

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

JANUARY 25, 2013

RECEIVED

JAN 28 2013

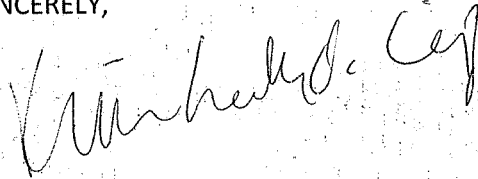
PUBLIC SERVICE
COMMISSION

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 MARCH 1, 2013.
IF YOU HAVE ANY QUESTIONS, LET US KNOW.

SINCERELY,



KIMBERLY R. CRISP

ACCOUNTANT

Auxier Road Gas Co

QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

Date Filed:

January 25, 2013

Date Rates to be Effective:

March 1, 2013

Reporting Period is Calendar Quarter Ended:

December 31, 2012

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	5.1844
Refund Adjustment (RA)	\$/Mcf	
Actual Adjustment (AA)	\$/Mcf	(.7502)
Balance Adjustment (BA)	\$/Mcf	
<u>Gas Cost Recovery Rate (GCR)</u>	<u>\$/Mcf</u>	<u>4.4342</u>

to be effective for service rendered from March 1, 2013 to March 31, 2013

EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	494234
sales for the 12 months ended <u>Dec 31, 2012</u>	Mcf	95331
<u>Expected Gas Cost (EGC)</u>	<u>\$/Mcf</u>	<u>5.1844</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>	<u>\$/Mcf</u>	<u></u>

ACTUAL ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	(.0128)
Previous Quarter Reported Actual Adjustment	\$/Mcf	(.02714)
Second Previous Quarter Reported Actual Adjustment	\$/Mcf	1.0060
Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0520)
<u>Actual Adjustment (AA)</u>	<u>\$/Mcf</u>	<u>(.0012)</u>
		(.0172)
		(.0019)
		(.046)
		(.0876)
		(.1125)
		(.1514)
		(.2459)
		(.7502)

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>	<u>\$/Mcf</u>	<u></u>

SCHEDULE II
EXPECTED GAS COST

Actual* Mcf Purchases for 12 months ended Dec 31, 2012

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5)** Rate	(6) (4)x(5) Cost
Cumberland Valley			94878	4.9514	469779
Oli-Karw Drilling			3721	3.10	11535
North Exploration			8519	4.38	37313
Chesapeake (Underbilled)			5545	6.54	36264
Totals			<u>112663</u>		<u>554891</u>

Rate loss for 12 months ended Dec 31, 2012 is .15 % based on purchases of 112663 Mcf and sales of 95331 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	554891
<u>Mcf Purchases (4)</u>	Mcf	<u>112663</u>
Average Expected Cost Per Mcf Purchased	\$/Mcf	4.9252
<u>Allowable Mcf purchases (must not exceed Mcf sales + .95)</u>	Mcf	<u>100348</u>
Total Expected Gas Cost (to Schedule IA.)	\$	<u>494234</u>

Rate 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 DEC 31, 2012

<u>Particulars</u>	<u>Unit</u>	Month 1 (<u>DEC</u>)	Month 2 (<u> </u>)	Month 3 (<u> </u>)
Total Supply Volumes Purchased	Mcf	15193		
Total Cost of Volumes Purchased	\$	76750		
Total Sales (may not be less than 95% of supply volumes)	Mcf	14433		
<u>Unit Cost of Gas</u>	<u>\$/Mcf</u>	<u>5.3177</u>		
<u>EGC in effect for month</u>	<u>\$/Mcf</u>	<u>5.4221</u>		
Difference [(Over-)/Under-Recovery]	<u>\$/Mcf</u>	<u>(.1044)</u>		
<u>Actual sales during month</u>	<u>Mcf</u>	<u>11711</u>		
Monthly cost difference	\$	(1223)		

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	(1223)
<u>Sales for 12 months ended</u> <u>DEC 31, 2012.</u>	Mcf	<u>95331</u>
Actual Adjustment for the Reporting Period (to Schedule IC.)	<u>\$/Mcf</u>	<u>(.0128)</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	_____

View Mail

Go To Page...

Next | [INBOX](#)

[Reply](#) [Reply All](#) [Forward](#) [Delete](#) Move message to...

[Show Full Headers](#) | [Printer View](#) | [Add Sender To Address Book](#)

From: "Kentucky Frontier Gas LLC" <dhorner@kyfrontiergas.com>
SpamShield Pro Actions...
To: "Kentucky Frontier Gas LLC" <kcrisp@kyfrontiergas.com>
Subject: Re: CUMBERLAND EST GAS COST FOR 03-13
Date: Thu 01/24/13 10:12 AM

Attachments

Name	Type	Save View
Message	text/html	Save

Kim,

For Mar-13 use \$4.9514/MCF

Dennis

--- kcrisp@kyfrontiergas.com wrote:

From: "Kentucky Frontier Gas LLC" <kcrisp@kyfrontiergas.com>
To: "dennis horner" <dhorner@kyfrontiergas.com>
Subject: CUMBERLAND EST GAS COST FOR 03-13
Date: Wed, 23 Jan 2013 11:33:44 -0800

DENNIS,

I NEED THE CUMBERLAND EST GAS COST FOR 03-13 BY FRIDAY IF YOU CAN.

THANKS,

KIM

[Reply](#) [Reply All](#) [Forward](#) [Delete](#) Move message to...

Next | [INBOX](#)

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

	BASE RATE	GAS COST RECOVERY	TOTAL
FIRST MCF (MINIMUM BILL)	6.36	4.4342	\$ 10.7942
ALL OVER FIRST MCF	5.0645	4.4342	\$ 9.4987