

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS ADJUSTMENT) CASE NO.
FILING OF KENTUCKY FRONTIER GAS, LLC) 2026-00118

ORDER

On May 11, 2026, Kentucky Frontier Gas, LLC (Kentucky Frontier) filed a Gas Cost Recovery (GCR) rate report for its “farm tap” customers with a proposed effective date of June 1, 2026. Kentucky Frontier filed with its report a motion for deviation from the 30-day notice requirement set forth in KRS 278.180. Kentucky Frontier requested that the notice period be shortened to twenty days, and that the Commission authorize “Kentucky Frontier to file its purchased gas adjustment filing on or before May 31, 2026.”¹

LEGAL STANDARD

KRS 278.180 provides that “no change shall be made by any utility in any rate except upon thirty (30) days' notice to the commission,” except that the Commission may shorten that statutory notice period to 20 days upon a showing of good cause. Pursuant to KRS 278.190, the Commission may suspend a proposed rate for up to 5 or 6 months pending a final decision on the case.

“Farm tap” service provided pursuant to KRS 278.485 “shall be furnished at rates and minimum monthly charges determined by the Public Service Commission.”²

¹ Motion for Deviation (filed May 11, 2026), at 1.

² KRS 278.485(1).

Section 9 of 807 KAR 5:026 provides that a farm tap provider, subject to certain limits, may request an adjustment of rates to reflect and change in its costs to provide service by filing a proposed tariff, through an application for a general rate adjustment pursuant to Section 10 of 807 KAR 5:001, or through an application for adjustment of rates pursuant to the alternative rate adjustment procedures in 807 KAR 5:076.

A provider that seeks a rate adjustment through a tariff filing must file the proposed tariff at least 60 days prior to the tariff's proposed effective date.³ "Once the commission has determined that sufficient information has been filed with the proposed tariff, the commission shall either approve or deny the proposed adjustment within sixty (60) days."⁴ The commission, however, may suspend the proposed tariff beyond the sixty (60) day review period.⁵

The Commission approved a GCR mechanism for Kentucky Frontier's "farm tap" customers in Case No. 2011-00513,⁶ which is distinct from Kentucky Frontier's GCR mechanism for utility customers and functions differently. The Farm Tap GCR states:

In the event there is an increase or decrease in wholesale gas costs, Kentucky Frontier shall file with this Commission the following information within 30 days:

1. A copy of the contract or wholesale supplier notification affecting the change in rate and a statement relative to the effective date of such proposed change.
2. A statement setting out gas sales for the most recent 12 months.

³ 807 KAR 5:026, Section 9(1).

⁴ 807 KAR 5:026, Section 9(1)(c).

⁵ 807 KAR 5:026, Section 9(1)(c).

⁶ Case No. 2011-00513, *Application of Kentucky Frontier Gas Company, LLC for Approval of Adjustment of Farm Tap Rates* (Ky. PSC May 30, 2012), Order.

3. A statement setting out the details of gas purchased for the most recent 12 months showing billing from the supplier under the most recent rate and under the proposed supplier rate.⁷

Kentucky Frontier's Farm Tab GCR further states:

Upon receipt of the required information, the Commission shall review the proposed increase, reduction, or refund and, within 30 days from receipt of the information required, issue its Order setting out the proper revised farm tap rates or otherwise acting to investigate or suspend the proposed rates.⁸

DISCUSSION

In support of its motion for deviation, Kentucky Frontier stated that it is requesting to shorten the notice period from 30 days to 20 days for the current purchased gas adjustment filing "in order to give Kentucky Frontier and Commission Staff more time to determine what amendments need to be made to Kentucky Frontier's purchased gas adjustment filings for the current filing as well as future filings."⁹ Kentucky Frontier does not explain how giving shorter notice of the proposed GCR adjustment would give the Commission and its Staff more time to determine if changes to the filing are necessary. Further, the initial filing submitted by Kentucky Frontier did not include contracts, notices, or invoices sufficient to verify the accuracy of the gas cost information Kentucky Frontier used to justify its rates. Thus, the Commission finds that Kentucky Frontier has not shown good cause to shorten the notice period to 20 days and that Kentucky Frontier's request

⁷ *Kentucky Frontier Gas, LLC Rates, Rules and Regulations for Farm Tap Customers*, PSC No. 2, Sheet No. 24 (effective June 21, 2013).

⁸ *Kentucky Frontier Gas, LLC Rates, Rules and Regulations for Farm Tap Customers*, PSC No. 2, Sheet No. 25 (effective June 21, 2013).

⁹ Motion for Deviation at 1.

to place the proposed rates into effect on June 1, 2026, should be denied. The Commission finds that the earliest the proposed rate could go into effect is June 10, 2026.

After reviewing the current GCR rate report, the Commission has determined that additional time for analysis is necessary to determine the reasonableness of the proposed GCR rates and that such investigation cannot be completed by June 10, 2026. The Commission will, therefore, suspend the effective date of the proposed GCR rates, for one day, until June 11, 2026, to give the Commission time to investigate the proposed GCR rates, and to allow Kentucky Frontier to begin charging the GCR rates on or after June 11, 2026, pending a final Order and subject to refund, as long as it provides written notice to the Commission in this case of its intention to place the rates into effect subject to refund prior to placing them in effect and indicates that date it will place them into effect subject to refund.

The Commission directs Kentucky Frontier to the Commission's July 22, 2021, Order in Case No. 2020-00085¹⁰ in which the Commission mandated the use of electronic filing procedures listed in 807 KAR 5:001, Section 8. Consistent with the filing procedures set forth in Case No. 2020-00085, the Commission finds that electronic filing procedures should be used.

IT IS THEREFORE ORDERED that:

1. Kentucky Frontier's motion for deviation is denied.

¹⁰ Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC July 22, 2021), Order (in which the Commission ordered that for case filings made on and after March 16, 2020, filers are NOT required to file the original physical copies of the filings required by 807 KAR 5:001, Section 8).


2. Kentucky Frontier's proposed GCR rates are suspended for one day, until June 11, 2026.

3. Kentucky Frontier's proposed GCR rates may be placed in effect by Kentucky Frontier on or after June 11, 2026, pending the final Order in this matter and subject to refund, provided Kentucky Frontier files written notice to the Commission of its intention to do so as discussed herein.

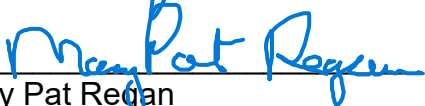
4. If Kentucky Frontier files notice of its intention to place the proposed GCR rates into effect after the end of the suspension period, Kentucky Frontier shall maintain its records in such manner as will allow it, the Commission, or any customer to determine the amounts to be refunded and to whom in the event a refund is ordered upon final resolution of this matter.

Entered on this 3rd day of June, 2026.


PUBLIC SERVICE COMMISSION



Angie Hattori
Chair



Mary Pat Reagan
Commissioner



Andrew W. Wood
Commissioner



Barry L. Mayfield
Commissioner

ATTEST:



Linda C. Bridwell, PE
Executive Director

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