

**ORIGINAL**

Commissioner	Yes	No	Not Participating
Zay			√
Deig	√		
Swinger	√		
Veleta	√		
Ziegner	√		

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

**PETITION OF OHIO VALLEY GAS )  
CORPORATION AND OHIO VALLEY GAS, ) CAUSE NO. 44147 GCA 53  
INC. FOR APPROVAL OF CHANGES TO )  
THEIR GCA RATES IN ACCORDANCE WITH ) APPROVED: MAR 31 2026  
INDIANA CODE § 8-1-2-42(G). )**

**ORDER OF THE COMMISSION**

**Presiding Officer:  
Steve Henke, Administrative Law Judge**

On January 30, 2026, in accordance with Ind. Code § 8-1-2-42, Ohio Valley Gas Corporation (“OVGC”) and its subsidiary Ohio Valley Gas, Inc. (“OVGI”) (together, “OVG” or “Petitioners”) filed their Petition for Gas Cost Adjustment (“GCA”) to be applicable during the months of April 2026 through June 2026, and included all Exhibits and Schedules to their GCA, the verified testimony of Ronald L. Gable, OVG’s Senior Manager of Regulatory Affairs and Financial Planning & Analysis, and Devon W. Wilson, OVGC’s Assistant Controller. On February 19, 2026, Petitioners filed supplemental testimony from Mr. Gable and Mr. Wilson with revised schedules. On February 23, 2026, Petitioners filed revised rate comparison tables. On March 2, 2026, in conformance with the statute, the Indiana Office of Utility Consumer Counselor (“OUCC”) filed the testimony and attachments of Mohab M. Nouredin, Utility Analyst with the OUCC’s Natural Gas Division.

The Indiana Utility Regulatory Commission (“Commission”) noticed and held an evidentiary hearing in this matter on March 17, 2026 at 10:30 a.m. in Room 224 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. Petitioners and the OUCC, by counsel, participated in the hearing. All testimony and exhibits of Petitioners and the OUCC were admitted into the record without objection.

Based upon the applicable law and the evidence presented, the Commission finds:

**1. Statutory Notice and Commission Jurisdiction.** Notice of the hearing in this Cause was given and published by the Commission as required by law. Petitioners are public utilities as defined in Ind. Code § 8-1-2-1(a). Under Ind. Code § 8-1-2-42(g), the Commission has jurisdiction over changes to Petitioners’ rates and charges related to adjustments in gas costs. Therefore, the Commission has jurisdiction over Petitioners and the subject matter of this Cause.

**2. Petitioners’ Characteristics.** Petitioners are corporations organized and exist under the laws of the State of Indiana. Petitioners’ principal office is located at 111 Energy Park Drive, Winchester, Indiana. Petitioners render natural gas utility service to the public in seventeen Indiana counties and own, operate, manage, and control property for the distribution and furnishing of such service.

**3. Source of Natural Gas.** Ind. Code § 8-1-2-42(g)(3)(A) requires Petitioners to make every reasonable effort to acquire long-term natural gas supplies to provide service to their retail customers at the lowest gas cost reasonably possible. Mr. Wilson testified that Petitioners have contracts with ANR Pipeline Company (“ANR”) and Texas Gas Transmission, LLC (“Texas Gas”) for pipeline capacity and storage. Mr. Gable testified that OVGC also buys gas from Midwest Gas Transmission (“MGT”) to serve a small customer base in Grandview, Indiana.

The Commission has indicated that Indiana’s gas utilities should make reasonable efforts to mitigate gas price volatility. This includes a program that considers market conditions and the price of natural gas on both current and forward-looking bases. Based on the evidence offered, we find that Petitioners have demonstrated that they have and continue to follow a policy of securing natural gas supply at the lowest gas cost reasonably possible to meet anticipated customer requirements. Therefore, we find that the requirement of this statutory provision has been fulfilled.

**4. Purchased Gas Cost Rates.** Ind. Code § 8-1-2-42(g)(3)(B) requires that Petitioners’ pipeline suppliers have requested or filed pursuant to the jurisdiction and procedures of a duly constituted regulatory authority the costs proposed to be included in the GCA factor. The evidence of record indicates that the proposed gas costs include transport rates that have been filed by Petitioners’ pipeline suppliers in accordance with Federal Energy Regulatory Commission procedures. We have reviewed the cost of gas included in the proposed gas cost adjustment charge and find the cost to be reasonable. Therefore, we find that the requirement of this statutory provision has been fulfilled.

**5. Earnings Test.** Ind. Code § 8-1-2-42(g)(3)(C), in effect, prohibits approval of a GCA factor that results in Petitioners earning a return in excess of the return authorized by the last Commission Order in which Petitioners’ basic rates and charges were approved. Petitioners’ basic rates and charges were approved on November 6, 2024 in Cause No. 46011. With adjustments for subsequent Transmission, Distribution, and Storage System Improvement Charge (“TDSIC”) filings, Petitioner’s prorated authorized net operating income is \$5,624,020 for the twelve months ending on November 30, 2025.

The evidence of record indicates that for the twelve months ending November 30, 2025, Petitioners’ actual utility operating income was \$6,717,648. Therefore, based on the evidence of record, we find that Petitioner is earning a return exceeding the amount authorized in its last rate case and subsequent TDSIC filings.

Because Petitioner has earned a return exceeding the amount authorized, Ind. Code § 8-1-2-42.3 requires the Commission to determine the amount, if any, of the return to be refunded to customers through the variance in this Cause. A refund is only appropriate if the sum of the differentials (both positive and negative) between the determined return and the authorized return during the relevant period, as defined by Ind. Code § 8-1-2-42.3(a), is greater than zero. Based on the evidence of record, we find the sum of the differentials during the relevant period is less than zero, and, therefore, it is not appropriate to require a refund in this Cause of any of the amount over-earned.

**6. Estimation of Purchased Gas Costs.** Ind. Code § 8-1-2-42(g)(3)(D) requires that Petitioners' estimate of their prospective average gas costs for each future recovery period be reasonable. The Commission has determined that this requires, in part, a comparison of the variance to the incremental cost of gas on Schedule 6 to be used to determine if the prior estimates are reasonable when compared to the corresponding actual costs. A 12-month rolling average comparison helps to eliminate the inherent variance related to cycle billing and seasonal fluctuations. The evidence presented indicates that Petitioners' 12-month rolling average comparison for the period of September 2025 through November 2025 ("Reconciliation Period") was 2.68%, and was 5.54% for OVGC's much smaller MGT service area. Based upon Petitioners' historical accuracy in estimating the cost of gas and the testimony provided, we find that Petitioners' estimating techniques are sound, and Petitioners' prospective average estimates of gas costs are reasonable.

**7. Reconciliations.**

**A. Variances.** Ind. Code § 8-1-2-42(g)(3)(D) also requires that Petitioners reconcile their estimates for a previous recovery period with the actual purchased gas cost for that period. This reconciliation is now done with Petitioners' ANR and Texas Gas service areas as one variance and OVGC's MGT service area as a separate variance.

For the ANR and Texas Gas variance, Schedule 12B to Petitioners' Exhibit 2 for the Reconciliation Period is an under-collection of \$353,205 from their customers. This amount should be included, based on estimated sales percentages, in this GCA and the next three GCAs. The amount of the Reconciliation Period variance to be included in this GCA as an increase in the estimated net cost of gas is \$31,577. The variances from prior recovery periods applicable to the current recovery period is an under-collection of \$3,355. Combining this amount with the Reconciliation Period variance results in a total under-collection of \$34,932 to be applied in this GCA as an increase in the estimated net cost of gas.

For the MGT variance, Schedule 12B-G to Petitioners' Exhibit 1 for the Reconciliation Period is an under-collection of \$326 from their customers. This amount should be included, based on estimated sales percentages, in this GCA and the next three GCAs. The amount of the Reconciliation Period variance to be included in this GCA as an increase in the estimated net cost of gas is \$37. The variances from prior recovery periods applicable to the current recovery period is an under-collection of \$300. Combining this amount with the Reconciliation Period variance results in an under-collection of \$337 to be applied in this GCA as an increase in the estimated net cost of gas.

**B. Refunds.** Petitioners received no refunds during the Reconciliation Period, nor refunds from prior periods applicable to the current recovery period. However, Petitioners had reported negative unaccounted for gas in Cause No. 44147 GCA 52, which the Commission ordered proportionally returned to OVGC customers over four GCA proceedings. We find the amount of refunded to Petitioners' customers in this GCA proceeding is \$73,273, as reflected on Petitioners' Exhibit 1, Schedule 12A.

Petitioners had no refunds for the MGT pipeline service area during the Reconciliation Period nor any refunds from prior periods applicable to the current recovery period. We find that nothing should be refunded to Petitioners’ legacy Grandview customers in this GCA, as reflected on Petitioners’ Exhibit 1, Schedule 12A-G.

**8. Resulting Gas Cost Adjustment Factor.** For the ANR and Texas Gas service area, the estimated net cost of gas to be recovered is \$965,561 for April 2026, \$543,912 for May 2026, and \$441,782 for June 2026. Adjusting these totals for the variance and refund amounts yields gas costs to be recovered through the GCA factor of \$941,233 for April 2026, \$534,668 for May 2026, and \$437,013 for June 2026. After dividing those amounts by estimated sales, Petitioners’ recommended GCA factors are \$6.155/Dth for April 2026, \$9.202/Dth for May 2026, and \$14.565/Dth for June 2026.

For the MGT service area, the estimated net cost of gas to be recovered is \$4,020 for April 2026, \$1,850 for May 2026, and \$1,941 for June 2026. Adjusting these totals for the variance and refund amounts yields gas costs to be recovered through the GCA factor of \$4,193 for April 2026, \$1,930 for May 2026, and \$2,025 for June 2026. After dividing those amounts by estimated sales, Petitioners’ recommended GCA factors for MGT are \$4.509/Dth for April 2026, \$4.509/Dth for May 2026 and \$4.510/Dth for June 2026.

**9. Effects on Residential Customers.** For the ANR and Texas Gas service area, Petitioners request authority to approve the GCA factors of \$6.155/Dth for April 2026, \$9.202/Dth for May 2026, and \$14.565/Dth for June 2026 for their ANR and Texas Gas pipeline service areas. The table below shows the commodity costs a residential customer will incur under the proposed GCA factor based on 10 Dths of usage. The table also compares the proposed gas costs to what a residential customer paid most recently (\$4.450 /Dth for January 2026) and a year ago (\$5.256/Dth for April 2025, \$6.016/Dth for May 2025, and \$9.562/Dth for June 2025). The table reflects costs approved through the GCA process. It does not include Petitioners’ base rates or any applicable rate adjustment mechanisms.

Month	Proposed Gas Costs (10 Dth)	Current		Year Ago	
		Gas Costs (10 Dth)	Difference	Gas Costs (10 Dth)	Difference
April 2026	\$61.55	\$44.50	\$17.05	\$52.56	\$8.99
May 2026	\$92.02	\$44.50	\$47.52	\$60.16	\$31.86
June 2026	\$145.65	\$44.50	\$101.15	\$95.62	\$50.03

For the MGT service area, Petitioners also request authority to approve the GCA factors of \$4.509/Dth for April 2026, \$4.509/Dth for May 2026 and \$4.510/Dth for June 2026. The table below shows the commodity costs a residential customer will incur under the proposed GCA factor based on 10 Dths of usage. The table also compares the proposed gas costs to what a residential customer paid most recently (\$4.683/Dth for January 2026) and a year ago (\$4.182/Dth for April 2025, \$4.185/Dth for May 2025, and \$4.183/Dth for June 2025) for their MGT Grandview pipeline service areas. The table reflects costs approved through the GCA process. It does not include Petitioners’ base rates or any applicable rate adjustment mechanisms.

Month	Proposed Gas Costs (10 Dth)	Current		Year Ago	
		Gas Costs (10 Dth)	Difference	Gas Costs (10 Dth)	Difference
April 2026	\$45.09	\$46.83	(\$1.74)	\$41.82	\$3.27
May 2026	\$45.09	\$46.83	(\$1.74)	\$41.85	\$3.24
June 2026	\$45.10	\$46.83	(\$1.73)	\$41.83	\$3.27

**10. Interim Rates.** We are unable to determine whether Petitioners will earn an excess return while these GCA factors are in effect. Accordingly, the rates approved in this Order are interim rates subject to refund pending reconciliation in the event an excess return is earned.

**11. Monthly Flex Mechanism.** The Commission indicated in prior Orders that Indiana’s gas utilities should make reasonable efforts to mitigate gas price volatility. The monthly flex mechanism is designed to address this concern. Petitioners have elected to utilize a monthly flex mechanism to adjust their GCA factors up to the cap of \$2.00 on the total GCA factor monthly. Since Petitioners are utilizing a monthly flex mechanism, Petitioners must file a monthly flex tariff in the applicable GCA proceeding, including a notification of not flexing as warranted. The flexed tariff is to be filed not later than three business days before the beginning of each calendar month during the GCA period.

**IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:**

1. The Petition of Ohio Valley Gas Corporation and its subsidiary Ohio Valley Gas, Inc. for the gas cost adjustment for natural gas service, as set forth in Paragraph No. 8, is approved, subject to refund in accordance with Paragraph No. 10.
2. Petitioners shall file a monthly flexed tariff under this Cause for approval by the Commission’s Energy Division. Such rates shall be effective on or after the date of this Order, subject to Division review and agreement with the amounts reflected.
3. This Order shall be effective on and after the date of its approval.

**DEIG, SWINGER, VELETA, AND ZIEGNER CONCUR; ZAY ABSENT:**

**APPROVED: MAR 31 2026**

**I hereby certify that the above is a true and correct copy of the Order as approved.**

\_\_\_\_\_ on behalf of  
**Dana Kosco**  
**Secretary of the Commission**