

# Western Lewis-Rectorville Water & Gas



OFFICE  
8044 KY 3161  
Maysville, KY 41056  
(606) 742-0014  
(606) 742-0015  
1-800-230-5740  
(606) 742-0016 Fax

TTD/DEAF, HARD OF HEARING  
SPEECH IMPAIRED PERSONS  
CALL 711  
TTY USERS CALL  
1-800-648-6056  
NON-TTY USERS CALL  
1-800-648-6057

WATER  
TREATMENT PLANT  
8012 Kennedy Creek Rd  
Maysville, KY 41056  
(606) 564-4449  
(606) 564-4414 Fax



RECEIVED

NOV 28 2016

Public Service  
Commission

November 21, 2016

RECEIVED

NOV 28 2016

Public Service  
Commission

Jeff Derouen  
Executive Director  
Public Service Commission  
Post Office Box 615  
211 Sower Boulevard  
Frankfort, Ky. 40602

RE: Case No.  
Western Lewis- Rectorville Water and Gas District  
(Rates- GCR)

Dear Mr. Derouen,

Enclosed is the original plus ten (10) copies of the Gas Cost Recovery Rates to become effective January 01, 2017.

Should additional information be needed, please advise.

Sincerely,

*Pauline Bickley*  
Pauline Bickley  
Senior Office Clerk

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Commission

#### Request for Interim Gas Filings

Western Lewis-Rectorville Water and Gas would like to request having Interim Gas Filings put in our Tariff. Having the ability to do Interim Gas filings would greatly benefit us if our rates suddenly raise or lower from our supplier. Any help with this would be appreciated.

#### Request for negative Actual Adjustment and Balance Adjustment

Western Lewis-Rectorville Water and Gas would like to request for the Commission to allow us for this filing to return the large negative Actual Adjustment and Balance Adjustment over 24 months instead of 12 months to keep our negative AA and negative Balance Adjustment gradually going lower while the EGC is being changed to closer market price.

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF

THE NOTICE OF

GAS COST RECOVERY

FILING OF THE WESTERN LEWIS-RECTORVILLE GAS DISTRICT

CASE NO. 2016

NOTICE OF APPLICATION

YOUR APPLICANT, WESTERN LEWIS-RECTORVILLE GAS DISTRICT ( THE DISTRICT) FOR THE PURPOSE OF COMPLYING WITH RULES AND REGULATIONS OF THE COMMISSION RESPECTFULLY ASSERTS:

1. IT IS A WATER AND GAS DISTRICT DULY ORGANIZED AND EXISTING UNDER THE LAWS OF THE COMMONWEALTH OF KENTUCKY.
2. CORRESPONDENCE AND COMMUNICATION WITH RESPECT OF THIS NOTICE SHOULD BE DIRECTED TO;

PAULINE BICKLEY  
SENIOR OFFICE CLERK  
8044 KY 3161  
MAYSVILLE, KY 41056

2. WESTERN LEWIS-RECTORVILLE GAS DISTRICT GIVES THIS NOTICE TO THE PUBLIC SERVICE COMMISSION OF KENTUCKY PURSUANT TO THE GAS COST RECOVERY CLAUSE IN THE ORDER OF THE COMMISSION, DATED NOVEMBER 30, 1993.
4. THE DISTRICT HEREBY REQUESTS PERMISSION TO ADJUST ITS RATES, DUE TO A CHANGE IN ATMOS ENERGY MARKETING LLC RATES, IN ORDER TO FURTHER COMPLY WITH THE RULES AND REGULATIONS OF THE COMMISSION. THE FOLLOWING EXHIBITS ARE ATTACHED HERETO AND MADE A PART HEREOF.

Company Name

Western Lewis-Rectorville GAS

Quarterly Report of Gas Cost  
Recovery Rate Calculation

Date Filed:

December 1st, 2016

Date Rates to be Effective:

JANUARY 1, 2017

Reporting Period is Calendar Quarter Ended:

September 30, 2016

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	6.6680
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	- 2.9395
+ Balance Adjustment (BA)	\$/Mcf	- 1.1255
= Gas Cost Recovery Rate (GCR)		- 2.6030
GCR to be effective for service rendered from _____		to _____

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	195,844
	÷ Sales for the 12 months ended _____	Mcf	29,371
	= Expected Gas Cost (EGC)	\$/Mcf	6.6680
B.	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Supplier Refund Adjustment for Reporting Period (Sch. III)		
	+ 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.	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	- .0760
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf	- .5278
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	- 1.3108
	+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	- 1.0249
	= Actual Adjustment (AA)	\$/Mcf	- 2.9395
D.	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	- .1583
	+ Previous Quarter Reported Balance Adjustment	\$/Mcf	- .5111
	+ Second Previous Quarter Reported Balance Adjustment	\$/Mcf	- .2477
	+ Third Previous Quarter Reported Balance Adjustment	\$/Mcf	- 1.0244
	= Balance Adjustment (BA)		- 1.1255

SCHEDULE II  
EXPECTED GAS COST

Actual \* MCF Purchases for 12 months ended

(1) Supplier	(2) Dth	(3) BTU Conversion Factor	(4) Mcf	(5)** Rate	(6) (4) X (5) Cost
Atmos Energy	38,648	1084.6	35,326	5.79	223,772

Totals	<u>38,648</u>		<u>35,326</u>		<u>223,772</u>
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Line loss for 12 months ended Sept. 30, 2016 is 16 % based on purchases of  
35,326 Mcf and sales of 29,371 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	223,772
÷ Mcf Purchases (4)	Mcf	<u>35,326</u>
= Average Expected Cost Per Mcf Purchased	\$/Mcf	6.3345
x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95)	Mcf	<u>30,917</u>
= Total Expected Gas Cost (to Schedule IA)	\$	195,844

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

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

SCHEDULE IV  
ACTUAL ADJUSTMENT

For the 3 month period ended

(reporting period)

<u>Particulars</u>	<u>Unit</u>	Month 1 <u>(July)</u>	Month 2 <u>(Aug)</u>	Month 3 <u>(Sept)</u>
Total Supply Volumes Purchased	Mcf	498	1690	696
Total Cost of Volumes Purchased	\$	1974	6478	2725
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf	473	1606	662
= Unit Cost of Gas	\$/Mcf	4.1734	4.0337	4.1164
- EGC in effect for month	\$/Mcf	8.3448	8.3448	8.3448
= Difference [(over-)/Under-Recovery]	\$/Mcf	-4.1714	-4.3111	-4.2284
x Actual sales during month	Mcf	498	357	457
= Monthly cost difference	\$	- 2077	- 1539	- 1932

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	- 5548
÷ Sales for 12 months ended <u>24 months</u>	Mcf	73,026
= Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	- .0760

SCHEDULE V

BALANCE ADJUSTMENT

For the 3 month period ended

(reporting period)

	<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
(1)	Total Cost Difference used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR	\$	- 35,526
	Less: Dollar amount resulting from the AA of - .8160 \$/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 29,371 Mcf during the 12-month period the AA was in effect.	\$	- 23,967
	<b>Equals: Balance Adjustment for the AA.</b>	\$	- 11,559
(2)	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.	\$	
	Less: Dollar amount resulting from the RA 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 Mcf during the 12-month period the RA was in effect.	\$	
	<b>Equals: Balance Adjustment for the RA</b>	\$	
(3)	Total Balance Adjustment used to compute BA of the GCR effective four quarters prior to the effective date of the currently effective GCR	\$	
	Less: Dollar amount resulting from the BA 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 Mcf during the 12-month period the BA was in effect.	\$	
	<b>Equals: Balance Adjustment for the BA.</b>	\$	
	Total Balance Adjustment Amount (1) + (2) + (3)		\$ - 11,559
	÷ Sales for 12 months ended <u>24 months</u>	Mcf	93,026
=	Balance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	- .1583



<b>2017 1st Quarter Price Projections</b>			
<b>Prepared for Western Lewis Rectorville by Atmos Energy Marketing</b>			
<b>Month</b>	<b>Expected Usage</b>	<b>Total Amount Due</b>	<b>WACOG</b>
Jan-17	9,700	\$57,876.42	\$5.97
Feb-17	8,000	\$43,929.10	\$5.49
Mar-17	5,700	\$33,758.51	\$5.92
<b>Quarter Average</b>	<b>7,800</b>	<b>\$45,188.01</b>	<b>\$5.79</b>