

AUXIER ROAD GAS COMPANY, INC.
P O BOX 408
PRESTONSBURG, KY 41653

APRIL 25, 2012

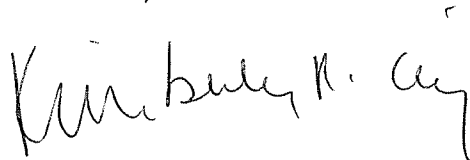
RECEIVED
APR 30 2012
PUBLIC SERVICE
COMMISSION

JEFF DEROUEN, EXE DIRECTOR
P O BOX 615
FRANKFORT, KY 40602

DEAR MR. DEROUEN,

PLEASE FIND ENCLOSED THE GAS COST RECOVERY TO BE EFFECTIVE JUNE 1, 2012.
IF YOU HAVE ANY QUESTIONS, LET US KNOW.

SINCERELY,

A handwritten signature in black ink that reads "Kimberly R. Crisp". The signature is written in a cursive style with a large initial "K".

KIMBERLY R. CRISP

ACCOUNTANT

Auxier Road Gas Co

QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

Date Filed:

April 25, 2012

Date Rates to be Effective:

June 1, 2012

Reporting Period is Calendar Quarter Ended:

March 31, 2012

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	3.8583
Refund Adjustment (RA)	\$/Mcf	
Actual Adjustment (AA)	\$/Mcf	(1.018)
Balance Adjustment (BA)	\$/Mcf	
<u>Gas Cost Recovery Rate (GCR)</u>	<u>\$/Mcf</u>	<u>2.8403</u>

to be effective for service rendered from June 1, 2012 to June 30, 2012

EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	778988
sales for the 12 months ended <u>March 31, 2012</u>	Mcf	98226
<u>Expected Gas Cost (EGC)</u>	<u>\$/Mcf</u>	<u>3.8583</u>

REFUND ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Supplier Refund Adjustment for Reporting Period (Sch. III)	\$/Mcf	
Previous Quarter Supplier Refund Adjustment	\$/Mcf	
Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	
Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	
<u>Refund Adjustment (RA)</u>	<u>\$/Mcf</u>	<u>_____</u>

ACTUAL ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	(.1125) (0.0527)
Previous Quarter Reported Actual Adjustment	\$/Mcf	(.1514) (0.0823)
Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(.2459) (0.0127)
Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.1662) (0.0549)
<u>Actual Adjustment (AA)</u>	<u>\$/Mcf</u>	<u>(.6762) (0.0056)</u>
		(.1084)
		(.0186)

BALANCE ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	
Previous Quarter Reported Balance Adjustment	\$/Mcf	
Second Previous Quarter Reported Balance Adjustment	\$/Mcf	
Third Previous Quarter Reported Balance Adjustment	\$/Mcf	
<u>Balance Adjustment (BA)</u>	<u>\$/Mcf</u>	<u>_____</u>

(1.018)

SCHEDULE II
 EXPECTED GAS COST

Actual* Mcf Purchases for 12 months ended March 31, 2012

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5)** Rate	(6) (4)x(5) Cost
Cumberland Valley			96429	3.4574	333394
ACEI-KAARS			3951	3.10	12248
Nyctis Exploration			8890	4.38	38938
Chesapeake (Under Billed)			5545	6.54	36264

Totals 114815 420844

Percentage loss for 12 months ended March 31, 2012 is 14 % based on purchases of 114815 Mcf and sales of 98226 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	420844
<u>Mcf Purchases (4)</u>	Mcf	<u>114815</u>
Average Expected Cost Per Mcf Purchased	\$/Mcf	3.6654
<u>Allowable Mcf purchases (must not exceed Mcf sales + .95)</u>	Mcf	<u>103396</u>
Total Expected Gas Cost (to Schedule IA.)	\$	378988

Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.
 Supplier's tariff sheets or notices are attached.

SCHEDULE IV

ACTUAL ADJUSTMENT

or the 3 month period ended March 31, 2012

<u>Particulars</u>	<u>Unit</u>	<u>Month 1 (MAR)</u>	<u>Month 2 ()</u>	<u>Month 3 ()</u>
Total Supply Volumes Purchased	Mcf	13437		
Total Cost of Volumes Purchased	\$	48124		
Total Sales (may not be less than 95% of supply volumes)	Mcf	12765		
<u>Unit Cost of Gas</u>	<u>\$/Mcf</u>	<u>3.770</u>		
<u>EGC in effect for month</u>	<u>\$/Mcf</u>	<u>5.1005</u>		
<u>Difference [(Over-)/Under-Recovery]</u>	<u>\$/Mcf</u>	<u>(1.3305)</u>		
<u>Actual sales during month</u>	<u>Mcf</u>	<u>8306</u>		
<u>Monthly cost difference</u>	<u>\$</u>	<u>(11051)</u>		

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	(11051)
Sales for 12 months ended <u>March 31, 2012</u>	Mcf	98226
Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	(1125)

SCHEDULE V
BALANCE ADJUSTMENT

For the 3 month period ended _____

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
(1) Total Cost Difference used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	
Less: Dollar amount resulting from the AA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the AA was in effect.	\$	
Equals: Balance Adjustment for the AA.	\$	_____
(2) Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	
Less: Dollar amount resulting from the RA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the RA was in effect.	\$	
Equals: Balance Adjustment for the RA.	\$	_____
(3) Total Balance Adjustment used to compute BA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	
Less: Dollar amount resulting from the BA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the BA was in effect.	\$	
Equals: Balance Adjustment for the BA.	\$	_____
Total Balance Adjustment Amount (1) + (2) + (3)	\$	
+ Sales for 12 months ended _____	Mcf	_____
= Balance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	

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P O BOX 408
PRESTONSBURG, KY 41653

	BASE RATE	GAS COST RECOVERY	TOTAL
FIRST MCF (MINIMUM BILL)	6.36	2.8403	\$9.2003
ALL OVER FIRST MCF	5.0645	2.8403	\$7.9048

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From: "Kentucky Frontier Gas LLC" <dhorner@kyfrontiergas.com> SpamShield Pro Actions...
To: "Kentucky Frontier Gas LLC" <kcrisp@kyfrontiergas.com>
Subject: Re: est gas cost for 06-12
Date: Mon 04/23/12 04:59 PM

Attachments

Table with 3 columns: Name, Type, Save View. Row 1: Message, text/html, Save

Kim,

Estimated Cumberland gas costs for June is \$3.4574/MCF.

Dennis

--- kcrisp@kyfrontiergas.com wrote:

From: "Kentucky Frontier Gas LLC" <kcrisp@kyfrontiergas.com>
To: "dennis horner" <dhorner@kyfrontiergas.com>
Subject: est gas cost for 06-12
Date: Mon, 23 Apr 2012 12:51:38 -0700

DENNIS,

I NEED THE ESTIMATED GAS COST FOR 06-12 ON CUMBERLAND GAS IN MCF PRICE.

THANKS,

KIM

Reply Reply All Forward Delete Move message to...

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