

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

September 26, 2008

Ms. Stephanie Stumbo
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

RECEIVED

SEP 29 2008

PUBLIC SERVICE
COMMISSION

RE: Jefferson Gas, LLC
Case No.
GCR Filing Proposed to Become
Effective November 1, 2008

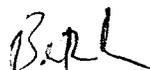
Dear Ms. Stumbo:

2008 - 398

Enclosed are an original and five copies of Jefferson Gas Transmission's Gas Cost Recovery (GCR) filing for rates proposed to become effective November 1, 2008. Also included are an original and five copies of 32nd 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 \$7.2612 per MCF of sales.

Sincerely,



Bert R. Layne

Jefferson Gas, LLC

Quarterly Report of Gas Cost
Recovery Rate Calculation

Date Filed: September 26, 2008

Date Rates to be Effective: November 1, 2008

Reporting Period is Calendar Quarter Ended: January 31, 2009

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	6.7448
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	.5164
+ Balance Adjustment (BA)	\$/Mcf	
= Gas Cost Recovery Rate (GCR)		7.2612

GCR to be effective for service rendered from November 1, 2008 to January 31, 2009

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	.0585
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	.4093
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	.0785
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0299)
=	Actual Adjustment (AA)	\$/Mcf	.5164

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)	(2)	(3)	(4)	(5)**	(6)
Supplier	Dth	BTU Conversion Factor	Mcf	Rate	(4) X (5) Cost

Totals _____

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

	Unit	Amount
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.

\$6.7448 Per Attached Schedule

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Natural Gas

Physical

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

9/24/2008 Session Overview

	Last	Open High	Open Low	High	Low	Most Recent Settle	Change
Oct 2008	8.138	n/a	8.015	8.160	8.009	7.931	+0.207
Nov 2008	8.337	n/a	8.247	8.356	8.205	8.144	+0.193
Dec 2008	8.640	n/a	8.569	8.656	8.569	8.476	+0.164
Jan 2009	8.841	n/a	8.771	8.841	8.771	8.673	+0.168
Feb 2009	8.870	n/a	8.870	8.870	8.870	8.685	+0.185
Mar 2009	8.724	n/a	8.650	8.724	8.650	8.545	+0.179

Margins

Non-Member Customer Initial	Tier 1: \$12,825
Member Customer Initial	Tier 1: \$10,450
Clearing Member and Customer Maintenance	Tier 1: \$9,500

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

15 Minute Intraday Chart (Delayed Data)

NG(15Min)



Quotes - VS

Last	8.138
Change	0.21
Previous	8.138
Most recent settle	7.931
High	8.160
Open Interest	52655
Low	8.009
Volume	2035

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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/>	<hr/>
= Refund Adjustment including interest	\$	
÷ Sales for 12 months ended	Mcf	
<hr/>	<hr/>	<hr/>
= Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	

SCHEDULE IV
ACTUAL ADJUSTMENT

For the 3 month period ended July 31, 2008

<u>Particulars</u>	<u>Unit</u>	<u>Month 1 (May 08)</u>	<u>Month 2 (Jun 08)</u>	<u>Month 3 (Jul 08)</u>
Total Supply Volumes Purchased	Mcf	773	278	318
Total Cost of Volumes Purchased	\$	\$6,508.66	\$2,424.16	\$2,792.04
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf	773	278	318
= Unit Cost of Gas	\$/Mcf	8.4200	8.7200	8.7800
- EGC in effect for month	\$/Mcf	7.6148	7.6148	7.6148
= Difference [(over-)/Under-Recovery]	\$/Mcf	.8052	1.1052	1.1652
x Actual sales during month	Mcf	773	278	318
= Monthly cost difference	\$	622.42	307.25	370.53

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	1,300.20
÷ Sales for 12 months ended <u>June 30, 2008</u>	Mcf	22,188
= Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	.0585

Jefferson Gas, LLC

MCFs Sold Last 12 Months

07/31/07	350
08/31/07	244
09/30/07	266
10/31/07	437
11/30/07	2,232
12/31/07	3,222
01/31/08	5,379
02/29/08	4,211
03/31/08	3,296
04/30/08	1,500
05/31/08	773
06/30/08	278

22,188

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

P.S.C. KY. NO. _____

32nd Revised SHEET NO. 1

CANCELLING P.S.C. KY. NO. _____

31st 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	7.2612	11.1512
All Over	1 Mcf		2.2600	7.2612	9.5212

DATE OF ISSUE September 26, 2008
Month / Date / Year

DATE EFFECTIVE November 1, 2008
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 _____