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February 25, 2020

Kentucky Public Service Commission
PO Box 615
211 Sower Blvd
Frankfort, KY 40602

RECEIVED

FEB 27 2020

PUBLIC SERVICE
COMMISSION

To Whom it May Concern,

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 February quarterly Gas Cost Adjustment ("GCA").

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

Sincerely,

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

Bud Rife, President
B&H GAS COMPANY INC

Enclosures

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FEB 27 2020

PUBLIC SERVICE
COMMISSION

B & H Gas Company

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

Date Filed: **February 25, 2020**

Date Rates to be Effective: **April 1, 2020**

Reporting Period is Calendar Quarter Ended: **December 31, 2019**

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$4.5680
Refund Adjustment (RA)	\$/Mcf	
Actual Adjustment (AA)	\$/Mcf	
Balance Adjustment (BA)	\$/Mcf	
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$4.5680

Rates to be effective for service rendered from April 1, 2020

<u>A. EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$70,392.43
/Sales for the 12 months ended December 31, 2019	\$/Mcf	15,410
Expected Gas Cost	\$/Mcf	\$4.5680
<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 (Sch 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	
<u>D. BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch 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		<u>December 31, 2019</u>			
(1)	(2)	(3)	(4)	(5)	(6)
Supplier	Dth	Btu Conversion Factor	Mcf	Rate	(4) x (5) Cost
B&S Oil / Gas		1.357	16,075	\$4.3790	\$70,392.43

Totals			16,075		\$70,392.43
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Line loss for 12 months ended December 31, 2019 is based on purchases of 16,075 Mcf
and sales of 15,410 Mcf. 4.14%

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$70,392.43
/ Mcf Purchases (4)		16,075.00
= Average Expected Cost Per Mcf Purchased		\$4.3790
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		16,075.00
= Total Expected Gas Cost (to Schedule IA)		\$70,392.43

SCHEDULE III

B&H RATE CALCULATION AS REQUIRED IN CASE NO. 2015-00367

Average of twice Peoples rate and Columbia rate: **4.3790**

(a) B&H Heat Rate: 1.357

Columbia's Most Recent GCA Case: 2020-00029

(b) Columbia IUS Rate: 4.5883

(c) Columbia Heat Rate: 1.1010

(d) Columbia Heat Rate Differential: (a/c) 1.2325

(e) Columbia Heat Adjusted Price: (b*d) 5.6551

Peoples' Most Recent GCA Case: 2019-00341

(f) Peoples' Expected Gas Cost 3.3770

(g) Peoples' Purchase Volumes Dth 249,768

(h) Peoples' Purchase Volumes Mcf 203,892

(i) Peoples' Heat Rate: (g/h) 1.2250

(j) Peoples' Heat Rate Differential: (a/i) 1.107755

(k) Peoples' Heat Adjusted Price: (f*j) 3.7409

(Twice) Peoples' Heat Adjusted Price 3.7409

3.7409

Columbia's Heat Adjusted Price 5.6551

Price Average 4.3790