

Peoples Gas Inc

Quarterly Report of Gas Cost  
Recovery Rate Calculation

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PUBLIC SERVICE  
COMMISSION

Case 2004-00347

Date Filed:

August 24, 2004

Date Rates to be Effective:

Oct 1, 2004

Reporting Period is Calendar Quarter Ended:

July 31, 2004

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	10.2273
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	
+ Balance Adjustment (BA)	\$/Mcf	
= Gas Cost Recovery Rate (GCR)		
GCR to be effective for service rendered from <u>Oct 1, 2004</u>		to <u>Dec 31, 2004</u>

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	96,692.64
÷	Sales for the 12 months ended <u>July 31, 2004</u>	Mcf	9454.40
=	Expected Gas Cost (EGC)	\$/Mcf	10.2273

B.	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Supplier Refund Adjustment for Reporting Period (Sch.III)		
+	Previous Quarter Supplier Refund Adjustment	\$/Mcf	
+	Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	
+	Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	
=	Refund Adjustment (RA)	\$/Mcf	

C.	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	
=	Actual Adjustment (AA)	\$/Mcf	

D.	<u>BALANCE ADJUSTMENT CALCULATION</u>	<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	
=	Balance Adjustment (BA)	\$/Mcf	

SCHEDULE II

EXPECTED GAS COST

Actual \* MCF Purchases for 12 months ended

July 31, 2004

(1) Supplier	(2) Dth	(3) BTU Conversion Factor	(4) Mcf	(5)** Rate	(6) (4) X (5) Cost
Columbia Gas			13,008	9.7158	126,383.13

Totals

13,008

126,383.13

Line loss for 12 months ended

July 31, 2004 is

14 %

based on purchases of

13,008

Mcf and sales of

9454.40

Mcf.

Total Expected Cost of Purchases (6)	Unit	Amount
÷ Mcf Purchases (4)	\$	126,383.13
= Average Expected Cost Per Mcf Purchased	Mcf	<u>13,008.00</u>
x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95)	\$/Mcf	9.7159
= Total Expected Gas Cost (to Schedule IA)	Mcf	<u>9952.00</u>
	\$	96,692.64

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

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

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 3 month period ended July 31, 2004 (reporting period)

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>(Feb)</u>	<u>Month 2</u> <u>(March)</u>	<u>Month 3</u> <u>(April)</u>
Total Supply Volumes Purchased	Mcf	2158	1988	1248
Total Cost of Volumes Purchased	\$	21,925.31	20,198.08	12,710.48
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf	2050.10	1888.60	1185.60
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= Unit Cost of Gas	\$/Mcf	10.6948	10.6949	10.7208
- EGC in effect for month	\$/Mcf	8.8532	8.8532	8.8532
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= Difference [(over-)/Under-Recovery]	\$/Mcf	1.8416	1.8417	1.8676
x Actual sales during month	Mcf	1888.7	1544.2	1034.7
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= Monthly cost difference	\$	3,478.23	2,843.9	1,876.4
Total cost difference (Month 1 + Month 2 + Month 3)	<u>Unit</u>			<u>Amount</u>
÷ Sales for 12 months ended <u>July 31, 2004</u>	\$			8,198.53
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= Actual Adjustment for the Reporting Period (to Schedule IC.)	Mcf			9454.40
	\$/Mcf			.8672

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 3 month period ended July 31, 2004 (reporting period)

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>(May)</u>	<u>Month 2</u> <u>(June)</u>	<u>Month 3</u> <u>(July)</u>
Total Supply Volumes Purchased	Mcf	869	537	578
Total Cost of Volumes Purchased	\$	8965.42	5504.25	5622.44
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf	825.55	510.15	549.10
= Unit Cost of Gas	\$/Mcf	10.7873	10.7845	10.2394
- EGC in effect for month	\$/Mcf	8.8533	10.5835	10.535
= Difference [(over-)/Under-Recovery]	\$/Mcf	1.9341	1.2010	1.2950
x Actual sales during month	Mcf	506.4	287.3	287.3
= Monthly cost difference	\$	979.22	59.18	84.93
Total cost difference (Month 1 + Month 2 + Month 3)				
÷ Sales for 12 months ended <u>July 31, 2004</u>	Unit			<u>Amount</u>
	\$			1123.23
	Mcf			9454.00
= Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf			.1189

Peoples Gas, Inc.  
P. O. Box 245  
Stanville, KY 41659-0245

COMMONWEALTH OF KENTUCKY  
PUBLIC SERVICE COMMISSION  
PO BOX 615  
FRANKFORT, KY 40602-0615

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7743 \$ 00.600  
8033 BETSY LAVINE KY  
PB8618925  
AUG 30 04  
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