



GASCO
DISTRIBUTION SYSTEMS, INC.

4445 EAST PIKE

ZANESVILLE, OH 43701

OFFICE 740 454-6198

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2008-00406

September 29, 2008

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SEP 30 2008

**PUBLIC SERVICE
COMMISSION**

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

Dear Ms O'Donnell:

Attached please find two original filings and five copies of each of the quarterly report of gas cost recovery rate calculation for rates to be effective November 1, 2008. In addition you will find an original and five copies of our written surcharge report for this reporting period. Please have one copy of each filing as well as a copy of the surcharge report time-stamped and returned to us in the self-addressed stamped envelope.

If there are any questions concerning the filing, please call me at 740-454-8871 extension 113. Thank you for your cooperation in this matter.

Very truly yours,

Trina L. King
Secretary

TLK

Enclosure

GASCO DISTRIBUTION SYSTEMS, INC.

QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

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SEP 30 2008

PUBLIC SERVICE
COMMISSION

Date Filed:

September 29, 2008

Date Rates to be Effective:

November 1, 2008

Reporting Period is Period Ended:

July 31, 2008

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	11.2071
+ Refund Adjustment (RA)	\$/Mcf	-
+ Actual Adjustment (AA)	\$/Mcf	7.7908
+ Balance Adjustment (BA)	\$/Mcf	-
= Gas Cost Recovery Rate (GCR)	\$/Mcf	<u>18.9978</u>

GCR to be effective for service rendered from November 1, 2008 to January 31, 2009

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	292,347
+ Sales for the 12 months ended July 31, 2008	Mcf	26,086
= Expected Gas Cost (EGC)	\$/Mcf	11.2071
<u>B. REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Supplier Refund Adjustment for Reporting Period (Ach. 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. ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	0.1255
+ Previous Quarter Reported Actual Adjustment	\$/Mcf	1.3403
+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	0.2311
+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	0.0000
+ 3-Year Surcharge	3 Years Ending 7/11	\$/Mcf 4.9284
+/- Other cost adjustments	10 Years Ending 11/09	\$/Mcf 1.1655
= Actual Adjustment (AA)	\$/Mcf	7.7908
<u>D. 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

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Actual Mcf	(5) ** Projected Rate	(6) (4) x (5) Cost	
The Titan Energy Group, Inc.	Aug-08	707	1.035	683	9.5374	6,514.04
The Titan Energy Group, Inc.	Sep-08	392	1.035	379	9.5374	3,614.67
The Titan Energy Group, Inc.	Oct-08	854	1.035	825	9.5374	7,868.36
The Titan Energy Group, Inc.	Nov-08	1,943	1.035	1,877	9.5374	17,901.70
The Titan Energy Group, Inc.	Dec-08	3,340	1.035	3,227	9.5374	30,777.19
The Titan Energy Group, Inc.	Jan-09	7,204	1.035	6,960	9.5374	66,380.30
The Titan Energy Group, Inc.	Feb-09	4,259	1.035	4,115	9.5374	39,246.40
The Titan Energy Group, Inc.	Mar-09	3,893	1.035	3,761	9.5374	35,870.16
The Titan Energy Group, Inc.	Apr-09	1,478	1.035	1,428	9.5374	13,619.41
The Titan Energy Group, Inc.	May-09	1,457	1.035	1,408	9.5374	13,428.66
The Titan Energy Group, Inc.	Jun-09	659	1.035	637	9.5374	6,075.32
The Titan Energy Group, Inc.	Jul-09	814	1.035	786	9.5374	7,496.40
Sub-total				26,086		\$248,792.62
Add in:	Annual East Tennessee Demand Charge		\$2,411.45 x 12 mo.			\$28,937.40
						<u>\$277,730.02</u>

Line loss for the 12 months ended is _____ - or 0.00% based on purchases of 26,086 Mcf and sales of 26,086 Mcf.

	Unit	Amount
Total Expected Cost of Purchase (6) (See attached schedule)	\$	\$277,730.02
/ MCF Purchases (4)	Mcf	26,086
= Average Expected Cost Per Mcf Purchased	\$/Mcf	10.6467
x Allowable Mcf purchases (must not exceed Mcf Sales / .95)	Mcf	27,459
= Total Expected Gas Cost (to Schedule IA.)	\$	292,347.39

* 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 July 31, 2007

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	-0-
+ Interest	\$	-0-
<u>= Refund Adjustment including interest</u>	\$	<u>-0-</u>
/ sales for 12 months ended July 31, 2007	Mcf	<u>26,086</u>
<u>= Supplier Refund Adjustment for the Reporting Period</u> (to Schedule IB.)	\$/Mcf	-0-

SCHEDULE IV
ACTUAL ADJUSTMENT

For the 3 month period ended July 31, 2007

<u>Particulars</u>	<u>Unit</u>	Month 1	Month 2	Month 3
		<u>May-08</u>	<u>Jun-08</u>	<u>Jul-08</u>
Total Supply Volume Purchased	Mcf	1,408	637	786
Total Cost of Volume Purchased	\$	\$ 15,713.71	\$ 8,565.35	\$ 9,481.51
/ Total Sales (may not be less than 95% of supply volumes)	Mcf	1,408	637	786
= Unit Cost of Gas	\$/Mcf	11.1603	13.4464	12.0630
- EGC in effect for month	\$/Mcf	10.7691	10.7691	10.7691
= Difference [(Over-)/ Under-Recovery]	\$/Mcf	0.3912	2.6773	1.2939
x Actual Sales During Period	Mcf	1,408	637	786
= Monthly cost difference	\$	\$ 550.82	\$ 1,705.43	\$ 1,017.00

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	3,273.25
/ Sales for 12 months ended July 31, 2007.	Mcf	26,086
= Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	0.1255

SCHEDULE V
BALANCE ADJUSTMENT

For the 3 month period ended July 31, 2007

<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 <u>July 31, 2007</u> .	Mcf	
<hr/> = Balance Adjustment for the Reporting Period (to Schedule ID.)	\$ /Mcf	_____

GASCO DISTRIBUTION SYSTEMS, INC.

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QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

SEP 30 2008
PUBLIC SERVICE
COMMISSION

Date Filed:

September 29, 2008

Date Rates to be Effective:

November 1, 2008

Reporting Period is Period Ended:

April 30, 2008

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	11.2071
+ Refund Adjustment (RA)	\$/Mcf	-
+ Actual Adjustment (AA)	\$/Mcf	9.2535
+ Balance Adjustment (BA)	\$/Mcf	-
= Gas Cost Recovery Rate (GCR)	\$/Mcf	<u>20.4605</u>

GCR to be effective for service rendered from November 1, 2008 to January 31, 2009

A.	<u>'EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	292,347
	+ Sales for the 12 months ended July 31, 2008	Mcf	26,086
	= Expected Gas Cost (EGC)	\$/Mcf	<u>11.2071</u>
B.	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Supplier Refund Adjustment for Reporting Period (Ach. 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>-</u>
C.	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	1.5882
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf	1.3403
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	0.2311
	+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	0.0000
	+ 3-Year Surcharge	3 Years Ending 7/11	\$/Mcf 4.9284
	+/- Other cost adjustments	10 Years Ending 11/09	\$/Mcf 1.1655
	= Actual Adjustment (AA)	\$/Mcf	<u>9.2535</u>
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	<u>-</u>

SCHEDULE II
EXPECTED GAS COST

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Actual Mcf	(5) ** Projected Rate	(6) (4) x (5) Cost	
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Sub-total				26,086		\$248,792.62
Add in:	Annual East Tennessee Demand Charge			\$2,411.45 x 12 mo.		\$28,937.40
						<u>\$277,730.02</u>

Line loss for the 12 months ended is _____ - or 0.00% based on purchases of 26,086 Mcf and sales of 26,086 Mcf.

	Unit	Amount
Total Expected Cost of Purchase (6) (See attached schedule)	\$	\$277,730.02
/ MCF Purchases (4)	Mcf	26,086
= Average Expected Cost Per Mcf Purchased	\$/Mcf	10.6467
x Allowable Mcf purchases (must not exceed Mcf Sales / .95)	Mcf	27,459
= Total Expected Gas Cost (to Schedule IA.)	\$	292,347.39

* 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 4 months ended April 30, 2008

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	-0-
+ Interest	\$	-0-
<hr/>		<hr/>
= Refund Adjustment including interest	\$	-0-
/ sales for 12 months ended July 31, 2008	Mcf	26,086
<hr/>		<hr/>
= Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	-0-

SCHEDULE IV
ACTUAL ADJUSTMENT

For the 4 month period ended April 30, 2008

<u>Particulars</u>	<u>Unit</u>	Month 1 <u>Jan-08</u>	Month 2 <u>Feb-08</u>	Month 3 <u>Mar-08</u>	Month 4 <u>Apr-08</u>
Total Supply Volume Purchased	Mcf	6,960	4,115	3,761	1,428
Total Cost of Volume Purchased	\$	\$ 70,701.65	\$ 42,615.48	\$ 40,699.71	\$ 15,196.58
/ Total Sales (may not be less than 95% of supply volumes)	Mcf	6,960	4,115	3,761	1,428
<hr/> = Unit Cost of Gas	\$/Mcf	<hr/> 10.1583	<hr/> 10.3561	<hr/> 10.8215	<hr/> 10.6419
- EGC in effect for month	\$/Mcf	<hr/> 7.5766	<hr/> 7.5766	<hr/> 7.5766	<hr/> 10.7691
= Difference [(Over-)/ Under-Recovery]	\$/Mcf	<hr/> 2.5817	<hr/> 2.7795	<hr/> 3.2449	<hr/> -0.1272
x Actual Sales During Period	Mcf	<hr/> 6,960	<hr/> 4,115	<hr/> 3,761	<hr/> 1,428
= Monthly cost difference	\$	<hr/> \$ 17,968.51	<hr/> \$ 11,437.77	<hr/> \$ 12,204.12	<hr/> \$ (181.69)

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3 + Month 4)	\$	41,428.71
/ Sales for 12 months ended July 31, 2008.	Mcf	<hr/> 26,086
<hr/> = Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	1.5882

SCHEDULE V
BALANCE ADJUSTMENT

For the 4 month period ended April 30, 2008

<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 Amoutn (1) + (2) + (3)	\$	
/ Sales for 12 months ended <u>July 31, 2008.</u>	Mcf	
<hr/> = Balance Adjusmtent for the Reporting Period (to Schedule ID.)	\$/Mcf	_____

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GASCO DISTRIBUTION SYSTEMS, INC.

REPORT OF SURCHARGE BILLED
Pursuant to Case No. 2008-00096

As of the Quarterly Report of Gas Cost Recovery Rate Calculation for the period ended July 31, 2008, Gasco Distribution Systems, Inc. has recovered the following amounts with respect to the surcharge allowed in Case No. 2008-00096:

Amount of the surcharge billed for the current reporting period: \$ 0

Amount of the surcharge billed since initial assessment: \$ 0

September 29, 2008

By Trina L. King
Trina L. King, Secretary

September 29, 2008

GASCO DISTRIBUTION SYSTEMS INC. - ALBANY DIVISION
GAS COST ESTIMATE November 2008 - January 2009

CHARGE TYPE		Nov 08	Dec 08	Jan 09										ANNUAL
														TOTAL
NYMEX		\$7.2670	\$7.6590	\$7.9000										
TGP La. (ZONE 1)+.40/MMBTU		\$0.4000	\$0.4000	\$0.4000										
TOTAL		\$7.6670	\$8.0590	\$8.3000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	
TITAN RETAINAGE	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	
LESS TITAN RETAINAGE		\$8.2441	\$8.6656	\$8.9247	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	
TITAN TRANS FEE	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	
ETNG TRANS FEE	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	
TOTAL		\$8.8468	\$9.2683	\$9.5274	\$0.6027	\$0.6027	\$0.6027	\$0.6027	\$0.6027	\$0.6027	\$0.6027	\$0.6027	\$0.6027	
VOLUME ESTIMATE(DTH)		1,943	3,340	7,204	0	0	0	0	0	0	0	0	0	12,487
TOTAL (\$) GAS		\$17,189.31	\$30,956.09	\$68,635.61	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$116,781
LOCAL PROD. VOL. (DTH)														0
LOCAL PROD. VOL. (MCF)														\$0
LOCAL PROD. BTU														\$0
LOCAL PROD. COSTS EST.														
LOCAL PROD. TOTAL COSTS \$														0
VOLUME ESTIMATE(MCF)		1,877	3,227	6,960	0	0	0	0	0	0	0	0	0	12,064
BTU CONVERSION	1.035	1.035	1.035	1.035	1.035	1.035	1.035	1.035	1.035	1.035	1.035	1.035	1.035	
AVERAGE RATE (MCF)		\$9.1579	\$9.5928	\$9.8614	#DIV/0!									

November 2008 - January 2009
\$9.5374 per Mcf

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