

**Public Gas Company**  
**8500 Station Street, Suite 100**  
**Mentor, OH 44060**  
**Tele (440) 974-3770**

**RECEIVED**

**JAN - 2 2014**

**PUBLIC SERVICE  
COMMISSION**

December 27, 2013

Mr. Jeff Derouen  
Executive Director  
Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

RE: Public Gas Company  
Case No.  
GCR Filing Proposed to Become  
Effective February 1, 2014

Dear Mr. Derouen:

Enclosed are an original and ten copies of Public Gas Company's Cost Recovery (GCR) filing for rates proposed to become effective February 1, 2014. Also included are an original and ten copies of 68<sup>th</sup> revision sheet No. 1 of Public's PSC Kentucky No. 1 Tariff, which is being filed pursuant to the Purchased Gas Adjustment provision of that Tariff.

This filing proposes a GCR rate of \$6.0851 per MCF of sales.

Sincerely,



Jessica Gojak  
Staff Accountant

Public Gas Company

Quarterly Report of Gas Cost  
Recovery Rate Calculation

RECEIVED

JAN 02 2014

PUBLIC SERVICE  
COMMISSION

Date Filed: December 26, 2013

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Date Rates to be Effective: February 1, 2014

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Reporting Period is Calendar Quarter Ended: October 31, 2013

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SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf \$	6.1532
+ Refund Adjustment (RA)	\$/Mcf \$	-
+ Actual Adjustment (AA)	\$/Mcf \$	(0.0681)
+ Balance Adjustment (BA)	\$/Mcf \$	(0.0000)
= Gas Cost Recovery Rate (GCR)	\$/Mcf \$	6.0851

GCR to be effective for service rendered from February 01, 2014 to April 30, 2014

<u>A.</u>	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$ \$	851,088
	÷ Sales for the 12 months ended	Mcf	138,316
	= Expected Gas Cost (EGC)	\$/Mcf \$	6.1532
<u>B.</u>	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	+ Supplier Refund Adjustment for Reporting Period (Schedule III)	\$/Mcf \$	-
	+ Previous Quarter Supplier Refund Adjustment	\$/Mcf	
	+ Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	
	+ Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	
	= Refund Adjustment (RA)	\$/Mcf \$	-
<u>C.</u>	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf \$	(0.0185)
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf \$	(0.0554)
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf \$	(0.0328)
	+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf \$	0.0386
	= Actual Adjustment (AA)	\$/Mcf \$	(0.0681)
<u>D.</u>	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf \$	(0.0000)
	+ Previous Quarter Reported Balance Adjustment	\$/Mcf \$	-
	+ Second Previous Quarter Reported Balance Adjustment	\$/Mcf \$	-
	+ Third Previous Quarter Reported Balance Adjustment	\$/Mcf \$	-
	= Balance Adjustment (BA)	\$/Mcf \$	(0.0000)

## SCHEDULE II

## EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended				October 31, 2013	
(1)	(2)	(3)	(4)	(5)**	(6)
Supplier	Dth	Purchases Mcf	Sales Mcf	Rate	(4) X (5) Cost
		5,788	5,689	5.8455	33,834.01
		10,438	10,031	5.8455	61,015.79
		15,978	15,453	5.8455	93,400.10
		16,440	15,988	5.8455	96,100.74
		26,300	25,762	5.8455	153,737.81
		20,894	20,729	5.8455	122,136.80
		16,770	15,527	5.8455	98,027.39
		13,985	13,488	5.8455	81,752.27
		4,299	4,137	5.8455	25,129.99
		1,773	1,719	5.8455	10,364.15
		3,382	3,178	5.8455	19,769.63
		2,021	1,701	5.8455	11,813.84
		3,544	1,963	5.8455	20,716.61
		4,978	2,951	5.8455	29,099.12
		146,590	138,316		856,898.25

Line loss for 12 months ended October 31, 2013 is 5.6442% based on purchases of 146,590 Mcf and sales of 138,316 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	\$ 856,898.25
÷ Mcf Purchases (4)	Mcf	146,590
= Average Expected Cost Per Mcf Purchased	\$/Mcf	\$ 5.8455
x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95)	Mcf	145,596
= Total Expected Gas Cost (to Schedule IA)	\$	\$ 851,087.82

\* Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.

\*\* Supplier's tariff sheets or notices are attached.

**\$5.8455 Per Attached Schedule**

SCHEDULE III

SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended October 31, 2013

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	0
+ Interest	\$	0
= Refund Adjustment including interest	\$	0
÷ Sales for 12 months ended	Mcf	138,316
= Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	0

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 3 month period ended October 31, 2013

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>(Aug 13)</u>	<u>Month 2</u> <u>(Sep 13)</u>	<u>Month 3</u> <u>(Oct 13)</u>
Total Supply Volumes Purchased	Mcf	2,021.0	3,544.0	4,978.0
Total Cost of Volumes Purchased	\$	\$ 11,681.50	\$ 18,075.57	\$ 25,287.53
÷ Total Sales	Mcf	1,920.0	3,367.0	4,729.0
(may not be less than 95% of supply volumes)				
= Unit Cost of Gas	\$/Mcf	\$ 6.0841	\$ 5.3684	\$ 5.3473
- EGC in effect for month	\$/Mcf	\$ 5.7516	\$ 5.7516	\$ 5.7516
= Difference [(over-)/Under-Recovery]	\$/Mcf	\$ 0.3325	\$ (0.3832)	\$ (0.4043)
x Actual sales during month	Mcf	1,920.0	3,367.0	4,729.0
= Monthly cost difference	\$	\$ 638.43	\$ (1,290.07)	\$ (1,911.79)
			<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)			\$	\$ (2,563.43)
÷ Sales for 12 months ended			Mcf	138,316.2
= Actual Adjustment for the Reporting Period (to Schedule IC.)			\$/Mcf	\$ (0.0185)

Jefferson Gas, LLC  
 Natural Gas Sales Price Calculations - Public Gas Company, Inc.

Estimated sales price for the three months ending April 30, 2014:

Col A	Col B	Col C	Col D (Col B + Col C)	Col E (Btu Factor Per Mcf)	Col F (Col D * Col E)	Col G	Col H (Col F + Col G)
Period	NYMEX Futures Settle Price*	TCO Basis Adjustment	Expected Appalachian Index Per Mmbtu	Mmbtu/Mcf Conversion Factor - Estimated	Expected Appalachian Index Per Mcf	Contract Addition Per Mcf	Total Expected Price per Mcf
Feb-14	\$ 4.489	\$ (0.125)	\$ 4.364	1.022	\$ 4.460	\$ 1.500	\$ 5.960
Mar-14	\$ 4.473	\$ (0.150)	\$ 4.323	1.022	\$ 4.418	\$ 1.500	\$ 5.918
Apr-14	\$ 4.214	\$ (0.145)	\$ 4.069	1.022	\$ 4.159	\$ 1.500	\$ 5.659
							<u>\$ 17.537</u>

\* Settle price as of **December 19, 2013** taken from NYMEX website  
 Nymex New Your Mercantile Exchange & [www.barchart.com](http://www.barchart.com)

Average Cost \$ 5.846

PUBLIC GAS COMPANY

(NAME OF UTILITY)

FOR Entire Service Area

PSC KY NO. 1

68th Revised SHEET NO. 1

CANCELLING PSC KY NO. 1

67th Revised SHEET NO. 1

Applies to: All Customers  
 Rate, Monthly:

	Base Rate	Gas Cost	Rate per Unit (Mcf)
All Mcf	3.0914	6.0851	9.1765

DATE OF ISSUE December 26, 2013

Month / Date / Year

DATE EFFECTIVE February 1, 2014

Month / Date / Year

ISSUED BY \s\ Jessica Gojak

(Signature of Officer)

TITLE Staff Accountant