

AUXIER ROAD GAS COMPANY, INC.
P O BOX 408
PRESTONSBURG, KY 41653

RECEIVED

JAN 2 2013

PUBLIC SERVICE
COMMISSION

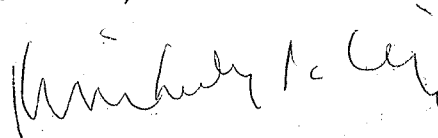
DECEMBER 28, 2012

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

DEAR MR. DEROUEN,

PLEASE FIND ENCLOSED THE GAS COST RECOVERY TO BE EFFECTIVE FEBRUARY 1, 2013.
IF YOU HAVE ANY QUESTIONS, LET US KNOW.

SINCERELY,



KIMBERLY R. CRISP

ACCOUNTANT

Auxier Road Gas

QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

Date Filed:

December 28, 2012

Date Rates to be Effective:

February 1, 2013

Reporting Period is Calendar Quarter Ended:

November 30, 2012

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

Page 1

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	4.9748
Refund Adjustment (RA)	\$/Mcf	
Actual Adjustment (AA)	\$/Mcf	(.9036)
Balance Adjustment (BA)	\$/Mcf	
<u>Gas Cost Recovery Rate (GCR)</u>	\$/Mcf	<u>4.0712</u>

to be effective for service rendered from Feb 1, 2013 to Feb 28, 2013

EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	480295
Sales for the 12 months ended <u>Nov 30, 2012</u>	Mcf	96546
<u>Expected Gas Cost (EGC)</u>	\$/Mcf	<u>4.9748</u>

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	
<u>Refund Adjustment (RA)</u>	\$/Mcf	<u> </u>

ACTUAL ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>	
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	(.0274)	(.0019)
Previous Quarter Reported Actual Adjustment	\$/Mcf	.0000	(.046)
Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0526)	(.0876)
Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0012)	(.1125)
<u>Actual Adjustment (AA)</u>	\$/Mcf	<u>(.0772)</u>	<u>(.2459)</u>
	\$/Mcf		(.1662)

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	
<u>Balance Adjustment (BA)</u>	\$/Mcf	<u>(.9036)</u>

SCHEDULE II
 EXPECTED GAS COST

Actual* Mcf Purchases for 12 months ended Nov 30, 2012

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5)** Rate	(6) (4)x(5) Cost
Cumberland Valley			95951	4.7184	452735
Oil-Kears Drilling			3906	3.10	12109
North Exploration			8587	4.38	37611
Chesapeake (Unbilled)			5545	6.54	36264
Totals			<u>113989</u>		<u>538719</u>

Net loss for 12 months ended Nov 30, 2012 is _____% based on purchases of 113989 Mcf and sales of 96546 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	538719
<u>Mcf Purchases (4)</u>	Mcf	<u>113989</u>
Average Expected Cost Per Mcf Purchased	\$/Mcf	4.72606
<u>Allowable Mcf purchases (must not exceed Mcf sales + .95)</u>	Mcf	<u>101627</u>
Total Expected Gas Cost (to Schedule IA.)	\$	480295

Not 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 NOV 30, 2012

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>(NOV)</u>	<u>Month 2</u> <u>()</u>	<u>Month 3</u> <u>()</u>
Total Supply Volumes Purchased	Mcf	10388		
Total Cost of Volumes Purchased	\$	50875		
Total Sales (may not be less than 95% of supply volumes)	Mcf	11969		
<u>Unit Cost of Gas</u>	<u>\$/Mcf</u>	<u>4.2506</u>		
<u>EGC in effect for month</u>	<u>\$/Mcf</u>	<u>4.4695</u>		
Difference [(Over-)/Under-Recovery]	<u>\$/Mcf</u>	<u>(.2189)</u>		
<u>Actual sales during month</u>	<u>Mcf</u>	<u>11969</u>		
Monthly cost difference	\$	(2620)		

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	(2620)
Sales for 12 months ended <u>NOV 30, 2012</u>	Mcf	<u>96546</u>
Actual Adjustment for the Reporting Period (to Schedule IC.)	<u>\$/Mcf</u>	<u>(.02714)</u>

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	_____

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From: "Kentucky Frontier Gas LLC" <dhorner@kyfrontiergas.com>
SpamShield Pro Actions...

To: "Kim Crisp" <kcrisp@kyfrontiergas.com>

Subject: CVR Feb-13 EGC

Date: Wed 12/26/12 01:18 PM

Kim,

Feb-13 CVR EGC is \$4.7184/Mcf

Thanks,

Dennis

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Attachments

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AUXIER ROAD GAS COMPANY, INC.
P O BOX 408
PRESTONSBURG, KY 41653

	BASE RATE	GAS COST RECOVERY	TOTAL
FIRST MCF (MINIMUM BILL)	6.36	4.0712	\$ 10.4312
ALL OVER FIRST MCF	5.0645	4.0712	\$ 9.1357