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Betsy Layne, KY 41605
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May 21st, 2018

Mr. Matthew Baer
Kentucky Public Service Commission
PO Box 615
211 Sower Blvd
Frankfort, KY 40602

RECEIVED

MAY 23 2018

PUBLIC SERVICE
COMMISSION

Mr. Baer,

Pursuant to Public Service Commission Order in Case No. 2015-00367, B&H Gas Company ("B&H") encloses, for filing with the Commission an original and ten (10) copies of data submitted pursuant to the requirements of the Gas Cost Adjustment Provision contained in B&H's tariff for its June quarterly Gas Cost Adjustment ("GCA").

B&H proposes to increase its current rates to tariff sales customers by (\$1.0544) per Mcf effective with its July 2018 billing cycle on July 1st, 2018.

Please feel free to contact me at (606)478-5851 or bandhgas@mikrotec.com if there are any questions.

Sincerely,

Bud Rife
President

A handwritten signature in black ink, appearing to read "Bud Rife", with a long horizontal flourish extending to the right.

Enclosures

Company Name
B&H Gas Company

Quarterly Report of Gas Cost
Recovery Rate Calculation

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MAY 23 2018

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Date Filed:

May 21st, 2018

Date Rates to be Effective:

July 1st, 2018

Reporting Period is Calendar Quarter Ended:

March 31st, 2017

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	6.7287
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	
+ Balance Adjustment (BA)	\$/Mcf	
= Gas Cost Recovery Rate (GCR)		<u>6.7287</u>
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)	\$	<u>107,955.26</u>
÷	Sales for the 12 months ended _____	Mcf	<u>15,742</u>
=	Expected Gas Cost (EGC)	\$/Mcf	<u>6.8578</u>
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	
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	
=	Actual Adjustment (AA)	\$/Mcf	
D.	<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 March 31, 2018

(1) Supplier	(2) Dth	(3) BTU Conversion Factor	(4) Mcf	(5)** Rate	(6) (4) X (5) Cost
B&S Oil + Gas		1.357	16,044	\$6.7287	\$107,955.26

Totals			<u>16,044</u>		<u>\$107,955.26</u>
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Line loss for 12 months ended Mar. 31, 2018 is 1% based on purchases of 16,044 Mcf and sales of 15,742 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	107,955.26
÷ Mcf Purchases (4)	Mcf	16,044
= Average Expected Cost Per Mcf Purchased	\$/Mcf	6.7287
x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95)	Mcf	16,044
= Total Expected Gas Cost (to Schedule IA)	\$	107,955.26

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

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

B&H Gas Gas Cost Adjustment			
Columbia's IUS			
PSC Case #	IUS Rate	B&H BTU Factor	Total
<i>2018-00150</i>	<i>\$6.5320</i>	<i>1.357</i>	\$8.8639
+			
People's GCA			
PSC Case #	EGC Rate	B&H BTU Factor	Total
<i>2017-00578</i>	<i>\$4.1718</i>	<i>1.357</i>	\$5.6611
			X2
1/3 of Columbia's IUS + 2x People's GCA			
B&H Gas Gas Cost Adjustment Rate			\$6.7287