

BURKESVILLE GAS COMPANY, INC.

119 Upper River St. - P. O. Box 69
Burkesville, Kentucky 42717
Telephone (270) 864-9400 - Fax (270) 864-5135
Corporate Office
2718 Wesley Street, Greenville, TX 75402
Mailing Address
P. O. Box 385, Emory, TX 75440
Telephone (903) 274-4322 - Fax (888) 823-7417

RECEIVED

FEB 3 2014

PUBLIC SERVICE
COMMISSION

January 31, 2014

Mr. Jeff Derouen
Executive Director
Commonwealth of Kentucky
Public Service Commission
211 Sower Road
P. O. Box 615
Frankfort, KY 40602-0615

RE: Interim Gas Cost Adjustment to adjust the EGC

Dear Mr. Derouen:

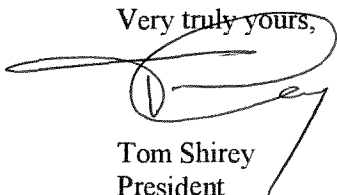
We were advised yesterday by our gas supplier that our price for February-May natural gas deliveries will be much more than previously expected. Therefore, we must file this Interim Gas Cost Adjustment.

Please find attached the original and ten (10) copies of the Interim Gas Cost Adjustment to adjust the expected gas cost for natural gas sales from February 2014 to May of 2014. We are requesting an Interim Gas Cost Adjustment effective date of March 6, 2014. Using this date will also coincide with the expiring actual adjustment in the amount of \$0.0866.

If you need additional information, please feel free to call me at 903-268-5122 or e-mail me at

Thank you for your consideration of this matter.

Very truly yours,



Tom Shirey
President

Enclosure

CASE #

RECEIVED

FEB 3 2014

PUBLIC SERVICE
COMMISSION

BURKESVILLE GAS COMPANY

INTERIM REPORT OF GAS COST
RECOVERY RATE CALCULATION

DATE FILED:

31-Jan-14

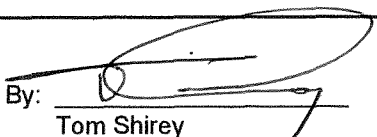
RATES TO BE EFFECTIVE:

6-Mar-14

REPORTING PERIOD IS CALENDER MONTH ENDED:

31-Dec-13

Prepared By:


Tom Shirey

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

| <u>Component</u> | <u>Unit</u> | <u>Amount</u> |
|------------------------------|-------------|---------------|
| Expected Gas Cost (EGC) | \$/Mcf | 9.8930 |
| Refund Adjustment (RA) | \$/Mcf | 0.0000 |
| Actual Adjustment (AA) | \$/Mcf | 0.1087 |
| Balance Adjustment (BA) | \$/Mcf | 0.0000 |
| Gas Cost Recovery Rate (GCR) | \$/Mcf | 10.0017 |

To be effective for service rendered from March 6, 2014

| <u>A. EXPECTED GAS COST CALCULATION</u> | <u>Unit</u> | <u>Amount</u> |
|--|-------------|---------------|
| Total Expected Gas Cost (Sch II) | \$/Mcf | 444,495.3874 |
| /Sales for the 12 months ended December 31, 2013 | \$/Mcf | 44,930.3000 |
| Expected Gas Cost | \$/Mcf | 9.8930 |
| <u>B. REFUND ADJUSTMENT CALCULATION</u> | <u>Unit</u> | <u>Amount</u> |
| Supplier Refund Adjustment for Reporting Period (Sch III) | \$/Mcf | 0.0000 |
| +Previous Quarter Supplier Refund Adjustment | \$/Mcf | |
| +Second Previous Quarter Supplier Refund Adjustment | \$/Mcf | |
| +Third Previous Quarter Supplier Refund Adjustment | \$/Mcf | |
| =Refund Adjustment (RA) | \$ Mcf | 0.0000 |
| <u>C. ACTUAL ADJUSTMENT CALCULATION</u> | <u>Unit</u> | <u>Amount</u> |
| Actual Adjustment for the Reporting Period (Sch IV) (Calendar Qtr 2-End Sept 30, effective 12/26/13) | \$/Mcf | 0.0146 |
| + Previous Quarter Reported Actual Adjustment (Calendar Qtr 1-End June30, effective 9/27/13) | \$/Mcf | (0.0527) |
| + Previous Month 01(September 2013) | \$/Mcf | 0.0000 |
| + Previous Month 02(August (2013) | \$/Mcf | 0.0000 |
| + Previous Month 03(July 2013) | \$/Mcf | 0.0000 |
| + Previous Month 04(June 2013) | \$/Mcf | 0.1880 |
| + Previous Month 05(May 2013) | \$/Mcf | 0.0000 |
| + Previous Month 06(April 2013) | \$/Mcf | (0.0412) |
| =Actual Adjustment (AA) | \$ Mcf | 0.1087 |
| <u>D. BALANCE ADJUSTMENT CALCULATION</u> | <u>Unit</u> | <u>Amount</u> |
| Balance Adjustment for the Reporting Period (Sch V) | \$/Mcf | 0.0000 |
| +Previous Quarter Reported Balance Adjustment | \$/Mcf | 0.0000 |
| +Second Previous Quarter Reported Balance Adjustment | \$/Mcf | 0.0000 |
| +Third Previous Quarter Reported Balance Adjustment | \$/Mcf | 0.0000 |
| =Balance Adjustment (BA) | \$ Mcf | 0.0000 |

SCHEDULE II
EXPECTED GAS COST

Actual Mcf Purchases for 12 months ended December 31, 2013

| (1) Supplier | (2) Dth | (3) Btu Conversion Factor | (4) Mcf | (5) Rate | (6) (4) x (5) Cost |
|-------------------------|------------|---------------------------------|------------|-------------|--------------------------|
| Petrol Energy, LLC | | 1.03 | 45,502 | \$7.2167 | \$328,374.28 |
| Apache Gas Transmission | | | 45,502 | \$2.5520 | 116,121.10 |

| | | | | | |
|--------|--|--|--------|---------|--------------|
| Totals | | | 45,502 | \$9.769 | \$444,495.39 |
|--------|--|--|--------|---------|--------------|

Line loss for 12 months ended 12/31/2013 is based on purchases of 45,502.00
and sales of 44,930.30 Mcf. 1.26%

| | <u>Unit</u> | <u>Amount</u> |
|---|-------------|---------------|
| Total Expected Cost of Purchases (6) | | \$444,495.39 |
| / Mcf Purchases (4) | | 45,502 |
| = Average Expected Cost Per Mcf Purchased | | \$9.7687 |
| x Allowable Mcf Purchases (must not exceed Mcf sales / .95) | | 45,502.00 |
| = Total Expected Gas Cost (to Schedule IA) | | \$444,495.39 |

Total Purchases
Expected Gas Cost

| <u>Month</u> | <u>MCF Purchased</u> | <u>Expected Rate</u> | <u>Expected Cost</u> | <u>MCF Sales</u> |
|--------------|----------------------|----------------------|----------------------|------------------|
| Jan-13 | 7,562 | \$ 9.769 | \$ 73,870.91 | 8,438 |
| Feb-13 | 6,770 | \$ 9.769 | \$ 66,134.10 | 6,556 |
| Mar-13 | 6,957 | \$ 9.769 | \$ 67,960.85 | 6,733 |
| Apr-13 | 2,889 | \$ 9.769 | \$ 28,221.77 | 3,468 |
| May-13 | 1,841 | \$ 9.769 | \$ 17,984.18 | 2,100 |
| Jun-13 | 1,242 | \$ 9.769 | \$ 12,132.73 | 1,226 |
| Jul-13 | 984 | \$ 9.769 | \$ 9,612.40 | 1,056 |
| Aug-13 | 1,128 | \$ 9.769 | \$ 11,019.09 | 1,060 |
| Sep-13 | 1,236 | \$ 9.769 | \$ 12,074.11 | 1,247 |
| Oct-13 | 2,397 | \$ 9.769 | \$ 23,415.57 | 2,224 |
| Nov-13 | 5,894 | \$ 9.769 | \$ 57,576.72 | 4,890 |
| Dec-13 | 6,602 | \$ 9.769 | \$ 64,492.96 | 5,933 |
| <u>Total</u> | <u>45,502</u> | <u>\$ 9.769</u> | <u>\$ 444,495.39</u> | <u>44,930</u> |