



Natural Energy Utility Corporation

2560 Hoods Creek Pike • Ashland, Kentucky 41102

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, KY. 40602

RECEIVED

SEP 01 2011

PUBLIC SERVICE
COMMISSION

August 31, 2011

Case # 2011-?????

Natural Energy Utility Corporation is providing the following information in filing its quarterly gas cost report with the Kentucky Public Service Commission (PSC). The enclosed report has a case number of 2011-00???. The calculated gas cost recovery rate for this reporting period is \$4.1418. The base rate remains \$4.24. The minimum billing rate starting October 01, 2011 should be \$8.3818 for all MCF.

Thank you for your cooperation and please call me if you have any questions.

Sincerely,

H. Jay Freeman

President

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SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/MCF	\$4.5201
Refund Adjustment (RA)	\$/MCF	\$0.0000
Actual Adjustment (AA)	\$/MCF	(\$0.3782)
Balance Adjustment (BA)	\$/MCF	\$0.0000
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Gas Cost Recovery Rate (GCR)	\$/MCF	\$4.1418

to be effective for service rendered from: 10-01-2011 to 12-31-2011

A) EXPECTED GAS COST CALCULATION	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (SCH II)	\$/MCF	\$472,500.00
/ Sales for the 12 Months ended: June 2011	\$/MCF	104,534
= Expected Gas Cost (EGC)	\$/MCF	\$4.5201

B) REFUND ADJUSTMENT CALCULATION	<u>Unit</u>	<u>Amount</u>
Supplier refund adjustment for reporting period (SCH III)	\$/MCF	\$0.0000
+ Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.0000
+ Second Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.0000
+ Third Previous Quarter Supplier Refund Adjustment	\$/MCF	\$0.0000
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= Refund Adjustment (RA)	\$/MCF	\$0.0000

C) ACTUAL ADJUSTMENT CALCULATION	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (SCH IV)	\$/MCF	\$0.0418
+ Previous Quarter Reported Actual Adjustment	\$/MCF	(\$0.0452)
+ Second Previous Quarter Reported Actual Adjustment	\$/MCF	(\$0.3745)
+ Third Previous Quarter Reported Actual Adjustment	\$/MCF	(\$0.0003)
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= Actual Adjustment (AA)	\$/MCF	(\$0.3782)

D) BALANCE ADJUSTMENT CALCULATION	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (SCH V)	\$/MCF	\$0.0000
+ Previous Quarter Reported Balance Adjustment	\$/MCF	\$0.0000
+ Second Previous Quarter Reported Balance Adjustment	\$/MCF	\$0.0000
+ Third Previous Quarter Reported Balance Adjustment	\$/MCF	\$0.0000
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= Balance Adjustment (BA)	\$/MCF	\$0.0000

SCHEDULE II

EXPECTED GAS COST

Actual Mcf Purchases for 12 months ended 6/30/2011

(1)	(2)	(3) BTU	(4)	(5)	(6) (4) X (5)	
Supplier	Dth	Conversion Factor	Mcf	Rate	Cost	
Marathon Petroleum	108,150		1.03	105,000	\$4.50	\$472,500

Totals				105,000	\$472,500.00
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Line loss for 12 months ended 06/30/2011 is based on purchase of 105,000
and sales of 104,534 Mcf

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$472,500.00
/ Mcf Purchases (4)		105,000

= Average Expected Cost Per Mcf Purchased		\$4.50
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		104,534

= Total Expected Gas Cost (to Schedule I A)		\$470,403.00
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SCHEDULE III

REFUND ADJUSTMENTS

	<u>Unit</u>	<u>Amount</u>
Total Supplier Refuds Received	\$	\$0.00
+ INTEREST	\$	\$0.00
= Refund Adjustment including Interest	\$	\$0.00
/ Sales for 12 Months Ended Jun-11	Mcf	104,534
= Supplier Refund Adjustment for the Reporting Period (To Schedule IB)	\$/Mcf	\$0.00

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 12 month period ended: Jun-11

<u>Particulars</u>	<u>Unit</u>	<u>Apr-11</u>	<u>May-11</u>	<u>Jun-11</u>
Total Supply Volumes Purchased	Mcf	6,750	5,000	3,500
Total Cost of Volumes Purchased	\$	\$31,647	\$23,065	\$17,178
/ Total Sales	Mcf	6,528	4,720	3,435
= Unit Cost of Gas	\$/Mcf	\$4.8479	\$4.8867	\$5.0008
- EGC in Effect fo Month	\$/Mcf	\$4.5989	\$4.5989	\$4.5989
= Difference	\$/Mcf	\$0.2490	\$0.2878	\$0.4019
X Actual Sales during Month	Mcf	6,528	4,720	3,435
= Monthly Cost Difference	\$	\$1,626	\$1,358	\$1,380
			<u>Unit</u>	<u>Amount</u>
Total Cost Difference			\$	\$4,364
/ Sales for 12 Months ended	Jun-11		Mcf	104,534
= Actual Adjustment for the Reporting Period (to SCH IC)			\$	\$0.0418

May not be less than 95% of Supply Volume