

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

APRIL 29, 2013

RECEIVED

MAY - 2 2013

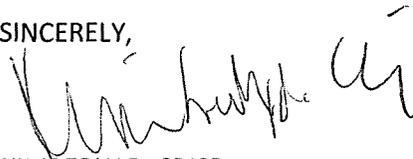
PUBLIC SERVICE  
COMMISSION

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

DEAR SIR:

PLEASE FIND ENCLOSED THE GAS COST RECOVERY TO BE EFFECTIVE ON JUNE 1, 2013. IF YOU HAVE ANY QUESTIONS, PLEASE CALL US AT (606)886-2314.

SINCERELY,

A handwritten signature in black ink, appearing to read "Kimberly R. Crisp". The signature is fluid and cursive, with a large initial "K" and "C".

KIMBERLY R. CRISP  
ACCOUNTANT

Weyer Road Gas

QUARTERLY REPORT OF GAS COST  
RECOVERY RATE CALCULATION

Date Filed:

April 29, 2013

Date Rates to be Effective:

June 1, 2013

Reporting Period is Calendar Quarter Ended:

March 31, 2013

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	5.6771
Refund Adjustment (RA)	\$/Mcf	(.5641)
Actual Adjustment (AA)	\$/Mcf	
Balance Adjustment (BA)	\$/Mcf	
<u>Gas Cost Recovery Rate (GCR)</u>	\$/Mcf	<u>5.1130</u>

to be effective for service rendered from June 1, 2013 to June 30, 2013.

EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	577448
Sales for the 12 months ended <u>March 31, 2013</u>	Mcf	101010
<u>Expected Gas Cost (EGC)</u>	\$/Mcf	<u>5.6771</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	(.0234) 10060
Previous Quarter Reported Actual Adjustment	\$/Mcf	(.061) (.0526)
Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(.2393) (.0012)
Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0128) (.0172)
<u>Actual Adjustment (AA)</u>	\$/Mcf	<u>(.0234) (.0018)</u>

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>(.5641)</u>

SCHEDULE II  
EXPECTED GAS COST

Actual\* Mcf Purchases for 12 months ended March 31, 2013

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5)** Rate	(6) (4)x(5) Cost
Cumberland Valley			102111	5.5636	568105
Notes: Exploration			8282	4.38	36275
Dee-Kearr Drilling			3754	3.10	11637
Notes: Exploration (Deer)			165	3.0431	502
Totals			<u>114312</u>		<u>616519</u>

Line loss for 12 months ended March 31, 2013 is .12 % based on purchases of 114312 Mcf and sales of 101010 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	616519
+ Mcf Purchases (4)	Mcf	114312
= Average Expected Cost Per Mcf Purchased	\$/Mcf	5.3973
x Allowable Mcf purchases (must not exceed Mcf sales + .95)	Mcf	106326
= Total Expected Gas Cost (to Schedule IA.)	\$	573448

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

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

SCHEDULE IV  
ACTUAL ADJUSTMENT

For the 3 month period ended March 31, 2013

Particulars	Unit	Month 1 (MAY)	Month 2 ( )	Month 3 ( )
Total Supply Volumes Purchased	Mcf	13160		
Total Cost of Volumes Purchased	\$	62426		
+ Total Sales (may not be less than 95% of supply volumes)	Mcf	12502		
= Unit Cost of Gas	\$/Mcf	4.9933		
- EGC in effect for month	\$/Mcf	5.1844		
= Difference [(Over-)/Under-Recovery]	\$/Mcf	(.1911)		
x Actual sales during month	Mcf	12347		
= Monthly cost difference	\$	(2360)		

	Unit	Amount
Total cost difference (Month 1 + Month 2 + Month 3)	\$	(2360)
÷ Sales for 12 months ended <u>March 31, 2013</u>	Mcf	101010
= Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	(.0234)

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**From:** "Kentucky Frontier Gas LLC" <dhorner@kyfrontiergas.com>  
SpamShield Pro Actions...  
**To:** "Kim Crisp" <kcrisp@kyfrontiergas.com>  
**Subject:** Auxier EGC for June is \$5.5636 per Mcf  
**Date:** Fri 04/26/13 11:57 AM

**Attachments**

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PRESTONSBURG, KY 41653

	BASE RATE	GAS COST RECOVERY	TOTAL
FIRST MCF (MINIMUM BILL)	6.36	5.113	\$ 11.473
ALL OVER FIRST MCF	5.0645	5.113	\$ 10.1775