

Auxier Road Gas Company, Inc.

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AUGUST 1, 2011

RECEIVED

AUG - 2 2011

PUBLIC SERVICE
COMMISSION

JEFF DEROUEN, EXE DIR
PUBLIC SERVICE COMMISSION
P O BOX 615
FRANKFORT, KY 40602

DEAR SIR:

PLEASE FIND ENCLOSED THE GAS COST RECOVERY FOR SEPTEMBER 1, 2011.

IF YOU HAVE ANY QUESTIONS, PLEASE CALL US AT (606)886-2314.

SINCERELY,



KIMBERLY R. CRISP
ACCOUNTANT

Miller Road Gas

QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

Date Filed:

August 1, 2011

Date Rates to be Effective:

Sept 1, 2011

Reporting Period is Calendar Quarter Ended:

June 30, 2011

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	6.0389
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	(1.0111)
+ Balance Adjustment (BA)	\$/Mcf	
= Gas Cost Recovery Rate (GCR)	\$/Mcf	5.0278

GCR to be effective for service rendered from Sept 1, 2011 to Sept 30, 2011

A. EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	630789
+ Sales for the 12 months ended <u>June 30, 2011</u>	Mcf	104455
= Expected Gas Cost (EGC)	\$/Mcf	6.0389

B. REFUND ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Supplier Refund Adjustment for Reporting Period (Sch. 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	

C. ACTUAL ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	(.0656) (.1334)
+ Previous Quarter Reported Actual Adjustment	\$/Mcf	(.1084) (.0542)
+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0180) (.0594)
+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.1962) (.0711)
= Actual Adjustment (AA)	\$/Mcf	(.0670) (.0350)
		(1.0111)

D. BALANCE ADJUSTMENT CALCULATION

	<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

Actual* Mcf Purchases for 12 months ended

June 30, 2011

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5)** Rate	(6) (4)x(5) Cost
Cumberland	102		94870	5.9035	560065
Del-Kaen			4296	3.10	13318
Chesapeake			4562	6.54	29835
WTS Exploration			9283	4.38	40660
Chesapeake (underbilled)			5545	6.54	36264
Totals			<u>118556</u>		<u>680142</u>

Line loss for 12 months ended June 30, 2011 is 112 % based on purchases of 118556 Mcf and sales of 104455 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	680142
+ Mcf Purchases (4)	Mcf	118556
= Average Expected Cost Per Mcf Purchased	\$/Mcf	5.7369
x Allowable Mcf purchases (must not exceed Mcf sales + .95)	Mcf	109553
= Total Expected Gas Cost (to Schedule IA.)	\$	630789

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

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

SCHEDULE IV
ACTUAL ADJUSTMENT

or the 3 month period ended June 30, 2011

<u>Particulars</u>	<u>Unit</u>	<u>Month 1 (June)</u>	<u>Month 2 ()</u>	<u>Month 3 ()</u>
Total Supply Volumes Purchased	Mcf	3763		
Total Cost of Volumes Purchased	\$	20924		
Total Sales (may not be less than 95% of supply volumes)	Mcf	4610		
<u>Unit Cost of Gas</u>	<u>\$/Mcf</u>	<u>4.5388</u>		
<u>EGC in effect for month</u>	<u>\$/Mcf</u>	<u>6.0243</u>		
Difference [(Over-)/Under-Recovery]	<u>\$/Mcf</u>	<u>(1.4855)</u>		
<u>Actual sales during month</u>	<u>Mcf</u>	<u>4610</u>		
Monthly cost difference	\$	(6848)		

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	(6848)
Sales for 12 months ended <u>June 30, 2011</u>	Mcf	<u>104455</u>
Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	(.0656)

SCHEDULE V
BALANCE ADJUSTMENT

For the 3 month period ended _____

<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	_____

	<u>Base Rate</u>	<u>Gas Cost</u> <u>MCC</u>	<u>Total</u>
MCC (Minimum)	6.36	5.0278	11.3878
ACC over first MCC	5.0645	5.0278	10.0923