kentucky Frontier Gas, LLC* (Ky. PSC Oct. 26, 2021).

<sup>2</sup> KRS 278.274(2); KRS 278.274(3)(c), and KRS 278.274(3)(d).

1. Kentucky Frontier's report includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.

2. Kentucky Frontier's report sets out an Expected Gas Cost (EGC) of \$6.7129 per Mcf, which is a decrease of \$1.6250 per Mcf from its previous EGC of \$8.3379 per Mcf.

3. Kentucky Frontier's report sets out no Refund Adjustment.

4. Kentucky Frontier's report sets out a current quarter Actual Adjustment (AA) of \$0.0997 per Mcf and a total AA of \$0.3417 per Mcf, which is an increase of \$0.1413 per Mcf from the previous total AA of \$0.2004 per Mcf.

5. Kentucky Frontier's report sets out a current quarter Balance Adjustment (BA) of (\$0.0626) per Mcf and a total BA of (\$0.0402) per Mcf, which is a decrease of \$0.0623 per Mcf from the previous total BA of \$0.0221 per Mcf.

6. Kentucky Frontier's report sets out a GCR rate of \$0.70144 per Ccf or \$7.0144 per Mcf, which is a decrease of \$1.5460 per Mcf from its previous rate of \$8.5604 per Mcf.

7. The rates set forth in the Appendix to this Order are fair, just and reasonable, and should be approved for service rendered by Kentucky Frontier on and after February 1, 2022.

8. Should Kentucky Frontier 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:

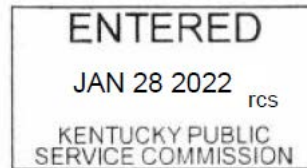
1. The rates set forth in the Appendix to this Order are approved for final meter readings by Kentucky Frontier on and after February 1, 2022.

2. Within 20 days of the date of entry of this Order, Kentucky Frontier 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. This case is closed and removed from the Commission's docket.

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By the Commission



ATTEST:

  
Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2021-00479 DATED JAN 28 2022

The following rates and charges are prescribed for the customers in the area served by Kentucky Frontier Gas, LLC. 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 \$.70144 per Ccf for service rendered on and after February 1, 2022.

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