Public Gas Company

Quarterly Report of Gas Cost Recovery Rate Calculation

JAN 2 3 2014
PUBLIC SERVICE
COMMISSION

Date Filed: January 21, 2014
Date Rates to be Effective: February 1, 2014
Reporting Period is Calendar Quarter Ended: October 31, 2013

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

Component	<u>Unit</u>		<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$	6.0381
+ Refund Adjustment (RA)	\$/Mcf	-	-
+ Actual Adjustment (AA)	\$/Mcf	-	(0.0673)
+ Balance Adjustment (BA)	\$/Mcf	•	(0.0000)
= Gas Cost Recovery Rate (GCR)	\$/Mcf		5.9708
GCR to be effective for service rendered from February 01, 2014	to	April 30, 2	014
A. EXPECTED GAS COST CALCULATION	<u>Unit</u>		Amount
Total Expected Gas Cost (Schedule II)	\$	\$	740,250
+ Sales for the 12 months ended	Mcf	•	122,596
= Expected Gas Cost (EGC)	\$/Mcf	\$	6.0381
B. REFUND ADJUSTMENT CALCULATION	<u>Unit</u>		Amount
+ Supplier Refund Adjustment for Reporting Period (Schedule III)	\$/Mcf	\$	-
+ Previous Quarter Supplier Refund Adjustment	\$/Mcf	-	
+ Second Previous Quarter Supplier Refund Adjustment	\$/Mcf		
+ Third Previous Quarter Supplier Refund Adjustment	\$/Mcf		
= Refund Adjustment (RA)	\$/Mcf	\$	•
C. ACTUAL ADJUSTMENT CALCULATION	<u>Unit</u>		<u>Amount</u>
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	\$	(0.0177)
+ Previous Quarter Reported Actual Adjustment	\$/Mcf		(0.0554)
+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	\$	(0.0328)
+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	\$	0.0386
= Actual Adjustment (AA)	\$/Mcf	\$	(0.0673)
D. <u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>		Amount
Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	\$	(0.0000)
+ Previous Quarter Reported Balance Adjustment	\$/Mcf	\$	•
+ Second Previous Quarter Reported Balance Adjustment	\$/Mcf	\$	-
+ Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$	-
= Balance Adjustment (BA)	\$/Mcf	\$	(0.0000)

SCHEDULE II

EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended Oct			October 3	1, 2013		
(1)	(2)	(3) Purchases	(4) Sales	(5)**	14	(6)) X (5)
Supplier	Dth	Mcf	Mcf	Rate		Cost
11/30/2012		15,978	15,453	5.8455		93,400.10
12/31/2012		16,440	15,988	5.8455		96,100.74
1/31/2013		26,300	25,762	5.8455		153,737.81
2/28/2013		20,894	20,729	5.8455		122,136.80
3/31/2013		16,770	15,527	5.8455		98,027.39
4/30/2013		13,985	13,488	5.8455		81,752.27
5/31/2013		4,299	4,137	5.8455		25,129.99
6/30/2013		1,773	1,719	5.8455		10,364.15
7/31/2013		3,382	3,178	5.8455		19,769.63
8/31/2013		1,752	1,701	5.8455		10,241.39
9/30/2013		2,022	1,963	5.8455		11,819.69
10/31/2013		3,040	2,951	5.8455		17,770.45
		126,635	122,596			740,250.42
Line loss for 12 m		October 31, 2013 Acf and sales of	is 122,596	3.1893%	based on Mcf.	purchases of
Total Expected C + Mcf Purchases (4		es (6)		<u>Unit</u> \$ Mcf	\$	<u>Amount</u> 740,250.42 126,635
= Average Expected				\$/Mcf	\$	5.8455
x Allowable Mcf Pur			ales + .95)	Mcf		126,635
= Total Expected G	as Cost (to Scl	hedule IA)		\$	\$	740,250.42

^{*} Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein. ** Supplier's tariff sheets or notices are attached.

\$5.8455 Per Attached Schedule

SCHEDULE III

SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended

October 31, 2013

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	0
+ Interest	\$	0
= Refund Adjustment including interest	\$	0
÷ Sales for 12 months ended	Mcf	122,596
= Supplier Refund Adjustment for the Reporting Perio (to Schedule IB.)	od \$/Mcf	0

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 3 month period ended October 31, 2013

<u>Particulars</u>	<u>Unit</u>		Month 1 (Aug 13)		Month 2 (Sep 13)	Month 3 (Oct 13)
Total Supply Volumes Purchased	Mcf		1,752.0		2,022.0	3,040.0
Total Cost of Volumes Purchased	\$	\$	10,126.56	\$		\$ 15,443.20
+ Total Sales	Mcf		1,701.0		1,963.0	2,951.0
(may not be less than 95% of supply volumes)						
= Unit Cost of Gas	\$/Mcf	\$	5.9533	\$	5.2533	\$ 5.2332
- EGC in effect for month	\$/Mcf	\$	5.7516	\$	5.7516	\$ 5.7516
= Difference	\$/Mcf	\$	0.2017	\$	(0.4983)	\$ (0.5184)
[(over-)/Under-Recovery]					, ,	
x Actual sales during month	Mcf		1,701.0		1,963.0	2,951.0
= Monthly cost difference	\$	\$	343.09	\$	(978.19)	\$ (1,529.77)
					<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)					\$	\$ (2,164.87)
+ Sales for 12 months ended		Mcf	122,596.2			
= Actual Adjustment for the Reporting Peri	•	\$/Mcf	\$ (0.0177)			

Jefferson Gas, LLC Natural Gas Sales Price Calculations - Public Gas Company, Inc.

Estimated sales price for the three months ending April 30, 2014:

Col A	Col B	Col C	Col D (Col B + Col C)	Col E (Btu Factor Per Mcf)	Col F (Col D * Col E)	Col G	Col H (Col F + Col G)
Period	NYMEX	TCO	Expected	Mmbtu/Mcf Expected		Contract	Total Expected
	Futures	Basis	Appalachian Index		Appaiachian Index		
	Settle Price*	Adjustment	Per Mmbtu	Factor - Estimated Per Mcf Per Mcf		Per Mcf	Price per Mcf
Feb-14	\$ 4.489	\$ (0.125)	\$ 4.364	1.022	\$ 4.460	\$ 1.500	\$ 5.960
Mar-14	\$ 4.473	\$ (0.150)	\$ 4.323	1.022	\$ 4.418	\$ 1.500	\$ 5.918
Apr-14	\$ 4.214	\$ (0.145)		1.022	\$ 4.159	\$ 1.500	\$ 5.659
-		•					\$ 17.537

^{*} Settle price as of <u>December 19, 2013</u> taken from NYMEX website Nymex New Your Mercantile Exchange & www barchart com

Average Cost \$ 5.846

PUBLIC GAS COMPANY (NAME OF UTILITY)		FOR PSC KY NO. 68th Revised CANCELLING 67th Revised	Entire Service SHEET NO. PSC KY NO. SHEET NO.	1
Applies to: All Customers Rate, Monthly:				
		Base Rate	Gas Cost	Rate per Unit (Mcf)
All Mcf		3.0914	5.9708	9.0622
		<u></u>	<u> </u>	
DATE OF ISSUE	January 21, 2014	_		
DATE EFFECTIVE	February 1, 2014			
ISSUED BY	\s\ Jessica Gojak			
TITLE	(Signature of Officer) Staff Accountant			

Public Gas Company

Quarterly Report of Gas Cost Recovery Rate Calculation

RECEIVED

JAN 23 2014

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Reporting Period is Calendar Quarter Ended: October 31, 2	013			

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

Component	<u>Unit</u>		<u>Amount</u>
Expected Gas Cost (EGC) + Refund Adjustment (RA) + Actual Adjustment (AA) + Balance Adjustment (BA)	\$/Mcf \$/Mcf \$/Mcf \$/Mcf	\$ \$ \$	6.0381 (0.0673) (0.0000)
= Gas Cost Recovery Rate (GCR)	\$/Mcf	\$	5.9708
GCR to be effective for service rendered from February 01, 2014	to	April 30, 20)14
A. <u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>		<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	\$	740,250
÷ Sales for the 12 months ended	Mcf		122,596
= Expected Gas Cost (EGC)	\$/Mcf	\$	6.0381
B. REFUND ADJUSTMENT CALCULATION	<u>Unit</u>		<u>Amount</u>
 + Supplier Refund Adjustment for Reporting Period (Schedule III) + Previous Quarter Supplier Refund Adjustment + Second Previous Quarter Supplier Refund Adjustment + Third Previous Quarter Supplier Refund Adjustment 	\$/Mcf \$/Mcf \$/Mcf \$/Mcf		
= Refund Adjustment (RA)	\$/Mcf	\$	-
C. <u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>		<u>Amount</u>
Actual Adjustment for the Reporting Period (Schedule IV) + Previous Quarter Reported Actual Adjustment + Second Previous Quarter Reported Actual Adjustment + Third Previous Quarter Reported Actual Adjustment = Actual Adjustment (AA)	\$/Mcf \$/Mcf \$/Mcf \$/Mcf	\$ \$ \$	(0.0177) (0.0554) (0.0328) 0.0386 (0.0673)
D. BALANCE ADJUSTMENT CALCULATION	<u>Unit</u>		Amount
Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf		(0.0000)
 + Previous Quarter Reported Balance Adjustment + Second Previous Quarter Reported Balance Adjustment 	\$/Mcf \$/Mcf		-
+ Third Previous Quarter Reported Balance Adjustment - Third Previous Quarter Reported Balance Adjustment	\$/Mcf		-
= Balance Adjustment (BA)	\$/Mcf		(0.0000)

SCHEDULE II

EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended October				1, 2013		· · · · · · · · · · · · · · · · · · ·
(1) Supplier	(2) Dth	(3) Purchases Mcf	(4) Sales Mcf	(5)** Rate		(6) (4) X (5) Cost
				':'''' '		
11/30/2012 12/31/2012 1/31/2013 2/28/2013 3/31/2013 4/30/2013 5/31/2013 6/30/2013 7/31/2013 8/31/2013 9/30/2013		15,978 16,440 26,300 20,894 16,770 13,985 4,299 1,773 3,382 1,752 2,022	15,527 13,488 4,137 1,719 3,178 1,701	5.8455 5.8455 5.8455 5.8455 5.8455 5.8455 5.8455 5.8455 5.8455		93,400.10 96,100.74 153,737.81 122,136.80 98,027.39 81,752.27 25,129.99 10,364.15 19,769.63 10,241.39 11,819.69
10/31/2013		3,040	2,951	5.8455		17,770.45
		126,635	122,596			740,250.42
Line loss for 12 mo	nths ended 126,635		3 is 122,596	3.1893%	based of Mcf.	on purchases of
Total Expected Cos + Mcf Purchases (4)	st of Purcha	ases (6)		<u>Unit</u> \$ Mcf	\$	Amount 740,250.42 126,635
= Average Expected				\$/Mcf	\$	5.8455
x Allowable Mcf Purc			ales + .95)	_ Mcf - \$		126,635
= Total Expected Gas Cost (to Schedule IA)					\$	740,250.42

^{*} Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein. ** Supplier's tariff sheets or notices are attached.

\$5.8455 Per Attached Schedule

\$/Mcf

SCHEDULE III

SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended October 31, 2013		
<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	0
+ Interest	. \$	0
= Refund Adjustment including interest	\$	0
÷ Sales for 12 months ended	Mcf	122,596

÷ Sales for 12 months ended

= Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 3 month period ended October 31, 2013

		*				
<u>Particulars</u>	<u>Unit</u>	Month 1 (Aug 13)			Month 2 (Sep 13)	Month 3 (Oct 13)
Total Supply Volumes Purchased Total Cost of Volumes Purchased + Total Sales	Mcf \$ Mcf	\$	1,752.0 10,126.56 1,701.0	\$	2,022.0 10,312.20 1,963.0	\$ 3,040.0 15,443.20 2,951.0
(may not be less than 95% of supply volumes)						
= Unit Cost of Gas	\$/Mcf	\$	5.9533	\$	5.2533	\$ 5.2332
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= Difference	\$/Mcf	\$	0.2017	\$	(0.4983)	\$ (0.5184)
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x Actual sales during month	Mcf		1,701.0		1,963.0	 2,951.0
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					<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2		\$	\$ (2,164.87)			
÷ Sales for 12 months ended	· · · · · · · · · · · · · · · · · · ·					 122,596.2
= Actual Adjustment for the Reporting Peri	od (to Sc	hed	ule IC.)	•	\$/Mcf	\$ (0.0177)

Jefferson Gas, LLC Natural Gas Sales Price Calculations - Public Gas Company, inc.

Estimated sales price for the three months ending April 30, 2014:

Col A	Col B	Col C	Col D (Col B + Col C)	Col E (Btu Factor Per Mcf)	Col F (Col D * Col E)	Col G	Col H (Col F + Col G)
Period	NYMEX Futures Settie Price*	TCO Basis Adjustment	Expected Appalachian Index Per Mmbtu	Mmbtu/Mcf Conversion Factor - Estimated	Expected Appalachian Index Per Mcf	Contract Addition Per Mcf	Total Expected Price per Mcf
eb-14 lar-14	\$ 4.489 \$ 4.473	\$ (0.125) \$ (0.150)	\$ 4.323	1.022 1.022	\$ 4.460 \$ 4.418	\$ 1.500 \$ 1.500	\$ 5.960 \$ 5.918 \$ 5.659
pr-14	\$ 4.214	\$ (0.145)	\$ 4.069	1.022	\$ 4.159	\$ 1.500	

^{*} Settle price as of <u>December 19, 2013</u> taken from NYMEX website Nymex New Your Mercantile Exchange & www.barchart.com

Average Cost \$ 5.846

PUBLIC GAS COMPAN (NAME OF UTILITY		CANCELLIN	SHEET NO.	1
Applies to: All Custome Rate, Monthly:	rs			
		Base Rate	Gas Cost	Rate per Unit (Mcf)
All Mcf		3.0914	5.9708	9.0622
	stometra, i som se tara pa i til som se	o Till Elwar of All El) Orașant car	
DATE OF ISSUE	January 21, 2014			
DATE EFFECTIVE	February 1, 2014 Month / Date / Year			
ISSUED BY	\s\ Jessica Gojak (Signature of Officer)			
TITLE				