

JOHNSON COUNTY GAS COMPANY

P. O. Box 339
Harold, KY 41635
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February 25, 2008

Ms. Beth O'Donnell
Executive Director Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, KY 40602-0615

RECEIVED

FEB 26 2008

PUBLIC SERVICE
COMMISSION

Dear Ms. O'Donnell;

CASE NO. 2008-00067

Please find enclosed one original and three copies Johnson County Gas Company's proposed Gas Cost Recovery Rate (GCR) and supporting calculations for the three month period from April 1, 2008 through June 30, 2008.

Johnson County Gas Company respectfully requests that the Commission approve the enclosed GCR.

Sincerely,



Bud Rife

Enclosures
br/db

APPENDIX B
RECEIVED

FEB 26 2008

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

**PUBLIC SERVICE
 COMMISSION**

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	\$9.7995
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	(\$3.8417)
Balance Adjustment (BA)	\$/Mcf	(\$0.0382)
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$5.9196

to be effective for service rendered from.

A. EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$162,624.18
/Sales for the 12 months ended	\$/Mcf	16,595.23
Expected Gas Cost	\$/Mcf	\$9.7995

B. REFUND ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Supplier Refund Adjustment for Reporting Period (Sch III)	\$/Mcf	\$0.0000
+Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$0.0000
+Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$0.0000
+Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$0.0000
=Refund Adjustment (RA)	\$/Mcf	\$0.0000

C. ACTUAL ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Sch IV)	\$/Mcf	(\$0.8164)
+Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$3.0253)
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	
=Actual Adjustment (AA)	\$/Mcf	(\$3.8417)

D. BALANCE ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	\$0.0000
+Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0382)
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	
=Balance Adjustment (BA)	\$/Mcf	(\$0.0382)

SCHEDULE II
EXPECTED GAS COST

Actual Mcf Purchases for 12 months ended January 31, 2008

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5) Rate	(6) (4) x (5) Cost
Constellation New Energy	11,365	1.025	11,088	\$9.74	\$110,695.10
Equitable Resources	3,496	1.025	3,411	\$9.7300	\$34,016.08
Bradeco Oil Company			2,559.00	\$7.0000	\$17,913.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
Totals			17,058		\$162,624.18

Line loss for 12 months ended 1/31/2008 is based on purchases of 17,058.00
and sales of 16,595.23 Mcf. 2.71%

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)		\$162,624.18
/ Mcf Purchases (4)		17,058
= Average Expected Cost Per Mcf Purchased		\$9.5336
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)		17,058.00
= Total Expected Gas Cost (to Schedule IA)		\$162,624.18

SCHEDULE III

SUPPLIER REFUND ADJUSTMENT

Description		Unit	Amount
Supplier Refunds Received during 2 Month Period	2007	\$	
Interest Factor (90 Day Commercial Paper Rate)			
Refunds Including Interest		\$	\$0.00
Divided by 12 Month Projected Sales Ended	2008	Mcf	16,595.23
Current Supplier Refund Adjustment			0

APPENDIX B

SCHEDULE IV

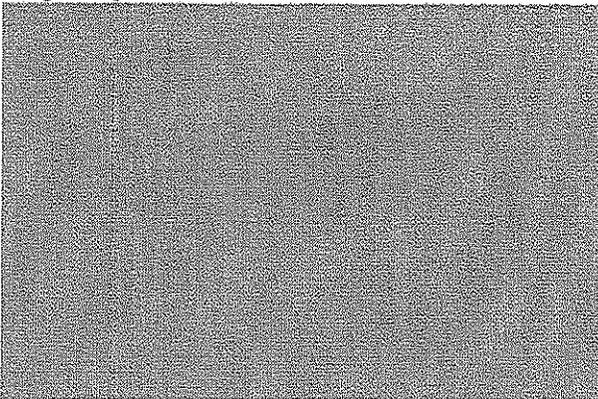
ACTUAL ADJUSTMENT

For the 12 month period ended 1/31/2008

Particulars	Unit	Sept '07	Oct '07	Nov '07	Dec '07	Jan '07
Total Supply Volumes Purchased	Mcf	174	759	1402	1744	1504
Total Cost of Volumes Purchased	\$	\$1,123.59	\$5,365.80	\$11,177.64	\$14,076.78	\$12,830.32
/ Total Sales *	Mcf	165.3	721.1	1,331.9	1,656.8	2,010.0
= Unit Cost of Gas	\$/Mcf	\$6.7973	\$7.4416	\$8.3923	\$8.4964	\$6.3832
- EGC in Effect for Month	\$/Mcf	\$11.6633	\$11.6630	\$11.6633	\$11.6633	\$8.9983
= Difference	\$/Mcf	(\$4.8660)	(\$4.2214)	(\$3.2710)	(\$3.1669)	(\$2.6151)
x Actual Sales during Month	Mcf	156.0	155.0	514.0	1,641.0	2,010.0
= Monthly Cost Difference	\$	(\$759.10)	(\$654.31)	(\$1,681.32)	(\$5,196.94)	(\$5,256.26)
Total Cost Difference--Sept 07-Dec 07			\$	(\$13,547.93)		
/ Sales for 12 months ended			Mcf	16,595.2		
= Actual Adjustment for the Reporting Period (to Sch IC)				(\$0.8164)		

* May not be less than 95% of supply volume

Case No.

Effective Date	Mcf Sales	Factor	Refunded	Balance	
Beginning Balance					
				\$0.00	\$0
				\$0.00	\$0
				\$0.00	\$0
				\$0.00	\$0
				\$0.00	\$0
				\$0.00	\$0
				\$0.00	\$0
				\$0.00	\$0
				\$0.00	\$0
				\$0.00	\$0
				\$0.00	\$0
				\$0.00	\$0
				\$0.00	\$0

Under/(Over) Recovery \$0
Mcf Sales for factor 16,595
BA Factor \$0.0000

P.S.C. Ky. No.

Cancels P.S.C. Ky. No. 2007-00491

Johnson County Gas Company

Of

Harold, Kentucky 41635

Rates, Rules and Regulations for Furnishing Gas

At

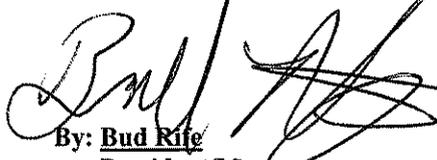
Meally, Van Lear, East Point and Hager Hill

**Filed With Public Service Commission
Of Kentucky**

Issued March 1, 2008

Effective April 1, 2008

Issued By: Johnson County Gas Company


**By: Bud Rife
President/Manager**

Van Lear, Hager Hill,
East Point, and Meally

P.S.C. NO.

CANCELLING P.S.C. NO. 2007-00491

Johnson County Gas Company

CLASSIFICATION OF SERVICE

Proposed Rates:

Residential

	Base Rate	Gas Cost Recovery	Total Rate
First Mcf (minimum bill)	\$6.9542	\$5.9196	\$12.8738
All over 1 Mcf	\$5.9542	\$5.9196	\$11.8738

Commercial

All Mcf	\$6.3042	\$5.9196	\$12.2238
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DATE OF ISSUE March 1, 2008

DATE EFFECTIVE April 1, 2008

ISSUED BY Bud Rife, President/Manager P. O. Box 339 Harold, KY 41635

Issued by authority of an Order of the Public Service Commission of