



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

MAR 14 2014

PUBLIC SERVICE
COMMISSION

March 13, 2014

Case # 2014-?????

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 2014-00???. The calculated gas cost recovery rate for this reporting period is \$ 5.2250. The base rate remains \$4.24. The minimum billing rate starting April 1, 2014 should be \$ 9.4650 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	\$4.6920
Refund Adjustment (RA)	\$/MCF	\$0.0000
Actual Adjustment (AA)	\$/MCF	\$0.5330
Balance Adjustment (BA)	\$/MCF	\$0.0000

Gas Cost Recovery Rate (GCR)	\$/MCF	\$5.2250
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to be effective for service rendered from: 04/01/2014 to 06/30/2014

A) EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (SCH II)	\$/MCF	\$507,899.62
/ Sales for the 12 Months ended: Dec-13	\$/MCF	108,248
= Expected Gas Cost (EGC)	\$/MCF	\$4.6920

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	0.1854
+ Previous Quarter Supplier Refund Adjustment	\$/MCF	0.0352
+ Second Previous Quarter Supplier Refund Adjustment	\$/MCF	0.1205
+ Third Previous Quarter Supplier Refund Adjustment	\$/MCF	0.1919
= Actual Adjustment (AA)	\$/MCF	0.5330

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:

Dec-13

(1)	(2)	(3) BTU	(4)	(5)	(6) '(4)X(5) Cost
Supplier	DTH's	Conv Factor	MCF	Rate	
Marathon Petroleum	112,270	1.03	109,000	\$4.60	\$501,400.00

Totals	109,000	\$501,400.00
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Line loss for 12 months ended 12/31/2013 is based on purchases of 109,000
and sales of 108,248

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$501,400.00
/ MCF Purchases (4)		109,000
= Average Expected Cost Per MCF Purchased		\$4.60
X Allowable MCF Purchases (must not exceed MCF sales / .95)		110,413
= Total Expected Gas Cost (to SCH I A)		\$507,899.62

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>Dec-13</u>	<u>MCF</u>	<u>108,248</u>
= Supplier Refund Adjustment for the Reporting Period (to Schedule I B)		\$/MCF	\$0.0000

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 12 months ended: Dec-13

<u>Particulars</u>	<u>Unit</u>	<u>Oct-13</u>	<u>Nov-13</u>	<u>Dec-13</u>
Total Supply Volumes Purchased	MCF	7,250	9,900	17,300
Total Cost of Volumes Purchased	\$\$\$	\$30,646	\$41,026	\$85,311
/ Total Sales	MCF	7,033	9,686	17,050
= Unit Cost of Gas	\$/MCF	\$4.3575	\$4.2356	\$5.0036
- EGC in Effect for Month	\$/MCF	\$4.0543	\$4.0543	\$4.0543
= Difference	\$/MCF	\$0.3032	\$0.1813	\$0.9493
X Actual Sales during Month	\$/MCF	7,033	9,686	17,050
= Monthly Cost Difference	\$\$\$	\$2,133	\$1,756	\$16,186

	<u>Unit</u>	<u>Amount</u>
Total Cost Difference	\$\$\$	\$20,074
/ Sales for 12 Months ended: <u>Dec-13</u>	MCF	108,248
= Actual Adjustment for the reporting period (to SCH I C)	\$\$\$	\$0.1854

May not be less than 95% of Supply Volume



FOR Entire Service Area
Community, Town or City

P.S.C. KY. NO. 1

Original SHEET NO. 2

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

Original SHEET NO. 2

Natural Energy Utility Corporation
(Name of Utility)

RATES & CHARGES

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

	<u>BASE RATE</u>	<u>GCR</u>	<u>TOTAL</u>
Minimum bill: Covers 0-1 MCF	\$9.4650		
Cost per MCF: All Over 1 MCF	\$4.24	\$5.2250	\$9.4650

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, Section 10.

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 issues.

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 March 13, 2014
Month / Date / Year

DATE EFFECTIVE April 1, 2014
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE President

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2014-00??? DATED March 13, 2014