

**Public Gas Company
8500 Station Street, Suite 100
Mentor, OH 44060
Tele (440) 974-3770**

RECEIVED
MAR 31 2014
PUBLIC SERVICE
COMMISSION

March 27, 2014

Mr. Jeff Derouen
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

RE: Public Gas Company
Case No.
GCR Filing Proposed to Become
Effective May 1, 2014

Dear Mr. Derouen:

Enclosed are an original and ten copies of Public Gas Company's Cost Recovery (GCR) filing for rates proposed to become effective May 1, 2014. Also included are an original and ten copies of 69th revision sheet No. 1 of Public's PSC Kentucky No. 1 Tariff, which is being filed pursuant to the Purchased Gas Adjustment provision of that Tariff.

This filing proposes a GCR rate of \$6.1390 per MCF of sales.

Sincerely,



Jessica Gojak
Staff Accountant

RECEIVED

MAR 31 2014

PUBLIC SERVICE
COMMISSION

Public Gas Company

Quarterly Report of Gas Cost
Recovery Rate Calculation

Date Filed: March 27, 2014

Date Rates to be Effective: May 1, 2014

Reporting Period is Calendar Quarter Ended: January 31, 2014

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf \$	6.2032
+ Refund Adjustment (RA)	\$/Mcf \$	-
+ Actual Adjustment (AA)	\$/Mcf \$	(0.0642)
+ Balance Adjustment (BA)	\$/Mcf \$	-
= Gas Cost Recovery Rate (GCR)	\$/Mcf \$	6.1390

GCR to be effective for service rendered from May 01, 2014 to July 31, 2014

<u>A.</u>	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$ \$	1,236,731
	÷ Sales for the 12 months ended	Mcf	199,371
	= Expected Gas Cost (EGC)	\$/Mcf \$	6.2032
<u>B.</u>	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	+ 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 \$	-
<u>C.</u>	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf \$	0.0417
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf \$	(0.0177)
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf \$	(0.0554)
	+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf \$	(0.0328)
	= Actual Adjustment (AA)	\$/Mcf \$	(0.0642)
<u>D.</u>	<u>BALANCE ADJUSTMENT CALCULATION</u>	<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 \$	-
	= Balance Adjustment (BA)	\$/Mcf \$	-

SCHEDULE II

EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended			January 31, 2014		
(1)	(2)	(3)	(4)	(5)**	(6)
Supplier	Dth	Purchases Mcf	Sales Mcf	Rate	(3) X (5) Cost
2/28/2013		20,894	20,729	6.0132	125,638.80
3/31/2013		16,770	15,527	6.0132	100,838.11
4/30/2013		13,985	13,488	6.0132	84,096.34
5/31/2013		4,299	4,137	6.0132	25,850.54
6/30/2013		1,773	1,719	6.0132	10,661.32
7/31/2013		3,382	3,178	6.0132	20,336.48
8/31/2013		1,752	1,701	6.0132	10,535.04
9/30/2013		2,022	1,963	6.0132	12,158.59
10/31/2013		3,040	2,951	6.0132	18,279.98
11/30/2013		11,388	11,131	6.0132	68,477.77
12/31/2013		20,364	19,771	6.0132	122,451.83
1/31/2014		31,058	30,153	6.0132	186,756.47
		205,671	199,371		1,236,730.94

Line loss for 12 months ended January 31, 2014 is 3.0630% based on purchases of
205,671 Mcf and sales of 199,371 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	\$ 1,236,730.94
÷ Mcf Purchases (4)	Mcf	205,671
= Average Expected Cost Per Mcf Purchased	\$/Mcf	\$ 6.0132
x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95)	Mcf	205,671
= Total Expected Gas Cost (to Schedule IA)	\$	\$ 1,236,730.94

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

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

\$6.013 Per Attached Schedule

SCHEDULE III

SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended January 31, 2014

<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	199,371
= Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	0

SCHEDULE IV
ACTUAL ADJUSTMENT

For the 3 month period ended January 31, 2014

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>(Nov 13)</u>	<u>Month 2</u> <u>(Dec 13)</u>	<u>Month 3</u> <u>(Jan 14)</u>
Total Supply Volumes Purchased	Mcf	11,388.0	20,364.0	31,058.0
Total Cost of Volumes Purchased	\$	\$ 57,851.65	\$ 108,540.12	\$ 180,757.00
÷ Total Sales	Mcf	11,131.0	19,771.0	30,153.0
(may not be less than 95% of supply volumes)				
= Unit Cost of Gas	\$/Mcf	\$ 5.1973	\$ 5.4899	\$ 5.9947
- EGC in effect for month	\$/Mcf	\$ 5.5497	\$ 5.5497	\$ 5.5497
= Difference	\$/Mcf	\$ (0.3524)	\$ (0.0598)	\$ 0.4450
[(over-)/Under-Recovery]				
x Actual sales during month	Mcf	11,131.0	19,771.0	30,153.0
= Monthly cost difference	\$	\$ (3,922.06)	\$ (1,183.00)	\$ 13,416.90
		<u>Unit</u>		<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)		\$		\$ 8,311.84
÷ Sales for 12 months ended		Mcf		199,371.2
= Actual Adjustment for the Reporting Period (to Schedule IC.)		\$/Mcf		\$ 0.0417

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 Settle 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
May-14	\$ 4.458	\$ (0.020)	\$ 4.438	1.022	\$ 4.536	\$ 1.500	\$ 6.036
Jun-14	\$ 4.488	\$ (0.102)	\$ 4.386	1.022	\$ 4.482	\$ 1.500	\$ 5.982
Jul-14	\$ 4.526	\$ (0.102)	\$ 4.424	1.022	\$ 4.521	\$ 1.500	\$ 6.021
							<u>\$ 18.039</u>

* Settle price as of **March 19, 2013** taken from NYMEX website
Nymex New Your Mercantile Exchange & www.barchart.com

Average Cost \$ 6.0132

PUBLIC GAS COMPANY

(NAME OF UTILITY)

FOR	<u>Entire Service Area</u>	
PSC KY NO.		<u>1</u>
69th Revised	SHEET NO.	<u>1</u>
CANCELLING PSC KY NO.		<u>1</u>
68th Revised	SHEET NO.	<u>1</u>

Applies to: All Customers
 Rate, Monthly:

	Base Rate	Gas Cost	Rate per Unit (Mcf)
All Mcf	3.0914	6.1390	9.2304

DATE OF ISSUE March 27, 2014

Month / Date / Year

DATE EFFECTIVE May 1, 2014

Month / Date / Year

ISSUED BY \s\ Jessica Gojak

(Signature of Officer)

TITLE Staff Accountant