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BEFORE THE PUBLIC SERVICE COMMISSION

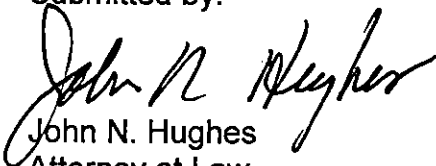
In the Matter of:

PURCHASED GAS ADJUSTMENT
FILING OF SENTRA COPORATION

) CASE NO.
) 2016-00319

SENTRA CORPORATION RESPONSE TO
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION

Submitted by:



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AFFIDAVIT

COMMONWEALTH OF KENTUCKY

COUNTY OF FAYETTE

Affiant, D. Michael Wallen, appearing personally before me a notary public for and of the Commonwealth of Kentucky and after being first sworn, deposes, states, acknowledges, affirms and declares that he is Vice President, that he is authorized to submit this Response on behalf of Sentra Corporation and that the information contained in the Response is true and accurate to the best of his knowledge, information and belief, after a reasonable inquiry and as to those matters that are based on information provided to him, he believes to be true and correct.

D. Michael Wallen

D. Michael Wallen

This instrument was produced, signed, acknowledged and declared by D. Michael Wallen to be his act and deed the 7th day of September, 2016.

Sheila Shacker

Notary Public

Registration Number: 560382

My Commission expires: 7-7-2020

1. Refer to Sentra's Gas Cost Recovery ("GCR") application, Schedule II, Expected Gas Cost ("EGC") calculation.

- a. Confirm that the rates shown in column 5 are from the "High" column of the monthly NYMEX futures rates for September 2016 through August 2017 provided as an attachment to the GCR schedules. Explain why the high futures price was used, and not the average of prices in the High and Low columns.**

WITNESS: Wallen

RESPONSE: Yes, the High column of the monthly NYMEX futures rates were used. This has been changed to the average between the High and Low of the monthly NYMEX futures rates. Please see the corrected attachment.

- b. Confirm that the NYMEX futures prices are reported per MMBtu, and state whether Sentra's reported purchase volumes in Schedule II, column 4 are in Mcf as indicated. If so, provide the Btu factor of Sentra's gas so that the EGC can be correctly calculated.**

WITNESS: Wallen

RESPONSE: Yes, the NYMEX futures prices are reported per MMBtu and column 4 is in Mcf. Please see the change in Schedule II of an added Heat Rate.

- c. Confirm that the GCR rate proposed in this application will be charged only until November 1, 2016, when Sentra's next GCR rates will become effective pursuant to its tariff. If so, confirm that the EGC should be based only on the expected cost of gas for September and October.**

WITNESS: Wallen

RESPONSE: Yes, this GCR rate will only be charged until November 1, 2016 when the next quarter GCR is submitted and approved. The EGC should be based only on the expected cost of gas for September and October.

- d. Explain whether the \$.45 average difference between Greystone and NYMEX prices provided as the last page of the application should be included in the calculation of the EGC on Schedule II. If so, explain why.**

WITNESS: Wallen

Sentra Corporation
PSC Case No. 2016-00319
Response to Attorney General

RESPONSE: Yes, the \$.45 average difference between Greystone and NYMEX prices provided as the last page of the application should be included in the calculation of the EGC on Schedule II because that is a charge Sentra incurs from Greystone. This charge includes: gas cost, firm delivery, daily balancing, and marketing. See attachment included for Greystone Adder of \$.45.

Sentra Corporation

**QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION**

Date Filed: **17-Aug-16**

Date Rates to be Effective: **August 30, 2016**

Reporting Period is Calendar Quarter Ended: **July 31, 2016**

SCHEDULE I
GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	3.0990
+ Refund Adjustment (RA)	\$/Mcf	-
+ Actual Adjustment (AA)	\$/Mcf	#DIV/0!
+ Balance Adjustment (BA)	\$/Mcf	-
= Gas Cost Recovery Rate (GCR)	\$/Mcf	#DIV/0!

GCR to be effective for service rendered from: **** 2016

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	87,939.22
+ Sales for the 12 months ended 7/31/2016	Mcf	28,376.60
- Expected Gas Cost (EGC)	\$/Mcf	3.0990
<u>B. REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Supplier Refund Adjustment for Reporting Period (Sch. 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. ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	#DIV/0!
+ Previous Quarter Reported Actual Adjustment	\$/Mcf	
+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	
+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	
= Actual Adjustment (AA)	\$/Mcf	#DIV/0!
<u>D. 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 Purchase for 12 months ended

07/31/16

(1) <u>Supplier</u>	(2) <u>NYMEX Dth</u>	(3) <u>Heat Rate</u>	(4) <u>Mcf</u>	(5) ** <u>Rate</u>	<u>Greystone</u>	(6) <u>(2) x (5)+(6) Cost</u>
					Adder	
Greystone, LLC	2.6665	1.0000	669.40	2.6665	0.4500	2,086.19
Greystone, LLC	2.6665	1.0000	568.60	2.6665	0.4500	1,772.04
Greystone, LLC	2.6665	1.0000	1,175.50	2.6665	0.4500	3,663.45
Greystone, LLC	2.6665	1.0000	4,352.70	2.6665	0.4500	13,565.19
Greystone, LLC	2.6665	1.0000	1,782.00	2.6665	0.4500	5,553.60
Greystone, LLC	2.6665	1.0000	7,136.30	2.6665	0.4500	22,240.28
Greystone, LLC	2.6665	1.0000	5,943.70	2.6665	0.4500	18,523.54
Greystone, LLC	2.6665	1.0000	3,204.80	2.6665	0.4500	9,987.76
Greystone, LLC	2.6665	1.0000	1,992.90	2.6665	0.4500	6,210.87
Greystone, LLC	2.6665	1.0000	729.70	2.6665	0.4500	2,274.11
Greystone, LLC	2.6665	1.0000	543.60	2.6665	0.4500	1,694.13
Greystone, LLC	2.6665	1.0000	118.10	2.6665	0.4500	368.06
Totals	31.9980		28,217.30			87,939.22

Line losses are 28,217.30 Mcf and sales of 28,376.60 Mcf. -0.56% for 12 months ended 7/31/2016 based on purchases of

	<u>Unit</u>
Total Expected Cost of Purchases (6) (to Schedule IA.)	\$
/ Mcf Purchases (4)	Mcf
= Average Expected Cost Per Mcf Purchased	\$/Mcf
x Allowable Mcf Purchases (not to exceed 5%)	Mcf
= Total Expected Gas Cost	\$

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

SCHEDULE III
SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended

7/31/2016

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	\$ -
+ Interest	\$	\$ -
<hr/>		
= Refund Adjustment including interest	\$	\$ -
+ Sales for 12 months ended <u>7/31/2016</u>	Mcf	<u>28,377</u>
<hr/>		
=Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	\$ -

SCHEDULE IV
ACTUAL ADJUSTMENT

For the 3 month period ended 7/31/2016

This schedule will not be used until new PGA has been used 6 months

<u>Particulars</u>	<u>Unit</u>	Month 1	Month 2	Month 3
Total Supply Volumes Purchased	Mcf	-	-	-
Total Cost of Volumes Purchased	\$			
/ Total Sales	Mcf	-	-	-
<hr/>				
(may not be less than 95% of supply volumes) (G8*0.95)				
= Unit Cost of Gas	\$/Mcf	#DIV/0!	#DIV/0!	#DIV/0!
- EGC in effect for month	\$/Mcf	\$ -	\$ -	\$ -
= Difference	\$/Mcf	#DIV/0!	#DIV/0!	#DIV/0!
[(Over-)/Under-Recovery]				
x Actual sales during month	Mcf	-	-	-
= Monthly cost difference	\$	#DIV/0!	#DIV/0!	#DIV/0!
	<u>Unit</u>	<u>Amount</u>		
Total cost difference (Month 1 + Month 2 + Month 3)	\$	#DIV/0!		
+ Sales for 12 months ended <u>7/31/2016</u>	Mcf	<u>28,377</u>		
= Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	#DIV/0!		

Enter monthly Mcf purchases first
Enter monthly \$ purchases second

Enter EGC that the Commission approved for months 1, 2, and 3

Enter monthly Mcf sales third

SCHEDULE V
BALANCE ADJUSTMENT

Appendix B
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For the 3 month period ended 7/31/2016

Line	Particulars	Unit	Amount
	Utility Gas Management		
(1)	Total cost difference from actual adjustment used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR.		
1		\$	-
2 Less:	Dollars amount resulting from the AA of - \$/MCF as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of 28,377 MCF during the 12 month period the AA was in effect.		
3		\$	0.00
4 Equals:	Balance Adjustment for the AA.	\$	-
(3)	Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.		
5		\$	-
6 Less:	Dollar amount resulting from the RA of - \$/MCF as used to compute the OCR in effect four quarters prior to the effective GCR times the sales of 28,377 MCF during the 12 month period the RA was in effect.		
7		\$	-
8 Equals:	Balance Adjustment for the RA.	\$	-
(3)	Total Balance Adjustment used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.		
9		\$	-
10 Less:	Dollar amount resulting from the BA of - \$/MCF four quarters prior to the effective date of the currently effective GCR times the sales of 28,377 MCF during the 12 month period the BA was in effect.		
11		\$	-
12 Equals:	Balance Adjustment for the BA.	\$	-
13	Total Balance Adjustment Amount (1) + (2) + (3)	\$	0.00
14 Divided By:	Sales for 12 months ended 7/31/2016	\$	28,377
15 Equals:	Balance Adjustment for the Reporting Period (to Schedule ID).	\$/MCF	0.000000