

2007-00264

Jefferson Gas, LLC
220 Lexington Green, Bldg 2, Suite 130
P.O. Box 24032
Lexington, KY 40524-4032
Tele (859) 245-8193

RECEIVED
JUN 29 2007
PUBLIC SERVICE
COMMISSION

June 28, 2007

Ms. Beth O'Donnell
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

FILED
JUN 29 2007
PUBLIC SERVICE
COMMISSION

RE: Jefferson Gas, LLC
Case No.
GCR Filing Proposed to Become
Effective August 1, 2007

Dear Ms. O'Donnell:

Enclosed are an original and five copies of Jefferson Gas Transmission's Gas Cost Recovery (GCR) filing for rates proposed to become effective August 1, 2007. Also included are an original and five copies of 27th revised sheet No. 1 of Jefferson'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 \$6.1948 per MCF of sales.

Sincerely,



Bert R. Layne

Jefferson Gas, LLC

Quarterly Report of Gas Cost
Recovery Rate Calculation

Date Filed: June 28, 2007

Date Rates to be Effective: August 1, 2007

Reporting Period is Calendar Quarter Ended: October 31, 2007

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	6.0940
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	.1008
+ Balance Adjustment (BA)	\$/Mcf	
= Gas Cost Recovery Rate (GCR)		<u>6.1948</u>

GCR to be effective for service rendered from August 1, 2007 to October 31, 2007

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	
÷	Sales for the 12 months ended	Mcf	
=	Expected Gas Cost (EGC)	\$/Mcf	
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	.3415
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	(.1627)
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0287)
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0493)
=	Actual Adjustment (AA)	\$/Mcf	<u>.1008</u>
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)		

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
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Totals _____

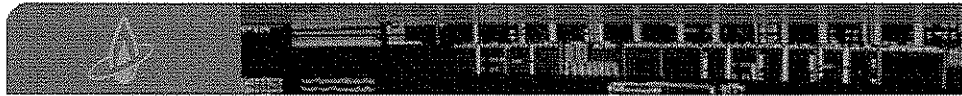
Line loss for 12 months ended _____ is _____ % based on purchases of _____ Mcf and sales of _____ Mcf.

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

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

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

\$6.094 Per Attached Schedule



REGULATORY ENVIRONMENT
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Natural Gas

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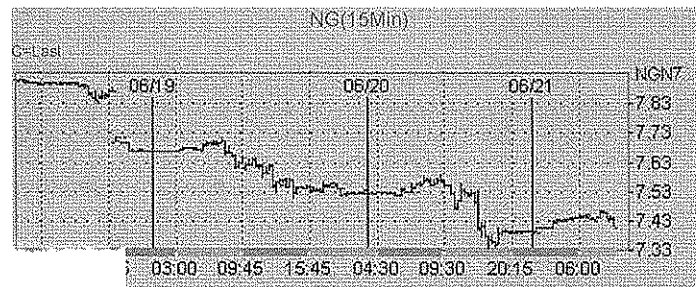
- Market Data
- Current Session Overview
- Current Expanded Table
- Previous Session Overview
- Previous Expanded Table
- Squawk Box
- Contract Detail
- Description
- Specifications
- Margins
- Termination Schedule
- Request for Information
- Exchange for Futures for Swaps (EFS)

6/21/2007 Session Overview

	Last	Open High	Open Low	High	Low	Most Recent Settle	Change
July 2007	7.418	7.400	7.380	7.463	7.379	7.391	+0.027
Aug 2007	7.548	7.515	7.510	7.590	7.510	7.519	+0.029
Sep 2007	7.635	n/a	7.605	7.664	7.594	7.598	+0.037
Oct 2007	7.767	n/a	7.730	7.799	7.727	7.736	+0.031
Nov 2007	8.517	n/a	8.550	8.550	8.505	8.506	+0.011
Dec 2007	9.270	n/a	9.298	9.314	9.248	9.286	-0.016

View all contract months, volume, and open interest
 View real-time market data and charts

15 Minute Intraday Chart (Delayed Data)



Margins

Non-Member Customer Initial	1st nearby: \$6,750
Member Customer Initial	1st nearby: \$5,500
Clearing Member and Customer Maintenance	1st nearby: \$5,000

Quotes - N7

Last	7.418
Change	0.03
Previous	7.418
Most recent settle	7.391
High	7.463
Open Interest	49755
Low	7.379
Volume	3907

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7.5190 +
 7.5980 +
 7.7360 +
 22.8530 *

 22.8530 ÷
 3.0000 =
 7.6176 +

 7.6176 *

 7.6176 ×
 0.8000 =
 6.0940 +

 6.0940 *

SCHEDULE III
SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended _____

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

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 3 month period ended

April 30, 2007

<u>Particulars</u>	<u>Unit</u>	<u>Month 1 (Feb 07)</u>	<u>Month 2 (Mar 07)</u>	<u>Month 3 (Apr 07)</u>
Total Supply Volumes Purchased	Mcf	4,890	2,373	1,861
Total Cost of Volumes Purchased	\$	27,775.20	14,499.03	11,724.30
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf	4,890	2,373	1,861
= Unit Cost of Gas	\$/Mcf	5.680	6.110	6.300
- EGC in effect for month	\$/Mcf	5.099	5.099	5.099
= Difference [(over-)/Under-Recovery]	\$/Mcf	0.581	1.011	1.201
x Actual sales during month	Mcf	4,890	2,373	1,861
= Monthly cost difference	\$	2,841.09	2,399.10	2,235.06

Total cost difference (Month 1 + Month 2 + Month 3)	<u>Unit</u>	<u>Amount</u>
	\$	7,475.25
÷ Sales for 12 months ended <u>March 31, 2007</u>	Mcf	21,892
= Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	.3415

Jefferson Gas, LLC

MCFs Sold Last 12 Months

04/30/06	1,042
05/31/06	928
06/30/06	599
07/31/06	292
08/31/06	389
09/30/06	381
10/31/06	1,271
11/30/06	2,676
12/31/06	3,121
01/31/07	3,930
02/28/07	4,890
03/31/07	2,373
	21,892

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	\$	
	Less: Dollar 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 _____ Mcf during the 12-month period the AA was in effect.	\$	
	Equals: Balance Adjustment for the AA.	\$	_____
(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.	\$	
	Equals: Balance Adjustment for the RA	\$	_____
(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.	\$	
	Equals: Balance Adjustment for the BA.	\$	_____
	Total Balance Adjustment Amount (1) + (2) + (3)	\$	_____
÷	Sales for 12 months ended _____	Mcf	_____
=	Balance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	

FOR Entire Service Area
 Community, Town or City 1
 P.S.C. KY. NO. _____
 27th Revised SHEET NO. 1
 CANCELLING P.S.C. KY. NO. _____
 26th Revised SHEET NO. 1

Jefferson Gas, LLC
 (Name of Utility)

RATES AND CHARGES

Applies to: All Customers

Rate, Monthly:

			Base Rate	Gas Cost	Rate per Unit (Mcf)
First	0 to 1 Mcf	Minimum Bill	3.8900	6.1948	10.0848
All Over	1 Mcf		2.2600	6.1948	8.4548

DATE OF ISSUE June 28, 2007

Month / Date / Year

DATE EFFECTIVE August 1, 2007

Month / Date / Year

ISSUED BY Bert R. Layne

(Signature of Officer)

TITLE Treasurer

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____