

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

RECEIVED

JAN 09 2015

**PUBLIC SERVICE
COMMISSION**

January 2, 2015

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 February 1, 2015

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 February 1, 2015. Also included are an original and ten copies of 74th 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 \$5.0371 per MCF of sales.

Sincerely,



Cynthia Lembach
Staff Accountant

Public Gas Company

Quarterly Report of Gas Cost
Recovery Rate Calculation

RECEIVED

JAN 09 2015

PUBLIC SERVICE
COMMISSION

Date Filed: January 2, 2015

Date Rates to be Effective: February 1, 2015

Reporting Period is Calendar Quarter Ended: October 31, 2014

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf \$	4.6713
+ Refund Adjustment (RA)	\$/Mcf \$	-
+ Actual Adjustment (AA)	\$/Mcf \$	0.3658
+ Balance Adjustment (BA)	\$/Mcf \$	-
= Gas Cost Recovery Rate (GCR)	\$/Mcf \$	5.0371

GCR to be effective for service rendered from February 01, 2015 to April 30, 2015

<u>A.</u>	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$ \$	654,265
	÷ Sales for the 12 months ended	Mcf	140,059
	= Expected Gas Cost (EGC)	\$/Mcf \$	4.6713
<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 \$	0.0639
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf \$	0.0394
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf \$	0.2208
	+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf \$	0.0417
	= Actual Adjustment (AA)	\$/Mcf \$	0.3658
<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			October 31, 2014		
(1)	(2)	(3)	(4)	(5)**	(6)
Supplier	Dth	Purchases Mcf	Sales Mcf	Rate	(3) X (5) Cost
11/30/2013		11,388	11,131	4.5890	52,259.71
12/31/2013	9/25/2014	20,364	19,771	4.5890	93,450.71
1/31/2014		31,058	30,153	4.5890	142,525.65
2/28/2014		24,148	24,961	4.5890	110,815.55
3/31/2014		16,128	15,658	4.5890	74,011.64
4/30/2014		12,800	13,851	4.5890	58,739.40
5/31/2014		5,010	4,864	4.5890	22,990.97
6/30/2014		3,304	3,208	4.5890	15,162.11
7/31/2014		9,526	9,249	4.5890	43,714.96
8/31/2014		2,091	2,291	4.5890	9,595.63
9/30/2014		1,956	1,492	4.5890	8,976.11
10/31/2014		4,799	3,430	4.5890	22,022.69
		142,572	140,059		654,265.14

Line loss for 12 months ended October 31, 2014 is 1.7623% based on purchases of
142,572 Mcf and sales of 140,059 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	\$ 654,265.14
÷ Mcf Purchases (4)	Mcf	142,572
= Average Expected Cost Per Mcf Purchased	\$/Mcf	\$ 4.5890
x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95)	Mcf	142,572
= Total Expected Gas Cost (to Schedule IA)	\$	\$ 654,265.14

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

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

\$5.0371 Per Attached Schedule

SCHEDULE III
SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended October 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	140,059
= Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	0

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 3 month period ended October 31, 2014

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>(Aug 14)</u>	<u>Month 2</u> <u>(Sep 14)</u>	<u>Month 3</u> <u>(Oct 14)</u>
Total Supply Volumes Purchased	Mcf	2,091.0	1,956.0	4,799.0
Total Cost of Volumes Purchased	\$	\$ 11,916.42	\$ 11,538.81	\$ 28,458.66
÷ Total Sales	Mcf	2,291.1	1,492.0	3,430.3
(may not be less than 95% of supply volumes)				
= Unit Cost of Gas	\$/Mcf	\$ 5.2012	\$ 7.7338	\$ 8.2963
- EGC in effect for month	\$/Mcf	\$ 5.9555	\$ 5.9555	\$ 5.9555
= Difference	\$/Mcf	\$ (0.7543)	\$ 1.7783	\$ 2.3408
[(over-)/Under-Recovery]				
x Actual sales during month	Mcf	2,291.1	1,492.0	3,430.3
= Monthly cost difference	\$	\$ (1,728.23)	\$ 2,653.20	\$ 8,029.51
		<u>Unit</u>		<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)		\$		\$ 8,954.49
÷ Sales for 12 months ended		Mcf		140,059.4
= Actual Adjustment for the Reporting Period (to Schedule IC.)		\$/Mcf		\$ 0.0639

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

Estimated sales price for the three months ending October 31, 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
Feb-15	\$ 2.889	\$ (0.129)	\$ 2.760	1.117	\$ 3.082	1.500	\$ 4.582
Mar-15	\$ 2.896	\$ (0.150)	\$ 2.746	1.116	\$ 3.064	1.500	\$ 4.564
Apr-15	\$ 2.881	\$ (0.091)	\$ 2.790	1.118	\$ 3.120	1.500	\$ 4.620
							<u>\$ 13.767</u>

* Settle price as of January 2, 2015 taken from NYMEX website
 Nymex New Your Mercantile Exchange & www.barchart.com

Average Cost \$ 4.5890

PUBLIC GAS COMPANY
 (NAME OF UTILITY)

FOR	<u>Entire Service Area</u>	
PSC KY NO.		<u>1</u>
74th Revised	SHEET NO.	<u>1</u>
CANCELLING PSC KY NO.		<u>1</u>
73rd Revised	SHEET NO.	<u>1</u>

Applies to: All Customers
 Rate, Monthly:

	Base Rate	Gas Cost	Rate per Unit (Mcf)
Customer Charge	\$ 10.00		
All Mcf	\$ 3.0914	\$5.0371	\$ 8.1285

DATE OF ISSUE January 2, 2015
Month / Date / Year

DATE EFFECTIVE February 1, 2015
Month / Date / Year

ISSUED BY \s\ Cynthia L Lembach
(Signature of Officer)

TITLE Staff Accountant