

Valley Gas, Inc.

401 First Street, Irvington, Kentucky 40146

270-547-2455

September 1, 2014

Jeff Derouen
Executive Director
Public Service Commission
PO Box 615
Frankfort, Kentucky 40602-0615

RECEIVED
SEP 4 - 2014
PUBLIC SERVICE
COMMISSION

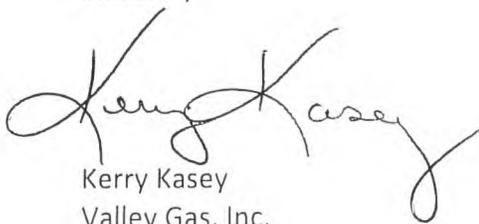
Dear Mr. Derouen:

Enclosed please find our application for revised rates in accordance with purchased gas cost adjustment requirements report.

We would like for the adjustment to become effective on Oct 1, 2014. If additional information is needed, please advise.

Your assistance is appreciated.

Sincerely



Kerry Kasey
Valley Gas, Inc.

ACTUAL ADJUSTMENT

For the 12 month period ended June 30, 2014

Particulars	Unit	<i>Apr-14</i>	<i>May-14</i>	<i>Jun-14</i>
Total Supply Volumes Purchased	Mcf	1957	678	606
Total Cost of Volumes Purchased	\$	\$10,643.64	\$3,713.47	\$3,186.23
/ Total Sales *	Mcf	3,155.0	1,109.0	576.0
= Unit Cost of Gas	\$/Mcf	\$3.3736	\$3.3485	\$5.5316
- EGC in Effect for Month	\$/Mcf	\$6.2994	\$6.2994	\$6.2994
= Difference	\$/Mcf	(\$2.9258)	(\$2.9509)	(\$0.7678)
x Actual Sales during Month	Mcf	3,155.0	1,109.0	553.0
= Monthly Cost Difference	\$	(\$9,230.97)	(\$3,272.56)	(\$424.57)
Total Cost Difference		(\$12,928.10)		
/ Sales for 12 months ended		39,173.0		
= Actual Adjustment for the Reporting Period (to Sch IC)		(\$0.3300)		

* May not be less than 95% of supply volume