

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS ADJUSTMENT)	CASE NO.
FILING OF BURKESVILLE GAS COMPANY, INC.)	2024-00342

ORDER

On November 22, 2024, Burkesville Gas Company, Inc. (Burkesville) filed its Gas Cost Recovery (GCR) rate report for rates with a proposed effective date of December 28, 2024. Burkesville's previous GCR rate was approved in Case No. 2024-00166.¹

LEGAL STANDARD

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

¹ Case No. 2024-00166, *Electronic Purchased Gas Adjustment Filing of Burkesville Gas Company, Inc.* (Ky. PSC June 25, 2024).

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

DISCUSSION

After reviewing the evidence of record and being otherwise sufficiently advised, the Commission finds that Burkesville's report includes revised rates designed to pass on to its customers its expected change in gas costs. Burkesville's report sets out an Expected Gas Cost (EGC) of \$8.0029 per Mcf, which is an increase of \$0.0550 per Mcf from the previous EGC of \$7.9479 per Mcf. Burkesville's report sets out no Refund Adjustment. Burkesville's report sets out a current quarter Actual Cost Adjustment (ACA) of \$0.0566 per Mcf. In calculating its current quarter Actual Adjustment, Burkesville incorrectly recorded its EGC in effect for the months of July, August, and September as \$7.2646, which is the approved EGC for April, May, and June. The corrected EGC in effect for July, August, and September is \$7.9479, which results in a current quarter Actual Cost Adjustment of \$0.0020 per Mcf. Based on Commission Staff corrections, Burkesville's total ACA is \$0.4839 per Mcf, which is an increase of \$0.0230 per Mcf from the previous total ACA of \$0.4609 per Mcf.

Based on the calculations above, the Commission finds that Burkesville's GCR rate is \$8.4868 per Mcf, which is an increase of \$0.0780 per Mcf from the previous GCR rate of \$8.4088 per Mcf. The Commission further finds that the rates set forth in the Appendix to this Order are fair, just and reasonable and should be approved for service rendered by Burkesville on and after December 28, 2024.

For the purpose of transparency and to maintain a record of information for future use, the Commission finds that Burkesville shall submit all invoices it receives along with its monthly usage reports for each month of the reporting period when it files its future GCR rate reports. Should Burkesville 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.

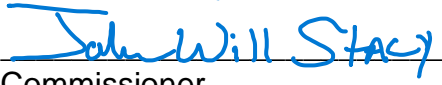
IT IS THEREFORE ORDERED that:

1. The rates proposed by Burkesville are denied.
2. The rates as corrected by Commission staff and set forth in the Appendix of this Order are approved for service rendered on and after December 28, 2024.
3. Burkesville shall submit all invoices it receives along with its monthly usage reports for each month of the reporting period when it files its future GCR rate reports.
4. Should Burkesville purchase sustainable natural gas from a renewable source during the reporting period of any future GCR reports, then the supplier, cost, and amount shall be documented in its cover letter to the Commission.
5. Within 20 days of the date of service of this Order, Burkesville 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.
6. This case is closed and removed from the Commission's docket.

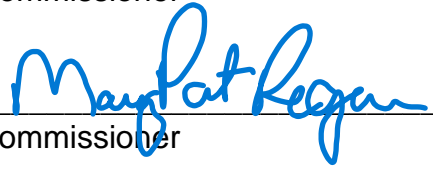
PUBLIC SERVICE COMMISSION



Chairman



Commissioner



Commissioner

ATTEST:



Executive Director

ENTERED
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KENTUCKY PUBLIC
SERVICE COMMISSION

Case No. 2024-00342

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2024-00342 DATED DEC 20 2024

The following rates and charges are prescribed for the customers in the area served by Burkesville Gas Company, Inc. 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.

RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
Residential	\$7.5400	\$8.4868	\$16.0268
Industrial	\$7.1900	\$8.4868	\$15.6768

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