## COMMONWEALTH OF KENTUCKY

#### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS ADJUSTMENT ) CASE NO. OF SENTRA CORPORATION ) 2025-00015

## ORDER

On January 20, 2025, Sentra Corporation (Sentra) filed its proposed Gas Cost Recovery (GCR) rate report to be effective February 1, 2025. Sentra's previous GCR rate was approved in Case No. 2024-00306.<sup>1</sup>

# **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.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Case No. 2024-00306, *Electronic Purchased Gas Adjustment Filing of Sentra Corporation* (Ky. PSC Oct. 25, 2024).

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

## **DISCUSSION**

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that Sentra's report includes revised rates designed to pass on to its customers its expected change in gas costs. Sentra's report sets out an Expected Gas Cost (EGC) of \$4.4760 per Mcf, which is an increase of \$0.8467 per Mcf from its previous EGC of \$3.6293 per Mcf. Sentra's report sets out a Refund Adjustment (RA) of \$0.0000 per Mcf. Sentra's report sets out a current quarter Actual Adjustment (AA) of (\$0.6215) per Mcf. Sentra's total AA is (\$1.5529) per Mcf, which is a decrease of \$0.6371 per Mcf from its previous total AA of (\$0.9158) per Mcf. Sentra's report sets out a current quarter Balance Adjustment (BA) of (\$0.0027) per Mcf. Sentra's total BA is \$0.0767 per Mcf, which is a decrease of \$0.0102 per Mcf from its previous total BA of \$0.0869 per Mcf.

Based upon the calculations above, the Commission finds that Sentra's GCR rate is \$2.9998 per Mcf, which is an increase of \$0.1994 per Mcf from its previous GCR rate of \$2.8004 per Mcf. The Commission further finds that the rate set forth in Appendix to this Order is fair, just and reasonable and shall be approved for service rendered by Sentra on and after February 19, 2025.

The Commission finds that Sentra should file its quarterly GCR rate reports to the Commission with at least 30 days' notice pursuant to its Purchased Gas Cost Adjustment Clause Tariff so that it may be processed in a timely manner. Failure to file quarterly GCR rate reports in a timely manner in future filings may adversely affect the timely processing of Sentra's GCR rate reports and may result in a possible investigation due to failing to comply with its Tariff.<sup>3</sup>

<sup>&</sup>lt;sup>3</sup> KRS 278.180.

For the purpose of transparency and to maintain a record of information for future use the Commission finds that Sentra shall 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. 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 are approved for service rendered on and after February 19, 2025.
- 2. Sentra 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.
- 3. 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 shall be documented in its cover letter to the Commission.
- 4. Within 20 days of the date of service 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.
  - 5. This case is closed and removed from the Commission's docket.

PUBLIC SERVICE COMMISSION

Chairman

Commissioner

Commissioner

ATTEST:

Executive Director

ENTERED
FEB 12 2025 AH
KENTUCKY PUBLIC SERVICE COMMISSION

#### **APPENDIX**

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2025-00015 DATED FEB 12 2025

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 \$2.9998 per Mcf for service rendered on and after February 19, 2025.

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