



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

NOV 29 2011

PUBLIC SERVICE
COMMISSION

November 28, 2011

Case # 2011-00????

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 \$4.1842. The base rate remains \$4.24. The minimum billing rate starting October 01, 2011 should be \$8.4242 for all MCF.

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

Sincerely,

H. Jay Freeman

President

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

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<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/MCF	\$4.5675
Refund Adjustment (RA)	\$/MCF	\$0.0000
Actual Adjustment (AA)	\$/MCF	(\$0.3833)
Balance Adjustment (BA)	\$/MCF	\$0.0000

Gas Cost Recovery Rate (GCR)	\$/MCF	\$4.1842
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to be effective for service rendered from: 01-01-2012 to 03-31-2012

A) EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (SCH II)	\$/MCF	\$479,578.37
/ Sales for the 12 Months ended: Sep-11	\$/MCF	104,998
= Expected Gas Cost (EGC)	\$/MCF	\$4.5675

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
= 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	(0.0054)
+ Previous Quarter Supplier Refund Adjustment	\$/MCF	0.0418
+ Second Previous Quarter Supplier Refund Adjustment	\$/MCF	(0.0452)
+ Third Previous Quarter Supplier Refund Adjustment	\$/MCF	(0.3745)
= Actual Adjustment (AA)	\$/MCF	(0.3833)

D) BALANCE ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
+ 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
= Balance Adjustment (BA)		\$0.0000

SCHEDULE II
EXPECTED GAS COST

Actual MCF Purchases for 12 months ended:			<u>Sep-11</u>		
(1)	(2)	(3) BTU	(4)	(5)	(6) '(4)X(5)
Supplier	DTH's	Conv Factor	MCF	Rate	Cost
Marathon Petroleum	109,772	1.03	106,575	\$4.50	\$479,587.50

Totals	106,575	\$479,587.50
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Line loss for 12 months ended 9/30/2011 is based on purchases of 106,575
and sales of 104,998

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$479,587.50
/ MCF Purchases (4)		106,575
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= Average Expected Cost Per MCF Purchased		\$4.50
X Allowable MCF Purchases (must not exceed MCF sales / .95)		106,573
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= Total Expected Gas Cost (to SCH I A)		\$479,578.37

SCHEDULE III

REFUND ADJUSTMENTS

		<u>Unit</u>	<u>Amount</u>
Total Supplier Refunds Received		\$\$\$	\$0.00
+ Interest		\$\$\$	\$0.00
= Refund Adjustment including Interest		\$\$\$	\$0.00
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/ Sales for 12 Months Ended	Sep-11	MCF	104,998
= Supplier Refund Adjustment for the Reporting Period (to Schedule I B)		\$/MCF	\$0.0000

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 12 months ended: Sep-11

<u>Particulars</u>	<u>Unit</u>	<u>Jul-11</u>	<u>Aug-11</u>	<u>Sep-11</u>
Total Supply Volumes Purchased	MCF	2,636	3,156	3,347
Total Cost of Volumes Purchased	\$\$\$	\$12,835	\$14,348	\$14,392
/ Total Sales	MCF	2,597	3,109	3,298
= Unit Cost of Gas	\$/MCF	\$4.9422	\$4.6150	\$4.3639
- EGC in Effect for Month	\$/MCF	\$4.6803	\$4.6803	\$4.6803
= Difference	\$/MCF	\$0.2619	(\$0.0653)	(\$0.3164)
X Actual Sales during Month	\$/MCF	2,597	3,109	3,298
= Monthly Cost Difference	\$\$\$	\$680	(\$203)	(\$1,044)

	<u>Unit</u>	<u>Amount</u>
Total Cost Difference	\$\$\$	(\$566)
/ Sales for 12 Months ended: <u>Sep-11</u>	MCF	104,998
= Actual Adjustment for the reporting period (to SCH I C)	\$\$\$	(\$0.0054)

May not be less than 95% of Supply Volume