

2007-491

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PUBLIC SERVICE
COMMISSION

Johnson County Gas Company

PERIODIC REPORT OF GAS COST RECOVERY
RATE CALCULATION

Date Filed: November 14, 2007

Date Rates to be Effective: December 15, 2007

Reporting Period is the 5 Month Period Ended:
August 31, 2006

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

Component	\$/Mcf
Expected Gas Cost (EGC)	8.0690
+ Refund Adjustment (RA)	0.0000
+ Actual Adjustment (AA)	0.1596
+ <u>Balance Adjustment (BA)</u>	(1.2121)
= Gas Cost Recovery Rate (GCR)	7.0164

GCR to be effective for service rendered from			December 15, 2007		
			to February 28, 2008		
Proposed rates:	Base Rates	+	GCR	=	Retail Rates
	\$6.9542		\$7.0164		\$13.9706
	\$5.9542		\$7.0164		\$12.9706

A.

EXPECTED GAS COST CALCULATION

		<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch. II)		\$	124,069
/ Sales for the 12 months ended	December 31, 2006	Mcf	15,376
= Expected Gas Cost (EGC)		\$/Mcf	8.0690

B.

REFUND ADJUSTMENT CALCULATION

	<u>\$/Mcf</u>
Supplier Refund Adjustment for the Reporting Period (Sch. III)	0.0000

C.

ACTUAL ADJUSTMENT CALCULATION

	<u>\$/Mcf</u>
Actual Adjustment for the Reporting Period (Sch. IV)	0.1596
+ Previous Quarter Reported AA	0.0000
+ Second Previous Quarter Reported AA	0.0000
+ Third Previous Quarter Reported AA	0.0000
= Actual Adjustment (AA)	0.1596

D.

BALANCE ADJUSTMENT CALCULATION

	<u>\$/Mcf</u>
Balance Adjustment for the Reporting Period	(1.2121)
+ Previous Quarter Reported AA	0.0000
+ Second Previous Quarter Reported AA	0.0000
+ Third Previous Quarter Reported AA	0.0000
= Balance Adjustment (BA)	(1.2121)

SCHEDULE II
 EXPECTED GAS COST

Actual Mcf Purchases for 12 months ended			August 31, 2006		
(1)	(2)	(3)	(4)	(5)	(6)
<u>Supplier</u>	<u>Dth</u>	<u>Btu Factor</u>	<u>Mcf</u>	<u>Rate*</u>	<u>(4)x(5) Cost</u>
Bradco Oil Company and Other Suppliers			15,376	\$8.0690	\$124,069
Total			15,376		\$124,069

Line loss for 12 month period is 0.00% based on purchases of 15,376 Mcf and sales of 15,376 Mcf.

Total Expected Cost of Purchases '(6)	\$124,069
/Mcf Purchases (4)	15,376
= Average Expected Cost Per Mcf of Purchases	\$8.0690
x Allowable Mcf Purchases (must not exceed Sales Mcf/.95)	15,376
= Total Expected Gas Cost (to Schedule I.A)	\$124,069

* Estimated gas cost for the period (NYMEX Natural Gas November 2007)

SCHEDULE III

REFUND ADJUSTMENT

For the 3 month period ending

(Absent any supplier refund, this sheet will not be used.)

SCHEDULE IV
ACTUAL ADJUSTMENT

For the 15 month period ending	August 31, 2006						Total
	<u>Unit</u>	2007	2007	2007	2007	2007	2007
	Mcf	Apr	May	Jun	Jul	Aug	Total
Total Supply Volumes Purchased		1,915	837	653	606	703	4,714
Total Cost of Volumes Purchased	\$	16,092	7,368	5,710	4,732	5,489	39,390
Divided by:							
Total Sales (may not be less than 95% of supply volumes)	Mcf	1,819	795	620	576	668	4,478
= Unit Cost of Gas	\$	8.8454	9.2667	9.2037	8.2188	8.2188	
Minus:							
EGC in effect for the month	\$/Mcf	7.6705	7.6705	7.6705	7.6705	7.6705	
= Difference	\$/Mcf	1.1749	1.5962	1.5332	0.5483	0.5483	
x <u>Actual sales during month</u>	Mcf	1,253	299	166	199	256	2,173
= Monthly Cost Difference	\$	1,472	477	255	109	140	2,453
Total Cost Difference							<u>Unit</u> Amount
/ Sales for 5 months ending	August 31, 2006						\$ Mcf
= Actual Cost Adjustment for the Reporting Period							\$ /Mcf 0.1596

JOHNSON COUNTY GAS COMPANY
Purchases and Sales
15 Months Ended December 2006

SCHEDULE IV
SUPPORT FOR ACTUAL ADJUSTMENT

	2006 SEP	2006 OCT	2006 NOV	2006 DEC	2007 JAN	2007 FEB	2007 MAR	2007 APR	2007 MAY	2007 JUN	2007 JUL	2007 AUG	Total 12-Months
Total Purchases													
MCF	198	1,422	2,350	3,961	2,698	4,001	2,282	1,915	837	653	606	703	21,626
\$	1,543	7,794	20,202	33,993	19,251	32,508	19,383	16,092	7,368	5,710	4,732	5,489	174,064
\$/MCF	\$7.79	\$5.48	\$8.60	\$8.58	\$7.14	\$8.12	\$8.49	\$8.40	\$8.80	\$8.74	\$7.81	\$7.81	\$8.05
Sales													
MCF	198	1,037	1,751	2,260	2,878	3,423	1,656	1,253	299	166	199	256	15,376
\$ of Purchases per MCF of Sales	\$7.79	\$7.52	\$11.54	\$15.04	\$6.69	\$9.50	\$11.70	\$12.84	\$24.64	\$34.39	\$23.78	\$21.44	\$11.32

SCHEDULE V
BALANCE ADJUSTMENT

Effective Date of AA		1-Apr-07	
	<u>Unit</u>	<u>Amount</u>	<u>Total</u>
AA in effect	\$/Mcf	(2.9614)	
<u>x Sales applicable to AA</u>	Mcf	2,173	
= Total Amount Collected/(Returned) through AA	\$	(6,435)	(6,435)
Amount Authorized to be Collected/(Returned)	\$	(43,710)	(43,710)
Amount Remaining to be Collected/(Returned)	\$	(37,275)	(37,275)
MCF Sales for the 24 Months Ended August 31, 2006			30,752
Balance Adjustment for the Reporting Period	\$/Mcf		<u>(1.2121)</u>

Note: 24-Month collection/(return) period would be used until total Balance Adjustment Amount is less than \$10,000.

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P.S.C. Ky. No.

NOV 21 2007

Cancels P.S.C. Ky. No. 2005-00392

PUBLIC SERVICE
COMMISSION

Johnson County Gas Company

Of

Harold, Kentucky 41635

Rates, Rules and Regulations for Furnishing Gas

At

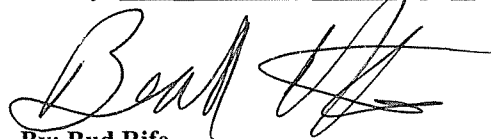
Meally, Van Lear, East Point and Hager Hill

**Filed With Public Service Commission
Of Kentucky**

Issued November 19, 2007

Effective December 15, 2007

Issued By: Johnson County Gas Company



By: Bud Rife
President/Manager

Van Lear, Hager Hill,
East Point, and Meally

P.S.C. NO. 2007-0078

CANCELLING P.S.C. NO. 2005-00392

Johnson County Gas Company

CLASSIFICATION OF SERVICE

Proposed Rates:

Residential

First Mcf (minimum bill)	\$13.9706
All over 1 Mcf	\$12.9706

Commercial

All Mcf	\$13.0706
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DATE OF ISSUE November 19, 2007

TE EFFECTIVE December 15, 2007

ISSUED BY Bud Rife, President/Manager P. O. Box 339 Harold, KY 41635

Issued by authority of an Order of the Public Service Commission of