

JOHN N. HUGHES
ATTORNEY AT LAW
PROFESSIONAL SERVICE CORPORATION
124 WEST TODD STREET
FRANKFORT, KENTUCKY 40601

TELEPHONE: (502) 227-7270

jnhughes@johnnhughespcc.com

November 8, 2016

RECEIVED

NOV 09 2016

PUBLIC SERVICE
COMMISSION

Talina Mathews
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

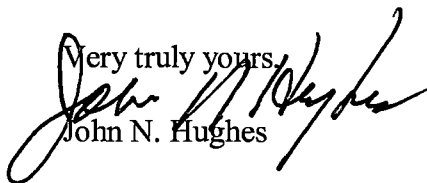
Re: Sentra Corporation: Case No. 2016-00384

Dear Ms. Mathews:

Attached is a corrected Attachment SAO-G to Sentra Corporation's Alternative Rate Filing Application. This amendment clarifies Comment 9 that the loan associated with the purchase of a truck will have an initial term of no more than twenty-four months, but may be renewed for a period not to exceed six years.

If you have any questions about this matter, please contact me.

Very truly yours,



John N. Hughes

Attorney for Sentra Corporation

Attachment

References

1. This adjustment is to eliminate the revenue for residential sales. Eleven months at the \$12.53 per MCF for 4248.2 MCFs charged from January 2015 through November 2015. One month at \$5.76 per MCF for 443.8 MCFs for the month December 2015.
2. This adjustment is to eliminate the revenue for commercial sales. Eleven months at the \$12.53 per MCF for 24,412.8 MCFs charged from January 2015 through November 2015. One month at \$5.76 per MCF for 1338.2 MCFs for the month December 2015.
3. This adjustment is to remove the gas supply expense of \$176,645.78.
4. This adjustment is for future expenses that Sentra expects to incur: \$5,000 of the referenced \$48,480 is for legal fees for ongoing rate cases; \$18,000 is reimbursement of administrative expenses to Magnum Hunter Resources (1.4HR"). Sentra utilizes two of its employees on a part-time basis, and this fee will recoup a portion of their salaries to MHR; MHR is also charging Sentra \$1,000 per month for corporate G& A, resulting in an additional \$12,000 per year in administration charges. The remaining \$13,480 is for a regulatory and compliance officer that Sentra has hired as a part-time employee (this position was previously on a contract basis with MHR). The amount is the difference between the previous contract salary with MHR and current salary with Sentra.
5. This adjustment is to remove the future depreciation cost. Sentra has fully depreciated the current location and does not plan to build a new operating plant in the future.
6. This is to adjust the income tax expense based on the difference in the expenses and revenues.
7. The adjustment in storage expense is for the rent. MHR is now charging Sentra \$1,500 per month for the use of office space at its facility.
8. This adjustment is for an increase in Sentra's office supply expenses for the year: postage, overnight packages, printer cartridges, stationary, copy paper, envelopes, etc.
9. This adjustment is for the purchase of a new dump truck for Sentra. It will replace the existing dump truck, which is in extremely poor condition. Sentra uses the dump truck to pull its backhoe and trailer, perform line repairs, haul gravel, etc. The dump truck will be financed at approximately \$50,000 with a **two-year note at an interest rate of 5%, which may be renewed up to six years**. Sentra will also incur an additional \$2,000 per year for employee training and operator qualification classes.
10. This adjustment will include the insurance expense that MHR now charges Sentra for insurance on vehicles, pipelines, employees, etc.