



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

AUG 26 2013

PUBLIC SERVICE
COMMISSION

August 23, 2013

Case # 2013-00????

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 2013-00?????. The calculated gas cost recovery rate for this reporting period is \$ 4.4987. The base rate remains \$4.24. The minimum billing rate starting July 1, 2013 should be \$ 8.7387 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

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/MCF	\$4.0800
Refund Adjustment (RA)	\$/MCF	\$0.0000
Actual Adjustment (AA)	\$/MCF	\$0.4187
Balance Adjustment (BA)	\$/MCF	\$0.0000

Gas Cost Recovery Rate (GCR)	\$/MCF	\$4.4987
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to be effective for service rendered from: 10/01/2013 to 12/31/2013

A) EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (SCH II)	\$/MCF	\$430,709.28
/ Sales for the 12 Months ended: Jun-13	\$/MCF	105,566
= Expected Gas Cost (EGC)	\$/MCF	\$4.0800

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	0.1215
+ Previous Quarter Supplier Refund Adjustment	\$/MCF	0.1734
+ Second Previous Quarter Supplier Refund Adjustment	\$/MCF	0.1217
+ Third Previous Quarter Supplier Refund Adjustment	\$/MCF	0.0021
= Actual Adjustment (AA)	\$/MCF	0.4187

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:

Jun-13

(1)	(2)	(3) BTU Conv Factor	(4)	(5)	(6) '(4)X(5) Cost
Supplier	DTH's	Conv Factor	MCF	Rate	Cost
Marathon Petroleum	110,210	1.03	107,000	\$4.00	\$428,000.00
Totals			107,000		\$428,000.00

Line loss for 12 months ended 6/30/2013 is based on purchases of 107,000
and sales of 105,566

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$428,000.00
/ MCF Purchases (4)		107,000
= Average Expected Cost Per MCF Purchased		\$4.00
X Allowable MCF Purchases (must not exceed MCF sales / .95)		107,677
= Total Expected Gas Cost (to SCH I A)		\$430,709.28

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
<u>/ Sales for 12 Months Ended</u>	<u>Jun-13</u>	<u>MCF</u>	<u>105,566</u>
= Supplier Refund Adjustment for the Reporting Period (to Schedule I B)		\$/MCF	\$0.0000

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 12 months ended: Jun-13

<u>Particulars</u>	<u>Unit</u>	<u>Apr-13</u>	<u>May-13</u>	<u>Jun-13</u>
Total Supply Volumes Purchased	MCF	7,900	4,000	3,000
Total Cost of Volumes Purchased	\$\$\$	\$37,841	\$18,632	\$13,444
/ Total Sales	MCF	7,650	3,881	2,829
= Unit Cost of Gas	\$/MCF	\$4.9465	\$4.8008	\$4.7522
- EGC in Effect for Month	\$/MCF	\$3.9758	\$3.9758	\$3.9758
= Difference	\$/MCF	\$0.9707	\$0.8250	\$0.7764
X Actual Sales during Month	\$/MCF	7,650	3,881	2,829
= Monthly Cost Difference	\$\$\$	\$7,426	\$3,202	\$2,196

	<u>Unit</u>	<u>Amount</u>
Total Cost Difference	\$\$\$	\$12,825
/ Sales for 12 Months ended: <u>Jun-13</u>	MCF	105,566
= Actual Adjustment for the reporting period (to SCH I C)	\$\$\$	\$0.1215

May not be less than 95% of Supply Volume