

COW CREEK GAS INC.

**347 THOMPSON RD
PIKEVILLE KY 41501**

PH 606-437-6147

FAX 606-437-6040

RECEIVED

DEC 11 2009

PUBLIC SERVICE
COMMISSION

November 25, 2009

**Mr. Jeff Derouen
Public Service Commission
P. O. Box 615
211 Sower Blvd.
Frankfort, KY 40602**

**RE: Cow Creek Gas, Inc.
GCA Filing**

2009-00471

Mr. Derouen:

Enclosed is the GCA filing for the portion of the system of Cow Creek Gas, Inc. ("Cow Creek") that was formerly served by Sigma Gas Corporation ("Sigma"). This GCA is filed pursuant to the Sigma tariff adopted by Cow Creek pursuant to the Commission's Order in Case No. 2007-00419. I have enclosed ten copies for filing.

If you have any questions, please contact us at the above number.

Sincerely,



**Peggy S. Pinion
Controller**

Enclosure

Cow Creek Gas, Inc.

Quarterly Report of Gas Cost
Recovery Rate Calculation

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DEC 11 2009
PUBLIC SERVICE
COMMISSION

Date Filed:

November 25, 2009

Date Rates to be Effective:

January 1, 2010

Reporting Period is Calendar Quarter Ended:

September 30, 2009

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	7.23133
+ Refund Adjustment (RA)	\$/Mcf	0
+ Actual Adjustment (AA)	\$/Mcf	0.32249
+ Balance Adjustment (BA)	\$/Mcf	0.0000
= Gas Cost Recovery Rate (GCR)		7.55382

GCR to be effective for service rendered from January 1, 2010 to April 1, 2010

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	273,091.13
÷	Sales for the 12 months ended <u>September 30, 2009</u>	Mcf	37,765
=	Expected Gas Cost (EGC)	\$/Mcf	7.23133

B.	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Supplier Refund Adjustment for Reporting Period (Sch.III)		0
+	Previous Quarter Supplier Refund Adjustment	\$/Mcf	0
+	Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	0
+	Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	0
=	Refund Adjustment (RA)	\$/Mcf	0

C.	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	0.01190
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	0.03816
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	0.17713
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	0.09530
=	Actual Adjustment (AA)	\$/Mcf	0.32249

D.	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	0.0000
+	Previous Quarter Reported Balance Adjustment	\$/Mcf	0
+	Second Previous Quarter Reported Balance Adjustment	\$/Mcf	0
+	Third Previous Quarter Reported Balance Adjustment	\$/Mcf	0
=	Balance Adjustment (BA)		0.0000

SCHEDULE II
EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended September 30, 2009

(1) Supplier	(2) Dth	(3) BTU Conversion Factor	(4) Mcf	(5)** Rate	(6) (4) X (5) Cost
DLR Enterprises	1,315	1.0	1,315	6.936	\$ 9,120.84
DLR Enterprises	3,587	1.0	3,587	6.936	24,879.43
DLR Enterprises	6,170	1.0	6,170	6.936	42,795.12
DLR Enterprises	8,545	1.0	8,545	6.936	59,268.12
DLR Enterprises	7,981	1.0	7,981	6.936	55,356.22
DLR Enterprises	5,479	1.0	5,479	6.936	38,002.34
DLR Enterprises	3,018	1.0	3,018	6.936	20,932.85
DLR Enterprises	1,096	1.0	1,096	6.936	7,601.86
DLR Enterprises	730	1.0	730	6.936	5,063.28
DLR Enterprises	483	1.0	483	6.936	3,350.09
DLR Enterprises	500	1.0	500	6.936	3,468.00
DLR Enterprises	469	1.0	469	6.936	3,252.98

Totals	<u>39,373</u>		<u>39,373</u>		<u>273,091.13</u>
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Line loss for 12 months ended September 30, 2009 is 4.08% based on purchases of
39,373 Mcf and sales of 37,765 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.

SCHEDULE III
SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended _____ Not Applicable _____

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

SCHEDULE IV

ACTUAL ADJUSTMENT

For the 3 month period ended September 30, 2009

<u>Particulars</u>	<u>Unit</u>	<u>Month 1 (July)</u>	<u>Month 2 (August)</u>	<u>Month 3 (September)</u>
Total Supply Volumes Purchased	Mcf	483	500	469
Total Cost of Volumes Purchased	\$	3,545.50	3,668.35	3,440.91
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf	464	478	449
= Unit Cost of Gas	\$/Mcf	7.6412	7.6744	7.6635
- EGC in effect for month	\$/Mcf	7.3367	7.3367	7.3367
= Difference [(over-)/Under-Recovery]	\$/Mcf	0.3045	0.3377	0.3268
x Actual sales during month	Mcf	464	478	449
= Monthly cost difference	\$	141.25	161.42	146.73
			<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)			\$	449.44
÷ Sales for 12 months ended <u>September 30, 2009</u>			Mcf	37,765
= Actual Adjustment for the Reporting Period (to Schedule IC.)			\$/Mcf	0.01190

SCHEDULE V
BALANCE ADJUSTMENT

For the 3 month period ended September 30, 2009

	<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	\$	-22.96
	Less: Dollar amount resulting from the AA of <u>0.0006</u> \$/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 <u>37,765</u> Mcf during the 12-month period the AA Was in effect.	\$	22.66
	Equals: Balance Adjustment for the AA.	\$	<u>-0.30</u>
(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 <u>0</u> \$/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 <u>37,765</u> Mcf during the 12-month period the RA was in effect.	\$	0
	Equals: Balance Adjustment for the RA	\$	<u>0</u>
(3)	Total Balance Adjustment used to compute BA of the GCR effective four quarters prior to the effective date of the currently effective GCR	\$	0
	Less: Dollar amount resulting from the BA of <u>0</u> \$/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 <u>37,765</u> Mcf during the 12-month period the BA was in effect.	\$	0
	Equals: Balance Adjustment for the BA.	\$	<u>0</u>
	Total Balance Adjustment Amount (1) + (2) + (3)	\$	<u>-0.30</u>
÷	Sales for 12 months ended <u>September 30, 2009</u>	Mcf	<u>37,765</u>
=	Balance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	0.0000

Estimated Gas Cost Computation per MCF

	Quarter Beginning:	10/1/2009
	Quarter Ending:	12/31/2009
Monthly delivery contracts settle price on 1st day of month prior to beginning of quarter:		
NYMEX settle price on August 14, 2009 for gas sold in October 2009	\$	3.683
NYMEX settle price on August 14, 2009 for gas sold in November 2009		4.525
NYMEX settle price on August 14, 2009 for gas sold in December 2009		5.318
Average Est. NYMEX settle price as of November 23, 2009		4.509
Add: Transportation charge per MCF		<u>2.000</u>
Estimated gas cost computation per MCF	\$	<u><u>6.509</u></u>