



# Natural Energy Utility Corporation

2560 Hoods Creek Pike • Ashland, Kentucky 41102

**RECEIVED**

DEC 12 2013

PUBLIC SERVICE  
COMMISSION

Mr. Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Blvd.  
Frankfort, KY. 40602

December 11, 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 \$ 5.1737. The base rate remains \$4.24. The minimum billing rate starting January 1, 2014 should be \$ 9.4137 for all MCF.

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

Sincerely

  
H. Jay Freeman

President

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SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

| <u>Component</u>        | <u>Unit</u> | <u>Amount</u> |
|-------------------------|-------------|---------------|
| Expected Gas Cost (EGC) | \$/MCF      | \$4.7226      |
| Refund Adjustment (RA)  | \$/MCF      | \$0.0000      |
| Actual Adjustment (AA)  | \$/MCF      | \$0.4511      |
| Balance Adjustment (BA) | \$/MCF      | \$0.0000      |

|                              |        |                 |
|------------------------------|--------|-----------------|
| Gas Cost Recovery Rate (GCR) | \$/MCF | <b>\$5.1737</b> |
|------------------------------|--------|-----------------|

to be effective for service rendered from: 01/01/2014 to 03/31/2014

| <b>A) EXPECTED GAS COST CALCULATION</b> |        |  | <u>Unit</u> | <u>Amount</u>   |
|---|--------|--|-------------|-----------------|
| Total Expected Gas Cost (SCH II)        |        |  | \$/MCF      | \$497,743.15    |
| / Sales for the 12 Months ended:        | Sep-13 |  | \$/MCF      | 105,396         |
| = Expected Gas Cost (EGC)               |        |  | \$/MCF      | <b>\$4.7226</b> |

| <b>B) REFUND ADJUSTMENT CALCULATION</b>                   |  |  | <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      | <b>\$0.0000</b> |

| <b>C) ACTUAL ADJUSTMENT CALCULATION</b>              |  |  | <u>Unit</u> | <u>Amount</u> |
|--|--|--|-------------|---------------|
| Actual Adjustment for the Reporting Period (SCH IV)  |  |  | \$/MCF      | 0.0355        |
| + Previous Quarter Supplier Refund Adjustment        |  |  | \$/MCF      | 0.1205        |
| + Second Previous Quarter Supplier Refund Adjustment |  |  | \$/MCF      | 0.1734        |
| + Third Previous Quarter Supplier Refund Adjustment  |  |  | \$/MCF      | 0.1217        |
| = Actual Adjustment (AA)                             |  |  | \$/MCF      | <b>0.4511</b> |

| <b>D) BALANCE ADJUSTMENT CALCULATION</b>             |  |  | <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)                            |  |  |             | <b>\$0.0000</b> |

SCHEDULE II  
**EXPECTED GAS COST**

Actual MCF Purchases for 12 months ended:

Sep-13

| (1)                | (2)     | (3)<br>BTU  | (4)     | (5)    | (6)<br>'(4)X(5) |
|--------------------|---------|-------------|---------|--------|-----------------|
| Supplier           | DTH's   | Conv Factor | MCF     | Rate   | Cost            |
| Marathon Petroleum | 110,210 | 1.03        | 107,000 | \$4.63 | \$495,410.00    |

|        |  |  |         |  |              |
|--------|--|--|---------|--|--------------|
| Totals |  |  | 107,000 |  | \$495,410.00 |
|--------|--|--|---------|--|--------------|

Line loss for 12 months ended 9/30/2013 is based on purchases of 107,000  
and sales of 105,396

|   | <u>Unit</u> | <u>Amount</u> |
|---|-------------|---------------|
| Total Expected Cost of Purchases (6)                        |             | \$495,410.00  |
| / MCF Purchases (4)   |             | 107,000       |
| <hr/>   |             |               |
| = Average Expected Cost Per MCF Purchased                   |             | \$4.63        |
| X Allowable MCF Purchases (must not exceed MCF sales / .95) |             | 107,504       |
| <hr/>   |             |               |
| = Total Expected Gas Cost (to SCH I A)                      |             | \$497,743.15  |

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>Sep-13</u> | <u>MCF</u>  | <u>105,396</u> |
| = Supplier Refund Adjustment for the Reporting Period<br>(to Schedule I B) |               | \$/MCF      | \$0.0000       |

SCHEDULE IV

**ACTUAL ADJUSTMENT**

For the 12 months ended: Sep-13

| <u>Particulars</u>              | <u>Unit</u> | <u>Jul-13</u> | <u>Aug-13</u> | <u>Sep-13</u> |
|---------------------------------|-------------|---------------|---------------|---------------|
| Total Supply Volumes Purchased  | MCF         | 3,500         | 2,550         | 3,350         |
| Total Cost of Volumes Purchased | \$\$\$      | \$14,829      | \$9,975       | \$13,948      |
| / Total Sales                   | MCF         | 3,369         | 2,415         | 3,191         |
| = Unit Cost of Gas              | \$/MCF      | \$4.4016      | \$4.1305      | \$4.3710      |
| - EGC in Effect for Month       | \$/MCF      | \$3.9012      | \$3.9012      | \$3.9012      |
| = Difference                    | \$/MCF      | \$0.5004      | \$0.2293      | \$0.4698      |
| X Actual Sales during Month     | \$/MCF      | 3,369         | 2,415         | 3,191         |
| = Monthly Cost Difference       | \$\$\$      | \$1,686       | \$554         | \$1,499       |

|   | <u>Unit</u> | <u>Amount</u> |
|---|-------------|---------------|
| Total Cost Difference                                     | \$\$\$      | \$3,739       |
| / Sales for 12 Months ended: <u>Sep-13</u>                | MCF         | 105,396       |
| = Actual Adjustment for the reporting period (to SCH I C) | \$\$\$      | \$0.0355      |

\*\*\*May not be less than 95% of Supply Volume\*\*\*



FOR Entire Service Area

P.S.C. KY. NO. 2002-00192

ORIGINAL SHEET NO. 2

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

NATURAL ENERGY UTILITY CORPORATION

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

**RULES AND REGULATIONS**

2) **RATES:**

The following rates are applicable for service rendered on a monthly basis:

Minimum bill: \$9.4137 - covers 0-1 MCF  
Cost Per MCF: \$9.4137

A copy of the Company's billing format is attached on Sheet 21.

2(A) Any customer complaining to the Company about a bill or service shall be notified of his right to file a complaint with the PSC and with all other information required by 807 KAR 5:006(9).

3) **CUSTOMER CLASSIFICATIONS:**

**Residential:** Service to customers who consists of direct natural gas usage in a residential dwelling for space heating, air conditioning, cooking, water heating and other residential uses.

**Commercial:** Service to customers engaged primarily in the sale of goods or service including institutions and local and federal government agencies for uses other than those involving manufacturing or electric power generation.

a) Small Commercial: up to 50MCF/day

b) Large Commercial: more than 50MCF/day

DATE OF ISSUE 12/10/13 REVISED 12/10/13 DATE EFFECTIVE 01/01/14  
MONTH DAY YEAR MONTH DAY YEAR

ISSUED BY H. JAY FREEMAN MGR. President  
NAME OF OFFICER TITLE