



March 20, 2007

Ms. Beth O'Donnell
Executive Director
Public Service Commission
Commonwealth of Kentucky
211 Sower Boulevard
Frankfort, KY 40602

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MAR 22 2007

**PUBLIC SERVICE
COMMISSION**

RE: Sentra Corporation
Quarterly Report of Gas Cost Recovery Rate Calculation

Dear Ms. O'Donnell:

Case No. 2007-00170

Enclosed please find Sentra Corporation's Quarterly Report of Gas Cost Recovery Rate Calculation for rates to be effective May 1, 2007. If you have any questions regarding this filing, please do not hesitate to contact me.

Sincerely,

Stephen P. Carson
Director of Legal Affairs

C: William G. Barr III

Enclosure

J:\DOCS\SENTRA\PSC FILINGS\2007\QTR REPORT GAS COST PSC LTR 032007.DOC

Case No. 7007-00170

SENTRA CORPORATION

Quarterly Report of Gas Cost
Recovery Rate Calculation

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PUBLIC SERVICE
COMMISSION

Date Filed: March 21, 2007

Date Rates to be Effective: May 1, 2007

Reporting Period is Calendar Quarter Ended: December 31, 2006

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$10.3850
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	\$2.1456
+ Balance Adjustment (BA)	\$/Mcf	
= Gas Cost Recovery Rate (GCR)		\$12.5306
GCR to be effective for service rendered from 5/1/07		to 6/30/07
<hr/>		
A. <u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	\$392,883.93
÷ Sales for the 12 months ended December 31, 2006	Mcf	37,832.00
= Expected Gas Cost (EGC)	\$/Mcf	\$10.3850
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	\$2.1456
+ Previous Quarter Reported Actual Adjustment	\$/Mcf	0
+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	0
+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	0
= Actual Adjustment (AA)	\$/Mcf	\$2.1456
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)		

SCHEDULE II

EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended December 31, 2006

(1) Supplier	(2) Dth	(3) BTU Conversion Factor	(4) Mcf	(5)** Rate	(6) (4) X (5) Cost
1. DPI	4,852.02	1.03	4,710.7	10.1352	\$47,743.89
2. DPI	10,196.90	1.03	9,899.9	10.1352	\$100,337.47
3. DPI	4,241.23	1.03	4,117.7	10.1352	\$41,733.71
4. DPI	2,743.61	1.03	2,663.7	10.1352	\$26,997.13
5. DPI	965.11	1.03	937.0	10.1352	\$9,496.68
6. DPI	861.18	1.03	836.1	10.1352	\$8,474.04
7. DPI	363.59	1.03	353.0	10.1352	\$3,577.73
8. DPI	532.82	1.03	517.3	10.1352	\$5,242.94
9. DPI	973.87	1.03	945.5	10.1352	\$9,582.83
10. DPI	3,523.94	1.03	3,421.3	10.1352	\$34,675.56
11. DPI	5,135.68	1.03	4,986.1	10.1352	\$50,535.12
12. DPI	5,537.28	1.03	5,376.0	10.1352	\$54,486.84

Totals	<u>39,927.23</u>		<u>38,764.3</u>		<u>\$392,883.93</u>
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Line loss for 12 months ended 932 Mcf is 2.404% based on purchases of
38,764 Mcf and sales of 37,832 Mcf.

		<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$	
÷ Mcf Purchases (4)		Mcf	
= Average Expected Cost Per Mcf Purchased		\$/Mcf	
x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95)		Mcf	
= Total Expected Gas Cost (to Schedule IA)		\$	

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

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

SCHEDULE III
SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended _____ (reporting period) _____

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

SCHEDULE IV
ACTUAL ADJUSTMENT

For the 6 month period ended

December 31, 2006

<u>Particulars</u>	<u>Unit</u>	<u>Month 1 (July 06)</u>	<u>Month 2 (August 06)</u>	<u>Month 3 (Sept. 06)</u>
Total Supply Volumes Purchased	Mcf	353.0	517.3	945.5
Total Cost of Volumes Purchased	\$	2,245.08	3,926.31	6,987.24
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf	324.2	547.7	939.9
= Unit Cost of Gas	\$/Mcf	6.6947	7.1687	7.434
- EGC in effect for month	\$/Mcf	3.9764	3.9764	3.9764
= Difference [(over-)/Under-Recovery]	\$/Mcf	2.7183	3.1923	3.4576
x Actual sales during month	Mcf	324.2	547.7	939.9
= Monthly cost difference	\$	881.27	1,748.42	3,249.80

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 6 month period ended

December 31, 2006

<u>Particulars</u>	<u>Unit</u>	<u>Month 4 (Oct. 06)</u>	<u>Month 5 (Nov. 06)</u>	<u>Month 6 (Dec. 06)</u>
Total Supply Volumes Purchased	Mcf	3,421.3	4,986.1	5,376.0
Total Cost of Volumes Purchased	\$	31,704.16	46,540.30	52,899.84
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf	3,507.8	5,130.1	5,407.6
= Unit Cost of Gas	\$/Mcf	9.0382	9.0720	9.7825
- EGC in effect for month	\$/Mcf	3.9764	3.9764	3.9764
= Difference [(over-)/Under-Recovery]	\$/Mcf	5.0618	5.0956	5.8061
x Actual sales during month	Mcf	3,507.8	5,130.1	5,407.6
= Monthly cost difference	\$	17,755.78	26,140.94	31,397.07
				<u>Unit</u>
Total cost difference (Months 1 + 2 + 3 + 4 + 5 + 6)				\$
				<u>Amount</u>
				81,173.28
÷ Sales for 12 months ended	December 31, 2006			Mcf
				37,832
= Actual Adjustment for the Reporting Period (to Schedule IC.)				\$/Mcf
				2.1456

SCHEDULE V
BALANCE ADJUSTMENT

For the 3 month period ended _____ (reporting period)

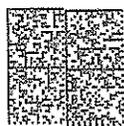
	<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
(1)	Total Cost Difference used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR Less: Dollar amount resulting from the AA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to 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	_____



DAUGHERTY PETROLEUM, INC.
120 PROSPEROUS PLACE
SUITE 201
LEXINGTON, KY 40509

Ms. Beth O'Donnell
Executive Director
Public Service Commission
Commonwealth of Kentucky
211 Sower Boulevard
Frankfort, KY 40602

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