

Auxier Road Gas Company, Inc.

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OCTOBER 26, 2011

JEFF DEROUEN, EXE DIRECTOR
PUBLIC SERVICE COMMISSION
P O BOX 615
FRANKFORT, KY 40602

RECEIVED

OCT 28 2011

PUBLIC SERVICE
COMMISSION

DEAR SIR,

PLEASE FIND ENCLOSED THE GAS COST RECOVERY FOR DECEMBER 1, 2011.
IF YOU HAVE ANY QUESTIONS, PLEASE LET US KNOW.

SINCERELY


KIMBERLY R CRISP
ACCOUNTANT

Auxier Rd Gas Co

QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

Date Filed:

October 26, 2011

Date Rates to be Effective:

December 1, 2011

Reporting Period is Calendar Quarter Ended:

September 30, 2011

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	6.0330
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	(1.9558)
+ Balance Adjustment (BA)	\$/Mcf	
= Gas Cost Recovery Rate (GCR)	\$/Mcf	<u>5.0772</u>

R to be effective for service rendered from Dec 1, 2011 to Dec 31, 2011.

EXPECTED GAS COST CALCULATION

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)	\$	641384
Sales for the 12 months ended <u>Sept 30, 2011</u>	Mcf	<u>106312</u>
Expected Gas Cost (EGC)	\$/Mcf	6.0330

REFUND ADJUSTMENT CALCULATION

	<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> </u>

ACTUAL ADJUSTMENT CALCULATION

	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	(1.0823) (1.1962)
Previous Quarter Reported Actual Adjustment	\$/Mcf	(1.0129) (1.0670)
Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(1.0049) (1.1334)
Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(1.0656) (1.0543)
Actual Adjustment (AA)	\$/Mcf	(1.1684) (1.1626)
	\$/Mcf	<u>(1.0186) (1.0594)</u>
		(1.9558)

BALANCE ADJUSTMENT CALCULATION

	<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)	\$/Mcf	<u> </u>

SCHEDULE II
EXPECTED GAS COST

Actual* Mcf Purchases for 12 months ended September 30, 2011

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5)** Rate	(6) (4)x(5) Cost
CumBentand Resources			98395	5.8861	579163
AET-KARIS			4200	3.10	13020
Chesapeake			4562	6.54	29835
NYTIS Exploration			9136	4.38	40016
Chesapeake (UnderBilled)			5545	6.54	36264
Totals			<u>121838</u>		<u>698298</u>

Line loss for 12 months ended Sept 30, 2011 is 12.7% based on purchases of 121838 Mcf and sales of 106312 Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	698298
<u>Mcf Purchases (4)</u>	Mcf	<u>121838</u>
Average Expected Cost Per Mcf Purchased	\$/Mcf	5.7314
<u>Allowable Mcf purchases (must not exceed Mcf sales + .95)</u>	Mcf	<u>111907</u>
Total Expected Gas Cost (to Schedule IA.)	\$	641384

Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.
Supplier's tariff sheets or notices are attached.

SCHEDULE IV
ACTUAL ADJUSTMENT

For the 3 month period ended September 30, 2011

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>(Sept)</u>	<u>Month 2</u> <u>()</u>	<u>Month 3</u> <u>()</u>
Total Supply Volumes Purchased	Mcf	3622		
Total Cost of Volumes Purchased	\$	17974		
Total Sales (may not be less than 95% of supply volumes)	Mcf	4425		
<u>Unit Cost of Gas</u>	<u>\$/Mcf</u>	4.0619		
<u>EGC in effect for month</u>	<u>\$/Mcf</u>	6.0389		
Difference [(Over-)/Under-Recovery]	<u>\$/Mcf</u>	(1.977)		
<u>Actual sales during month</u>	<u>Mcf</u>	4425		
Monthly cost difference	\$	(8748)		

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	(8748)
Sales for 12 months ended <u>September 30, 2011</u>	Mcf	106312
Actual Adjustment for the Reporting Period (to Schedule IC.)	<u>\$/Mcf</u>	<u>(.0823)</u>

SCHEDULE V
BALANCE ADJUSTMENT

For the 3 month period ended _____

<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	_____

	<u>Base Rate</u>	<u>Gas Cost Rec</u>	<u>TOTAL</u>
First MCE (minimum bill)	6.36	5.0772	11.4372
ALL Over First MCE	5.0645	5.0772	10.1417

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From: "Kentucky Frontier Gas LLC" <dhorner@kyfrontiergas.com>
SpamShield Pro Actions...
To: "Kim Crisp" <kcrisp@kyfrontiergas.com>
Subject: ARGC Dec Gas Price
Date: Tue 10/25/11 03:33 PM

Attachments

Name	Type	Save View
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Kim,

December EGC for ARGC is \$5.8861/Mcf. This includes TCo Fuel Charge (2.229%), TCo Commodity Charge (\$0.0294/Dth), CVR's Fee (\$0.05/Dth) and an estimated TCo Demand Charge (\$0.3450).

Thanks,

Dennis

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