



Western Lewis-Rectorville Water & Gas



OFFICE
8044 KY 3161
Maysville, KY 41056
(606)742-0014
(606)742-0015
1-800-230-5740
(606)742-0016 Fax

TTD/DEAF, HARD OF HEARING
SPEECH IMPAIRED PERSONS
CALL 711
TTY USERS CALL
1-800-648-6056
NON-TTY USERS CALL
1-800-648-6057

WATER
TREATMENT PLANT
8012 Kennedy Creek Rd
Maysville, KY 41056
(606)564-4449
(606)564-4414 Fax

August 21, 2012

Jeff Derouen
Executive Director
Public Service Commission
Post Office Box 615
211 Sower Boulevard
Frankfort, Ky. 40602

RECEIVED

AUG 27 2012
PUBLIC SERVICE
COMMISSION

RE: Case No.
Western Lewis- Rectorville Water and Gas District
(Rates- GCR)

Dear Mr. Derouen,

Enclosed is the original plus ten (10) copies of the Gas Cost Recovery Rates to become effective October 01, 2012.
Should additional information be needed, please advise.

Sincerely,

Pauline Bickley
Senior Office Clerk

RECEIVED

AUG 27 2012

PUBLIC SERVICE
COMMISSION

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF

THE NOTICE OF

GAS COST RECOVERY

FILING OF THE WESTERN LEWIS-RECTORVILLE GAS DISTRICT

CASE NO. 2012

NOTICE OF APPLICATION

YOUR APPLICANT, WESTERN LEWIS-RECTORVILLE GAS DISTRICT (THE DISTRICT) FOR THE PURPOSE OF COMPLYING WITH RULES AND REGULATIONS OF THE COMMISSION RESPECTFULLY ASSERTS:

1. IT IS A WATER AND GAS DISTRICT DULY ORGANIZED AND EXISTING UNDER THE LAWS OF THE COMMONWEALTH OF KENTUCKY.
2. CORRESPONDENCE AND COMMUNICATION WITH RESPECT OF THIS NOTICE SHOULD BE DIRECTED TO;

PAULINE BICKLEY
SENIOR OFFICE CLERK
8044 KY 3161
MAYSVILLE, KY 41056

2. WESTERN LEWIS-RECTORVILLE GAS DISTRICT GIVES THIS NOTICE TO THE PUBLIC SERVICE COMMISSION OF KENTUCKY PURSUANT TO YHE GAS COST RECOVERY CLAUSE IN THE ORDER OF THE COMMISSION, DATED NOVEMBER 30, 1993.
4. THE DISTRICT HEREBY REQUESTS PERMISSION TO ADJUST ITS RATES, DUE TO A CHANGE IN ATMOS ENERGY MARKETING LLC RATES, IN ORDER TO FURTHER COMPLY WITH THE RULES AND REGULATIONS OF THE COMMISSION. THE FOLLOWING EXHIBITS ARE ATTACHED HERETO AND MADE A PART HEREOF.

Company Name

Western Lewis-Rectorville

Quarterly Report of Gas Cost
Recovery Rate Calculation

Date Filed:

September 1st, 2012

Date Rates to be Effective:

October 1st, 2012

Reporting Period is Calendar Quarter Ended:

June 30, 2012

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

| <u>Component</u> | <u>Unit</u> | <u>Amot</u> |
|---|-------------|-------------|
| Expected Gas Cost (EGC) | \$/Mcf | 4.3555 |
| + Refund Adjustment (RA) | \$/Mcf | |
| + Actual Adjustment (AA) | \$/Mcf | -1.3246 |
| + Balance Adjustment (BA) | \$/Mcf | -.1526 |
| = Gas Cost Recovery Rate (GCR) | | 2.8783 |
| GCR to be effective for service rendered from _____ | | to _____ |

| | | | |
|----|---|-------------|-------------|
| A. | <u>EXPECTED GAS COST CALCULATION</u> | <u>Unit</u> | <u>Amot</u> |
| | Total Expected Gas Cost (Schedule II) | \$ | 150,796 |
| ÷ | Sales for the 12 months ended _____ | Mcf | 34,622 |
| = | Expected Gas Cost (EGC) | \$/Mcf | 4.3555 |
| B. | <u>REFUND ADJUSTMENT CALCULATION</u> | <u>Unit</u> | <u>Amot</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>Amot</u> |
| | Actual Adjustment for the Reporting Period (Schedule IV) | \$/Mcf | -.1146 |
| + | Previous Quarter Reported Actual Adjustment | \$/Mcf | -.7021 |
| + | Second Previous Quarter Reported Actual Adjustment | \$/Mcf | -.4951 |
| + | Third Previous Quarter Reported Actual Adjustment | \$/Mcf | -.0128 |
| = | Actual Adjustment (AA) | \$/Mcf | -1.3246 |
| D. | <u>BALANCE ADJUSTMENT CALCULATION</u> | <u>Unit</u> | <u>Amot</u> |
| | Balance Adjustment for the Reporting Period (Schedule V) | \$/Mcf | -.0957 |
| + | Previous Quarter Reported Balance Adjustment | \$/Mcf | -.0888 |
| + | Second Previous Quarter Reported Balance Adjustment | \$/Mcf | 0 |
| + | Third Previous Quarter Reported Balance Adjustment | \$/Mcf | +.0319 |
| = | Balance Adjustment (BA) | | -.1526 |

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 |
|-----------------|------------|---------------------------------|------------|---------------|--------------------------|
| Atmos Energy | 36,601 | 1008.3 | 36,260 | 4.12 | 150,796 |

| | | | | | |
|--------|---------------|--|---------------|--|----------------|
| Totals | <u>36,601</u> | | <u>36,260</u> | | <u>150,796</u> |
|--------|---------------|--|---------------|--|----------------|

Line loss for 12 months ended June 30, 2012 is .049 % based on purchases of 36,260 Mcf and sales of 34,622 Mcf.

| | | |
|---|--------|----------------|
| Total Expected Cost of Purchases (6) | Unit | Amount |
| ÷ Mcf Purchases (4) | \$ | <u>150,796</u> |
| = Average Expected Cost Per Mcf Purchased | Mcf | <u>36,260</u> |
| x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95) | \$/Mcf | <u>4.1587</u> |
| = Total Expected Gas Cost (to Schedule IA) | Mcf | <u>36,260</u> |
| | \$ | <u>150,796</u> |

*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

(reporting period)

| <u>Particulars</u> | <u>Unit</u> | Month 1 <u>(Apr)</u> | Month 2 <u>(May)</u> | Month 3 <u>(June)</u> |
|---|-------------|-------------------------|-------------------------|--------------------------|
| Total Supply Volumes Purchased | Mcf | 2241 | 747 | 614 |
| Total Cost of Volumes Purchased | \$ | 7361 | 2260 | 2082 |
| ÷ Total Sales (may not be less than 95% of supply volumes) | Mcf | | | |
| | | 2129 | 1298 | 610 |
| = Unit Cost of Gas | \$/Mcf | 3.4575 | 1.7411 | 3.4131 |
| - EGC in effect for month | \$/Mcf | 3.8918 | 3.8918 | 3.8918 |
| = Difference [(over-)/Under-Recovery] | \$/Mcf | -.4343 | -2.1507 | -.4787 |
| x Actual sales during month | Mcf | 2038 | 1298 | 610 |
| = Monthly cost difference | \$ | -885 | -2792 | -292 |

| | <u>Unit</u> | <u>Amount</u> |
|--|-------------|---------------|
| Total cost difference (Month 1 + Month 2 + Month 3) | \$ | -3969 |
| ÷ Sales for 12 months ended | Mcf | 34,622 |
| = Actual Adjustment for the Reporting Period (to Schedule IC.) | \$/Mcf | -.1146 |

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 | \$ | - 18,074 |
| Less: Dollar amount resulting from the AA of - .4263 \$/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 34,622 Mcf during the 12-month period the AA was in effect. | \$ | - 14,759 |
| Equals: Balance Adjustment for the AA. | \$ | <u>- 3315</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 \$/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 | \$ | <u>_____</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 | \$ | |
| 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. | \$ | <u>- 3315</u> |
| Total Balance Adjustment Amount (1) + (2) + (3) | \$ | <u>_____</u> |
| + Sales for 12 months ended <u>June 30, 2012</u> | Mcf | <u>34,622</u> |
| = Balance Adjustment for the Reporting Period (to Schedule ID.) | \$/Mcf | <u>- .0957</u> |

Att: Sharon
Fax: 606-742-0016

| 2012 3RD Quarter Price Projections | | | |
|--|----------------|------------------|--------|
| Prepared for Western Lewis Rectorville by Atmos Energy Marketing | | | |
| Month | Expected Usage | Total Amount Due | WACOG |
| Oct-12 | 2,332 | \$9,890.19 | \$4.24 |
| Nov-12 | 4,232 | \$16,824.84 | \$3.98 |
| Dec-12 | 6,621 | \$27,620.52 | \$4.17 |
| Quarter Average | 4,395 | \$18,111.85 | \$4.12 |